

NEWS RELEASE

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Bangladesh: GPOBA and World Bank help 170,000 Poor Rural Families Access Hygienic Sanitation

DHAKA, January 10, 2016 – Over 170,000 low-income households in rural Bangladesh will have access to hygienic sanitation under the **Output-Based Aid (OBA) Sanitation Microfinance Program**. The **World Bank**, in partnership with the **Palli Karma-Sahayak Foundation (PKSF)**, is supporting this program with a \$3 million grant from the **Global Partnership on Output-Based Aid (GPOBA)**, in line with the government’s initiative to enable households to shift from basic to hygienic quality sanitation services.

*“Bangladesh has made remarkable progress in almost ending the practice of open defecation in rural areas, which is now down to 1 percent. This has helped reduce health risk, especially for children under five and provided safety, dignity and security to women and adolescent girls. Improvements in quality of drinking water supply and environment are noticeable with improvements in sanitation”, said **Rajashree Paralkar, Acting Country Director, World Bank Bangladesh**. “The OBA Sanitation Microfinance Program for rural communities will complement our ongoing work towards meeting the SDG goals in improved sanitation, and help poor rural families gain access to affordable hygienic sanitation facilities.”*

The OBA grant supports access to hygienic sanitation by leveraging approximately \$22 million in household loan finance from participating microfinance institutions (MFIs), for a total project cost of \$25 million. Participating MFIs include the **Association for Social Advancement (ASA)**, as well as 20 additional partner organizations of **PKSF**. This combination of microfinance and output-based subsidies will make affordable loans available to low-income households for the purchase of quality hygienic latrines from local construction firms -- thus reducing the total purchase price for families unable to pay the entire cost up front.

*“GPOBA is proud to partner with these Bangladesh microfinance institutions in supporting a results-based approach for healthier, safer, and affordable sanitation services to low-income rural households,” said **Catherine Commander O’Farrell, Head of GPOBA**. “This approach has had a major impact in the [renewable energy sector](#) in Bangladesh, and we look forward to seeing results-based approaches and lessons applied across other sectors as we work with development partners and communities to increase access to basic services for the poor.”*

The project builds upon and will be closely coordinated with an ongoing World Bank sanitation marketing initiative to encourage private sector involvement in rural sanitation. The sanitation marketing initiative, which began in 2009, has since been scaled up and supports demand creation and market promotion for hygienic sanitation, including handwashing promotion and behavior change activities. Furthermore, it supports latrine product development, taking into account female preferences and gender-related issues which may affect access, builds the capacity of local sanitation construction firms, and engages community leaders and local government for project advocacy.

Building on previous experience and in collaboration with its partners, the **OBA Sanitation Microfinance Program** aims to make clean, safe sanitation affordable and accessible to poor households, and ultimately scale up the adoption of sanitation microfinance in Bangladesh.

GPOBA, a global partnership program founded in 2003 and administered by the World Bank, is a multi-donor trust fund used to develop output and results-based approaches to provide basic services in infrastructure, health and education. It has a portfolio of 47 OBA pilot projects with US\$234 million in commitments, serving approximately nine million people in poor and marginalized communities. GPOBA’s donors include: the United Kingdom’s Department for International Development (DFID), the Australian Department of Foreign Affairs and Trade (DFAT), the Dutch Directorate-General for International Cooperation (DGIS), the International Finance Corporation (IFC), and the Swedish International Development Cooperation Agency (Sida).

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For more information on GPOBA, visit: www.gpoba.org

For more information about the World Bank’s work in Bangladesh, visit: www.worldbank.org/en/bangladesh