



# REPUBLIC OF UGANDA

## MINISTRY OF WATER AND ENVIRONMENT

### Joint Technical Review 2020

#### Undertaking No. 8

**Develop and Document a Sustainable Financing Strategy for the Umbrella Authorities  
by the end of FY 2019/2020.**

**July 2020**

# DETAILS OF UNDERTAKING NO. 8

- **Name of Thematic Team Overseeing the Undertaking:**

- **Water Supply**

- |                              |                         |     |
|------------------------------|-------------------------|-----|
| • Eng. Herbert Nuwamanya     | AC – UWSSD              | MWE |
| • Eng. Emmex Turyatunga      | Principal Engineer      | MWE |
| • Eng. Godfrey Hashakimana   | Sen. Engineer           | MWE |
| • John Kiberu                | Sen. M&E Officer        | MWE |
| • Nsimbi Stephen             | Sen. Commercial Officer | MWE |
| • Umbrella Managers (06 No.) |                         | MWE |
- **Development Partners:**
    - Water and Sanitation for the Urban Poor (WSUP) Mid-Western Umbrella
    - WaterAid (Central and Eastern Umbrellas)
    - (GIZ/KFW (Northern Umbrella)
    - USAID Uganda Sanitation for Health Activity (USHA) Central, Eastern and Northern Umbrellas
    - World Bank

## DETAILS OF UNDERTAKING NO. 8 CONT'D

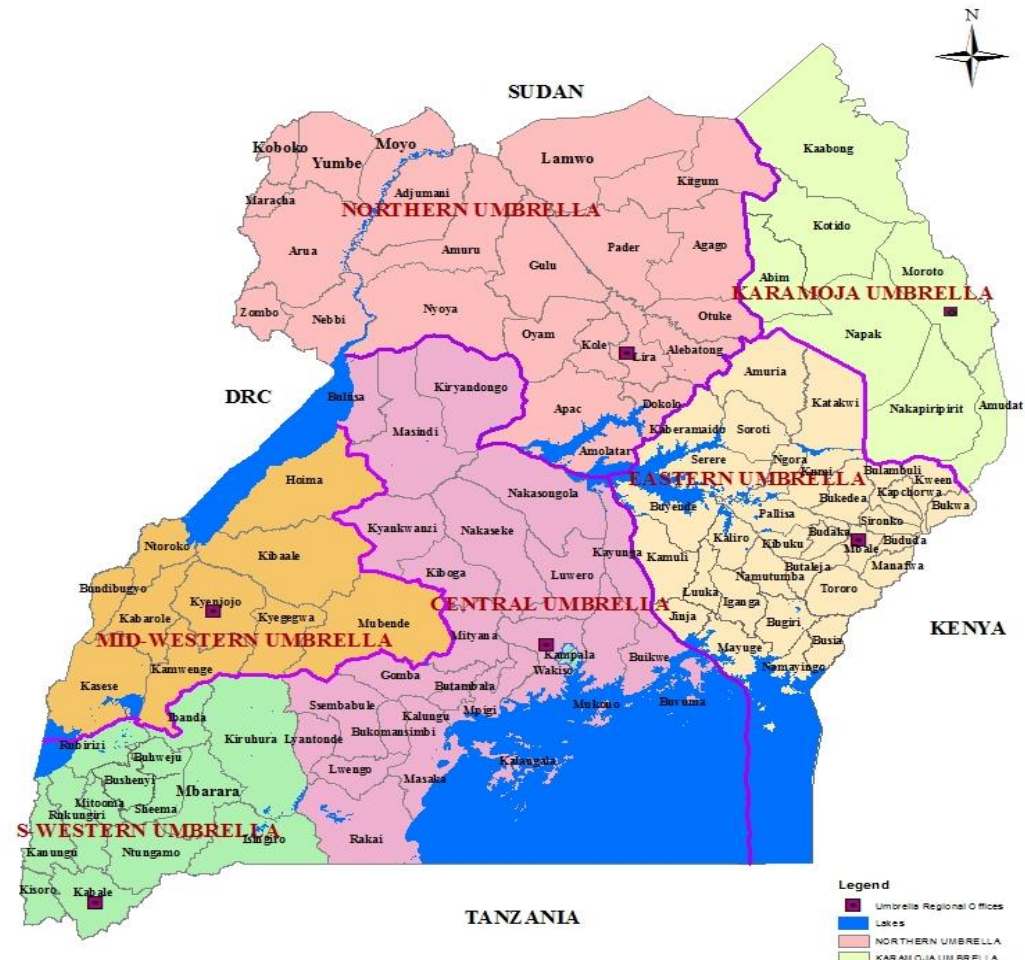
- **Chaired by: Eng. Herbert Nuwamanya-AC/UWSSD**
- **Secretariat: Support to Utility Management Division**
- **No. of meetings held: 4 Meetings**

# BACKGROUND INFORMATION

- The 6 “Umbrellas of Water and Sanitation” were created between 2002 and 2014, originally to provide **O&M backup support** services for small piped water schemes
- In July 2017 the Umbrellas were gazetted as **Water Authorities** and assumed **direct management responsibilities**
- Since the gazette of July 2017, a total of 498 piped water schemes have been gazetted for management by UAs. Effective takeover of these schemes is still in progress and will continue for some time. An additional 650 schemes are still out there; they need to be professionally managed

# Location of the Umbrella authorities

S/N	Umbrella Name	No. of Schemes Billed
1	EASTERN	58
2	MID-WESTERN	62
3	CENTRAL	126
4	SOUTH-WEST	130
5	KARAMOJA	37
6	NORTHERN	85
<b>Grand Total</b>		<b>498</b>



# CURRENT SOURCES AND LEVEL OF FUNDING

## 1. Government of Uganda

- Conditional Grant
- SCAP 100 Umbrellas

## 2. Internally Generated Funds

## 3. Development Partners

- Water and Sanitation for the Urban Poor (WSUP) Eastern Umbrellas
- WaterAid
- (GIZ/KFW
- USAID Uganda Sanitation for Health Activity (USHA)
- World bank

# ACTIVITIES UNDERTAKEN WITH THE FUNDING

- **Water and Sanitation for the Urban Poor (WSUP)** under the CNHF funded 4 year Programme that aim at making MWUWS a performing utility within 4 years, extend services to at least 70% of the population in its gazetted areas and to share experience with MWE and other umbrellas.
- **WaterAid** that has assisted Central and Eastern Umbrellas during the initial set up offices, Development and implementation of PIP in some selected schemes
- **GIZ/KFW** that is assisting Umbrella -North during the initial set up offices, Development and implementation of PIP in some selected schemes
- **USAID Uganda Sanitation for Health Activity (USHA)** for supporting Umbrellas North, East and Central in Development and implementation of PIP in some selected schemes .
- **World bank** that is assisting all Umbrellas in Development and implementation of PIP in some selected schemes and professionalization of the umbrella services

# SUSTAINABILITY OF FUNDING SOURCES

## Government of Uganda

Sustainable, competing with other demands, requires transparency, efficiency and effective internal operations

## Internally Generated Funds

Sustainable, requires transparency, efficiency and effective internal operations to stem potential leakages (NRW etc.)

## Development Partners

Potentially sustainable, competing with other demands, requires transparency, efficiency and effective internal operations as well as a stable policy and political environment



# UNDERTAKING NO.8: PROGRESS IN ACHIEVING THE OUTPUTS

## Working modality

- Work plan for the undertaking developed
- ToR for procurement of the consultancy to develop the financing strategy for Umbrellas of Water and Sanitation (Under Professionalization Consultant for the Umbrellas of Water and Sanitation) prepared and submitted to the World bank for approval

## RELATED ACTIVITIES / PROCESSES

- Solicitation for Resources
- Initiation of the Procurement
- Participatory development of the TOR
- Consultations with the World Bank
- Regional Consultative Meetings
- Development of Performance Improvement Plans (PIPs) for selected WSSs

# Planned Actions and Actual Progress

Planned Actions	Actual Progress
<ul style="list-style-type: none"><li>Develop a work plan for the Undertaking 8</li></ul>	<ul style="list-style-type: none"><li>Completed</li></ul>
<ul style="list-style-type: none"><li>Prepare ToR for procurement of the consultancy to develop the financing strategy for Umbrellas of Water and Sanitation (Under Professionalization Consultant for the Umbrellas of Water and Sanitation).</li></ul>	<ul style="list-style-type: none"><li>ToR finalized and submitted to the World Bank for approval.</li></ul>
<ul style="list-style-type: none"><li>Develop the Financing Strategy</li></ul>	<ul style="list-style-type: none"><li>Awaiting on the approval of the TORs and then commence on the procurement of the consultant.</li></ul>
<ul style="list-style-type: none"><li>Dissemination for operationalization of the Financing Strategy</li></ul>	<ul style="list-style-type: none"><li>Awaiting on the approval of the TORs</li></ul>
<b>Overall Achievement Level:</b>	<b>10%</b>

# Key Challenges

The Undertaking is behind schedule as a result of the following challenges:

- Delays in the implementation process due to adjustment of the TORs to categorize different modules of Governance, Commercial, Technical and Financial Management.
- In this case, the procurement could not proceed before issues of ToRs are agreed upon by different stakeholders within the Ministry.
- Delays in implementation of the activity as a result of the COVID 19 Pandemic where all activities were in the lockdown.

# Next Steps

- Approval of the final Terms of Reference (ToRs) by the Bank
- Procurement of the Professionalization Consultant to design and document the long term financing strategy for the Umbrella Authorities
- Commencing/development of the Financing Strategy
- Dissemination of the strategy for execution.
- Undertaking should be carried on in the FY 2020/21.

*The End*

**Thank you for  
listening**