



## III LUANDA FINANCING SUMMIT FOR AFRICA'S INFRASTRUCTURE DEVELOPMENT

### Project Prospectus – PASA –Africa Resilient, Inclusive, and Sustainable Sanitation Enterprises (PASA ARISE) Program

#### Project Summary

<b>Project Name</b>	PASA –Africa Resilient, Inclusive, and Sustainable Sanitation Enterprises (PASA ARISE) Program
<b>Location</b>	Burkina Faso, Burundi, Cameroon, Gambia, Ghana, Guinea Conakry, Ivory Coast, Kenya, Malawi, Mali, Namibia, Niger, Republic of Congo, Senegal, South Africa, Tanzania, Tchad, Nigeria, Uganda, Zambia
<b>Sector</b>	WASH
<b>Sub-Sector</b>	Sanitation
<b>Development Stage</b>	Ideation
<b>Project Sponsor</b>	None
<b>Project Cost</b>	<b>\$11,212,500</b>
<b>Funding Requirement</b>	\$9,712,500.
<b>Project Preparation total cost</b>	NA
<b>Project Preparation funding gap</b>	NA
<b>Financing Structure</b>	The remaining investment required is \$9,712,500. Out of this, about \$5 million will come from private sector capital and the remaining \$4.7 million as grant funding
<b>Development Timeline</b>	
<b>Project Description</b>	<p>The PASA ARISE program aims to professionalize the non-sewered sanitation (NSS) sector across 20 African countries. This initiative will strengthen national associations, foster a viable market for safe and climate-resilient sanitation services, and scale sanitation enterprises.</p> <p><b>Goals:</b></p> <ul style="list-style-type: none"> <li>• To equip 500 sanitation enterprises with skills.</li> <li>• To establish supportive policy and financial ecosystems in 20 countries.</li> <li>• To institutionalize a Pan-African knowledge platform.</li> <li>• To mobilize \$2.5 million in private equity financing through a competitive Innovator Fund to scale sanitation SMEs.</li> <li>• To develop and deliver comprehensive training on small-scale fecal sludge valorization systems, including the construction of at least 5 demonstration Fecal Sludge Treatment Plants (FSTPs) in 5 different countries.</li> </ul> <p><b>Expected Outcomes:</b></p>

	<ul style="list-style-type: none"> <li>• 2 million people access safely managed sanitation services.</li> <li>• 500 sanitation enterprises will be professionalized</li> <li>• At least 1500 new, decent jobs will be created in the sanitation value chain.</li> <li>• 15 national policies will be influenced</li> </ul> <p>\$5 million in private sector capital will be leveraged</p>
<b>Strategic Importance</b>	<p>The PASA ARISE program is a cornerstone for transforming Africa's non-sewered sanitation (NSS) sector, aligning directly with PASA's vision of leading professional, safely managed services continent-wide. Strategically, it:</p> <ul style="list-style-type: none"> <li>• <b>Scales Impact:</b> Targets professionalizing 500 enterprises across 20 countries (expandable to 35) via Training of Trainers, digital hubs, and 5 demonstration FSTPs, fostering replicable models for universal access.</li> <li>• <b>Drives Systemic Change:</b> Advocates pro-NSS policies in 15 countries, empowers 10 associations for governance influence, and builds dialogue platforms—addressing barriers like tariffs and licensing for sustainable ecosystems.</li> <li>• <b>Ensures Financial Viability:</b> Mobilizes \$2.5M Innovator Fund and \$5M private capital, creating self-sustaining revenue through SME loans, climate-smart tech (e.g., biogas), and market linkages.</li> <li>• <b>Yields Broader Benefits:</b> Enhances health/equity (reduced disease, jobs), environmental resilience (circular economy, emission cuts), and SDG 6 alignment, positioning PASA as a pivotal actor in African infrastructure development.</li> </ul> <p>By mitigating risks through advocacy and partnerships, ARISE catalyzes private sector-led growth, amplifying PASA's institutional strength for long-term continental progress.</p>
<b>Market Demand</b>	<p>The market demand for non-sewered sanitation (NSS) programs like PASA ARISE is immense, driven by Africa's sanitation crisis: over 80% of sub-Saharan populations rely on onsite systems, yet 60-80% of fecal sludge is unsafely managed, causing \$200 billion in annual economic losses from health, productivity, and environmental impacts. Untapped economies in just five countries (Benin, Kenya, Nigeria, Sierra Leone, Uganda) could yield \$19 billion by 2030 through toilet, circular (e.g., biogas/fertilizer recovery), and smart sanitation models. Investments promise \$7 return per \$1 spent, with PPP potential like \$27.5 million/year in Kenya alone. Population growth and urbanization amplify need, projecting fecal sludge volumes up to 6,741 m<sup>3</sup>/day in urban areas by 2030, creating scalable opportunities for 500+ enterprise professionalization and policy reforms.</p>
<b>Total Project Cost</b>	<b>\$11,212,500</b>
<b>Capital Structure</b>	<p>The PASA ARISE program's capital structure is hybrid, blending donor grants for core operations with leveraged private investments to ensure scalability and sustainability. Key components include:</p> <ul style="list-style-type: none"> <li>• <b>Grants and Donor Funding:</b> Primary seed capital from development partners (e.g., implied Bill &amp; Melinda Gates Foundation or similar, based on PASA's history), supporting initial setup like the digital hub and training models.</li> <li>• <b>Private Equity Mobilization:</b> \$2.5M Innovator Fund for SME seed financing, attracting impact investors.</li> <li>• <b>Debt Instruments:</b> Brokerage of loans via MFIs and banks for 500 enterprises, leveraging \$5M in total private capital.</li> <li>• <b>Revenue-Generating Mechanisms:</b> Self-sustaining streams from tech adoption (e.g., biogas sales) and market linkages, targeting long-term profitability without ongoing subsidies.</li> </ul> <p>This structure minimizes risk while amplifying impact across 20 countries.</p>
<b>Financial Metrics</b>	
<b>Revenue Model</b>	<p>The PASA ARISE revenue model emphasizes financial sustainability through private capital mobilization: \$2.5M Innovator Fund for seed financing to sanitation SMEs,</p>

	leveraging \$5M total private equity via impact investors and MFIs for scalable loans to 500 enterprises. Revenue generation stems from SME services, climate-smart tech (e.g., biogas, fertilizer) adoption in 15 countries, and market linkages for valorized products. A self-sustaining ecosystem—via Training of Trainers, digital hub, and funds—ensures ongoing value creation and repayment.
<b>Social Impact</b>	The PASA ARISE project drives profound social impact by professionalizing 500 sanitation enterprises across 20 African countries, equipping them with skills for safe, accessible services. It empowers 10 national associations for policy advocacy, fosters dialogue platforms for inclusive governance, and promotes resource recovery (e.g., biogas, fertilizer) to shift waste from liability to asset. Outcomes include reduced disease burdens, enhanced community health, gender-inclusive jobs, and scalable access to safely managed sanitation—fostering dignity, equity, and resilience for millions.
<b>Environmental Impact</b>	The PASA ARISE project fosters environmental sustainability by promoting climate-smart technologies, fecal sludge valorization (e.g., biogas, fertilizer production), and circular economy models across 15 countries—reducing pollution, methane emissions, water contamination, and resource depletion while building resilient, low-carbon sanitation systems
<b>SDG and Agenda 2063 Alignment</b>	<p><b>Alignment with SDGs:</b></p> <p>The project directly contributes to several SDGs, most notably:</p> <ul style="list-style-type: none"> <li>• SDG 1, 3, 6, 8, 11, 13</li> </ul> <p><b>Alignment with Agenda 2063: "The Africa We Want":</b></p> <ul style="list-style-type: none"> <li>• Aspiration 1: A Prosperous Africa Based on Inclusive Growth and Sustainable Development: Goals 1, 7, 10, 12:</li> </ul>
<b>Technology &amp; Design</b>	
<b>Capacity/Size</b>	
<b>Construction/Preparation Timeline</b>	
<b>Offtake Agreements</b>	
<b>Risk Assessment</b>	Political/legal risks in African sanitation projects: interference, unstable policies, tariff resistance, weak contracts, land disputes, enforcement issues, legal changes. Mitigations include insurance, guarantees, robust agreements, advocacy, subsidies, due diligence—enhancing investor appeal and sustainability.
<b>Regulatory Risks</b>	
<b>Environmental and Social Safeguards</b>	
<b>Sponsors</b>	
<b>Investors</b>	
<b>Contractors &amp; Operators</b>	
<b>Legal and Financial Advisors</b>	
<b>Investment Ask</b>	\$9,712,500
<b>Next Steps</b>	Detailed project preparation process.
<b>Contact Information</b>	Kitch Bawa, Executive Secretary, Pan African Association of Sanitation Actors (PASA) <a href="mailto:kbawa@apaapasa.org">kbawa@apaapasa.org</a>

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