Making Sanitation and Menstrual Health Markets Work

SHF
The Sanitation & Hygiene Fund

ANNUAL REPORT **2025**

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Contents

Acronyms

AMFIU	Association of Microfinance Institutions of Uganda
AWSISA	Association of Water and Sanitation Institutions of South Africa
BASEPA	Bauchi State Environmental Protection Agency
CEWAS	Centre for Water and Sanitation
DBN	Development Bank of Nigeria
ESG	Environmental, Social and Governance
FSM	Faecal Sludge Management
GESI	Gender Equality and Social Inclusion
GTFCC	Global Task Force on Cholera Control
GWOPA	Global Water Operators' Partnerships Alliance
HS	Harmonized System
ISO	International Organization for Standardization
IWA	International Water Association
LMICs	Low- and Middle-Income Countries
MH	Menstrual Health
MH-MMAT	Menstrual Health Market Maturity Assessment Tool
MPTF	Multi-Partner Trust Fund
NGS	Next Generation Sanitation
RHSC	Reproductive Health Supplies Coalition
SACCO	Savings and Credit Cooperative Organisation
SANEMAT	Sanitation Market Maturity Assessment Tool
SDG	Sustainable Development Goal
SHF	Sanitation and Hygiene Fund
SIS	Swedish Institute for Standards
UNFPA	United Nations Population Fund
UNOPS	United Nations Office for Project Services
WASH	Water, Sanitation and Hygiene
WCO	World Customs Organization
WTO	World Trade Organization

About SHF

The United Nations (UN) Sanitation and Hygiene Fund (SHF) supports low- and middle-income countries to expand access to sanitation, hygiene and menstrual health through market-based, climate-resilient solutions.

Through its flagship approaches—Next Generation Sanitation (NGS) and Capital M—SHF partners with governments, development finance institutions, the private sector, civil society and development partners to strengthen market systems and remove barriers to sustainable growth.

SHF helps countries improve policies and regulations, strengthen local enterprises and manufacturing, mobilise investment, and increase access to affordable sanitation and menstrual health products and services. Gender equality and social inclusion are central to this work, with a focus on improving access, choice and economic opportunities for women and girls.

SHF also promotes circular and climate-resilient solutions, including resource recovery, wastewater reuse and sustainable menstrual health products. By strengthening value chains and financing systems, SHF contributes to better public health, economic development and long-term sustainability.

As a catalyst for change, SHF aims to accelerate lasting system transformation rather than provide permanent support. Once countries have established stronger, self-sustaining sanitation and menstrual health markets, SHF transitions its assistance.

Our donor partners

Ministry of Foreign Affairs

Schweizerische Eidgenossenschaft
Confédération suisse
Confederazione Svizzera
Confederaziun svizra

Swiss Agency for Development and Cooperation SDC

Gates Foundation

Message from the **Board Chair**

SHF's governance structure provides strategic oversight, strengthens risk management and helps ensure that focus remains on delivering results in line with its mission.

2025 unfolded in a global context marked by uncertainty, constrained development financing and growing pressure to visibly deliver more with fewer resources. Shifts in official development assistance, tightening public budgets and the restructuring of long-standing programmes affected the operating environment for many low- and middle-income countries. At the same time, the needs remain urgent with increasingly high stakes: billions of people still lack safely managed sanitation, and hundreds of millions of women and girls continue to face barriers to safe, affordable and sustainable menstrual products.

In this context, the Sanitation and Hygiene Fund's catalytic model has become even more relevant. SHF is designed to help countries move beyond fragmented, transactional, donor-dependent approaches towards stronger, self-sustaining and investable market systems. This requires evidence, policy reform, enterprise development, catalytic finance and partnerships that build systems, as well as connect governments, markets and financial institutions around shared priorities.

For the Board, foresight, credibility and accountability are central to this mission. SHF is governed by a non-executive advisory Board, supported by the Finance, Risk and Audit Committee and the Impact and Innovation Committee. This governance structure provides strategic oversight, strengthens risk management and helps ensure that SHF remains focused on delivering results consistent with its mission. This oversight is further strengthened through SHF's hosting relationship with UNOPS, which provides additional assurance across performance, finance, operations and compliance.

The Board is particularly pleased that SHF has maintained a clean audit opinion every year from 2021 to 2025, reflecting the discipline, transparency and accountability that are central to its work. SHF maintains a clear focus on delivering results while managing risk effectively.

The results presented in this report show that SHF's approach is delivering practical progress. As SHF prepares for its second strategic phase, the Board's priority is to ensure that the organisation enters its next strategic phase with the governance, capabilities, partnerships and operating model required to deliver impact at scale.

On behalf of the Board, I extend sincere appreciation to the Governments of the Netherlands and Switzerland for their continued leadership as founding donors, to the Gates Foundation for its partnership, to UNOPS for its support as host organisation, and to the many governments, partners, enterprises and communities working with SHF. Their commitment is essential to building sanitation, hygiene and menstrual health systems that deliver dignity, health, resilience and opportunity for all.

I also take this opportunity to convey appreciation to Board members and advisers for their unwavering commitment..

Cecilia Akintomide
Chair of the SHF Board

Message from the **Executive Director**

The results achieved in 2025 were made possible through partnership. Governments provided leadership, enterprises demonstrated market potential, technical and finance partners strengthened evidence and delivery, and donors helped SHF de-risk.

In 2025, SHF moved from market-building foundations towards more visible results in access, finance, enterprise growth, policy reform and global market transformation. It was a year of delivery in a difficult global context, and a year of transition as SHF prepared for SHF 2.0, its next strategic phase.

The development financing landscape changed rapidly during the year. Shifts in international assistance, pressure on public budgets and the restructuring of long-standing programmes created uncertainty for countries and partners. These changes also reinforced the importance of SHF's mission: to help build sanitation and menstrual health markets that can continue to grow beyond traditional donor support.

This report shows what that means in practice. Through Next Generation Sanitation, SHF supported countries to strengthen the foundations for safer, more inclusive and more investable sanitation systems. SHF also helped strengthen sanitation enterprises, professionalise faecal sludge management, expand access to handwashing facilities, advance SANEMAT as a diagnostic tool, and build financing pathways with partners.

Through Capital M, SHF helped move efforts to advance menstrual health from fragmented interventions towards structured market reform. Progress on Harmonized System codes, ISO standards, product safety evidence, MH-MMAT, market sizing, M Ventures and country-level reforms in Kenya, Uganda and Nigeria helped make menstrual health more visible within trade, standards, health, finance and investment systems. These are essential steps towards markets that can deliver safe, affordable and sustainable menstrual products of choice at scale.

The results achieved in 2025 were made possible through partnership. Governments provided leadership. Enterprises demonstrated market potential. Financial institutions began to engage with sanitation and menstrual health as investable sectors. Technical partners strengthened evidence, standards and delivery. Donors helped SHF de-risk, test models and unlock new pathways for finance. This is the essence of SHF's catalytic role: not to replace national systems or markets, but to help them work better.

The transition to SHF 2.0 gives us an opportunity to sharpen that role. In 2025, we strengthened our strategic direction and focused on the areas where SHF can add the greatest value: diagnostics, market development, catalytic finance, enterprise support, policy reform, standards and global positioning. The next phase will require discipline, partnership and continued innovation. It will also require us to keep demonstrating that sanitation, hygiene and menstrual health are not only development priorities, but also economic, climate, public health and gender equality opportunities.

I am grateful to the SHF Board for its guidance, to UNOPS for its support as host organisation, and to our donors and partners for their trust. Above all, I thank the governments, enterprises, financial institutions and other partners working with SHF to build stronger systems. The progress recorded in 2025 gives us a strong foundation. Our task now is to carry this momentum into SHF 2.0 and help more countries build markets that deliver dignity, health, resilience and opportunity at scale.

Dominic O'Neill

Executive Director, SHF

1 2025 At a glance

1.1 GLOBAL CONTEXT: WHY MARKET-BASED APPROACHES MATTER MORE THAN EVER

1

Global aid reductions reshaped financing landscapes

Shifts in official development assistance increased pressure on countries to strengthen domestic financing and market-based approaches.

2

3.4 billion

people lack safely managed sanitation.

3

613 million

women and girls in LMICs lack adequate access to menstrual products.

4

Progress toward SDG 6.2 remains off track

Accelerated investment and market reform are needed to close the gap.

In 2025, significant changes in international development financing, including the conclusion and restructuring of several major donor-funded programmes, further reshaped the operating environment for low- and middle-income countries (LMICs). Funding for health, Water, Sanitation and Hygiene (WASH), civil society and systems-strengthening initiatives was reduced or redirected in many contexts, resulting in programme closures, implementation gaps and the scaling back of some market-based approaches. These shifts also affected parts of the civil society and NGO ecosystem that had contributed to service delivery, advocacy and local implementation.

The combined effect created short-term service gaps and uncertainty in funding pipelines, increasing pressure on governments and development partners to adapt quickly. This also accelerated the shift away from aid-dependent models towards blended finance, domestic resource mobilisation and greater private sector participation. In this context, SHF's approach, focused on building investable systems, strengthening domestic markets and mobilising sustainable finance, became increasingly relevant as a way to help countries adapt to this changing financing landscape.

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Progress toward Sustainable Development Goal target 6.2 remains off track. Current investment in sanitation and wastewater remains concentrated in sewered infrastructure and household-level financing. This approach does not yet match the scale of need, with 3.4 billion people still lacking access to safely managed sanitation, highlighting a continued gap between household investment and the provision of adequate public-private services.

1.2 2025 SUMMARY RESULTS: EXPANDING ACCESS, MOBILISING FINANCE AND STRENGTHENING MARKETS

2025 marked a pivotal year for SHF, as the organisation moved through the final phase of SHF 1.0 and prepared for SHF 2.0, its 2027–2032 strategic period. This transition reflects a shift from early market-building towards stronger, self-sustaining and investable market systems that can reduce long-term reliance on traditional donor funding.


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MOBILISING FINANCE AND INVESTMENT

SHF interventions continued to leverage finance for sanitation and menstrual health markets. In 2025, private investment and financing reached USD 6.7 million, including over USD 165,000 in loans for sanitation entrepreneurs through microfinance institutions. Public investment supported through SHF technical assistance and policy engagement reached USD 2.4 million. These results demonstrate SHF's catalytic role in strengthening enabling environments, supporting financial institutions and helping build investable opportunities.

EXPANDING ACCESS TO SANITATION AND HYGIENE SERVICES

Market-based approaches supported concrete access gains across Kenya, Uganda and Nigeria. In 2025, nearly 240,000 people gained access to basic sanitation and over 62,000 people gained access to safely managed sanitation. SHF-supported interventions also helped 14 schools gain access to basic sanitation services, reaching nearly 72,000 people, while three health care facilities were reached through related services, serving nearly 164,000 people. In addition, over 140,000 people gained access to new or improved handwashing facilities. These results underscore the contribution of market-based approaches to expanding sustainable access to sanitation and hygiene services across households and essential public institutions.

SUPPORTING JOBS AND ENTERPRISE GROWTH

SHF's work continued to demonstrate the economic potential of sanitation markets. In Uganda, nearly 2,500 sanitation enterprises across seven districts received direct support, generating nearly 5,300 jobs, including over 800 for women. Across Kenya and Uganda, SanUp, SHF's sanitation enterprise accelerator implemented with Cewas and endorsed by both governments, supported 15 enterprises and nearly 700 jobs, including over 320 jobs held by women. The programme is helping enterprises strengthen their business models, improve investment readiness and prepare pathways towards blended finance.


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> Sanitation, hygiene and menstrual health are central to public health, gender equality and sustainable development.

Janine Kuriger
Head of the Water Section, Thematic Cooperation
Swiss Agency for Development and Cooperation (SDC)

STRENGTHENING NATIONAL SYSTEMS FOR NEXT GENERATION SANITATION

SHF advanced important system-level reforms for Next Generation Sanitation (NGS). In Kenya, work progressed on integrating non-sewered sanitation into the National Building Code, helping create stronger standards, serviceability requirements and investment conditions for sanitation at scale. SANEMAT was also piloted in Kenya and Uganda, supporting governments and partners to assess market maturity, identify bottlenecks and guide policy, technical assistance and investment decisions.

In Nigeria, SHF progressed its partnership with the Development Bank of Nigeria to unlock local currency financing for sanitation and menstrual health through a two-phase national programme. Phase 1 focused on strengthening participating financial institutions, including microfinance institutions, while Phase 2 is planned for 2026 through SHF's MPTF facility with UNCDF.

ADVANCING CAPITAL M AND GLOBAL MENSTRUAL HEALTH MARKET REFORM

Capital M strengthened menstrual health markets by embedding them more firmly within international and national trade, regulatory and investment systems. In 2025, SHF supported expanded LMIC participation in global menstrual product standards development, with ISO/TC 338 reaching 56 participating countries. SHF staff joined the ISO/TC 338 annual plenary hosted by Kenya, bringing together around 80 experts from 23 countries, and continued dialogue with Ghana as it became co-secretariat through a twinning partnership with the Swedish Institute for Standards.

SHF also helped advance global trade reform through engagement with the World Trade Organization, initiating a process to request for the World Customs Organization to review Harmonized System codes for menstrual products. This represents an important step towards improving the visibility of menstrual products in global trade systems and strengthening the data needed for better fiscal policy, market intelligence and investment planning for those left behind.

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BUILDING MENSTRUAL HEALTH MARKETS AT COUNTRY LEVEL

At the country level, Capital M supported the shift from advocacy to structured market reform. In Kenya, SHF strengthened collaboration with the Ministry of Investments, Trade and Industry, the Kenya Association of Manufacturers and standards bodies to position menstrual health within broader trade, industry and standards agendas. In Uganda, menstrual health was integrated into national sanitation policy, while in Nigeria the National Menstrual Health and Hygiene Policy was validated and supply chain mapping helped identify gaps in product availability and last-mile distribution.

> We are currently seeing a decline in Official Development Assistance (ODA), including funding for WASH. Yet needs remain high. I am convinced that in stable countries, market development will prove to be essential for improving access to sanitation and menstrual hygiene products. Market-based approaches can complement public action by helping expand access, strengthen local enterprise and support more sustainable service delivery.

Brechtje Paardekooper
Senior Adviser, Water
Ministry of Foreign Affairs of the Netherlands

2 Building self-sustaining markets

2.1 WHY SHF FOCUSES ON MARKET SYSTEMS

SHF's vision is a world where everyone has access to safely managed sanitation, and where every woman and girl can access safe, affordable and sustainable menstrual products. Achieving this vision requires the conditions for markets to work better: the ability to mobilise finance, support local enterprises, improve policies and regulations, and expand access at scale.

SHF's role is catalytic: to help change how governments plan and regulate, how markets deliver solutions, and how finance is mobilised. Through its two flagship approaches, Next Generation Sanitation (NGS) and Capital M, SHF supports countries to move from fragmented, donor-dependent approaches towards functioning market systems that can grow beyond traditional aid.

This approach combines market development, policy reform, enterprise support, data-driven diagnostics and catalytic finance. It focuses on removing the structural barriers that prevent sanitation, wastewater and menstrual health markets from developing, while helping governments, businesses, manufacturers, service providers and financial institutions build the conditions for long-term investment and scale.

2.2 HOW SHF WORKS: THREE PATHWAYS FOR CHANGE

SHF's approach is built around three connected pathways.

1 ADDRESS BARRIERS TO MARKET GROW

- Policy
- Regulation
- Standards
- Coordination
- Institutional capacity

2 SUPPORT INCLUSIVE

- Small businesses
- Manufacturing
- Entrepreneurship
- Service delivery
- Innovation

3 LEVERAGE FINANCE AND INVESTMENT

- Banks
- Local currency
- Catalytic finance
- Investment pipelines

First, SHF supports countries to address barriers to market growth by strengthening policies, regulations, standards, coordination and institutional capacity. This helps create the enabling environment needed for sustainable sanitation, wastewater and menstrual health markets to mature.

Second, SHF supports inclusive private sector models by working with local businesses, manufacturers, entrepreneurs and service providers. The aim is to improve product availability, strengthen service delivery, support innovation and expand access to affordable solutions, particularly for women, and marginalised populations.

2.3 NEXT GENERATION SANITATION: INVESTING IN SYSTEMS BEYOND SEWERS

IF (THE PROBLEM)

- Despite decades of investment, **2 out of 5** people globally still lack safely managed sanitation.
- **3.4 billion** people lack safely managed sanitation.
- **354 million** people still practise open defecation.
- The world is **off track** to achieve SDG 6.2 by 2030.
- Fewer than **1 in 6** countries report sufficient finance to meet national sanitation targets.

THROUGH (THE 3 STRATEGIC PILLARS)

1. Addressing barriers to market growth

Developing standards, regulatory reform, and strengthening the policy environment.

2. Private sector models for technology, products, and services

Supporting enterprises' route to market and access to finance.

3. Unlocking finance and investment for growth

Deploying catalytic financing instruments to scale enterprises.

THEN (THE OUTCOME)

A thriving, inclusive sanitation economy with affordable, safe services and market growth across LMICs.

LONG-TERM IMPACT

- **Education and economic inclusion**
- **Environmental sustainability**
- **Health and bodily agency**

Third, SHF helps leverage finance and investment by mobilising domestic, blended, commercial and local currency finance. This includes supporting investable pipelines, strengthening financial institutions' understanding of sanitation economies and menstrual health markets, and using catalytic finance to reduce risk and attract additional capital.

Data-driven diagnostics are central to this approach. SHF uses tools such as the Sanitation Market Maturity Assessment Tool (SANEMAT) and the Menstrual Health Market Maturity Assessment Tool (MH-MMAT) to help governments and partners assess market maturity, identify bottlenecks, understand financing constraints and prioritise opportunities for scale. These insights inform tailored technical assistance and help align public policy, market actors and financing systems.

Next Generation Sanitation is SHF's response to the limits of traditional, sewer-based and project-driven sanitation approaches. With 3.4 billion people still lacking safely managed sanitation, and with growing pressure from urbanisation, climate change and constrained public finance, countries need faster, more flexible and more investable technologies and service solutions.

NGS supports whole-system approaches that integrate non-sewered technologies, market development, finance, business models and policy reform. It recognises that many communities will not be reached by sewered systems alone and promotes alternatives such as decentralised sanitation, faecal sludge management, wastewater treatment and reuse, modular systems, container-based sanitation and digital service models.

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THE APPROACH IS BUILT AROUND THREE PILLARS:

- Enabling systems: policies, regulation and standards that support private sector participation and attract investment.
- Innovation: scalable, context-specific technologies and business models.
- Finance: catalytic and blended finance to de-risk markets and mobilise investment.

Through NGS, sanitation is positioned not only as a basic service, but also as a climate resilience strategy, a water protection solution and a driver of inclusive economic growth. The goal is to help countries build self-sustaining, circular and investable sanitation systems, with full value-chain investment from containment to treatment and reuse.

2.4 CAPITAL M: MAKING MENSTRUAL HEALTH MARKETS WORK

IF (THE PROBLEM)

Globally **1 in 4** lack access to purpose-made products

Standards Gaps: No global quality and safety standards; lead in tampons varies up to **100x.**

Trade Barriers: **$31–45 billion** market size, no dedicated HS codes, yet pens have **12**.

Climate & Waste: In the EU alone, **49 billion** single-use products are discarded annually; pads generate **7,375x** more waste than cups.

THROUGH (THE 3 STRATEGIC PILLARS)

1

Addressing barriers to market growth

Developing ISO standards, regulatory reform, and strengthening the policy environment.

2

Private sector models for technology, products, and services

Supporting enterprises' route to market and access to finance.

3

Unlocking finance and investment for growth

Deploying catalytic financing instruments to scale enterprises.

THEN (THE OUTCOME)

Affordable and safe products and market growth across LMICs

LONG-TERM IMPACT

Education and economic inclusion

Environmental sustainability

Health and bodily agency

Capital M is SHF's approach to building stronger menstrual health markets that can deliver safe, quality and affordable menstrual products at scale. It reframes inadequate access to menstrual products not only as a social or health issue, but also as a symptom of market underperformance.

Many menstrual health markets face structural barriers, including weak regulation, limited market data, fragmented supply chains, insufficient product standards, trade barriers, undercapitalised enterprises and limited access to finance. Capital M works to address these constraints across the full market system, from production and distribution to end-user access.


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CAPITAL M SUPPORTS:

- demand-driven products and services that reflect affordability, usability and consumer choice;
- inclusive participation by manufacturers, distributors, retailers and service providers;
- stronger market intelligence to guide policy, investment and business decisions;
- supportive regulation, harmonised standards and improved access to capital;
- scalable and circular value chains for reusable and disposable products.

Through Capital M, SHF supports the development of global product standards, greater LMIC participation in standard-setting, improved trade classification, stronger local manufacturing, better supply chains and catalytic finance for menstrual health enterprises. Over time, the aim is for menstrual health to be embedded within mainstream development, trade and investment systems as markets mature.

MID-TERM REVIEW: A CREDIBLE CATALYTIC MODEL FOR SCALE

In 2025, an independent mid-term review found that SHF is highly relevant in a shifting development finance landscape marked by declining official development assistance, constrained public budgets and rising demand for measurable results.

The review showed that SHF's catalytic model fills an important gap between traditional WASH delivery and large-scale development finance by combining market development, policy reform and catalytic finance. It also recognised SHF as an emerging systems enabler, connecting governments, markets and finance institutions to address structural barriers in sanitation and menstrual health.

Early evidence pointed to promising systems-level effects where SHF is aligned with national priorities and embedded in government structures, including improved coordination and early market activation. At the same time, the review noted that SHF remains in the early stages of implementation, with many results still foundational and not yet fully measurable at scale.

The review concluded that SHF has established a credible catalytic model. It also highlighted the need for sharper prioritisation, clearer communication of SHF's value, stronger country-level coherence and a continued focus on scalable, investable approaches. Sustainability will depend on embedding SHF's models within national systems, increasing domestic financing and institutionalising approaches beyond individual project cycles.

3

Advancing sanitation access, services and investment

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In 2025, SHF continued to act as a catalyst for market-based change in safely managed sanitation. Across Kenya, Uganda and Nigeria, SHF focused on identifying and addressing system-wide barriers that prevent sanitation markets from growing, attracting investment and delivering services at scale.

This work combined government leadership, evidence-based tools, policy reform, enterprise development and catalytic finance. The results show how sanitation can move beyond fragmented, donor-dependent delivery models towards more investable and self-sustaining market systems.

In 2025, nearly 240,000 people gained access to basic sanitation, while over 62,000 people gained access to safely managed sanitation. SHF-supported interventions also helped 14 schools gain access to basic sanitation services, reaching nearly 72,000 people, while three health care facilities were reached through related services, serving nearly 164,000 people. In addition, over 140,000 people gained access to new or improved handwashing facilities.

These results were driven by support to country-led market development, including strengthening service delivery systems, linking households to providers and products, supporting sanitation enterprises, and improving conditions for private sector participation.

"Sanitation businesses need recognition, structure and access to finance to grow. When market barriers are better understood, service providers like us can contribute more effectively to safe and reliable sanitation services."

Susan Atim
Perfect Emptiers, Uganda

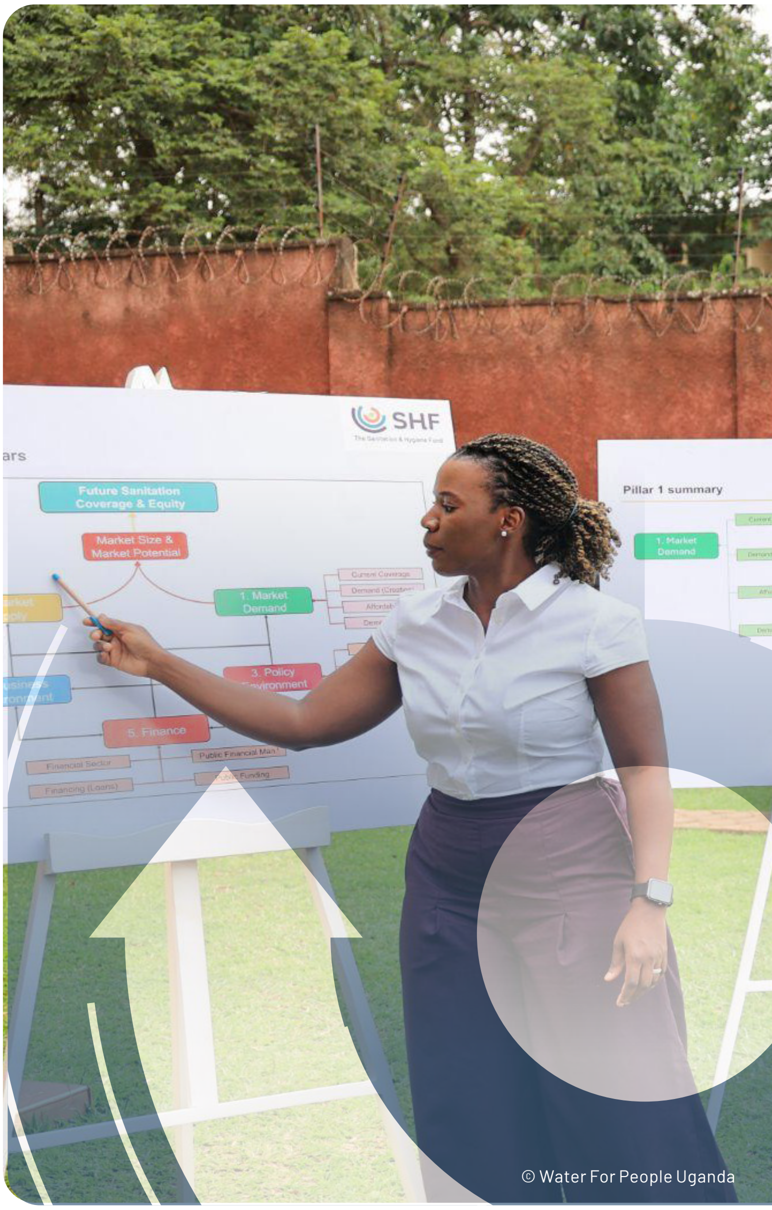
3.1 SANEMAT: STRENGTHENING SANITATION MARKET INTELLIGENCE

A major area of progress in 2025 was the expanded use of the Sanitation Market Maturity Assessment Tool (SANEMAT). Developed by SHF in 2024, SANEMAT helps governments and partners assess how sanitation markets are functioning, identify bottlenecks, and guide policy, technical assistance and investment decisions.

In Kenya, SANEMAT was piloted at national level and in Nakuru County, led by the Ministry of Water, Sanitation and Irrigation and the Kenya National Bureau of Statistics. The process combined document review with surveys covering 21 national stakeholders, six sub-national stakeholders, 14 sanitation enterprises and seven lenders.

In Uganda, SANEMAT was piloted at national level and in Kabarole District, led by the Ministry of Health. The process brought together government, utilities, regulators, financiers, private sector actors and civil society through structured engagement on sanitation market development.

The pilots identified common barriers to sanitation market growth. These included weak effective demand, low affordability among underserved populations, weak rural supply chains, low faecal sludge management coverage and a large informal sector with limited incentives to formalise. At the same time, the assessments highlighted opportunities to strengthen markets through clearer regulation, stronger private sector mandates, public-private coordination, improved financing and targeted enterprise support.



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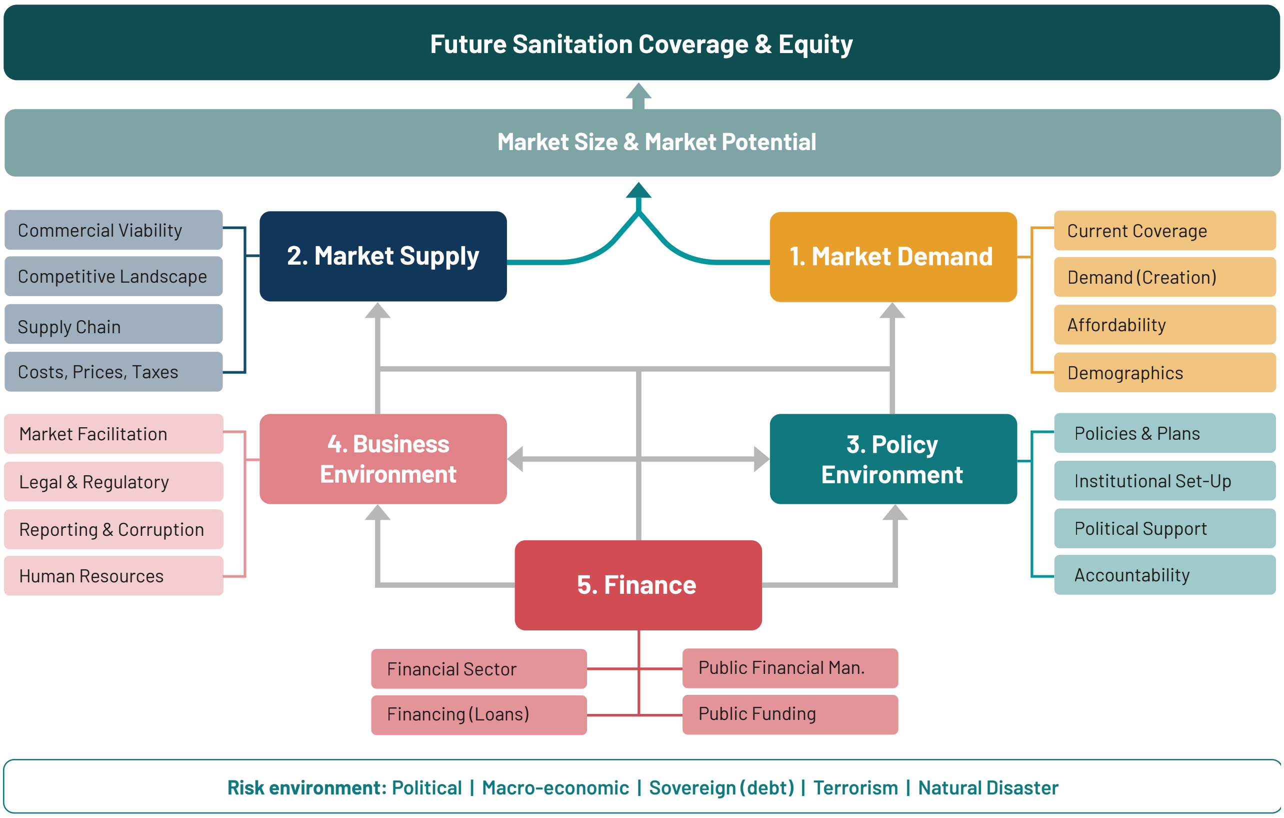
> SANEMAT was designed to help governments and partners move from fragmented analysis to a clearer understanding of how sanitation markets function. It provides a practical way to identify bottlenecks, assess investment readiness and prioritise reforms.

Dr Guy Hutton
SHF consultant for the development of SANEMAT



In Kenya, the Ministry of Water, Sanitation and Irrigation endorsed the findings and committed to seeking Cabinet approval for adoption of SANEMAT as a national instrument, with a pathway underway to integrate the tool into national and county planning and investment systems. In Uganda, the government decided to institutionalise SANEMAT as a formal mechanism for market assessment and sector planning.

By linking evidence, policy and investment readiness, SANEMAT helps move sanitation planning beyond fragmented analysis towards more practical, market-based decision-making. It provides governments, partners and investors with a clearer understanding of where sanitation markets stand, what is holding them back, and where targeted reform or investment can unlock progress.

SANEMAT's value is also reinforced by findings from a review of 39 frameworks for assessing sanitation economies, markets and enabling environments in developing economies, completed by SHF in 2025 and published in the International Journal of Environmental Research and Public Health. The review found that existing tools provide important but partial insights, often focusing on specific aspects of policy, service delivery, financing or sector performance, without offering an integrated view of how sanitation markets function or how ready they are for investment.

WHAT SANEMAT ADDS

SANEMAT helps shift sanitation planning from general sector analysis to market-specific decision-making.

By looking across demand, supply, policy, regulation, business conditions and financing, the tool gives governments and partners a clearer view of where sanitation markets are blocked and where reform, investment or technical support can unlock progress. The 2025 pilots in Kenya and Uganda showed that diagnostics can also create a shared language between ministries, regulators, utilities, financiers, enterprises and civil society.

"For financial institutions, sanitation becomes more bankable when the market is better understood. SANEMAT can help identify where demand exists, where risks need to be addressed and how financial products can be designed."

Johnson Rukara
Programme and Business Development
Opportunity Bank, Uganda

© SHF

SANEMAT creates a shared evidence base for government, service providers, financiers and partners. This is important for moving sanitation planning towards more coordinated, market-based decisions.

Sam Mutono
Chair of Uganda National Sanitation Working Group

3.2 ADVANCING NATIONAL REFORM IN KENYA

In Kenya, SHF continued to support efforts to strengthen the policy, regulatory and investment conditions for non-sewered sanitation. In addition to piloting SANEMAT, this included private sector development support, regulatory strengthening, county-level readiness for market reform and initial positioning on integrating Next Generation Sanitation into the National Building Code.

The Building Code work lays the groundwork for scaling non-sewered sanitation. With over 70% of households relying on on-site sanitation and 24 counties fully dependent on such systems, Building Code reform is a critical lever for standardising infrastructure, improving serviceability and creating predictable investment conditions.

> Integrating non-sewered sanitation into planning and regulatory systems is essential for Kenya's sanitation transformation. Clear standards and stronger market systems can help expand safe services while creating more predictable conditions for investment.

Eng. Mary W. Wainaina
Director, Water, Sanitation and Sewerage Development Department
Ministry of Water, Sanitation and Irrigation, Kenya

In 2025, SHF and the Ministry of Water, Sanitation and Irrigation advanced work on technical standards, zonal compliance approaches, innovation accreditation options and county-level enforcement mechanisms. By linking sanitation requirements to affordable housing and commercial building development, the reforms create potential for larger and more bankable investment opportunities capable of attracting commercial finance. The initial groundwork completed in 2025 positions the initiative to move towards legislation in 2026.

SHF also supported the Private Sector Delegation optimisation initiative. This work addresses the need to move from ad hoc delegation to a coherent national framework for private, community and franchised actors to expand safely managed sanitation services. In 2025, the initiative mapped sanitation market actors, identified structural bottlenecks and clarified institutional and regulatory constraints. It will inform reforms covering legal and regulatory harmonisation, standardised delegation instruments, Service Level Agreements, tariff and financing frameworks, institutional coordination, and monitoring and enforcement.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WHY KENYA'S BUILDING CODE MATTERS

Kenya's Building Code reform is not only a technical standards process. It is a way to make non-sewered sanitation more visible, enforceable and investable within housing, urban planning and county-level development.

This matters because many households and counties will continue to rely on on-site and non-sewered systems. Clearer standards can help ensure these systems are planned, built, serviced and financed as part of a wider sanitation economy rather than treated as informal or temporary solutions.


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3.3 SCALING SANITATION ENTERPRISES AND SERVICES IN UGANDA

In Uganda, SHF's support continued to help translate policy progress into implementation. In 2025, this work helped expand the sanitation economy through enterprise support, household investment, financial sector engagement and improved service delivery.

By the end of 2025, nearly 2,500 sanitation enterprises across seven districts had received direct support, generating nearly 5,300 jobs, including over 800 for women. In the final quarter alone, 145 new enterprises entered the market, creating 232 additional jobs.

SHF also continued to support the professionalisation of services and local supply chains. Sixty masons were trained under the National Sanitation Artisan Curriculum and linked to areas with triggered demand. Market activations for sanitation products such as SATO units across seven districts resulted in nearly 7,000 units sold, over 35 masons trained and nearly 30 hardware outlets supported. In total, over 800 sanitation facilities were upgraded to basic service level through improved sanitation solutions.

Service delivery gains were also achieved in Kampala. Service Level Agreements enabled the safe management of over 400,000 cubic metres of faecal sludge across three treatment plants, serving households, institutions and businesses. These targeted interventions strengthened accountability, service quality and system efficiency in faecal sludge management.

> Uganda's sanitation progress depends on translating policy into practical systems that can deliver services, support enterprises and strengthen public health. Market-based approaches help connect government priorities with service delivery and financing.

Dr. Herbert Nabaasa
Commissioner for Environmental Health
Ministry of Health, Uganda

Market activation in Fort Portal and Kamuli expanded demand for safe emptying services, reaching over 1,500 people through community engagement and generating new service requests. A business model workshop also supported tariff harmonisation across faecal sludge treatment plants, strengthening cost recovery and operational accountability.

Uganda also advanced policy and systems strengthening. SHF supported climate-relevant policy processes, including the Climate-Resilient Health National Action Plan and the WASH National Adaptation Plan 2026-2030. SHF also supported the National Environmental Health Strategy, improved inspection tools and KPIs, and Uganda's first National Climate-Resilient WASH in Schools Manual.

Financial sector engagement also advanced. Partnerships with the Association of Microfinance Institutions of Uganda and five Savings and Credit Cooperative Organisations (SACCOs) and microfinance institutions were formalised, supporting sanitation and hygiene financing pilots. A National ESG WASH Curriculum and Metrics Framework was developed for integration into financial sector governance, risk and reporting systems.

FROM INFORMAL SERVICES TO ACCOUNTABLE SANITATION MARKETS

Uganda's faecal sludge management work shows how sanitation services can become more professional and financeable when clear service arrangements are introduced.

In Kampala, Service Level Agreements link private pit emptying companies to measurable service delivery, including sludge volumes delivered to treatment plants, safety standards and customer service. This helps move faecal sludge management from fragmented service provision towards a more structured and accountable sanitation service market.

"When expectations on response times, safety standards and service quality are defined and monitored, it strengthens trust with customers and authorities, and helps professionalise the sector. This kind of structure allows private operators to demonstrate performance and grow sustainably."

Henry Kayondo
Chairperson, Gulpers Association of Uganda

In Uganda, strengthening sanitation markets means improving how services are organised, delivered and financed. By working with value chain actors, financial institutions and government partners, we are helping build more accountable, resilient and sustainable sanitation systems.

Brenda Achiro
Country Director, Water for People Uganda (SHF implementing partner)

3.4 BUILDING SANITATION MARKETS AND PUBLIC HEALTH RESILIENCE IN NIGERIA

In Nigeria, SHF continued to advance sanitation market development and public health resilience in Bauchi State. The work brought together the Federal Ministry of Water Resources and Sanitation, the Bauchi State Government and key partners, including RUWASSA, WaterAid Nigeria, Sanivation, the Development Exchange Centre and BASEPA.

Service expansion efforts in 2025 mobilised more than 1,100 communities, resulting in over 9,500 basic sanitation facilities and more than 580 safely managed sanitation facilities, reaching over 70,000 people. Local entrepreneurs constructed more than 700 improved household toilets, while nearly 150 pit emptiers were trained and equipped with Gulper technology to strengthen faecal sludge management services.

Market strengthening activities supported 87 sanitation entrepreneurs and 75 hygiene entrepreneurs to expand services and improve local market delivery. Sanitation financing advanced through multiple mechanisms. Nineteen sanitation entrepreneurs accessed nearly USD 10,000 in low-interest loans, while microfinance arrangements enabled nearly 450 households to construct toilets. Village Savings and Loan Associations were implemented across 45 communities, strengthening pooled community savings and financial inclusion. A sanitation voucher mechanism was also prepared for nearly 300 vulnerable households.

A major achievement was the integration of sanitation programming with cholera preparedness and response. SHF-supported partners helped establish a State Steering Committee and Technical Working Group on Cholera. Forty-eight health workers across 12 priority local government areas were trained in collaboration with WHO, MSF, NCDC, RUWASSA and BASEPA. Case Area Targeted Interventions were implemented across 24 high-risk communities, combining hygiene promotion, water treatment, sanitation interventions and environmental decontamination.

During the reporting period, cholera outbreaks were rapidly contained in Tafawa Balewa LGA, with no reported cases in Jama'are and Misau LGAs.

In 2025, SHF's work in Nigeria also contributed to policy processes, including support to National WASH Policy processes and the validation of the National Menstrual Health and Hygiene Policy. Sanitation innovations, including Gulper technology, were also showcased at Nigeria's National Sanitation Conference.

SANITATION AS PART OF CHOLERA RESILIENCE

The Bauchi experience shows how sanitation market development can strengthen public health resilience.

The intervention did not treat sanitation, hygiene, financing and outbreak preparedness as separate activities. It combined community mobilisation, sanitation enterprise development, household financing, faecal sludge management and cholera response systems. This integrated approach helped expand services while strengthening prevention and preparedness in high-risk areas.

"In Bauchi State, we are catalysing a shift in open defecation free status to safely managed sanitation by combining community mobilisation, enterprise support, financing and cholera preparedness. This foundation shows viability when public health resilience and market development advance in strengthening sustainable systems toward SHF's next phase in Nigeria."

Evelyn Mere
Country Director, WaterAid Nigeria

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3.5 ACCELERATING SANITATION ENTERPRISES THROUGH SANUP

In 2025, SHF launched SanUp, a sanitation SME acceleration programme endorsed by the Governments of Kenya and Uganda and implemented by Cewas. The programme provides tailored technical assistance, catalytic funding and investment readiness support to sanitation enterprises.

SanUp supports enterprises through a whole-value-chain approach, looking at how businesses interact across business development, manufacturing, supply chains and waste management. This moves beyond segmented interventions and helps strengthen SME operations, innovation, affordability, local manufacturing and circular solutions.

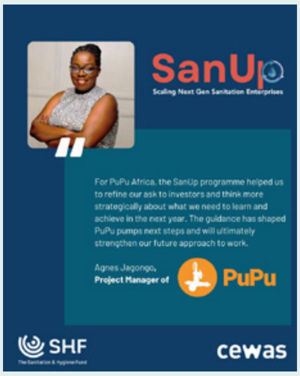
The programme mapped 188 sanitation enterprises and began tailored support to 15 SMEs across Kenya and Uganda and by year end, 12 enterprises had commenced technical assistance. Catalytic financing assessments identified SMEs such as Chanzi, RDF Uganda, Yo-Waste and Local Globe Enterprises, with indicative grants of USD 5,000 to USD 25,000 and pathways towards blended finance.

Across the cohort, SanUp supported nearly 700 jobs, of which more than 300 were held by women. Six enterprises were women-led, and 54 women held senior management positions. Insights from SanUp will also inform broader water-sector accelerators where sanitation remains under-represented.

SanUp shows what becomes possible when sanitation enterprises receive the right mix of technical assistance, investment readiness support and market connections. By strengthening businesses across the sanitation value chain, we can help turn sanitation from an underserved service area into a viable and growing market.

Hannah Wuzel
Project Manager for SanUp, Cewas (Implementing partner of SanUp)

WOMEN'S ECONOMIC PARTICIPATION IN SANITATION MARKETS



SanUp shows that sanitation enterprise development can also advance women's economic participation. Across the first cohort, 46% of jobs were held by women, six enterprises were women-led, and 54 women held senior management roles.

This matters because women are often central to household sanitation decisions but less visible in enterprise leadership, technical roles and investment pathways. Supporting women-led and gender-inclusive businesses helps connect sanitation market growth with more inclusive economic outcomes.

"Through SanUp, Cama Women Plumbers is strengthening its business systems, refining its services and improving how it delivers safe water and sanitation solutions. The technical assistance we received on financial planning, business structuring and investment readiness is helping us grow sustainably, scale our impact and create more meaningful opportunities for women plumbers in Uganda."

Nansubuga Justine Nambi
Founder and Team Leader, Cama Women Plumbers Network

3.6 MOBILISING FINANCE AND CLIMATE INVESTMENT

Sanitation, particularly non-sewered sanitation, presents a significant opportunity to expand inclusive services through more diversified financing models. SHF is focused on unlocking this by strengthening investment readiness, improving access to finance, and linking public programmes with commercial and climate finance. At national and sub-national levels, SHF has supported governments to better structure, prioritise, and integrate sanitation investments within planning and financing systems, improving coordination across institutions and funding cycles. This has helped strengthen the pipeline of investable sanitation projects and align public and private financing approaches.

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In 2025, across sanitation and menstrual health markets, private investment and financing reached USD 6.7 million, including over USD 165,000 in loans for sanitation entrepreneurs through microfinance institutions. Public investment supported through SHF technical assistance and policy engagement reached USD 2.4 million.

SHF is working with the World Bank to leverage its SURWASH programme—a US$700 million investment in water, sanitation, and hygiene in Nigeria—as a key platform to accelerate sector impact. By addressing constraints in local capacity, project preparation, procurement, and performance-based disbursement, SHF provides targeted technical assistance to improve readiness and reduce implementation risk. This support helps unlock and accelerate the flow of World Bank financing, enabling more effective delivery of sanitation investments at scale.

In Kenya, SHF is working with commercial banks KCB, NCBA, Equity Bank, and Co-operative Bank, along with Water.org, to strengthen sanitation lending through technical assistance, market development, and catalytic finance, leveraging the Kenya Integrated Water, Sanitation, and Hygiene (KWASH) programme, previously funded by USAID.

In Uganda, a National ESG WASH Curriculum and Metrics Framework was developed for integration into the Uganda Institute of Banking and Financial Services and UBA-led ESG initiatives, embedding WASH within financial sector governance, risk, and reporting systems. Partnerships with AMFIU and five SACCOs/MFIs were formalised, and catalytic financing pilots expanded household access to sanitation and hygiene services, with MH-specific financial products planned for scale-up in 2026.

CARBON FINANCE: A NEW PATHWAY FOR SANITATION INVESTMENT

Carbon finance offers a potential route for bringing climate capital into sanitation markets. In Kenya and Uganda, SHF explored carbon finance opportunities, identifying climate-aligned investments and assessing the potential to monetise emissions reductions through carbon credit mechanisms. This work builds on SHF's broader focus on circular economy approaches, resource recovery and resilient sanitation markets.

The opportunity is promising, but the sector still faces barriers. Projects require technical capacity, credible project preparation and clear pathways to carbon credit eligibility. SHF's early work helps test whether sanitation services can become more visible within climate finance markets.

CREATING LOCAL CURRENCY INVESTMENT PATHWAYS IN NIGERIA

SHF progressed its partnership with the Development Bank of Nigeria (DBN) to unlock local currency financing for sanitation and menstrual health through a two-phase national programme. Phase 1 focuses on strengthening the capacity of DBN participating financial institutions (PFIs), including microfinance institutions, to expand lending to sanitation and hygiene microenterprises and pilot household financing models. Phase 2, planned for 2026 through SHF's MPTF facility with UNCDF, will introduce catalytic instruments such as guarantees, interest rate incentives, and results-based financing to scale lending.

Engaging DBN is central to SHF's strategy as its wholesale mandate, national PFI network, and ability to shape lending standards enables system-wide scale and crowding-in of private capital. The programme builds on market assessments and aligns with state-level initiatives, including in Bauchi in partnership with WaterAid Nigeria, and serves as a proof of concept for transitioning sanitation enterprises from grant-supported pilots—including early-stage financing support from UNICEF—into bankable borrowers within domestic financial systems. This shift moves beyond fragmented, transaction-based financing towards sustainable local currency investment pathways and a structured national model for scale.

> Local currency financing is essential if sanitation and menstrual health enterprises are to grow beyond grants and pilots. Our partnership with SHF is helping build a pathway for Nigerian financial institutions to better understand, finance and scale these emerging markets.

Dr. Tony Okpanachi
Managing Director and CEO, Development Bank of Nigeria (DBN)

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Building thriving menstrual health markets

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In 2025, SHF worked to strengthen menstrual health markets by embedding them more firmly within trade, regulatory and investment systems, reinforcing a shift from advocacy-led efforts towards structured market reform across standards, product classification, financing, production systems and enterprise development. This pivot responded to persistent barriers limiting access to safe, affordable and quality menstrual products, including weak product standards, fragmented trade systems, limited market data, underdeveloped supply chains, affordability constraints and limited access to finance for menstrual health enterprises.

Through Capital M, SHF worked with governments, standards bodies, technical partners, enterprises, donors and financial institutions to build the systems that menstrual health markets need to grow. This included progress on global trade visibility, global product standards, product safety evidence, market diagnostics, enterprise acceleration and country-level reform in Kenya, Uganda and Nigeria.

4.1 ADVANCING TRADE VISIBILITY FOR MENSTRUAL PRODUCTS

Menstrual products are still not sufficiently visible in global trade classification systems, limiting the ability of governments, donors, investors and businesses to understand trade flows, identify supply gaps and design evidence-based fiscal and procurement policies. A major milestone in 2025 was the initiation of a process to advance dedicated Harmonized System (HS) codes for menstrual products.

Through coordinated advocacy and engagement with 32 WTO Members, SHF helped build support for a 12-country co-sponsored resolution at the Committee on Market Access, led by Canada and Barbados. This helped achieve formal agreement in 2025 for the World Customs Organization review process to begin in 2026.

This reform lays the foundation for improved global trade visibility and market development. Better classification of menstrual products can support more accurate trade data, stronger market intelligence, better fiscal policy decisions, and improved planning by governments, procurement systems, enterprises and investors.

WHY HS CODES MATTER

HS codes are the international classification system used to track traded goods. When menstrual products are grouped with broad or unrelated product categories, governments and market actors cannot easily see how these products move across borders.

Dedicated HS codes would help make menstrual products visible as a distinct product category. This matters for affordability, taxation, procurement, supply chain planning and investment decisions. It would also give governments and enterprises better data to understand where supply gaps exist and how policy can support access.

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4.2 STRENGTHENING GLOBAL STANDARDS FOR MENSTRUAL PRODUCTS

In 2025, SHF, in partnership with The Case for Her and the Gates Foundation, supported the Swedish Institute for Standards (SIS) and partners to accelerate the development of the world's first ISO standards for menstrual products under ISO/TC 338, combining technical standards development, country engagement, and supporting data and evidence work to strengthen implementation readiness.

The Kenya Bureau of Standards hosted the annual plenary in Nairobi, bringing together around 80 experts from over 20 countries, with strong LMIC participation. The event included working group sessions, an exhibition of local manufacturers, training on digital standards development, and a public seminar funded by SHF on product safety, regulatory frameworks, and reusable products, which received national media coverage.

> Global standards can help build confidence in menstrual products by supporting clearer requirements for safety and performance. The good progress made through the ISO committee on menstrual products (ISO/TC 338) reflects the importance of inclusive participation and evidence-based standards development.

Sergio Mujica
ISO Secretary-General

Technical work advanced to a pivotal stage, with two foundational standards—covering safety requirements and vocabulary—progressing to the Committee Draft stage. Around 130 experts from 31 countries contributed across working groups addressing safety, performance, terminology, and manufacturing constraints, including limited baseline evidence for setting thresholds and uneven testing capacity across countries. By the end of 2025, ISO/TC 338 expanded to 56 member countries, with several low- and middle-income countries upgrading participation status and strengthening national mirror committees.

SHF also supported critical country-level systems readiness and coordination through a UNFPA-supported programme in six countries, including Kenya, Uganda, Ethiopia, and Mozambique. This strengthened engagement between national standards bodies, ministries, and market actors, with four countries making concrete progress toward ISO participation. Kenya submitted formal technical inputs and expanded its national mirror committee to 53 members, Ethiopia convened over 30 national stakeholders, and Uganda confirmed full participation with a national symposium planned for 2026. Several countries also began linking standards engagement to fiscal reform and market development pathways.

Momentum also strengthened through institutional partnerships and implementation architecture. Ghana became co-secretariat through a twinning arrangement with the Ghana Standards Authority led by the Swedish Institute for Standards (SIS), supported by the Gates Foundation, transferring long-term governance and technical capacity to strengthen African leadership in ISO processes. SHF additionally supported a second SIS twinning with the Tanzania Bureau of Standards. A high-level Nairobi meeting launched a rollout plan for ISO adoption in 15 countries across Africa and Southeast Asia, bringing together ISO, SIS, KEBS, SHF, ITC, WTO, and bilateral donors including Sweden, the Netherlands, Switzerland, and Kenya. A 2026 pre-study will assess implementation barriers and define a multi-year programme for adoption, regulatory alignment, and testing capacity strengthening.

Together, these advances position ISO/TC 338 as an emerging global mechanism aligning standards, trade, regulatory systems, and investment pathways to enable safer, more affordable, and more accessible menstrual products at scale.

> Aligning emerging global standards with national systems is essential for sustainable menstrual health markets. Country-level coordination helps ensure that standards are not only developed jointly but are also adopted, implemented and used to improve access.

Mr. Jyoti ShankTewari

Coordinator of the Integrated Sexual Reproductive Health and Rights (SRHR) Team, and Regional Health Systems Advisor, UNFPA East and South Africa Regional Office

PRODUCT SAFETY EVIDENCE FOR STRONGER STANDARDS

In 2025, SHF helped expand the global evidence base on menstrual product safety through a study led by Columbia University and the Austrian research institute OFI, with co-funding from the Gates Foundation.

The study expanded from an initial 19-country scope to 30 participating countries because of strong demand from national standards bodies. By the end of 2025, 353 menstrual products from 36 countries and 186 brands had been collected across product categories including pads, tampons, menstrual cups, period underwear and reusable products.

The study is generating evidence on chemical contaminants in menstrual products and is expected to inform ISO standards development and regulatory approaches. Preliminary findings were presented at the World Health Summit, strengthening global attention to menstrual product safety as a public health and regulatory priority.

4.3 BUILDING MARKET INTELLIGENCE THROUGH MH-MMAT AND MARKET SIZING

SHF is strengthening the analytical foundations of menstrual health market development through the Menstrual Health Market Maturity Assessment Tool (MH-MMAT) and a computational market sizing model.

MH-MMAT was piloted in 2025 as a diagnostic framework to help countries assess the strength and sustainability of menstrual health markets. It is designed to move beyond fragmented interventions by giving governments, donors and enterprises a structured way to identify systemic gaps and market readiness. The tool assesses key dimensions including product availability and diversity, affordability and financing pathways, regulatory environment and product classification, consumer demand and awareness, and supply chain resilience.

In Kenya, SHF introduced MH-MMAT to a broad group of stakeholders. Work also began with Athena Infonomics to adapt the tool for Uganda, laying the groundwork for a national baseline to guide targeted investment and policy decisions.

Alongside MH-MMAT, SHF designed and completed a computational market sizing model for 15 countries. The model combines demographic data, access levels, market value and consumer behaviour to generate investment-grade intelligence. This helps governments, investors and SHF country teams better understand market potential and structure interventions in Capital M priority countries.

FROM ASSUMPTIONS TO MARKET INTELLIGENCE

Menstrual health markets have often been shaped by incomplete data, making it difficult for governments, investors and enterprises to understand demand, affordability, supply gaps and market potential.

MH-MMAT and the market sizing model help address this gap. Together, they provide a more structured evidence base for policy reform, investment planning, enterprise support and programme design. This is essential for moving menstrual health markets from advocacy-driven initiatives towards investment-ready market systems.

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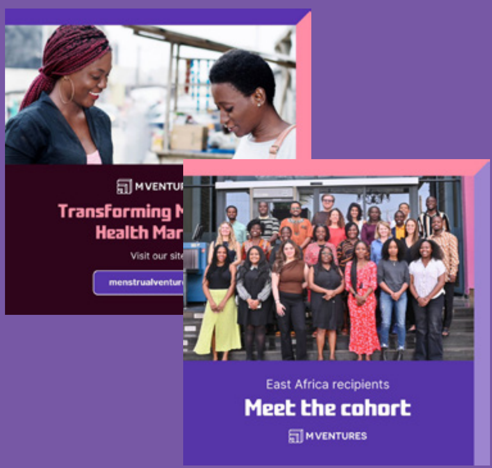
4.4 ACCELERATING MENSTRUAL HEALTH ENTERPRISES THROUGH M VENTURES



Capital M's work on enterprise development and market readiness advanced in 2025 through M Ventures, its menstrual health enterprise support initiative. The programme, being implemented by Bopinc and Hystra, selected 14 enterprises across East Africa, spanning reusable pads, menstrual cups, biodegradable products and period underwear.

M Ventures supports enterprises to strengthen business models, improve product innovation and scale affordable, quality and sustainable menstrual products. It combines immersive workshops, tailored technical assistance, catalytic grants of up to USD 30,000 and peer learning networks.

> Strong menstrual health markets are built on innovative enterprises, clear value propositions, and business models that can grow sustainably. Through M Ventures, we are supporting entrepreneurs to strengthen their businesses and expand access to quality, affordable menstrual health products.

Saida Wanga
Inclusive Business & Gender Advisor, Bopinc (Implementing partner of M Ventures)

The programme includes two tracks: Business Model Development and Product Innovation. Ten enterprises were selected under the Business Model Development track, while four were selected under Product Innovation. These enterprises are preparing for pilot testing in 2026, supported by workshops in Nairobi and Addis Ababa. Expansion into West Africa is also planned with additional cohorts.

M Ventures is helping build a structured pipeline of enterprises capable of expanding access to menstrual health products and attracting follow-on commercial investment. This supports Capital M's wider effort to move menstrual health markets beyond donor-dependent pilots and towards commercially viable, consumer-focused models.

4.5 MOBILISING FINANCE FOR MENSTRUAL HEALTH MARKETS

Financing for menstrual health markets remains gradual, but 2025 showed signs of growing readiness. SHF's catalytic funding helped crowd in additional resources for product safety, market development and enterprise support.

In product safety and market development, initial SHF investment helped mobilise additional funding from the Gates Foundation. Through M Ventures, the programme envelope was further expanded, combining existing resources with new contributions from the Gates Foundation to scale implementation.

Capital M also continued to engage with partners on potential financing mechanisms for menstrual health markets. This included engagement with the Swedish International Development Cooperation Agency (SIDA) on potential guarantee mechanisms, with UNICEF on links to broader health financing instruments, and with commercial banks and the Trade and Development Bank on early investment pipelines. These efforts reflect growing demand for credit products and financing pathways tailored to menstrual health enterprises.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4.6 COUNTRY PROGRESS: KENYA, UGANDA AND NIGERIA

At the country level, Capital M supported the shift from advocacy to structured market reform. Across Kenya, Uganda and Nigeria, menstrual health systems moved towards more investable markets supported by policy, standards and finance.

In Kenya, SHF formalised technical assistance arrangements with national ministries and established a strategic collaboration with the Ministry of Investments, Trade and Industry to support market maturity, standards adoption, fiscal reform and local manufacturing. Collaboration with the Kenya Association of Manufacturers strengthened dialogue between industry and government, positioning menstrual health within broader industrial and trade agendas.

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Kenya also strengthened its leadership in global standards development. Nairobi hosted the ISO/TC 338 plenary, bringing together around 80 experts from 23 countries, while Kenya submitted two formal technical contributions into the global standards process. At sub-national level, the Kilifi County Public Health and Sanitation Policy and Bill was finalised with explicit menstrual health provisions. Six Kenyan enterprises were also selected into the inaugural M Ventures East Africa cohort.

In Uganda, menstrual health was integrated into the National Sanitation and Hygiene Policy, strengthening the enabling environment for gender-responsive market systems. SHF also supported the development of investment frameworks for market growth and began work to adapt MH-MMAT for Uganda, laying the groundwork for future market maturity analysis and targeted investment decisions.

In Nigeria, the National Menstrual Health and Hygiene Policy was validated, and regulatory coordination was strengthened. A comprehensive mapping of health facilities, retail outlets and pharmacies across three local government areas identified gaps in menstrual product availability and priority entry points for supply chain strengthening. These findings informed market activation work to improve last-mile distribution and producer-consumer linkages. In addition, 75 participants were trained in menstrual health awareness and enterprise skills.

> Positioning menstrual health within trade and industry policy helps move the sector from advocacy to investment. Strengthening local manufacturing, standards adoption and market intelligence can create new opportunities for enterprises and consumers alike.

Stephen Odua
Investments Secretary, State Department for Investment Promotion
Ministry of Investments, Trade and Industry, Kenya

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Global positioning and strategic partnerships

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In 2025, SHF strengthened partnerships across the knowledge, standards, finance and implementation ecosystem. This breadth of collaboration reflects a core principle of SHF's work: sustainable market transformation cannot be achieved through isolated interventions. It requires coordinated action across governments, technical partners, financial institutions, enterprises, civil society and global platforms.

Against a backdrop of constrained development financing, partnerships became even more important. They helped sustain momentum, align expertise, mobilise resources and position sanitation, hygiene and menstrual health as practical, investable sectors within national and global development agendas.

5.1 EXPANDING VISIBILITY AND PARTNERSHIPS FOR NEXT GENERATION SANITATION

In 2025, SHF used global and regional platforms to strengthen recognition of sanitation and wastewater as part of climate resilience, infrastructure finance, public health and private sector investment agendas. Rather than presenting sanitation only as a service delivery challenge, SHF helped frame it as an investable sector with economic, environmental and health value.

SHF contributed to discussions on decentralised sanitation and investment frameworks through G20 engagement, reinforced sanitation as a pillar of epidemic resilience through GTFCC cholera preparedness work, and supported the integration of market-based sanitation into African policy and investment agendas through the Africa and Global South Water and Sanitation Dialogue.

Further engagement through platforms including the African Development Bank, UN-Water, World Water Week, the Africa Water Investment Summit, AWSISA Africa & Global South Water and Sanitation, GWOPA and the IWA World Water Congress helped increase the visibility of non-sewered sanitation and its role in reaching the 3.4 billion people who still lack safely managed sanitation.

Partnerships also helped connect global positioning with country-level implementation. Water For People, WaterAid Nigeria, Cewas, Bopinc, Hystra, UNCDF, Sanivation, LIXIL and other partners contributed to delivery across service professionalisation, enterprise development, financing, product access, planning and public health resilience. Financial sector partnerships with the Development Bank of Nigeria, AMFIU, SACCOs, microfinance institutions and commercial banks helped strengthen pathways for local currency finance, sanitation lending and investable project pipelines.

5.2 EXPANDING VISIBILITY AND PARTNERSHIPS FOR CAPITAL M

Capital M's global positioning in 2025 focused on embedding menstrual health within the systems that shape markets: trade, standards, health, reproductive health, finance and enterprise development. This helped move menstrual health beyond advocacy alone and position it as a sector requiring data, regulation, investment and market infrastructure.

Through engagement at the World Trade Organization, SHF helped build momentum for the review of Harmonized System codes for menstrual products, addressing the limited visibility of menstrual products in global trade systems. Through ISO/TC 338, SHF supported wider participation in the development of global menstrual product standards, with 56 countries active in the process by the end of 2025.

SHF also strengthened menstrual health visibility through global health and reproductive health platforms. Through its partnership with the Reproductive Health Supplies Coalition, SHF contributed to the launch of the Menstrual Health Supplies Workstream and supported work on market-based menstrual health advocacy, affordability analysis, trade data systems, product standards and integration of menstrual health into reproductive health commodity platforms.

Menstrual Hygiene Day provided another major global platform. Through SHF's partnership with WASH United, the campaign reached over 966 million people and helped embed a market-based narrative within global menstrual health communications.

Knowledge and technical partnerships also strengthened the foundations for market reform. Work with partners including Columbia University, the Austrian research institute OFI, the Gates Foundation, Athena Infonomics, the Swedish Institute for Standards and the International Trade Centre supported product safety evidence, market diagnostics, standards development, trade reform and investment readiness.

Together, these partnerships helped position menstrual health as a practical and investable sector within development, trade, health and gender equality agendas. They also reinforced Capital M's core message: menstrual health markets need standards, data, trade visibility, enterprise support and financing systems if they are to deliver safe, affordable and sustainable products at scale.

5.3 PARTNERSHIPS AS A PATHWAY TO SCALE

Across both Next Generation Sanitation and Capital M, SHF's partnerships in 2025 helped connect evidence, policy, markets and finance. Knowledge partnerships strengthened the evidence base for action. Standards partnerships supported safer products and stronger regulatory systems. Implementation partnerships translated market approaches into country-level delivery. Financial partnerships helped create pathways from grant-supported pilots towards domestic, blended and commercial finance.

This partnership architecture will remain central to SHF's transition to SHF 2.0. As SHF moves from early market-building towards systems transition, its ability to convene, align and mobilise partners will be essential to scaling sanitation, hygiene and menstrual health markets beyond traditional aid-dependent models.

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Forward look

2025 was marked by consolidated evidence from implementation across sanitation and menstrual health markets. The year showed how SHF's work is helping countries move from isolated pilots and fragmented delivery models towards more structured approaches that link policy, markets, finance and investment.

Across Next Generation Sanitation and Capital M, SHF strengthened market systems, advanced regulatory and standards reforms, mobilised early-stage public and private finance, and demonstrated scalable models for country-led transformation. The results also reinforced the importance of diagnostics, enterprise development, public health integration, climate-aligned investment, and stronger global standards and trade systems.

In sanitation, the 2025 results show how SHF is helping countries build stronger and more investable sanitation markets. By combining SANEMAT diagnostics, policy reform, enterprise development, service delivery, public health integration, catalytic finance and climate-aligned investment, SHF is supporting sanitation systems that can expand access, attract finance and deliver more sustainable impact over time.

In menstrual health, Capital M helped shift the agenda from fragmented interventions towards structured market systems. Progress on HS codes, ISO standards, market diagnostics, product safety evidence, enterprise acceleration and country-level reform helped build the foundations for more visible, investable and sustainable menstrual health markets.

2026 will be a pivotal transition year between SHF 1.0 and SHF 2.0. The focus will be on maintaining delivery momentum while establishing the foundations for long-term system transformation. SHF will work to consolidate the tools, partnerships and investment pipelines developed in 2025, while rolling out the SHF 2.0 strategy and engaging governments, donors and partners around a shared strategic direction.

Key priorities for 2026 will include expanding the use of SANEMAT, advancing Kenya's Building Code and private sector delegation work, supporting SanUp enterprises into the next phase of financing, deepening sanitation financing partnerships, and advancing climate and carbon finance opportunities where they can support sustainable sanitation markets.

For Capital M, priorities will include advancing the World Customs Organization review process for HS codes, continuing ISO standards development, supporting pathways for future standards adoption, deepening MH-MMAT validation and market sizing, supporting M Ventures enterprises towards pilot testing and future investment, and strengthening country-level market reform in Kenya, Uganda and Nigeria.

At the institutional level, SHF will focus on strengthening the skills, partnerships and operating model needed for SHF 2.0, maintaining business continuity during the transition, securing renewed and expanded partnerships, and ensuring that lessons from SHF 1.0 inform the next strategic period. As SHF moves into SHF 2.0, the objective is clear: to build stronger, self-sustaining and investable market systems that can reduce long-term reliance on traditional donor funding while expanding access to sanitation, hygiene and menstrual health services at scale.

7 SHF Board

The SHF Board, chaired by Cecilia Akintomide, comprises exceptional leaders and experts in development financing, impact investing, entrepreneurship, innovation and accountability. All board members work with SHF on a voluntary and honorary basis and are subject to UNOPS ethics and compliance.

Cecilia Akintomide
Chair of the SHF Board

Wendy Anderson
Co-founder and Investing Partner at The Case for Her

Anita Bhatia
Former United Nations Assistant Secretary-General and Deputy Executive Director, UN Women

Jennifer Blanke
Chair, SHF Innovation and Impact Committee, Global Development and Development Finance Expert

Jingdong Hua
Vice Chair, ISSB, Former Vice-President and Treasurer, The World Bank

Katherine Meighan
Chief Legal and Governance Officer, IFAD

Monish Mahurkar
Head of Climate Transition at ARGA Investment Management LP

Rakesh Nangia
Chair, SHF Finance, Risk and Audit Committee, Partner and COO at the Centennial Group

Naomi Tulay Solanke
Founder Executive Director of Community Healthcare Initiative (CHI)

Sarah Djari
External Member of the Innovation and Impact Committee, Impact & Climate Investor

Joanna Yeo
External Member of the Innovation and Impact Committee, Founder and CEO of Arukah

Ronald Kirabira
External Member of the Finance, Risk and Audit Committee (FRAC)

Jean-François Laurent
Acting Director of the UNOPS Office in Geneva

Dominic O'Neill
Executive Director, SHF

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Donor Acknowledgements

We are profoundly grateful to the Government of the Kingdom of the Netherlands and the Government of Switzerland for their visionary and continued support as founding donors of SHF. Their steadfast commitment to enhancing sanitation, hygiene, and menstrual health globally has been pivotal in advancing our mission to create healthier, cleaner, and more equitable communities.

The generous contributions from Switzerland and the Netherlands underscore their dedication to sustainable development, global health, equitable access to sanitation, private sector growth, and the empowerment of communities worldwide. Through their partnership, we are building a future where dignity, safety, and health are accessible to all.

We are also deeply appreciative of our partnership with the Gates Foundation, established in 2024, which supports market-based approaches to menstrual health in LMICs. This collaboration further strengthens our efforts to address critical development challenges on a global scale.

We extend our heartfelt thanks to all our donors for their leadership and invaluable support in helping make SHF's ambition to promote inclusive, sustainable growth through sanitation, hygiene and menstrual health a reality, and we look forward to continued collaboration in 2026.

Ministry of Foreign Affairs

Schweizerische Eidgenossenschaft
Confédération suisse
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Swiss Agency for Development
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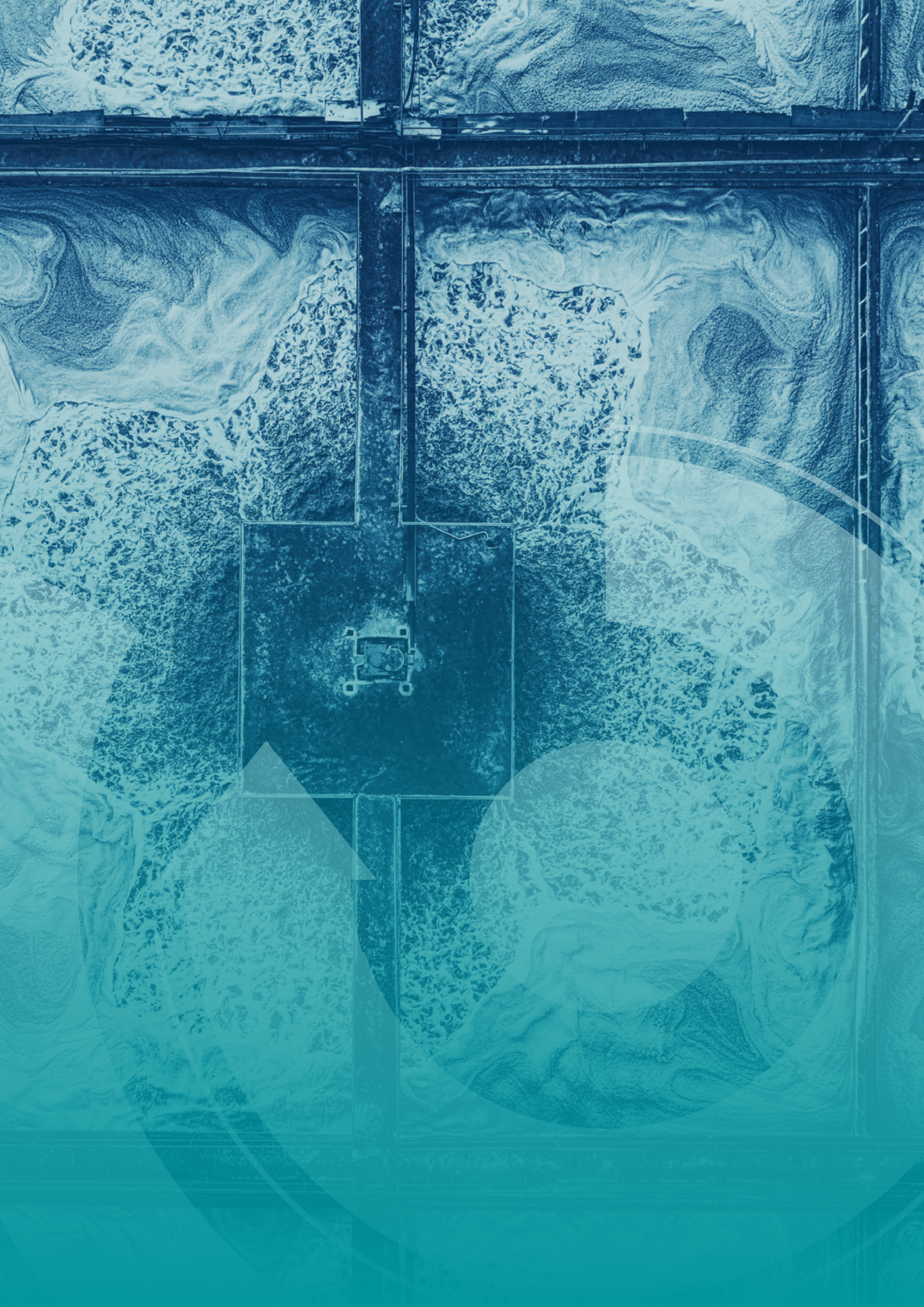
Gates Foundation



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