



AGREED MINUTES

FOR THE 9th JOINT TECHNICAL REVIEW OF THE WATER AND ENVIRONMENT SECTOR

**4th – 6th April 2017
Wash & Wills Hotel, Mbale**

1 INTRODUCTION

The Joint Technical Review (JTR) for Uganda's Water and Environment sector is a forum for a mid-term follow-up and assessment of the implementation of the agreed undertakings of the previous Joint Sector Review (JSR), and is held about six months after the JSR. The 2017 JTR was attended by representatives of central government Ministries/Departments/Agencies (MDAs) and Local Governments, sector Development Partners (DPs), and Civil Society Organisations (CSOs).

The 9th JTR for the Water and Environment sector was held from 4th - 6th April 2017 at Wash & Wills Hotel in Mbale. A total of 148 people attended the review. They included representatives from **central government ministries** (Ministry of Water & Environment, Office of the President, and the Ministry of Finance, Planning & Economic Development), **sector semi-autonomous agencies** (National Water and Sewerage Corporation (NWSC), National Environment Management Authority (NEMA), National Forestry Authority (NFA), Uganda National Meteorological Authority (UNMA)) and Uganda Police, selected **district local governments** (Butaleja, Iganga, Manafwa, Mbale, Sironko, and Tororo Districts), **de-concentrated (regionally based) structures** of the Ministry of Water and Environment including Technical Support Unit 4, the Water and Sanitation Development Facility (WSDF) East and North, and the Kyoga Water Management Zone, sector **Development Partners** including the African Development Bank (ADB), Austrian Development Cooperation (ADC), Denmark, European Union, Germany (Kreditanstalt für Wiederaufbau (KfW), German Embassy and Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ)), Japan International Cooperation Agency (JICA), United Nations Development Programme (UNDP), United Nations Children Fund (UNICEF), Water and Sanitation Program of the World Bank, and World Health Organisation, and selected member **Non-Government Organisations** (NGOs), including IRC, International Union for the conservation of Nature (IUCN), SNV, Uganda Water and sanitation NGO network (UWASNET), Uganda Muslim Rural Development Association (UMURDA), WaterAid, and Water for People, the private sector and news media.

The theme for the 9th JTR was ***“Ensuring integrity in the water and environment resources driving towards the Sustainable development goals”***.

The overall aim of the 2017 Joint Technical Review was to ***“Assess the progress made with regards to implementation of the key actions and/or undertakings which were agreed during the 2016 JSR and also to recommend actions arising from the field visits.”***

The specific objectives were to:

1. Review progress in implementation of the 2016 JSR key actions and /or undertakings.
2. Identify good practices from the field visits, and/or recommend actions for improving the sector's performance, especially with respect to regulation and delivery of services under the sector.
3. Share any emerging policy and/or strategic issues/ challenges affecting the sector's performance (since last year's JSR) and make appropriate recommendations.

This document sets out the agreed minutes of the 2017 Joint Technical Review.

In his welcoming remarks, the District Chairperson of Mbale District, Mr. Bernard Mujasi, pointed out that the weather pattern in the district is changing. He thanked the Ministry of Water & Environment (MWE) and the sector Development Partners for all the work done in the district, especially for the construction of Lirima Gravity Flow Scheme, which extends all the way up to Mbale. In addition, he appreciated the work done in upgrading the livelihoods through wise use of Matala Wetland with the help of South Korea. He also highlighted the main sector challenges in the district especially the reducing flow volumes in the rivers, e.g. Manafwa River, as a result of environmental degradation. He mentioned that in his view, the bulk water coming from the hills should be tapped in the highlands itself, so that the water can then be piped down by gravity for the people to use. He recommended the merger of the Water and Environment Ministry and the Ministry of Agriculture to ensure food security and improve manufacturing. He requested UNMA to explain the local climate changes which have manifested through prolonged drought.

Ms Jalia Kobusinge of the European Union Delegation, representing the Lead Development Partner of ENR (Ms. Shawna Hirsch of USAID), mentioned the strain on the environment and highlighted that this is getting worse with the increasing population. She acknowledged the positive step by political leadership to discuss the subject, which they preferred to evade in the recent past. She drew from the evidence from the field visit to Butalega, which demonstrated the completion and poor management of the limited natural resources. She indicated that as the sector intends to integrate water resources and ENR management aspects in all other sectors, it should start with the water and environment sector itself. She also conveyed that the sector has to demonstrate what can be done with the limited available resources especially through catchment management. She highlighted the concept of Sustainable Development which is a clear guide for making practical considerations for economic, social and environmental aspects in the sector planning, budgeting and reporting. She also advised that land ownership / access and governance issues are critical for sustaining investments in the sector and influence responsible use of land especially public land. She acknowledged the Ministry's renewed approach to resolving these first before any investments are made and urged for continued monitoring of the same.

Opening remarks were then made by Ms. Joyce Magala of the Austrian Development Cooperation, on behalf of the representative of the Lead Partner of the Water and Sanitation Sub-Sector (Ms. Caren Blume - German Embassy). She advised that the revised sector performance monitoring framework needs to be effectively utilised, and also to ensure that we have baselines and targets for the indicators for measuring performance. She also observed that Water for production received more attention from Government lately, in view of its impact to the economy. However, she warned that a lot more needs to be done in terms of coordination with the Ministry of Agriculture, Animal Industry & Fisheries (MAAIF) to ensure effective use and increased food production.

She also pointed out that strategic planning is necessary as well as having the systems and procedures right, including the need for joint funding, much as most of the development partners have indicated they will not continue with a new joint funding programme after the end of the Joint Water and Environment Sector Support Programme (JWESSP). Realistic scenarios for the next programme need to be established. A burning issue is how the de-concentrated institutions (that are presently financed from the Joint Partnership Fund of the JWESSP) will be financed after beyond June 2018. Both the post JWESSP consolidation

3.1 Environment and Natural Resources

Undertaking No. 1 - Address the drivers of environmental degradation by mainstreaming ENR considerations across government sectors by focusing mainstreaming actions on the high profile/high impact sectors of agriculture, infrastructure, lands, energy and water in order to achieve reduced contributions to degradation by these sectors by the end of FY 2017/2018.

Implementation of this undertaking commenced two years ago. This undertaking is at 40% completion and is on track for completion by the end of FY16/17.

Under REDD+ programme, there are strategic options to intervene in Forestry that involve high impact sectors, so as regards the Forestry Sub-Sector this undertaking is on track.

3.2 Water Resources Management

Undertaking 2: Operationalise the proposed coordination, implementation and funding mechanisms for catchment-based IWRM by the end of FY2016/17.

The proposed coordination structure includes an advisory committee and a technical committee at the WMZ level, whereas at the district and community level, existing structures will be used. Proposed funding includes Non-Tax Revenue (NTR), 3% of water supply investments, voluntary contributions, leveraging local grants etc. Scheduled deliverables for this undertaking start by April 2017, including establishment of coordination mechanisms at the national level. Implementation of the undertaking has delayed, and the scope of implementation has reduced to pilot implementation at the catchment level.

Undertaking 3: Finalise the National Framework for Drinking Water Quality Management and Regulation by the end of FY 2016/17.

The undertaking is being implemented with support from a consultant and is expected to be finalised by the end April 2017.

3.3 Water Supply and Sanitation

Undertaking 4: Develop a strategy for providing at least one safe water source per village in line with the Presidential Directive by the end of FY 2016/17.

The guidelines given to all the District Local Governments (DLGs) aim for at least one source per village. A database of all villages without a water source has been generated, although there is a challenge with the names of about 35% of the villages (i.e. the names given by the district local governments for some of the villages differ from those in the Uganda Bureau of Statistics (UBOS) database.

It was noted that funding for rural water through the conditional grant for rural water and sanitation has been declining in real terms for many years, and that unless this trend is reversed, rural coverage figures are unlikely to increase and might even decrease. It was also mentioned that the walking distance as a key indicator will be maintained.

Undertaking 5: Re-organise Umbrella Organisations focusing on financing mechanisms and management responsibilities for piped water systems by the end of FY 2016/17.

The final activity, to transform the current Umbrella Organisations (UO) to change their mandate from support to management of WSS services has started, but its completion by the

The review of the sector performance monitoring framework has been completed. The undertaking has therefore been substantially achieved. The follow-up activities include institutionalisation and implementation of the revised monitoring indicators.

Undertaking 11: Finalise the development of costed CD plans for the departments of the MWE + agencies and embark on implementation by the end of FY2016/17

For this undertaking work is ongoing since the previous financial year. The undertaking is on track and is likely to be achieved.

Undertaking 12: Develop a strategy to systematically build the capacity of middle and lower level sector personnel in leadership and managerial skills to address emerging sector demands by the end of FY2016/17.

The audience recommended to have a 10-year rather than 5-year capacity building plan. Otherwise the undertaking is on track and is likely to be achieved in time.

Challenges in the implementation of the undertaking are that 53% of the staff of MWE are contract staff (i.e. they are not on permanent civil service terms and conditions of employment). The civil service procedures dictate that training of such contract staff cannot exceed three months.

4 ISSUES, DISCUSSIONS AND RECOMMENDATIONS

The major issues from all the JTR field visits, presentations, and discussions are outlined below.

4.1 Wetland conservation and restoration

One group visited wetland conservation projects, where various approaches towards conservation were observed, including wetland demarcation, natural regeneration and wise use of wetlands.

The participants recommended to survey, map, demarcate and gazette all critical wetlands, cancel all land titles illegally issued in wetlands and to restore degraded sections of the wetlands. However, the need for sensitisation of stakeholders is crucial for demarcation to be done in view of the ongoing illegal issuance of land titles within wetlands, encroachment, waste dumping and non-regulated water abstraction even from sector actors like NWSC.

River bank demarcation was discussed as a form of wetland management, where water-friendly trees can be planted e.g. Mvule, and Terminalia.

4.2 Forest conservation, restoration and commercial management

Nakwiiga Central Forest Reserve, in Butaleja District, was visited as an example of the deplorable status of many forest reserves in the country; the reserve is completely encroached upon, the boundaries have not been demarcated or opened, and there is a land conflict with neighbouring communities. It was recommended that the NFA should fast track boundary demarcation of all the forest reserves, and implement community forestry management in all forest reserves.

Dwindling forest resources, resulting from use of forest land, both for sugarcane production and increased subsistence agriculture (because of population pressure) puts a strain on the

Irrigation is a form of water use for wealth creation, and as such it stands high on the political agenda. It is therefore opportune to lobby for integration of irrigation for household subsistence and livelihoods as part of domestic water service provision.

Currently, the political interest of the country is in irrigation, seen as the solution for the experienced droughts. However, the sector could in addition exploit the prevailing situation (of prolonged drought in most areas of the country) by provision of expert advice in form of a short paper highlighting that environmental degradation is responsible for the currently experienced drought and resultant loss in agricultural production and related food insecurity, so as to lobby for increased allocations for environmental protection and climate-resilient agriculture and catchment management.

4.4 Solid waste management

Mbale town's waste composting plant was visited, and also local (community) crude waragi distillers. The group realised that in terms of solid waste management, Uganda still has a long way to go, and government intervention is needed in the process to make solid waste management cost-effective. In that regard, government should explore partnerships with private sector players for municipal solid waste management, study appropriate disposal mechanisms of the waragi distillation effluent, and strengthen the enforcement of the law on Kaveera ban. In addition, the sector should lobby for establishment of regional facilities for collection and management of hazardous wastes.

4.5 District experience in utilising the Conditional Grants

Mr. Ddeme Fred, District Water Officer, Mbale District Local Government, presented highlights of WASH indicators and status in Mbale District. He mentioned the contribution of DPs and the Eastern Umbrella for O&M of piped schemes, in addition to the District Water and Sanitation Development Conditional Grant (DWSDCG). Since FY2016/17, the funds allocated to the district through the DWSDCG have been gradually reducing and may not enable achievement of national targets for WASH. Reducing financial resources for district water and sanitation activities through the DWSDCG may not be the real issue, but rather the consequence of the spreading of funds over the gradually increasing number of districts. Other challenges include the loss of economy of scale in procurement of contracts, environmental degradation threatening the long term sustainability of installed water infrastructure, and Integrated Financial Management System (IFMS) challenges, (e.g. network failure). The budget allocation towards office operations and community mobilisation activities is insufficient and has great implications on long-term sustainability of the infrastructure.

He recommended that MWE reward districts with outstanding performance in terms of funds absorption capacity, timely implementation and reporting. There should be special consideration for the water-stressed areas, where the construction of large piped schemes would increase access substantially. In that regard, the audience suggested that the beneficiary sharing approach being prepared under REDD plus would be an interesting approach.

The low sector funding especially for the Wetlands conditional grant was another topic for discussion. The Wetland Grant translates to a yearly UGX 5 million per district; much as the Minister of Finance provided guidance to extend this to other ENR activities like forestry and environmental support services (than just Wetlands), it cannot provide a meaningful impact for

The audience learnt that as Uganda, we have an obligation to report on the baseline values of the indicators by September 2017. In that regard, the teams set up for the domestication of the indicators in Uganda could play an important role. The sectors are responsible for data collection and reporting to UBOS, whereas UBOS will report on behalf of Uganda at the global level. Uganda is one of the leaders in the process of developing national SDGs, and the departments fully own the process. The water and environment sector performance report for 2016/17FY will have an annex of the revised indicators, with the respective baseline data.

4.9 Management of piped water supply schemes by Umbrella Organisations

As a result of the population pressure, the rural population is increasingly shifting to live in the urban areas and rural growth centres. In these centres, the population density is relatively high which increases the viability potential of piped water schemes if they are managed properly. A recent development in the sector the transfer or takeover of the management of piped schemes in rural areas which are adjacent to the urban areas (although in most other areas outside the NWSC, the majority of these schemes are still operated by private operators charging higher tariffs than NWSC).

The field group which visited one of such rural schemes, Lirima Gravity Flow Scheme, noted that there is insufficient knowledge about the cost of provision of water services by all stakeholders, and the relationship between costs and tariffs. They also noted the presence of faulty meters, which turns out to be a general problem with new schemes. The group recommended to accelerate the planned water tariff review should be comprehensive to include rural water supply schemes.

According to the current water supply atlas, there are in total 1,183 piped schemes in Uganda, of which 178 piped schemes are operated under NWSC, and 557 are supported by the 6 regional Umbrella Organisations; the rest are community-managed schemes not yet under the Umbrella organisations. The current support by Umbrella Organisations is financially not viable. An undertaking was therefore developed during last year's joint sector review to reorganise Umbrella Organisations focusing on financing mechanisms and management responsibilities for piped water systems. A regional Public Utility model will be therefore be piloted for selected piped schemes within the Central region. A study to design a Revolving Financing Facility for O&M of urban water supplies is also being implemented. If successful, the regional utility model will be rolled out to all regions, resulting in a new mandate for UOs directly managing the piped schemes, rather than only receiving O&M support.

Three years ago, there was an undertaking to develop a uniform of support by UOs to all piped water supply schemes in the country. The ministry has proposed to gradually transform the existing UOs into regional water utilities to support the O& of all piped water supply schemes.

The audience requested whether the recently developed Utility Performance Monitoring and Information System (UPMIS) for small towns will also be adopted by NWSC. It was decided to first introduce and pilot the system for all the pipes schemes which are supported by UOs before it is rolled out to all towns including those managed by NWSC.

Meanwhile, participants were informed that in order to de-concentrate the regulation function, the Regulation Department of MWE had recruited a number of staff on contract terms to be based in the regionally based/de-concentrated units of MWE (i.e. WSDFs, TSUs, and UOs).

coverage in terms of waterlogged area, where degradation is not measured, has remained almost the same. Commercial large scale farmland is increasing of late, especially in Amuru and Nwoya Districts, whereas the built-up areas are also dramatically increasing in size, most noticeably in and around Kampala.

The forest cover was analysed in more detail. Although the country's Vision 2040 aims to increase forest coverage from 10% in 1990 to 24% by 2040, current trends suggest that by 2030, at the current rate of deforestation, we will almost lose the entire forest coverage. Current efforts to save existing forests and re-afforestation include boundary opening, removing encroachers, restoring degraded areas, having agreements with communities for improved protection, and plantations and tree planting in the deforested areas. Main recommendations included to increase plantation of forests on private land, and to lobby for incentives to use gas and other sustainable energy sources for cooking.

4.14 Financial viability of small and medium water enterprises

Water for People presented a case study on the financial viability of small water schemes and point sources from their work in Biguli Sub-County, Kamwenge District.

Small water enterprises are formed from clusters of as little as 5 hand pump water supplies where hand pumps are supplied with water meters. The sub-counties act as enterprises and each opened up an Escrow bank account. At the moment 44 wells are managed under this model, through 3 clusters. Medium water enterprises are for piped schemes for a target population of 1,500 – 5,000 people, managed by sub-county. The challenges related to this approach includes high tariffs related to the source of energy (for schemes with diesel/electric pumps) and the limited banking facilities in the rural areas.

4.15 The Proposed Water Resources Institute

The Ministry of Water & Environment, through its Directorate of Water Resources Management is presently carrying a study on the proposed Water Resources Institute (WRI), the WRI is meant to carry out water-related research for the sector. Preliminary findings from stakeholder consultations strongly support establishment of the WRI, however with a wide range of stakeholder expectations with respect to its other functions, which need to be harmonized. The financing options for the WRI and its legal status however need to be carefully studied (especially by looking at similar initiatives/cases within the sector) and recommendations agreed upon since these are crucial for its long-term sustainability.

4.16 Investment plan on climate change resilience

The Climate Investment Fund (CIF) has four key programs to support 72 developing countries pilot low-emissions and climate resilient development. The Pilot Program for Climate Resilience (PPCR) is a funding window of the CIF for climate change adaptation and resilience building. The PPCR assists national governments in integrating climate resilience into development planning across sectors and stakeholder groups. It also provides additional funding to put the plan into action and pilot innovative public and private sector solutions for climate-related risks. A joint (WB/AfDB/GoU) scoping mission to Uganda in October 2015 marked the start of the process of preparation of the investment plan for climate resilience, which is to be submitted to the Climate Investment Funds' Pilot Program for Climate Resilience (CIF PPCR) Partnership Committee.

The Minister of State of Environment, Hon. Mary Kitutu (represented by the Commissioner Rural Water Supply), in her closing speech, thanked all the participants for their open and frank conversations during the review, and also thanked the Development Partners for their support to the sector. She recommended as much as possible to link future sector undertakings to the national targets and Sustainable Development Goals (SDGs). She recommended that every family would plant three trees on a yearly basis to make up for the use of wood/charcoal fuel. She also highlighted following major issues: the need for coordination and strengthening of all sector partners to avoid duplication, regular release of climate data, to fast track boundary opening of all forest reserves and wetlands, promote policies that promote payment for ENR services, carry out regulatory monitoring, and ensure good governance and transparency.

She then declared the Joint Technical Review 2017 closed at 1:45 pm.



Alfred Okot Okidi
Permanent Secretary
Ministry of Water and Environment

On behalf of the
Government of Uganda

Signed:

Kampala, 3rd May 2017



Caren Blume, Deputy
Head of Cooperation
German Embassy

On behalf of the
**Development Partners,
Water and Sanitation**

Signed:

Kampala, 3rd May 2017



Jalia Kobusinge, Project
Officer
EU Delegation

On behalf of the
**Development Partners,
Environment and Natural
Resources**

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Kampala, 3rd May 2017