

SANITATION FOR ALL



THE DRIVE TO 2015

SUSTAINABLE SANITATION: THE FIVE YEAR DRIVE TO 2015

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Sanitation is a good economic investment

Sustainable Sanitation: the five year drive to 2015 calls on countries to increase investments while better targeting funding to meet the Millennium Development Goals (MDGs) target to halve, by 2015, the proportion of the population without sustainable access to safe drinking water and basic sanitation. From the point of view of both social and economic development, sanitation is a good use of money, yielding an average return of nine dollars for every dollar invested.

Toilets increase national Gross Domestic Product (GDP)

In the past it was difficult to prove, with empirical data, that the lack of proper toilets curbs economic growth. But now the economic impacts of poor sanitation are being systematically quantified. The evidence indicates a number of links between sanitation coverage and a range of sectors that drive economic growth. These “bottom-line” numbers are starting to gain the attention of finance ministers and decision makers.

Toilets mean business

Four billion people live on less than \$2 a day. Collectively, they represent the largest portion of the economy worldwide and are often referred to as the Base of the Pyramid. These people represent a massive business opportunity and are potential customers for sanitation entrepreneurs. Particularly for small-scale and local businesses, sanitation and hygiene represent a viable market with the real potential to generate high revenues for entrepreneurs who are prepared to offer affordable, appropriate solutions to real needs.

Business opportunities exist on several levels. The most apparent opportunity is in the construction of new latrines and facilities, which provides jobs for masons, construction workers, labourers, painters and tile producers, and installers. People are also willing to pay for the operation and maintenance of toilet facilities. The safe reuse of urine and composted faeces as fertilizer has the potential for multiple economic benefits in a local economy, while reducing unsafe reuse practices which have adverse health consequences. Treating human waste for biogas to produce cooking fuel also has the potential to create jobs while providing a much needed service and improving indoor air quality, which accounts for a significant proportion of acute respiratory infections in women and children.

How much is poor sanitation costing countries?

The World Bank recently assessed the annual economic impact of poor sanitation in a range of countries, and concluded that the costs were equivalent to:

- US \$53.8 billion in India, around 6.4% of GDP
- US \$6.3 billion in Indonesia, around 2.3% of GDP
- US \$193 million in Lao PDR, around 5.6% of GDP
- US \$1.4 billion in the Philippines, about 1.5% of GDP



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Toilets reduce health costs

The numbers are striking. If even a fraction of the money spent dealing with the health problems caused by poor sanitation was directed to improving services and changing behaviour, many more people would be enjoying a healthier life. Hygiene and sanitation are among the most cost-effective public health interventions, costing just US\$ 5 per disability life year averted. More children die of diarrhoea, a preventable condition directly linked to faecal exposure, than of AIDs, malaria and measles combined. Even when diarrhoea does not kill, it severely debilitates thereby making people, particularly children, more susceptible to a host of conditions such as acute respiratory infection and chronic undernutrition. The cost of treating diarrhoeal disease drains both national budgets and family finances, and avoiding them frees resources for other development objectives.

Toilets make education investments go further

Many developing countries are increasing education spending to meet the Millennium Development Goal targets for school enrolment. For a host of reasons, that spending will have more impact if some money goes towards providing toilets for students and teachers, with separate facilities for girls. For example, children enduring intense infections with whipworm have twice as much school absenteeism, thereby deepening a cycle of poverty. The average IQ loss per worm infestation is 3.75 points, representing 633 million IQ points lost for the people who live in the world's low-income countries. Knowledge on disease transmission suggests that 100% of infections caused by these soil-transmitted parasitic worms can be prevented by adequate sanitation, hygiene and water. In addition, the reduction in diarrhoea by meeting the MDG sanitation target would add almost 200 million days of school attendance per year.

Girls are reluctant to attend schools, and parents are disinclined to send them, if there are no safe, private toilets for them to use. This is particularly true once menstruation has begun. More girls in school means higher literacy rates – typically, in developing countries, each 1% increase in female secondary schooling results in a 0.3% increase in economic growth.

Toilets protect water – clean water generates wealth

Poor sanitation limits the impact of efforts to improve the quality of drinking water. The risks of water contamination during household storage and handling sharply increase in environments that lack toilets. Contamination of local water resources used to supply drinking water can lead to unnecessary investment in more distant and expensive sources. Water resources are an important asset. Polluted rivers and lakes near urban centres often mean that more distant reservoirs must be tapped, or built, in order to meet the growing needs of urban populations for clean water. Avoiding pollution of nearby water sources can reduce these new construction and transport costs. Agriculture, fish production, energy production and large-scale industrial processes, all suffer economic harm from the increased treatment and other costs due to water pollution by faecal contamination. The travel and tourism industry is one of the largest and most dynamic industries in today's global economy, expected to have generated about 9% of total GDP and provided for more than 235 million jobs in 2010. This represents 8% of global employment. Because health, safety and aesthetic considerations heavily influence people's choice of a holiday destination, good sanitation is a prerequisite for a thriving tourism sector.

Sustainable Sanitation: the five year drive to 2015 is a global campaign to redouble efforts to reach the MDG targets – and then go beyond them to ensure Sanitation for All. Sanitation is a human right – help us turn the right into a reality. To find out more visit www.sanitationdrive2015.org

Main sources: World Bank, WSSCC