

# PROOF POINT IDEAS

PROOF POINT: NOTES AND IDEAS DESIGNED TO SHARE INNOVATION, HIGHLIGHT LEARNING, AND ENLIST DISCUSSION. If you'd like to submit a proof point please contact [jsauer@waterforpeople.org](mailto:jsauer@waterforpeople.org)

## Market-Based Sanitation Solutions in Peru Summary of Trip Report—April 2011

### Arequipa

- **Segmenting Demand:** Arequipa is a quickly growing city with a significant population who lack water and sanitation services. Demand is not uniform across the city—a more thorough assessment is needed to understand expansion plans from the public sewerage utility and classify the diverse motivations and constraints among the peri-urban areas for basic sanitation products and services.

- **How does sanitation spread on its own?**

Water For People–Peru will be conducting a study to understand the different segments of Arequipa and how the sanitation market evolves: (1) following the expansion of sewerage services, (2) following private sector facilitation efforts by Water For People–Peru, and (3), how the market grows and responds to changing demand on its own. This information should help market interventions become better targeted so that markets aren't distorted and investments are sustained.

### Majes

- **Ecological Sanitation:** With an extremely well-developed, existing market for both artificial and organic fertilizers, Majes will be a key test for understanding the market value of humanure.



Lower left: *Inexpensive Toilet Option in Southern Peru.*

- **The Rural Challenge:** With unique market segments and the common rural challenges of isolated households and greater distances, Majes could provide a fascinating case study on how a sanitation business can be viable in a mixed rural/small-town demographic through the provision of a variety of products (ecological, pit latrines, water-based) promoted using a variety of marketing strategies.

- **Innovative Finance:** Water For People—Bolivia has identified numerous financial alternatives for households to increase their purchasing power.

### Trujillo

- **Innovative Community Finance:** Instead of directly supporting a business, Water For People–Peru could explore ways of more indirect support of the sanitation market through helping communities understand ways to co-finance sewerage expansion in their area through increased water tariffs or other funding mechanisms. If communities could help co-finance their own sewerage expansion (through loans or other alternatives), a demand for toilet products to connect to the sewerage would likely follow, providing numerous opportunities for local businesses.