



## **African Water Facility**

### **Integrated Project of Water Supply and Sanitation Services for the urban poor in Kagugube Parish, Kampala**

**November 2010**

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**African Water Facility | Facilité africaine de l'eau**

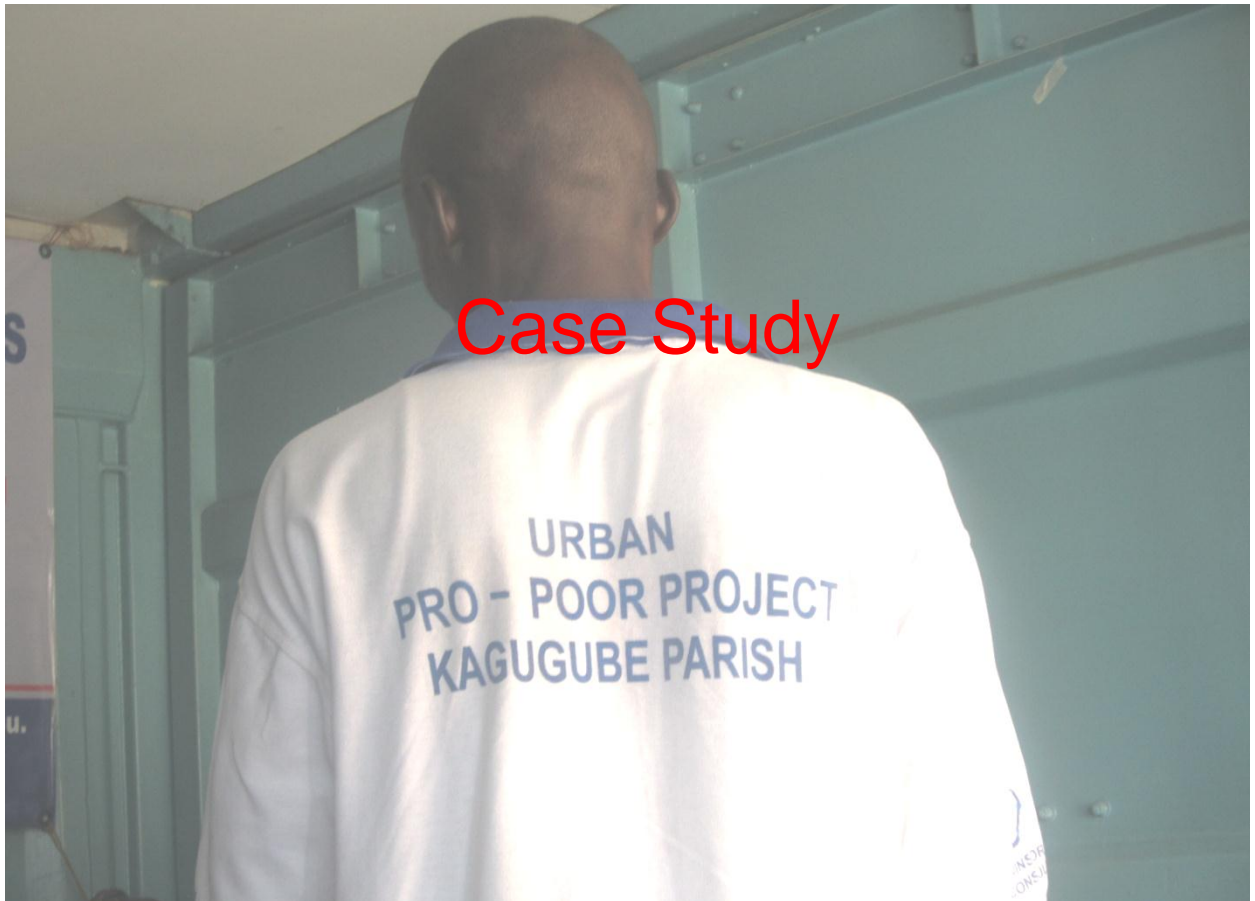
*African Development Bank | Banque africaine de développement*

BP 323 – 1002 Tunis Belvédère - Tunisie

Tel : + 216 71 102 055 Fax: + 216 71 103 744

E-mail: [africanwaterfacility@afdb.org](mailto:africanwaterfacility@afdb.org)

[www.africanwaterfacility.org](http://www.africanwaterfacility.org)



*Integrated project of water supply and sanitation services for the urban poor in Kagugube Parish, Kampala*

Funded by the African Water Facility

November 2010

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## Abbreviations

AfDB	African Development Bank
AMCOW	African Ministers' Council on Water
APWO	Association of Private Water Operators
AWF	African Water Facility
CBOs	Community-based organizations
GoU	Government of Uganda
JMP	Joint Monitoring Program
KCC	Kampala City Council
KPs	Knowledge products
KW	Kampala Water
MDG	Millenium Development Goals
NGOs	Non-governmental Organizations
NWSC	National Water and Sewerage Corporation
PC	Performance Contract
PEAP	Poverty Eradication Action Plan
PPM	Pre-paid meters
PPSPs	Pre-paid stand pipes
PSC	Parish Steering Committee
UBS	Uganda's Bureau of Statistics
UGFO	Uganda Field Office of the African Development Bank
UNICEF	United Nations Children's Fund
UPPB	Urban Pro-Poor Branch
UPPB	Urban Pro-Poor Unit
UWSS	Urban Water Supply and Sanitation
WHO	World Health Organization

## Summary

The African Water Facility (AWF) financed the Integrated project of water supply and sanitation services for the urban poor in Kagugube parish, Kampala (Kagugube Project) with an amount of Euros 800,000 in line with its focus on strengthening water governance, supporting investments to meet water needs, strengthening the financial base and improving water knowledge. The Kagugube Project was designed to establish water supply and sanitation services specifically tailored to the needs of the urban poor in the low-income community. Begun effectively in February 2008, the project will end in November 2010.

Kagugube Parish is a mainly residential area with small-scale businesses and has 4 informal areas - Industrial Area, Kivulu 1&2, Kagugube and Kitamanyangamba - with a population of 13,750 residents in about 2320 households. An estimated 80% of households did not have access to or did not use tap water due to distance to a standpipe, or costs that are hiked by the 130 yardtap owners, with many of the yardtaps using very long service pipes that led to many “spaghetti lines” potentially leading to system losses and water quality deterioration. The proliferation of “yardtaps” that sold water had led to the poor buying water at a high price of UGX 50-100 per 20 litre jerry can (US\$1.25-2.5/m<sup>3</sup>), compared to the NWSC’s domestic tariff of UGX1500/ m<sup>3</sup> (UGX30/jerrycan).

The project drivers included: (i) a functional urban pro-poor unit; (ii) establishment of Kampala Water (KW) Zone boundaries and Block Mapping of Urban Poor coverage in all the Zones; (iii) substantial knowledge of informal communities; (iv) strong performing utility that created confidence in its ability to deliver services; and (v) availability of funding support and goodwill of the donor community.

The project has addressed the following:

**Accessibility:** The residents of Kagugube now have an uninterrupted supply of water 24 hours a day. Access to sanitation has also improved for the community, with the Deputy Chairperson of the Project Steering Committee noting that “cholera cases have gone down, and cleanliness in the community has improved”. This was corroborated by all sector actors associated with the project.

**Affordability:** By dispensing water directly to poor consumers at the social tariff of UGX19.5 per 20-litre container, affordability for water services has been greatly improved. Available evidence shows that the urban poor in Kampala can be served below the utility’s average cost of production. At the pro-poor tariff of UGX995/m<sup>3</sup> (UGX19.5 per 20-litre container) for water dispensed at PPMs, the utility more than covers its cost of production (including depreciation) of around UGX 550/m

**Reliability:** The extension of water supply and the use of pre-paid metered standpipes have ensured reliable supply to consumers. The elimination of an attendant to man standpipes (who was not available during slack hours) has ensured that water can be fetched at any time of the day. The non-payment of bills to the utility by standpipe attendants which often led to disconnections no longer applies.

**Duty of care:** Safe water and improved sanitation are now delivered to the community. In addition, the project has put in place a complaints mechanism by which consumers can reach the utility. Complaints are supposed to be dealt with in 48 hours, even though this has not been the case because the project is yet to be fully transferred to the UPPB.

The Kagugube Project has demonstrated that ‘*where there’s a will, there’s a way*’, and given the political will, innovation and strong community sensitisation, the poor can be given access to services in an affordable, viable manner. In addition, a dedicated unit within a utility helps to achieve the objectives of a pro-poor agenda.

The project has achieved a win-win situation for all parties including: tenants (improved access to water and sanitation); landlords (improved access to water and sanitation, enhanced rental values); community (reduced incidence of diseases, enhanced dignity, child education); National Water and Sewerage Corporation (increased revenues, reduced illegal connections, good corporate image, increased knowledge of how to serve the poor); the private sector (better opportunities in participating in downstream operations, such as desludging services, construction, consulting).

Local leaders were very supportive right from the start of the project (planning and design phase). They were instrumental in organizing meetings with landlords as well as forming a project steering committee that identified sites for pre-pay units and sanitation facilities. In addition the political leadership was very co-operative and this contributed enormously to the successful implementation of the project. Landlords were also crucial in arriving at solutions. The agreement reached with landlords on the release of lands for the facilities was a crucial turning point in the project.

The project has not reported any case of vandalism with the PPMs, even though there have been situations when systems malfunction, lack of tokens and water unavailability could have led to consumer dissatisfaction and provoke vandalisation of equipment.

On the other hand there have been some challenges in the implementation of the project. The difficulty in implementing ecological sanitation toilets in built-up low income communities led to a shift in the original project focus to more traditional toilet facilities.

Below is a statement of the objectives against the expected outcomes.

Objective	Outcome (Remarks/evidence)
<b>(i) establishment of sustainable water supply, sanitation and hygiene promotion services tailored to the needs of the urban poor and implemented in the pilot area of Kagugube parish in Central Division</b>	Sustainability of the intervention and scale-up is reasonably assured by the following: <ul style="list-style-type: none"> <li>• A financially strong utility buoyed by effective management and leadership and a dedicated Urban Pro-Poor Branch. However the utility's ability to upscale pro-poor investments is limited by the lack of funding as existing covenants with Government enjoin the utility to undertake agreed capital investments which did not include investments in pro-poor infrastructure. Therefore donor support will still be needed</li> <li>• Set user fees are able to cover O&amp;M and capital maintenance for water supply</li> <li>• Utility's pro-poor unit has mainstreamed until into its operations and will provide the needed backstopping</li> <li>• Effective community management structures are in place, driven by both personal and commercial interests</li> <li>• Strong political support</li> </ul>
<b>(ii) improved access to sanitation facilities through construction and promotion of ECOSAN toilets</b>	There is improved access to sanitation facilities in the community. Landlords offered land for the construction of facilities and this facilitated progress. However the promotion of ECOSAN toilets was weak and posed challenges in this informal urban setting. Additionally the cost of use of communal and public toilets is still high and could impoverish the already poor community members.
<b>(iii) access to water for the urban poor at the official NWSC tariff</b>	This has been successfully implemented. Residents of project area are able to access water at UGX19.5 per jerrycan as opposed to UGX 50-100.
<b>(iv) strengthening of the Urban Pro-Poor Branch (UPPB) charged with developing pro-poor infrastructure and operational mechanisms</b>	UPPB had been established and was already performing its role from its Kisenyi/Ndeeba Office. Its engagement with the Kagugube Project was quite minimal and they were yet to fully assume responsibility for the community at the time of this report. However lessons learnt in implementing through consultants will inform subsequent projects



# CHAPTER 1 : Introduction

*This introduction provides a background and the context of the project. It discusses its relevance to the agenda of the African Water Facility, the purpose of the Case Study and its methodology*

## 1.1 Background

### 1.1.1 The African Water Facility

The African Water Facility (AWF) was established as a response to the regional and international consensus to address the need for increased investments for the development and management of water resources in Africa. The AWF is an initiative led by the African Ministers' Council on Water (AMCOW), to support the achievement of the objectives of the African Water Vision (AWV) and the Millennium Development Goals on water and sanitation. At the request of AMCOW, the Facility is hosted by the African Development Bank (AfDB). The AWF became effective in 2005 and started its core operational activities in January 2006 after receiving and processing requests for funding based on a five year operational programme spanning to 2009.

In accordance with the Facility's Operational Strategy (October 2007), the resources of the Facility are applied primarily to projects and programmes focused on the following four aspects/pillars as follows:

- *Strengthening water governance;*
- *Investments to meet water needs;*
- *Strengthening the financial base;*
- *Improving water knowledge.*

As of mid 2010 the AWF Portfolio included 61 approved projects of which 8 had been completed, 30 were under implementation, and the remaining 23 were progressing through project start-up activities. The Facility's 2010 Work Programme included the appraisal of another 20 projects. The AWF is desirous of generating knowledge products (KPs) on the projects it has funded as its contribution to the water and sanitation sector, to lend credence to its work and inform its future strategies, planning and operations. This Case Study on the Integrated Project of Water and Sanitation for the Urban Poor in Kagugube Parish of Kampala (Kagugube Project) is one of the knowledge products commissioned by the facility in July 2010.

## 1.2 Context of the Project

### 1.2.1 Origin of the Project

Extension of clean safe water and good sanitation to un-served areas is a key priority in Uganda's drive to improve the quality of life and alleviate poverty. The national goal, as spelt out in the National Water Policy (NWP), is: "to achieve 100% safe water coverage and 100% sanitation coverage in urban areas by 2015, with an 80%-90% effective use and functionality of facilities". Among some of the target indicators for UWSS is the achievement of set targets on service delivery to the urban poor [*Uganda, National Water Policy, 1999 (NWP)*]

Kampala, the capital city of Uganda, is one of many African cities that have large informal communities facing severe water and sanitation challenges. It is estimated to have a resident population of about 1.4 million people, believed to double during the day due to the influx of the labour force that works within the city but reside in the neighbouring districts. Different sources also report that between 30 and 70% of the resident population lives in the over 20 informal and un-served settlements scattered within the city. [*Kagugube Project Appraisal Report (PAR)*].

Access to safe water in Kampala is 70%, but for informal settlements, this figure is believed to be a dismal 17%. [*Water and Sanitation Sector Performance Report, 2006 (WSPR, 2006)*]. The reasons for the low access include: the absence of water distribution networks in these areas, and where present, the high costs charged by yard tap owners and kiosk operators (resellers). Slum-dwellers therefore resorted to alternative and unsafe sources of water, which include springs (both protected and unprotected) and shallow wells. Studies by Kampala City Council (KCC) show that: (i) the number of households using alternative sources is significant; and (ii) more than 90% of the water samples from these alternative sources are contaminated by E-Coli bacteria (from nearby latrines, leaking sewers and solid waste that carry significant faecal matter), putting the users at risk of disease. [*WSPR, 2006*].

The responsibility for water supply lies with the National Water and Sewerage Corporation (NWSC). It is also responsible for transportation of sewage and its treatment in the City. NWSC is one of the best-performing utilities in Africa and has in recent years dedicated itself to serving the urban poor in low income and informal communities starting in Kampala. NWSC has established the Urban Pro-Poor Branch (UPPB) which is responsible for the delivery of water and sanitation services to low income communities served by the utility. The Kampala City Council (KCC), on the other hand, is responsible for public sanitation facilities and the regulation and monitoring of the use of household sanitation and hygiene. Among its specific objects is the protection of springs in the city.

The 2 institutions supported by the Government of Uganda (GoU) and development partners have instituted a number of significant projects that focus on the provision of services to the urban poor and low income settlements and slums, either on their own or in partnership.<sup>1</sup> Among them is the **Integrated Project of Water and Sanitation Services to the Urban Poor in Kagugube Parish of Kampala (Kagugube Project)**, supported by the African Water Facility (AWF).

### **1.2.2 The Kagugube Project Case Study**

The Kagugube Project was designed to establish water supply and sanitation services specifically tailored to the needs of the urban poor in the low-income community. Among the project's objectives/outcomes were: (i) establishment of sustainable water supply, sanitation and hygiene promotion services tailored to the needs of the urban poor and implemented in the pilot area of Kagugube parish in Central Division; (ii) improved access to sanitation facilities through construction and promotion of ECOSAN toilets; (iii) strengthening of the Urban Pro-Poor Branch (UPPB) charged with developing pro-poor infrastructure and operational mechanisms; (iv) access to water for the urban poor at the official NWSC tariff. Delivered as a pilot, the lessons from the project would inform successful implementation of subsequent projects planned by NWSC and also inform other Africa utilities desirous of implementing pro-poor interventions.

This Case Study discusses the implementation of the Kagugube Project, raises the key issues and the lessons that have emanated from it. It addresses, among others, the following:

- *Relevance of the project vis-à-vis local and national priorities;*
- *Lessons learnt on the implementation of pre-paid meters, including special attention to gender differences and implications thereof if any;*
- *Lesson learnt on the communal sanitation facilities special attention to gender differences; and*
- *Drawing of lessons / documentation of project experiences not included in expected project outcomes*

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<sup>1</sup> Lessons from some of these projects are mentioned in the report as and when appropriate.

The total project cost was **€865,575**. AWF contributed **€800,000**, whilst the National Water and sanitation Corporation (the recipient) contributed **€65,575**.

The Case Study will aid AWF's planning, as well as support the decision-making of Governments, donors, NGOs and other sector actors as they pursue similar, and hopefully larger, projects in urban low income and informal communities.

### **1.2.3 Methodology and approach**

The report is based on a review of documentation on the project, including the Project Appraisal Report (PAR), various progress reports and a field visit to Kagugube, Kampala. The field visit offered an opportunity to speak with key actors involved in the project, including the NWSC, KCC (Central Division), Winsor Consult (Project Consultants), the African Development Bank Uganda Field Office (UGFO), and the Kagugube Water and Sanitation Steering Committee. The consultations centred on the project design and implementation, outcomes and sustainability. An impact assessment of the project was yet to be undertaken at the time of preparing this report. Nevertheless there was sufficient evidence from discussions and review of available reports to draw some conclusions and lessons.

A full list of persons consulted and document sources are annexed to this report (Annex 1).

## CHAPTER 2 : Delivering Water and Sanitation Services to the Urban Poor

*The section looks at the trends in water supply over the years noting a shift to standpipes and boreholes as the increasing supply option as against piped water on premises. It also examines the ingredients of a pro-poor agenda in terms of policy and institutional arrangements, in particular the establishment of pro-poor units within utilities. Discussions are interspersed with references to Uganda - where the poor live, and the policy and institutional focus on serving its urban poor populations.*

### 2.1 Trend in water supply

Evidence over the years shows improvement in water supply through standpipes, boreholes, tube wells (classified as other improved sources) and only a marginal increase in piped water on premises in

almost all sub-Saharan Africa countries (see Figure 2.1). Much faster progress has been made in rural areas where supply options (have mainly been in standpipes and boreholes. In large part this is the result of increased urbanisation that had put tremendous pressure on urban utilities. This trend in supply options should not be lost as attempts are made to serve the urban poor for the simple reason that their supply and payment choices mirror those of the rural population.

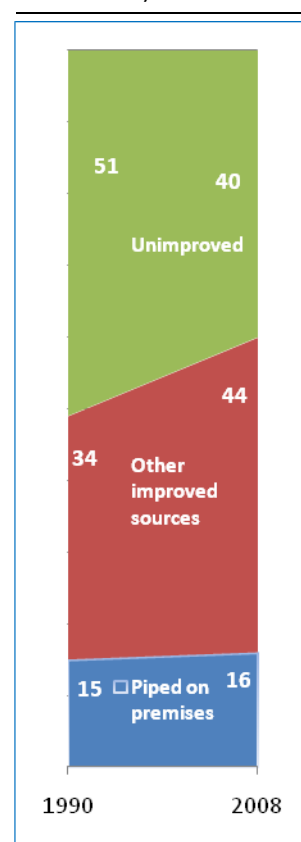
### 2.2 Defining a Pro-poor Agenda

Mere improvements in water supply do not necessarily assure service to the poor, even though greater efficiency in utility operations is a necessary ingredient for extending services to the poor. The reasons for this include: inability to pay connecting charges, high level of tariffs, inappropriate supply and payment options, restriction of supply to informal or illegal settlements, and exclusivity clauses that could effectively prevent other providers from undertaking the business of water supply in areas covered by the utility.

In the main a national pro-poor agenda for the provision of water and sanitation services will be built around the following objectives:

- Ensuring greater *accessibility* to the poor by addressing existing limitations through improved identification and targeting of the poor and innovative supply approaches;,
- Pursuing greater *affordability* by addressing perceived and actual weaknesses in existing tariff arrangements that impact on the poor without undermining the financial integrity and sustainability of the utility supplier;
- Ensuring *duty of care* of water delivery by recognizing the overall impact on the health of the poor of unreliable and unregulated supply channels;
- Fostering *community involvement* in arrangements that address their needs in order to achieve greater sustainability; and
- Ensuring that the utility gives *equitable treatment* to all customers within current constraints.

Figure 2-1: Access to water supply in Sub-Saharan Africa Ref JMP 2010)



Aligned with these objectives is the need to integrate water delivery with sanitation and hygiene services to get a fuller impact on health outcomes, an activity which has not been a regular function of urban water utilities.

Defining the pro-poor agenda also involves identifying who are the poor, instituting policy, legal and regulatory support for pro-poor investments, and determining roles of various parties – government, utility, consumers, and communities. It further requires recognising the effects of rapid urbanisation, the poor urban planning that makes it difficult for the utility to undertake meaningful distribution, and land tenure difficulties as low income neighbourhoods are usually without land titles, are transient and often live in illegal settlements.

### 2.3 The urban poor and where they live

In large part it is easy to identify the poor by where they live, by the lack of access to basic amenities such as health, education, water and sanitation facilities, or the wealth group to which they belong (living on less than the nationally-determined earning per day). In cities where there is a clear segregation between slums/informal settlements/low income and more developed areas, it is not difficult to identify the poor and to target interventions. Yet in others, settlement patterns may be mixed, with poor people living amongst obviously well-to-do neighbours, or indeed the pressures of urban renewal (as in parts of Kampala's Kagugube Parish), creates a transition for the poor and the rich to live together. This has implications for the supply options available to the utility.<sup>2</sup> In the case of Uganda, there are areas that are clearly 'demarcated' as informal communities by the KCC.

According to UPPAP (2000), about 30% of Kampala's population lived in informal settlements, characterized by the following: (i) latrines are built in front of other peoples' compounds; (ii) children play near latrines some of which are leaking and thus become vulnerable to diseases; (iii) houses are damp because they are constructed in water logged areas; (iv) developments are retarded as it is not possible to carry out road construction since houses are constructed in road reserves making the areas inaccessible; (v) there is increase in water borne diseases like cholera; (vi) it

#### Box 2-1: Addressing the Needs of the Poor

The needs of the poor can best be served through the following processes:

- Recognise that the poor are legitimate and significant stakeholders in the business of water and sanitation, and often pay far more than the rich per cubic metre of water;
- Take stock of the reality on the ground for the poor and learn about the systems by which their needs are met. Such systems may remain as credible alternatives to the utility, but may need legal recognition, regulation and management support;
- Take note that the poor are willing and have the capacity to pay for services that are adapted to their needs;
- The direct participation of the poor in the design, implementation and monitoring of any intervention is the most effective way to protect their interests.

*Taken from Kampala Statement on Urban Water Sector Reforms, 2002*



**Picture 2-1: Kagugube – notice the satellite dish on one of the temporary structures**

<sup>2</sup> For example, to overcome the difficulties in defining who are the urban poor, Ghana's utility regulator has adopted this working definition of the urban poor for purposes of its regulatory interventions: *anyone (i) without access to the utility's supply, ii) who depends on secondary providers, and iii) who buys by the bucket, all inclusive*. This resolved the issue of who should be targeted as the regulator's view was that these were the hardest hit by inadequate water supply coverage.

is difficult to access latrines for emptying due to lack of proper road networks in informal neighbourhoods; and (vii) drainage channels and pit latrines are a source of contamination of spring/underground water sources.[PAR]

## 2.4 Government and utility response

### 2.4.1 Policy responses

The Government of Uganda (GoU) through various policy initiatives and in concert with NWSC and development partners has embarked on a massive drive to extend service coverage to the poor. This is consistent with its poverty alleviation intentions expressed in the Poverty Eradication Action Plan (PEAP)/PRSP (1997, 2000, 2004) documents, which plans to achieve universal access by all households to improved water sources by 2015.<sup>3</sup>

As a public utility NWSC has a duty to provide service to all, including the poor. The extent to which it can carry this out depends to a large measure on the willingness of government to exercise its policy and regulatory functions over the utility, and its willingness to prioritise water supply and financially support it to effectively carry this out. The Ministry of Water and Environment and NWSC have signed a Performance Contract (PC) with an agreed framework within which urban water sector goals are achieved within anticipated timeframes, with penalties and bonuses. There are agreed indicators for the delivery of service to the urban poor, measured by an increase in number of connections on subsidised tariff (low income consumers). In the current PC (2009-2012), NWSC is required to meet pro-poor orientation targets as set forth in Table 2.1.

**Table 2-1: Selected Performance Targets in Contract between MoEW and NWSC 2009-2012**

Key Performance Targets	Baseline	2009/10	2010/2011	2011/12
<b>A FINANCIAL</b>				
Water Sales (UGX)	44.5	45.6	47.2	50.3
Average receivables collection days	155	140	135	130
<b>B TECHNICAL EFFICIENCY</b>				
Non-revenue water (NRW) - Kampala	42.9%	41.9%	40.5%	39.0%
<b>C COMMERCIAL EFFICIENCY</b>				
Increase in new water connections	22,637	23,000	23,500	24,000
<b>D CUSTOMER ORIENTATION</b>				
Customer satisfaction index	-	60%	65%	70%
<b>E PRO-POOR ORIENTATION</b>				
Increase in number of connections on subsidised tariff)	2%	3%	4%	5%

Source: Performance Contract between NWSC and MoWE, 2009-2012

Contrary to the notion that serving the poor is not a viable proposition, it is obvious from an examination of the targets above that indeed serving the poor will assist the utility to meet the targets that have been set. See Box 2.3. In 2004 following a feasibility study, NWSC identified 10 informal settlements in Kampala and prioritised them for intervention. Work started with internally-generated funds, whilst the German Government through KfW provided funding for work to start in the 2 communities of Kisienyi and Ndeeba. The Kagugube Project represents the third intervention that the utility has undertaken.

<sup>3</sup> The 5 yr National Development Plan (NDP) became effective in July 2010 replacing the PEAP. It however maintains the same goal for urban water access

### Box 2-2: Pro-poor Interventions Support achievement of Utility Targets

Serving the poor is consistent with the achievement of efficiency targets in water utilities. Here are a few examples examining how the pro-poor interventions will drive efficiency gains in NWSC:

**Increasing Water sales:** Increasing the volumes supplied to urban poor settlements will increase the revenues of the utility

**Reducing average receivables:** the poor purchase water on a 'pay-as-you-drink basis' (a slogan adopted by NWSC. Therefore there are no receivables as cash is received on a transaction basis. Indeed with pre-paid meters the reverse is the case as utility is paid even before the service is accessed. In a way poor consumers are lending to the utility.

**Reducing non-revenue water:** Illegal connections, spaghetti lines and the tampering with the utilities distribution lines (which goes on in informal communities) lead to losses for the utility

**Increasing new connections:** serving poor communities increase the number of connections of the utility. Given relatively larger household sizes of the poor, these connections reach more people.

## 2.5 Establishment of Pro-Poor Units within utilities

### 2.5.1 Recent trends

The mandate, organisational structure and skills of utilities are often inappropriate to deliver service to the poor. Some utilities had over the years in fact outlawed the erection of standpipes as they were costly to manage<sup>4</sup>In recent years a number of utilities have set up dedicated units to oversee service delivery to the poor. In a number of ways these units mimic the processes used in the management of rural and small town water and sanitation delivery where there is more active participation of the community and supply and payment options are chosen based on consumer (the poor's) choices.

The range of tasks of pro-poor units have included: (i) preparing investment plans; (ii) designing infrastructure/preparing projects; (iii) connecting poor customers; (iv) interfacing with secondary providers, such as water tanker operators; (v) designing special initiatives such as social connections, pre-paid meters; (vi) undertaking community consultations, sensitisation and mobilisation; (vii) socio-economic mapping; (viii) training communities on operations and maintenance; (ix) ensuring the integration of water, sanitation and hygiene delivery; and (x) monitoring service delivery [WSP (2009), MIME (2002)].

In NWSC a special dedicated department, the Urban Pro-Poor Branch (UPPB) has been established, with professional and technical staffing, to oversee the various interventions that the utility is pursuing. The establishment of the UPPB within NWSC follows recommendations made under various studies, as well as high level political commitments. The object of UPPB is 'to execute NWSC's mandate to help meet the MDG goals by providing support to NWSC branches in the city of Kampala with informal settlements, and to work with headquarters and donors to implement capital works programs targeting the urban poor'.

Evidence on the achievement of pro-poor objectives has been mixed, from an examination of the performance of these units in Kenya, Tanzania, Uganda and Zambia, according to WSP Africa. In Uganda, NWSC's UPPB has been able to attract substantial donor funding to undertake pro-poor interventions and to increase revenues, adding approximately 50 new customers a month, a

<sup>4</sup> For example the Ghana Water Company had adopted a policy of phasing out standpipes in the 1980s as result of difficulties in managing these points

situation which cannot be divorced from the proven efficiency of the utility itself. On the other hand in Zambia the peri-urban unit of the Lusaka Water and Sewerage Company “is [even] struggling to gain priority within the company’s operations” [WSP, 2009].

### 2.5.2 Objectives and outputs of the UPPB

The main objectives of the UPPB, among others, are to: (i) collect of data/info vital for pro-poor planning; (ii) implement water and sanitation investments in the informal settlements; (iii) build institutional and human resource capabilities at the community level for sustainability of improved water and sanitation services; (iv) reduce illegal water use in informal settlements; and (v) coordinate pro-poor planning and services in the NWSC-Kampala Water branches and communities, and undertake social marketing and public awareness campaigns for target urban poor communities. The branch is headed by a Manager who reports to the Managing Director. It has a complement of technical, finance and community development officers.

#### Vision of NWSC/UPPB

“to be a World Model in delivery of sustainable water and sanitation services in the Urban Poor Settlements”,

This is to be achieved, among others,

“through provision of innovative solutions with emphasis on partnerships and community involvement in order to improve the living conditions of the Urban Poor”.

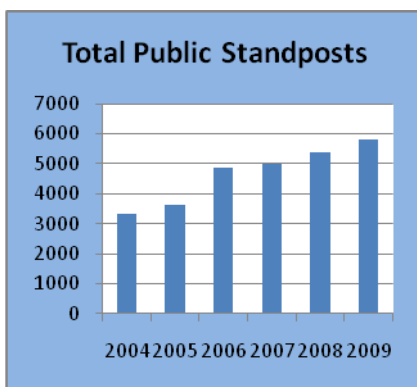


Figure 2-2: NWSC, Growth in Public Standposts

Among its key outputs has been the *social mapping of the urban poor in Kampala, installation of 500 PPMs for over 7,000 households, 5,000 kiosks and yardtaps*. The branch cites as some of its main challenges i) poor physical planning especially in informal settlements; ii) lack of space for distribution lines/network(s), sanitation facilities, drainage; iii) transient-population-tendencies among the informal settlements, undermining sustainability of yard tap connections; iv) availability of alternative sources like springs and shallow wells in informal settlements due to high water table in Kampala, which are vulnerable to contamination owing to on-site contamination; v) break-down and difficulties in acquiring prepaid spares parts due to lengthy procurement; vi) limited installation of prepaid meters due to relatively high investment cost; and vii) heterogenous settlements that exist between the urban poor and non urban poor means that one can’t target exclusively urban poor and leaves the others.

Attempts are being made by the NWSC/UPPB to solve the challenges which are within their power. There is no doubt however that the establishment has been a major factor for the progress that has been made in service to the urban poor.

## CHAPTER 3 : Implementation and Outcomes of the Kagugube Project

*This section discusses the implementation arrangements, activities and outcomes of the Kagugube Project. It situates the discussion in the context of the status of water and sanitation delivery in the city of Kampala and what the project was expected to address in terms of its objectives and expected outcomes.*

### 3.1 Kagugube Project Context

#### 3.1.1 Water and sanitation situation

Kagugube Parish is a mainly residential area with small-scale businesses and has 4 informal areas: *Industrial Area, Kivulu 1&2, Kagugube and Kitamanyangamba*, with a 2006 population of 13,750 residents in about 2320 households. The layout is mainly unplanned with a mixture of temporary and permanent structures. Kagugube and Kitamanyangamba are continuously infiltrated by upcoming permanent structures mostly in the form of hostels that house students from the nearby Makerere University. “These new



developments have inevitably led to an increased and altered demand pattern that NWSC [sought] to address”[ PAR, p6]

At the time of project appraisal (2006) an estimated 80% of households did not have access to and did not use tap water due to distance to a standpipe, as well as costs that were hiked by the 130 yardtap owners. Many of the yardtaps were connected using very long service pipes that led to many “spaghetti lines” of doubtful construction and materials quality, potentially leading to system losses and water quality deterioration. The proliferation of “yardtaps” that sold water had led to the poor buying water at a high price of UGX 50-100 per 20 litre jerry can (compared to the NWSC rate of UGX13 at the time).

“The majority of residents use facilities in form of unimproved pit latrines (37%) and VIP latrines (18%). However, in many of these areas, provision of public and household on-site facilities was deficient in terms of coverage/availability, hygiene, structural soundness, and effectiveness as sanitation facilities. The situation assessment revealed that some 23% of the population did not own, or share a toilet facility and many claimed to rely on the limited number of public commercial toilets. The latter group was most likely using open defecation and/or plastic bags (flying toilets)”.

Ref: Kagugube Project: Preliminary Design Report,

Sanitation in Kagugube Parish was also a major challenge. Except for the commercial premises and a few well-to-do residents who used septic tanks, most dwellers used onsite sanitation in the form of filthy and mostly inaccessible and unemptiable pit latrines. Many tenants did not have access to any facility and very little concern was shown by landlords and city authorities. Due to the nature of the terrain (water logged), sanitation is of poor quality (either poor construction or inappropriate technologies and designs), and this posed concerns for pollution of the groundwater, which is an alternative

source of water for many.[ PAR]

### 3.1.2 Project drivers

The project drivers i.e. the factors that facilitated the definition and implementation of the project, included: (i) a strong performing utility and a functional UPPB; (ii) creation of Kampala Water (KW) Zone boundaries and Block Mapping of Urban Poor coverage in all the Zones; (iii) goodwill of development partners; and (iv) requirements of the performance contract.

### 3.1.3 Project objectives and expected outcomes

NWSC designed the intervention with the ultimate objective of improving the water supply situation to directly impact the poor residents of Kagugube Parish through: (i) an improvement in the distribution system to eliminate the spaghetti lines and to eliminate possible causes of pollution; and pilot the pre-pay metered system to regulate the price of water to the consumer; (ii) reversal of the poor sanitation situation by making facilities available to the residents through communal facilities as well as household-driven facilities; (iii) strengthening the capacity of the UPPB of NWSC to carry out its pro-poor activities.

For the utility and other institutional actors the following outcomes were expected:

- Improved management of water and sanitation systems (NWSC and KCC);
- Reduced pollution from untreated onsite sanitation which ends up in the Murchison Bay of Lake Victoria, intake source for Kampala City's drinking water, and ultimately reduced treatment costs for NWSC
- Increased revenues for NWSC as a result of the increased consumer base and also importantly the reduction or near elimination of illegal connections.

#### Box 3-1: Targeted outcomes for Kagugube Project

1. 100% of the residents of Kagugube access water within 200m
2. 100% of the residents access a sanitation facility within 30m
3. 80% of the residents of Kagugube are adequately trained in hygiene and sanitation.
4. NWSC, KCC and communities have increased capacity to manage and operate the water and sanitation facilities in a cooperative and co-ordinated manner.
5. NWSC benefits through reduced water losses and improved revenues
6. Lessons from implementation and post-construction management for scale-up of interventions in other poor communities.

## 3.2 Project Beneficiaries and Stakeholders

The residents of Kagugube Parish – both landlords and tenants - were the direct beneficiaries of the project. These are mainly engaged in petty trading and casual manual work. A baseline survey undertaken before the commencement of the project found that almost 40% of males and 49% of females were engaged in small-scale informal activities and businesses that earned them less than US\$1 per day. Monthly incomes, earned on a daily basis, ranged from UGX 10,000 to 285,000 (\$166).<sup>5</sup> [Project Design Report]. According to official statistics, about 35% of residents survive on less than one US\$1 per day.

The NWSC was also a direct beneficiary in terms of institutional and capacity building, increased revenues from a significant number of customers from new connections and the reduction in illegal connections. Other indirect beneficiaries included the KCC (capacity improvement through learning) and the private sector (construction contracts and business opportunities).

<sup>5</sup> This is exchanged at the 2007 average exchange rate of UGX1718 to US1.

### 3.3 Project activities and actors

#### 3.3.1 Project activities

The main project activities can be summarised under the following tasks:

**Community entry:** This involved developing tailor-made management and operational mechanisms that focused on the needs of the urban poor, including how their income generating activities determine their preferences for supply and payment for water services.

**Community mobilization for hygiene education:** An IEC strategy was used for mobilizing the communities and educating them on hygiene and sanitation. The purpose of this component was to sensitize residents of the benefits associated with safe water and good sanitation, to promote proper use of the facilities and to change the attitudes and practices of the residents in order to meet the objectives of the project.

**Design of facilities:** This involved detailed designs of both the water supply and sanitation components of the project, as well as the preparation of tender documents and prequalification of potential contractors engaged on the project.

**Construction of facilities:** The construction included: (i) Laying water distribution mains and reticulation network for house connections and public standpipes; and (ii) Installation of 2 No. Communal Ablution Facilities and support for construction of household on-site sanitation facilities - consisting of toilets, bathing places for men and women as well as a washing place. The demand for sanitation facilities provided by the project followed a process:

Figure 3-1: Demand Process for Sanitation Facilities under the Kagugube Project



**Facilities management:** This consisted of defining the management of the water and sanitation facilities (both communal and household) in consultation with the community. It also involved creating awareness and demand for appropriate sanitation facilities (including ecological approaches) for households through sanitation marketing, and thereafter defining the mechanisms for support and conducting training (professional advice).

**Institutional capacity building:** This was done through sensitization of staff and enhancing their capacity to deliver sustainable pro-poor services. It also included enhancement of the collaboration with KCC, and other key stakeholders which had been initiated under the Kisenyi/Ndeeba urban poor project.

#### 3.3.2 Key Project actors

The key project actors and their roles are indicated below:

**National Water and Sewerage Corporation:** The Planning and Capital Development Department of NWSC was responsible for implementation of capital development projects in water supply and sewerage services. **The Urban Pro-Poor Branch** was responsible for day to day monitoring and the evaluation of the project. The

branch was expected to bring the lessons from implementing a similar intervention in Kisenyi/Ndeeba into the Kagugube Project. The lessons learnt from the Kagugube Project will also be well documented by the branch to be shared with the project partners (KCC, NGOs, AWF etc). It shall be used and applied during similar projects in the remaining informal settlements in Kampala.

**Winsor Consult/Alliance Consultants:** Winsor Consult provided the software components of the project. This involved community mobilisation, sensitisation and education, and developing the facilities management arrangements. Alliance Consultants were responsible for the technical design of the facilities. The 2 firms interfaced between NWSC, UPPB and the community. They also liaised with KCC.

**Kagugube Water and Sanitation Project Steering Committee:** A parish Project Steering committee of 12 people was established to oversee project activities including sustainability of project benefits. Chaired by a woman, the committee had membership from landlords and tenants representing various zones in the parish, a youth co-ordinator and 2 councilors who served as ex-officio members. The committee's role included solving challenges related to land, identifying sites for the pre-paid meters, working with the community mobilisers in clearing way for the water lines, submitting proposals for the preferred management arrangements for public toilets and grouped toilets. During the operation and maintenance phase the committee undertakes monthly inspections of pre-paid meters and toilet facilities to ensure they are managed in accordance with guidelines given to those in charge.

**Landlords:** Landlords were a crucial set of actors for the project's success, as they had to provide the land on which facilities were to be situated. All landlords participating in it undertook to make such lands available for a period of 20 years and to make facilities available to households or the public.

**KCC/Central Division:** KCC is charged with planning and implementation of infrastructure apart from piped water supply, sewerage and sewerage treatment which fall within the mandate of NWSC, and household sanitation which is the responsibility of the house owner. In the framework of the project, KCC would take charge of all aspects of the non- waterborne (mostly on- site) sanitation in Kampala, including emptying pit latrines and monitoring the use and management of the toilet in compliance with its bye-laws. KCC appointed a focal point for the Kagugube. It is noted that in September 2009, KCC Central Division, NWSC and the project consultants had a sustainability workshop in which KCC central Division resolved to mainstream the project into their service delivery arrangements.

### 3.4 Management of Water and Sanitation Facilities

#### 3.4.1 Pre-paid water facilities

During the inception the project team discussed the installation of the pre-paid meter concept with the community. The advantages of the pre-paid system vis a vis the existing standpipes were enumerated. In particular issues relating to non-payment by operators which led to frequent disconnections and pricing above the officially stipulated tariffs were seen as not in the interest of the community members. An educational visit to Kisenyi/Ndeeba, where similar facilities had been installed, was organized.

The management of pre-paid metering system was mainstreamed into UPPB, which also provides technical support. For the moment a satellite office of UPPB exists in



Figure 3-2: Pre-paid meter in Kagugube

Kagugube to ease the topping-up of water tokens. The price of a 20-litre jerry can of water is fixed by NWSC at UGX 19.5, which is considered the **social tariff** for the urban poor.<sup>6</sup> For the poor unserved population in Kampala who depend on secondary providers, a similar jerry can of water costs between UGX100-200.

Vandalism too was discouraged through publically dismantling the prepaid water unit to reveal the predominantly plastic and low value inner components and then reassembling the unit

### **3.4.2 Sanitation Facilities**

For **public toilets**, selected caretakers work under the supervision of the Parish Steering Committee (PSC). Toilets operate on “pay as you use basis” and UGX 100 (US\$0.05) is charged per visit to the toilet. The use of showers also costs UGX100. For an individual who uses these facilities on a daily basis, this means that UGX3,000 could be spent on visits to the toilet every month. A similar amount could be spent on the use of showers, bringing the total to UGX6,000 (US\$3.00). For many residents this could be up to 10% of monthly income. The PSC oversees the operation and maintenance (O&M) of the facilities.

For the **grouped communal** toilets (serving a number of households) it was agreed that 5-7 Households will use one toilet, and landlords or their representatives will be responsible for O&M, with monitoring from the PSC. It was further agreed between the PSC and landlords/house owners that households shall pay UGX 1,000 per month for those with less than 6 members in addition to UGX 3000 per month as user contribution towards operation and maintenance. In some areas user fees are incorporated into the rent paid by tenants.



Picture 3-2: Public toilet in Kagugube

## **3.5 Project Relevance**

### **3.5.1 Does the selection of the geographical location seem appropriate?**

Kagugube Parish is the third on the list of 10 informal settlements that had been slated for interventions by NWSC. The 2320 households before the intervention only had 130 yard taps for their protected water source. Sections of the Parish are however under constant pressure as developers close in to buy out the existing landlords.<sup>7</sup> The transient nature of the population poses a threat to the project infrastructure and present beneficiaries could soon be unserved as they move out to create new informal settlements. Even though landlords had signed MoUs committing land for 20 years, these have no legal force and landlords may choose to sell their properties as market pressures intensify. However, the most significant asset, which is the PPM, can be moved to other locations as needed.

### **3.5.2 Is the technology used for the construction of toilets suitable for the target group?**

The sanitation facilities used recognises the difficulties with land tenure, the unplanned nature of the community, poverty and income patterns, and the observed difficulty with promoting ECOSAN

<sup>6</sup> Social tariffs, also called lifeline tariffs, are intended to help the poor to access the basic level of water supply. This is often a subsidised rate.

<sup>7</sup> In a conversation with the Chairman of the KCC Central Division, Mr Godfrey Nyakana (himself a business), land values in the neighbourhood of \$1 million were quoted. It was also noted that many of the lands in parts of the parish belong to absentee landlords.

facilities in low income settlements, hence the emphasis on VIP latrines. Therefore the challenge of on-site sanitation contaminating water resources (particularly with the high water table in Kampala) still exists. Whilst ECOSAN type toilets were planned to address this, these were not sufficiently promoted for the reason that they would be difficult to maintain in informal urban settlements. Only one urine diversion (UD) facility with 2 stances was constructed.

### 3.6 Project Outcomes and Impact

The Kagugube Project is yet to be completed but a number of its outcomes can be observed from current data and interviews with the relevant stakeholders including, in particular, the residents of the parish, the project consultants and the UPPB. The following sections discuss the outcomes from the perspective of what was expected and what have been some of the unintended consequences of the intervention. In particular the analysis looks at the issues of accessibility, affordability and reliability - 3 key ingredients of a pro-poor agenda - and equity.

#### 3.6.1 Accessibility, affordability, reliability and duty of care have been achieved

**Accessibility:** The residents of Kagugube now have an uninterrupted supply of water 24 hours a day. It should also be appreciated that standpipes were located to ensure a distance of not more than 200 metres from the farthest consumer. This implies considerable time saving which could be released for other activities.

Improved accessibility to sanitation facilities, either at the household level or through communal use – is expected to reduce the incidence of diseases. The Deputy Chairman of the PSC noted that “cholera cases have gone down, and cleanliness in the community has improved”.

“Cholera cases have gone down, and cleanliness in the community has improved”

*Deputy Chairman,  
Kagugube Project Steering  
Committee*

#### Box 3-2: Concern with operation of public toilets

“President Yoweri Museveni has described the practice of overcharging by operators of public toilets and markets as “parasitism”. “Instead of developing common facilities in markets, business people make huge money out of people defecating. For somebody to use a toilet in Nakawa market, he must pay sh200 [9 US dollar cents]. This is not acceptable,” he stressed. Museveni was speaking at the opening of the 2<sup>nd</sup> national conference of his National Resistance Movement (NRM) on 11 September 2010.

Running public toilets in towns has become a gold mine, especially in the capital Kampala. Kampala City Council estimates that there are over 2,550 users of public toilets per day.

According to a recent survey by the Saturday Vision newspaper, public toilet operators in Nakasero market and the Old Taxi Park, for instance, charge sh500 [22 US dollar cents] for bathing, sh200 [9 US cents] for ablution, sh300 [13 US dollar cents] for “long calls” and sh200 [9 US dollar cents] for “short calls”. The survey revealed that an operator can make at least sh12,000 per hour [US\$ 5.26] just from one item”.

*Source: Uganda: President Museveni warns against high public toilet fees, <http://www.irc.nl/page/55302>*

One should of course be mindful of the fact that shared sanitation facilities – public toilets and toilets shared by more than one household – are considered unimproved according to the definition adopted for monitoring progress in achieving the MDG targets for sanitation. This definition is

shared by Uganda's Bureau of Statistics (UBS), which applies this in the interpretation of data for its surveys, including the Demographic and Health Survey. Thus whilst the sanitation situation has definitely improved, this will still be considered as unimproved.<sup>8</sup>

**Affordability:** By dispensing water at the social tariff of UGX19.5 per 20-litre container, affordability for water services has been greatly enhanced. The new tariff is about a fifth of what poor consumers used to pay. It is unclear at this stage the extent to which total household expenditure on water has decreased. Thus it is possible that poor consumers are spending the same amount of money for a greater volume of water, instead of a reduced level of expenditure.

In the case of sanitation however, it can be argued that households are spending more on sanitation than they did with open defaecation (where this was the only option) even though at a greater social cost. The improved access to sanitation and water supply has led to increases in rents in the community. As one landlord put it during the interaction with the PSC: "the value of the property has been enhanced and therefore 'tenants have to pay for the improved living conditions.'"

**Reliability:** The extension of water supply and the use of pre-paid metered standpipes have ensured reliable supply to consumers. The elimination of an attendant to man standpipes (who was not available during slack hours) has ensured that water can be fetched at any time of the day. The non-payment of bills to the utility by standpipe attendants which often led to disconnections (collective punishment for the sins of one person) no longer applies. Prepaid meters have overcome the burden of having to pay an accumulated monthly bill for people without a saving culture and who earn on a daily or a few days basis. NWSC too is protected because many can relocate without warning leaving behind accumulated bills.

**Duty of care:** Safe water is now supplied to the community. In addition, the project has put in place a complaints mechanism by which consumers can reach the utility. Complaints are supposed to be dealt with in 48 hours, even though this has not been the case because the project is yet to be fully transferred to the UPPB.

**Equity:** The project's focus on the poor is in line with the principles of equity. But whilst tenants have benefitted, landlords, on whose properties sanitation facilities have been constructed, have derived much greater benefits. Indeed it may be considered a 100% subsidy to landlords towards the capital cost of the facilities, for which should reflect in user fees. There have been increased rents on properties as a result of the improved water and sanitation facilities, the contributions of households towards operation and maintenance of the facilities may in fact also provide some income to the landlords. This is however the price that had to be paid to get the consent of landlords to release lands for



**Picture 3-3: Signpost displaying NWSC helpline. Calls to the number are free.**

<sup>8</sup> WHO/UNICEF's Joint Monitoring Program (JMP) defines improved sanitation to exclude facilities which are shared by more than one household. This definition is also used by Uganda's Bureau of Statistics. This is a significant clarification as previously higher numbers for access to sanitation reported by many African countries have been downscaled to eliminate shared facilities, even if the facility is very high on the sanitation ladder. Thus a water closet facility which is shared is considered unimproved. One view is that the JMP definition is unrealistic and fails to recognise the management and cleanliness of many shared facilities, nor does it recognise the realities of the sanitation challenge in informal communities. Whilst the elimination of shared facilities should be a desired goal (particularly in the case of public toilets), it is clear that it will take several years, and well beyond the 2015 MDG target year, to get an appreciable rise in coverage as currently defined. In the context of slums and informal communities, it is clear that the sanitation options chosen by the Kagugube Project (and similar interventions) are the only means by which the sanitation challenge can be addressed, even as they may be considered unimproved.

the project, and as long as no one is worse off and the community as a whole has gained from the project, this should be considered an acceptable outcome.

The middleman (the tap attendant) has been eliminated with the installation of the PPM. To alleviate the negative impact from the loss of jobs, they have been given new roles to sell tokens.

### 3.7 Efficiency

The Kagugube project is cost efficient and demonstrates that it costs less than often assumed to serve poor communities. According to NWSC the investment analysis carried out on the use of PPM indicated that the investment could be recovered in 4 years. At a social tariff of UGX 995/m<sup>3</sup>, Kagugube residents are paying more than 80% above the utility's full cost of water production in Kampala (including depreciation), even though it is lower than the average tariff of UGX1,500/m<sup>3</sup>.

Cost-efficiency in the execution of the project itself is discussed in the next chapter. However the following challenges affecting project delivery were noted.

- The period for tendering took around one year rather than the three months originally planned and this led to the delay of the implementation of a number of critical activities for project success especially in the Software Component
- Quotations too were far beyond the available funds leading to reductions in scope and a lot of back and forth to obtain no objections on the way forward which had not been anticipated in the beginning
- Construction of private toilets delayed due to logistical problems such as availability of cement due to the Kenyan political crisis at the time
- Communities began to develop negative attitudes due to the slow pace of construction

### 3.8 Sustaining Service Delivery

#### 3.8.1 Management of facilities

Private operators (many of whom are landlords on whose land toilet and pre-paid meters have been installed) are enjoined to observe performance indicators aimed at ensuring the functionality of the facilities. The performance of the operators is assessed based on a number of criteria that are reviewed monthly. These include, in the case of toilets:

- |   |  |
|---|--|
| <ul style="list-style-type: none"><li>• Making regular payment of water bills</li><li>• Providing night lighting in the facility</li><li>• Repairing facility</li><li>• Maintaining the cleanliness of the facility</li><li>• Providing sanitary facilities e.g toilet paper, soap, buckets</li></ul> | <ul style="list-style-type: none"><li>• Keeping records i.e pay slips, receipts of water and water bills, fees collected, service dates</li><li>• Allowing people to use the facility i.e. does not personalize the facility</li><li>• Opening the facility at the times set by the Committee and as convenient to the users</li><li>• Charging the agreed user's fee.</li></ul> |
|---|--|

An operator may be replaced if he/she fails to observe the above requirements, and indeed one operator of a public toilet has already been replaced for infringing these requirements.

### 3.9 Challenges to sustainability

A number of challenges need to be addressed if the project successes are to be sustained. Some of these are initial teething problems while others are similar to those associated with the earlier Kisenyi/Ndeeba project. NWSC needs to address these problems immediately given that some of them had been raised after the completion of the Kisenyi/Ndeeba project and preceded Kagugube.

**Availability of tokens and vending points:** During consultations with the Kagugube PSC, there were complaints about the difficulty in getting tokens, similar to those made by residents of Kisenyi/Ndeeba. There are not enough vending points as consumers have to go to the UPPB office in Kisenyi to top-up. This is very inconvenient to consumers. In response the UPPB indicated that they would soon open a satellite office to take care of residents of Kagugube. The project however has placed orders to acquire an additional 7 vending machines to be strategically located in the parish. See Box 3.4 on possible consequences of this shortfall.

**Faulty PPMs:** A number of PPMs were reported to have experienced some faults. Faults included low pressures, faulty readings, system malfunction, whilst 2 PPMs have never worked. In many cases the UPPB responded to complaints but the office noted that the project is still covered by the liability period and contractors remain responsible for replacement or repair of faulty meters. This is a serious challenge as communities could lose confidence in the system if the problems persist.

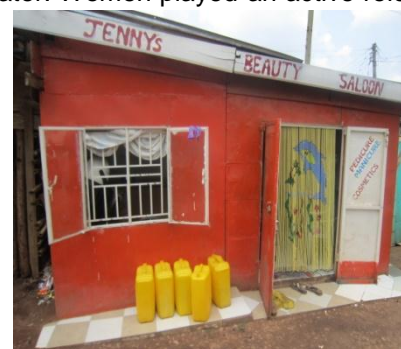
**Procurement of PPM through a monopolist:** The monopoly enjoyed by the supplier of the PPMs is a major worry for NWSC and financing partners. For example it is noted that the price of a token rose from US\$3.00 in 2008 in the case of the Kisenyi contract to \$9.00 in the case of Kagugube. Recommendations have been made to NWSC to make worldwide enquiries to try and reduce costs of both PPMs and tokens. It is noted for example that PPM prices differed widely from \$400 (€317) for the OBA project, €600 for Kisenyi/Ndeeba and €800 for Kagugube.

**Cost of use of decent sanitation:** Whilst sanitation has no doubt improved there is some concern for the cost of using toilet and bath facilities. Communities have definitely appreciated decent sanitation and have been willing to pay UGX100 per visit to the toilet and a similar amount for a bath. However for the very poor this will lead to further impoverishment. This concern has been echoed by the President of Uganda himself. See Box 3.4

### 3.10 Gender Perspectives

Women and children have the primary responsibility of finding water. Women played an active role in the project design and implementation. Indeed the Chairperson of the PSC is a woman and there are 3 other women members.<sup>9</sup> During the design and construction of sanitation facilities the women asked that privacy should be considered and should also be made accessible to children. Women also demanded that toilet facilities constructed under the project should have bathrooms/showers and this was incorporated.

Women are engaged in raw food vending, hairdressing, retail trade, roadside vending and operating eating and drinking outlets, activities that stand to be enhanced with the availability of clean and regular water supply. Women are also directly involved in the selling of water in the project area and are expected to continue playing a major role.



**Picture 3-4: Kagugube Beauty Parlour: many small businesses operated by women depend on water**

<sup>9</sup>One of Uganda's water sector 10 golden indicators is the: “% of Water and Sanitation Committee/Water Boards in which at least one woman holds a key position”. The project has certainly met this requirement.

### Box 3-3: Advantages and Disadvantages of Pre-Paid Meters

The advantages for the consumer of the pre-paid metering system include the following:

- There is unlimited access to water supply (24 hours a day)
- Poor consumers pay the official tariff set for low income consumers
- Disconnections due to non-payment of bills are eliminated
- The elimination of an attendant effectively reduces the water tariff (assessed at 10-20% of tariff)
- Tokens are accepted at multiple outlets providing convenience to consumer

The major disadvantages of pre-paid meters to the consumer are operational and include situations of no water flow (even though monies have been pre-paid), and difficulties that may be associated with re-charging tokens. In addition, limited outflow means that only one consumer can take water at any one time, and could result in queues during peak hours. This is however mitigated by the fact that water is dispensed 24 hours a day.

For NWSC, there are a number of advantages as well. This includes:

- Thievery is eliminated as no money is stored in the meter box to attract thieves
- Operation costs are reduced as there is no need for an attendant; physical water losses are also reduced
- Consumption data are registered automatically and can be used to calculate unaccounted-for-water
- The meters can easily be relocated e.g. if the informal settlement is turned into a commercial area

Whilst there are risks associated with vandalism, the involvement of community structures and the pro-active sensitisation that is undertaken have eliminated this in NWSC's intervention areas.

## CHAPTER 4 : Observations and Lessons

*This section captures emerging issues and lessons from the implementation of the Kagugube Project. The issues discussed are based on a review of project documentation and literature on water and sanitation supply in Uganda and in particular the operations of NWSC, field visits and consultations with actors associated with the project. The lessons drawn are meant to support regional learning, to inform the policy debate and AWF's Operational Strategy, which is currently under review.*

### 4.1 Policy, Legal, Regulatory and Institutional Context

#### 4.1.1 Political will, innovation and commitment are key to delivering services to the poor

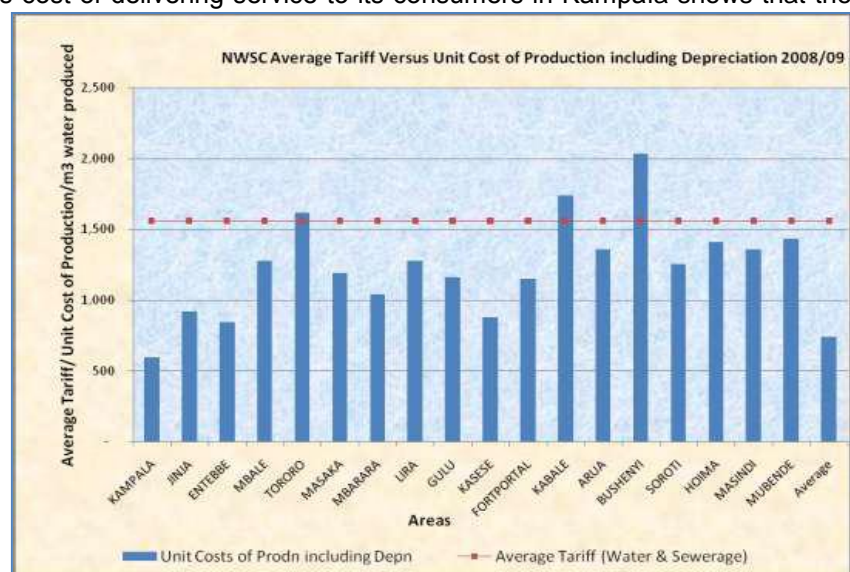
'Where there's a will, there's a way'. The Kagugube Project has clearly demonstrated that given the political will, utility innovation and strong community sensitisation, the poor can be given access to services. The project (and its predecessor Kisenyi/Ndeeba) has shown that it is possible and indeed viable to serve the poor once supply and payment options are tailored to their needs. This contrasts the conventional notion that serving the poor is a drain on the utility. It is possible to justify the interventions financially as the poor are able and willing to pay for water and have in fact been paying more than 5 times what it costs to pay for water of doubtful water.

#### 4.1.2 Establishment of Pro-Poor Branch has helped to improve access to the poor

The UPPB has demonstrated that a dedicated unit within a utility helps to achieve the objectives of a pro-poor agenda. It has also increased intra-utility awareness for pro-poor issues. The closeness that develops between the unit's staff and community members, through physical presence within the community, the knowledge that is acquired in dealing with poor and informal communities and increased revenues generated from sales to a substantial proportion of the urban population create a win-win situation for all parties.

#### 4.1.3 The poor can be served at tariffs that fully recover cost

The evidence from NWSC's cost of delivering service to its consumers in Kampala shows that the urban poor can be served below its average cost of production, allowing full coverage and sustainable service.<sup>10</sup> At the pro-poor tariff of UGX1,000/m<sup>3</sup> (UGX19.5 per 20-litre container) for water dispensed at PPMs, the utility more than covers its reported cost of production (including depreciation) of around UGX550/m<sup>3</sup>.<sup>11</sup>



<sup>10</sup> Admittedly the utility could earn more from serving rich and affluent communities.

<sup>11</sup> Kampala Water brings in 70% of NWSC's revenues and therefore if there is success in Kampala (including increased revenues from pro-poor interventions and reduction in losses, then a lot of benefits will accrue to the utility.

#### 4.1.4 Making water pay for sanitation

##### Box 4-1: Using water to finance sanitation

Consumers paid between UGX100-150 for a 20-litre container of water. A willingness to pay study undertaken in Kampala before the project had established that consumers were prepared to pay UGX 100 for three 20-litre containers. The project however priced water at UGX19.5 for a container or about UGX1 per litre. For sanitation consumers were willing to pay the same amount of UGX100 per visit as before.

A pricing arrangement that included a portion (say UGX0.5 per litre) for sanitation would create a fund sufficient to construct more toilets or address other sanitation problems in the community. Thus there may be a high willingness to pay; however, there appears to be an unwillingness to charge, properly manage and take responsibility for sanitation!

According to NWSC, undertaking water supply interventions alone in poor communities can be a profitable operation, as willingness and ability to pay studies had indicated that tariffs could be set to achieve viability.<sup>12</sup> However, the addition of sanitation interventions to pro-poor interventions changes the financial viability of most projects, and subsidies to capital costs are often required to support delivery. This is particularly true in urban slums and informal settlements, where settlement patterns, land tenure and ownership realities, as is the case in Kagugube, make the promotion of strategies such as no-subsidy community-led total sanitation (CLTS) difficult.

The lesson that this brings home is that water supply should be used to support the sanitation interventions. Through a

strong community sensitisation programme, communities can be encouraged to pay a little more for water to create a fund for sanitation interventions. This has been done in other countries – such as Ghana and Burkina Faso - in rural and small towns and can be replicated in the project area.

#### 4.1.5 Project has been a win-win for all parties

The project has achieved a win-win situation for all parties, even if more so for landlords. Beneficiaries include tenants (improved access to water and sanitation); landlords (improved access to water and sanitation, public investment in toilet facilities nominally owned by them, enhanced rental values); community (reduced incidence of diseases, enhanced dignity, child education); NWSC (increased revenues, reduced illegal connections, good corporate image, increased knowledge of how to serve the poor); the private sector (better opportunities in participating in downstream operations, such as desludging services, construction, consulting); and KCC (cleaner environment, healthy people contributing local taxes, community cohesion that allows mobilisation for other projects, increased knowledge in serving the poor).

## 4.2 Implementation

### 4.2.1 Pilot, demonstration or scale-up?

The Kagugube Project was conceived as a pilot from which “lessons learnt shall be ..... applied during similar projects in the remaining informal settlements in Kampala” [PAR]. NWSC started its pro-poor activities more elaborately in 2006 through the €2.6 million Kisenyi/Ndeeba project, which was funded by the German Government (KfW). This project delivered 328 PPMs (74,000

<sup>12</sup> This was noted in discussions with Chief Manager, Engineering Services, on 30 July 2010.

consumers) and 14 public latrines and ended just about when the AWF was to begin in 2008.<sup>13</sup> Indeed to sell the concept, community members were sent to Kisenyi on an educational tour. It was important that the project activities avoided duplication and shared lessons in order to reduce the overall cost of implementation by making use of existing institutional knowledge.

**Table 4-1: Comparison of costs of implementing Kagugube and Kisenyi/Ndeeba Projects**

Item	Kisenyi	Kagugube
1. Project design and tendering (Euros)	292,092	120,000
2. Construction supervision works (Euros)	309,866	
3. Total Consultancy Costs (Euros)	<b>601,959</b>	<b>120,000</b>
4. Construction works (Euros)	1,971,415	745,575
5. Total Hardware Cost (Euros)	<b>2,573,374</b>	<b>865,575</b>
6. Facilities Delivered (Euros)		
<i>Pre-paid meters (No.)</i>	328	32 <sup>A</sup>
<i>Public toilet stances (No.)</i>	14x	1x6
<i>Household toilet &amp; stances (No.)</i>	37x	25x6
7. No of beneficiaries (No.)	84,200	13,750
8. Per capita cost of intervention (Euros)	<b>€31</b>	<b>€63</b>

<sup>A</sup> An additional 7 PPM dispensers are to be added to the original 25 bringing the total to 32. The extra funding is from exchange gains made from the depreciation of the Ugandan Shilling against the Euro.

The key lesson from this is the need to avoid designing projects as pilots when there may be enough lessons from other projects to help move to scale. The Kagugube Project could have made faster progress and could have perhaps saved more on software costs if it had factored into the design the lessons from Kisenyi/Ndeeba, the institutional capacity that had been built in UPPB and possible savings from hardware costs from piggy-bagging on the Kisenyi/Ndeeba project. This can be seen from the evidence in Table 4.1 where the intervention cost per capita between the Kagugube and Kisenyi/Ndeeba projects is more than twice as much.

#### **Box 4-2: Could NWSC fund pro-poor interventions on their own?**

The issue of whether the utility could fund some urban poor projects was explored during the case study. NWSC admits that it could do this, however all its capital budgets are committed to projects worth UGX 1.68 billion (\$84m) for the next 5 years. This money must be internally generated i.e. from the utility's annual surpluses, and reinvested in the system following an agreement with the GoU. In 2008 GoU cancelled NWSC's debts in exchange to committing the utility to invest the equivalent in several agreed projects.

Therefore the utility finds it appropriate to still depend on Donor funding for this project and many important ones. "Our hands seem to be tied for the time being and we may not be able to take on more projects even if we wanted", noted the Managing Director.

#### **4.2.2 Implementing community level interventions through Consultants**

The use of consultants has had its positives and its drawbacks. In the project the consultants were always on-site and had a very good rapport with the community creating an interface between the community and NWSC/UPPB/KCC to remove suspicions, bridge differences and facilitate the

<sup>13</sup> Other projects targeting the poor and informal communities had commenced or had been appraised about the same time that the Kagugube Project was to take off. The projects included the Kampala Urban Sanitation Project (NWSC: 2003-2005), Kampala Integrated Environmental Planning and Management Project (BCC: 2006-2009), and Global Partnership for Output-Based Aid (NWSC: World Bank since 2007). It was learnt that Government has picked interest in the prepaid meter concept and is in talks with the relevant institutions on how to use it in institutions like defence

implementation of the project.<sup>14</sup> The use of consultants has also helped to create a pool of knowledge outside the utility for pro-poor activities. This will allow UPPB to concentrate on its core functions of service delivery, monitoring and evaluating outcomes of the utility's pro-poor interventions.

A major setback worth mentioning here is that the approach seemed to have 'alienated' the UPPB, which is being positioned to take up the role of the Consultants after they exit. The seeming disconnect between the Consultants, the Branch and the Community has given rise to delays in addressing queries and complaints from the community.<sup>15</sup>

### **4.2.3 The role played by local leaders during the demand process**

Local leaders were very supportive right from the start of the project (planning and design phase). They were instrumental in organizing meetings with landlords as well as forming a project steering committee that identified sites for pre-pay units and sanitation facilities. In addition the political leadership was very co-operative and this contributed enormously to the successful implementation of the project. The Chairman of the KCC (Central Division) was particularly instrumental in getting the community together.

Landlords were crucial in arriving at solutions. The agreement reached with landlords on the release of lands for the facilities was a crucial turning point in the project. Initial apathy and suspicion gave way to co-operation that enabled the project to obtain agreements for the use of land for 20 years. But landlords were not losers as they (and their tenants) benefited from on-site sanitation and enhanced their property values as well.

## **4.3 Project implementation assessment**

### **4.3.1 Several changes made in planned activities**

Whilst the Kagugube Project appraisal was well-documented, the project execution itself saw some modifications in terms of outputs, some of which NWSC attributes to new knowledge on best practice. Thus certain assumptions made at appraisal were dropped, demonstrating that the



**Picture 4-1: Space is a problem in Kagugube. Notice where the toilets have been situated**

approach to serving the poor cannot be static. For example the original project activities included the installation of 100 yardtaps. However as a result of the success with PPMs in the Kisenyi Project, and given problems NWSC was having with these (including non-payment of bills), it was decided to progressively phase out the conventional metering systems for yardtaps. In addition, the unavailability of reasonably-sized areas for public toilets, led to a decrease in the number of stances per toilet facility, and an increase in the overall number of

<sup>14</sup> During a meeting with the Steering Committee, some members requested that the consultants be given time to stay on after the project to provide backstopping. It should also be noted that there was a Parish Development Committee in place that was not used because of political divisions amongst its members and allegations of mismanagement of earlier projects. Indeed many landlords had initially refused to give lands on suspicion that the project was a pretext for depriving them of these lands by KCC. The professionalism and perceived neutrality of the consultants helped to bring a new leadership together to drive the project.

<sup>15</sup> It should be noted that the UPPB is a relatively new branch that was implemented as part of the Kisenyi project. It is gleaned from the Kisenyi Project completion report that, the UPPB initially suffered marginalisation within NWSC itself and both NWSC mainstream and Branch staff had to be sensitized on roles and benefits. Staff may not have been facilitated adequately to do their work. Perhaps having a new branch in Kagugube may have added pressures on the Branch staff.

facilities to ensure the same number of people were served.

According to the project logframe, 250 No. of sanitation facilities were expected to be installed by the end of 18 months; and an additional 250 by end of year 2 (at least 50% of household facilities would be ecosan toilets). In this respect, the project has woefully failed to deliver and may in fact have been too ambitious in its targets.

## **4.4 Pre-payment technology**

### **4.4.1 The IEC activities worked to assure acceptance**

The project has not reported any case of vandalism with the PPMs, even though there have been situations when system malfunction, lack of tokens and water unavailability could have led to consumer dissatisfaction which could provoke vandalism of equipment. This obviously has its roots in the extent of community sensitisation, the leadership of PSC and the recognition of the benefits of the project in the parish. The Kagugube Project undertook a series of IEC activities, which included documentaries, coverage on television, newspaper articles, talk shows on radio, posters and t-shirts, study tour of Kisenyi for lesson learning, and a number of community shows, that ensured community buy-in and ownership.

### **4.4.2 Possible influence of pre-payment in communications sector**

People living in both rural and urban communities have become familiar with pre-payment as widely applied by the mobile telephony sector, and to a lesser extent in electricity supply. Selling the idea of pre-payment was therefore not a new concept. The prospect of getting the amount of water you want to purchase at any one time and at a much lower cost was extremely attractive.<sup>16</sup> Lessons from the marketing of communication services could help in the marketing of sanitation if sector actors committed themselves to being more innovative. Perhaps a stronger collaboration between the marketing industry and water and sanitation actors could help deliver improved sanitation.

### **4.4.3 Managing facilities to ensure sustainability and uptake**

Sustainability is assured by a number of complementary factors: (i) establishing the institutional arrangements for ensuring delivery of services, including backstopping; (ii) ensuring financing for O&M, and capital maintenance; and (iii) upscaling interventions to take account of unserved as well as increasing populations.

A key advantage of the current arrangements in serving the poor is the institutionalisation of service delivery in the utility. Thus, unlike the situation with NGO support to communities, this is not a one-off activity where backstopping has to be taken up by some other organisation or not all. NWSC has mainstreamed the project into its service delivery arrangement and there will be support from the UPPB to ensure sustained delivery. This is particularly relevant as PPMs are not robust enough to be handled by community members.

Secondly there is a strong cohesion among the community leadership, which may partly be explained by the fact that the individual members of the steering committee have an interest (commercial and personal) in the success of the project, being landlords, tenants and councillors.<sup>17</sup> Buoyed on by the project's success, some members of the PSC who are landlords indicated that if there were any micro-financing arrangements in place, they would be happy to access this to replicate the toilet facilities in other areas. This is a signal to NWSC, KCC, GoU and its partners

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<sup>16</sup> This is akin to being billed in seconds by the telephone company

<sup>17</sup> Some of the landlords are also operators of public toilets which could earn them as much as UGX 300,000 (\$140) per month (by reference to public toilet operators in Kisenyi).

that opportunities exist for private sector-led delivery of sanitation facilities as long as an enabling environment can be created. A revolving fund could be created for this purpose.

An interesting aspect of the sanitation management is the incorporation of Kagugube Parish (and other informal settlements), into the Kampala Sanitation Master Plan. A special purpose vehicle to be used for excreta desludging (Ugavac) has been designed by NWSC that will allow movement in unplanned informal settlements. Clearly the strength and vision of NWSC are playing a part in this.

#### **4.4.4 Success is being multiplied through more projects**

The success of Kisenyi/Ndeeba and Kagugube Projects has paved the way for more pro-poor interventions, which will continue the use of PPMs. These include projects planned by the German Government (€10 million) and the Global Partnership on Output-Based Aid (GPOBA) - \$4.5 million.

#### **4.4.5 The utility may not be the best champion and lead for ECOSAN and household sanitation interventions**

The Kagugube Project was considered a pilot, and ECOSAN was what differentiated it from Kisenyi/Ndeeba. However, the promotion of the concept as well as household sanitation generally failed to meet expectations. A number of reasons and the lessons learnt from these were given in communication from NWSC. These are captured in Box 4.3.

Many of the reasons adduced by NWSC are generic and certainly were known before the commencement of the project. Therefore it was expected that such knowledge would assist in the planning and focus of the IEC activities. It is the writer's view the the challenges of promoting ECOSAN in informal urban communities are so daunting that a water utility such as NWSC (efficient as it is) may even find it difficult to undertake (as it is not part of its core business). This would imply that utilities work with dedicated ECOSAN NGOS/entities to ensure success in addressing some of these already challenges. Thus whilst pro-oor units may be relatively actively in promoting water and excreta management in informal urban communities, it is to be appreciated that partnership with other organisations may be a surer way of achieving objectives. After all the utility must concentrate on its core business and collaborate with others to serve the urban poor.

Sector actors must also decide whether it is much ado about ECOSAN for small results and that we should all be concentrating on our traditional VIPS to make quicker impacts?

**Box 4-3: NWSC response to difficulties in promoting ECOSAN toilet in Kagugube**

NWSC responded to enquiries regarding their inability to promote the ECOSAN concept in line with the objectives set. Below captures some of the highlights of the response. It should be appreciated though that thatthe Ndeeba-Kisenyi community project also constructed three house hold type semi-ECOSAN facilities that are operational to date.

"Most African Cultural belief (aesthetic) view using 'PUPU' (by product) from ECOSAN facilities is abominable. The perception is that ECOSAN by product are not clean. In terms of ECOSAN design even most 'Modern' Households think/ or have perception that 'clean' toilet goes with usage of water. However there appears to be some key issues like in informal settlements; cost versus designs. The most common designs are VIP latrines which are cheaper to construct and maintain than ECOSAN. When one pit is full another is dug or left to be emptied during rainy period. In urban settings especially informal settlements, land tenure plays a greater role in land use due to limited space yet high population. ECOSAN needs space. Its chambers end up filling quickly hence leaves no space for sanitization. A typical landlord in densely populated urban poor area would want to maximize space to build more rental rooms 'Mizigo' to get more money than using the space for sanitation facilities. In addition, the O&M of ECOSAN is expensive due to the materials involved in urban setting, e.g. getting ash is a nightmare. It is hectic compared with other models of sanitation. The small chambers of ECOSAN can't withstand densely populated low income settlements, as this causes it to fill very fast and further escalates O&M cost. The by-product has low market in town since urban farming is limited.

**Lessons learnt**

ECOSAN usage is effective for private households, doesn't favour densely populated facility. ECOSAN works best where there is already a good system of faecal management. Its O&M goes with integrated components of sanitation, such as ensuring proper drainage system and better refuse management. ECOSAN facility is suitable for areas that have large space and they practice agriculture like rural areas. There can be ready market for its bye-product and materials like ash for O&M. Maybe it requires concerted efforts between Ministry of Water and Ministry of Agriculture.

·Proper public awareness sensitization to be put in place before and after introduction of ECOSAN. Change agent to work with users and operators on issues of the negative perception of the bye product. Probably action-based research is required to look at even improving materials used may be needed. For example, in Africa we use cement compared with the Swiss who use ceramics that are easy to maintain and has better ambience for the Users".

*Email communication with MD and UPPB Manager, 6-10 October 2010.*

**4.5 Other Lessons**

**4.5.1 What do we do with alternative access?**

The project has provided access to improved sources of drinking water and improved sanitation. However there is evidence of community members' continued use of springs , even if these may be for other purposes aside of drinking.<sup>18</sup> These sources are contaminated and there is no doubt that with the installation of PPM dispensers less attention will be paid to their maintenance by city authorities. This raises an issue about choices people make and whether city authorities can or should ban the use of these facilities once more reliable alternatives are put in place.

The evidence of people still using these contaminated sources calls for greater sensitisation (post project) to bring home the message of clean water. It also means that previous protection schemes should continue to



<sup>18</sup> It should be noted that for many households the same containers are likely as well as the spring, thus creating concerns for contamination **Picture 4-2: Kitamanyangamba Spring in 2006 (above) and in August 2010 (below)**

be in place to ensure that those who use these sources are adequately protected so that they do not bring diseases that could affect other community members. A good starting point will be to get the PSC to monitor the use of these other facilities as well.

#### **4.5.2 Full benefits from intervention may still be missing**

The provision of safe and regular supply of water and sanitation facilities under the project notwithstanding, the community is still faced with a potential health hazard from improper garbage disposal and a highly contaminated spring water which the community still relies on to augment its water needs. It is essential for future interventions to address water and sanitation comprehensively in order to maximise the full, potential, benefits of the project. This can be fostered through co-operation with other partners and more importantly empowering communities to look at total sanitation, rather than the narrow perspective of water and sanitation.<sup>19</sup> As indicated elsewhere water can be priced at a level that is still affordable but contributes to excreta management as well.

## **CHAPTER 5 : Conclusion and Recommendations**

*The chapter summarises the main issues addressed in the Case Study and makes a number of recommendations based on the relevance of the project vis-à-vis local and national priorities, the lessons learnt from the implementation of pre-paid meters, lessons learnt on the communal sanitation facilities, with special attention to gender differences and what lessons can be drawn from the project's experiences not included in expected outcomes*

### **5.1 Conclusion**

Water and sanitation delivery to the urban poor has received considerable attention in recent years from the reality that utility reforms have not necessarily assured access for the poor. Rapid urbanisation in many African cities has put tremendous pressure on utilities. Living in slums and informal settlements with poor planning and inadequate land tenure arrangements, the poor have been affected the most as utilities have struggled to adopt measures that address their needs based on their supply and payment options. In many cities secondary and tertiary water sellers have become the 'default' providers of water often selling water of doubtful quality at 5 to 20 times the cost of water delivered by the utility.

Whilst substantial progress in access is being recorded through well-defined approaches to water and sanitation delivery in rural and small town communities, the same cannot be said for informal urban/peri-urban settlements. Sanitation in slums and informal settlements has been even worse posing serious threats to health.

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<sup>19</sup> Admittedly this is always a challenge, both with respect to institutional frameworks and investment costs required – the IEC was intended to sensitize about SWM; plus the better disposal of faecal matter to render the solid waste a little less hazardous.

The definition of the Kagugube Project by Uganda's NWSC is consistent with the policy of many African Governments to find solutions to improving the livelihoods of the poor. The decision of the African Water Facility to support the project with funding is also consistent with the facility's focus on *strengthening water governance, undertaking investments to meet water and sanitation needs, strengthening the financial base of utilities and improving water knowledge*, based on the lessons that the project has generated.

A clear conclusion from an assessment of the project outcomes is that it has been a major success even though it is too early to know its medium to long term impacts. A number of initial assumptions - policy, legal, regulatory, institutional, financing, implementation, and governance - can be confirmed from the Case Study and are captured under lessons. The observations and lessons from the Case Study that should inform future interventions by Governments, donors, utilities, NGOs and civil society advocates, by way of recommendations, are noted below.

## **5.2 Recommendations**

1. Government's pro-poor water and sanitation agenda should aim at addressing accessibility, affordability, and duty of care. It should also recognise the importance of community participation in decisions that affect them, and ensure that all receive equitable treatment. [In the case of Uganda, water supply is a basic human right and this has required mainstreaming pro-poor delivery in the assessment of the utility's performance]. Projects should include an exit strategy at planning to build capacity of those who will ensure sustainability of the facilities and system put in place.
2. The poor are legitimate and significant stakeholders in the business of water and sanitation, and often pay far more than the rich per cubic metre of water consumed. They are willing and have the capacity to pay for services that are adapted to their needs. Governments and utilities should therefore not be caught in the trap of being unwilling-to-charge when service is extended to poor communities. Revenues from water can be used to facilitate access to improved sanitation.
3. The direct participation of the community and its leaders in the design, implementation and monitoring of any intervention has been an effective way to ensure project buy-in and achieve its outcomes. Any such participation should recognise the legitimate interests (commercial and personal) in any such participation.
4. The NWSC is one of the best performing utilities in Africa, driven by a strong leadership, incentives and penalties. This has no doubt reflected in its ability to serve the poor. Many African utilities have undergone reforms since the 1990s and yet have not made the expected impact. African Governments and utilities should re-examine reforms and place emphasis on leadership and set performance targets informed by incentives and penalties.
5. The adoption of technologies that address the specific peculiarities of serving poor informal communities is important in creating win-win situations, but should be based on a situation analysis. African utility regulators and utilities should assess the use of pre-pay dispensers in addressing challenges in targeting the poor.
6. Several opportunities exist for accessing funding for pro-poor interventions – from the utility's own internal funding, Government, and donors. Governments and utilities should develop well-articulated pro-poor agenda, including social mapping, as a tool for accessing funding.
7. The full impact on the health of people in informal settlements can be assured when interventions look at total sanitation, which includes attention drainage, solid waste management in addition to excreta management. Governments and donors should ensure

partnerships and networking with other projects to incorporate all aspects of sanitation into pro-poor interventions.

8. Government, donors, utilities, NGOs should move on to scaling up interventions as there is sufficient knowledge on serving the poor to justify this. This requires improved dissemination of knowledge and the incorporation of such knowledge in project appraisals. This will considerably reduce cost and save time in the implementation of interventions.
9. Parallel to the above, institutions should also fully embrace and institutionalise pro-poor service delivery. [If UPPB could offer the necessary community IEC and partnerships-building, NWSC could perhaps extend the services directly with little Consultant's input that could be ongoing and cheaper and the resources could reach farther].

10.

## **ANNEXES**

Annex 1: List of Contacts

Annex 2: References/Bibliography

Annex 3: Annotated

Annex 4: Composition of Kagugube Parish Project Steering Committee

Annex 5: Summary of Major Pro-Poor Interventions

## Annex 1: List of Contacts

Name	Organisation/Designation
<b>Patrick Khaemba</b>	Resident Representative, AfDB
<b>Andrew Mbiro</b>	AfDB, UGFO
<b>Dr William Muhairwe</b>	NWSC, Managing Director
<b>Eng Alex Gisagara</b>	NWSC, Chief Manager, Engineering Services
<b>Paul Nsubguba</b>	Project Accountant
<b>Paddy Twesigye</b>	Senior Manager, Projects
<b>Denis Taremwa</b>	Project Engineer
<b>Johnson Amayo</b>	Chief Manager, NWSC
<b>JB Odema Adonya</b>	Manager, UPPB, NWSC
<b>Joseph Ssunna</b>	Winsor Consult
<b>Betty Nankya</b>	Winsor Consult
<b>Simbwa Joseph</b>	Winsor Consult
<b>Ssekadde Paul</b>	Alliance Consultants
<b>Godfrey Nyakana</b>	Local Council Chairman, Central Division, KCC
<b>Nakiboneka Gorreti</b>	Senior Health Inspector, KCC, Central
<b>Rosemary Nakaggwa</b>	Administrative Officer, APWO
<b>Stefan Kalisch</b>	Ded Technical Advisor, APWO
<b>Raymond Kahiigi</b>	Min of Water & Environment
<b>Frank Kweronda</b>	Min of Water & Environment
<b>Kiiza Edmund Rwigyi</b>	Min of Water & Environment
<b>Kasiita John Chris</b>	Min of Water & Environment
<b>Florian Aneth</b>	Programme Manager, KfW
<b>Bwanika Badur</b>	Treasurer, Steering Committee
<b>SSebaddulla Darwin</b>	Vice Chairman, Steering Committee
<b>Jingo Isaac</b>	Youth Co-ordinator, Kagugube
<b>Bakaluba Kibinge</b>	PRO, Steering Committee
<b>Kayinda Robert</b>	Secretary, Steering Committee

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## Annex 3: Function and Composition of Kagugube Parish Project Steering Committee

### Functions:

- Oversee all the project investments
- In conjunction with the LC I ensure security of the investments to stop misuse and reduce vandalism
- Liaise with relevant authorities to promote and enforce good sanitation habits
- Liaise with the LCs of the respective zones to conduct meetings concerning the project and to update citizens
- Be in regular contact with the private operators to keep informed of the state of the facilities
- Receive regular updates from each of the sub committees
- Visit the various sites and prepare and share reports with other stakeholders and the wider community
- Report water leakages to national water for immediate attention

### Membership

Name	Gender	Position/ representation	Status
Mazzi Marget	Female	Chairperson	Married woman
Ssebadduka Darwin	Male	Vice Chairperson	Landlord
Bwanika Badru	Male	Treasurer	Chairman landlord
Kakinda Robert	Male	General Secretary	Tenant
Kibirige Bakaluba	Male	Information Secretary	Landlord
Jingo Isaac	Male	Youth coordinator	Born in the project area
Nanfuka Mariam	Female	Kivulu II Zone Rep	Tenant
Katongole Godfrey	Male	Kivulu I Zone Rep	Tenant
Muyeeya	Male	Kagugube Zone Rep	Landlord
Kiggundu Matia	Male	Kivulu II Zone	Tenant
Babumba	Male	Secretary for security	Landlord
Mrs. Babumba	Female	Industrial Area Zone Rep	Married woman
Margeret B	Female	Ex official	Area Woman Councillor to the Division
Hassan Isabirye	Male	Ex official	Area Councillor to the Division

## Annex 4: Summary of Some Pro-Poor Projects and Initiatives for the Urban Poor (Initiatives culled from Water and Environment Report, 2008/9)

### Summaries

□□ In order to contribute to the improvement of the latrine coverage and improve the environmental health and the livelihoods of the **people in Kampala's informal settlements**, a public private partnership (PPP) was set up between MWE, Crestanks and Poly Fibre. The companies are engaged in the production and distribution of modular plastic toilets. Through sanitation marketing, the PPP will produce and distribute sanitation facilities designed for the specific needs of the urban poor in Kampala's informal settlements. Indications are that the majority of the slum dwellers are willing and able to contribute to the improvement of their sanitation services, including the acquisition of safe and comfortable facilities.

□□ In an attempt to improve **pit emptying for on-site sanitation**, NWSC in collaboration with WSP-Af has sponsored the leaders of the Private Emptiers Association for a two-year mentoring programme by Enterprise Uganda. This is intended to improve the business ethics and financial management of the association leading to better service delivery.

□□ NWSC has started **documentation and updating information** in regard to the status of service to urban poor and identified measurable indicators for service to the poor which have been incorporated into the IDAMC framework.

□□ One 12-stance **ecosan** toilet was constructed at Biina catholic primary school in Luzira and 15 masons were trained on construction of ecosan facilities. MWE also constructed ecosan toilets and trained users in the districts of Soroti, Kumi, Katakwi Mbale, Sironko, Amuria and Bukedea. The facilities were constructed in schools, public places and Health centres. Teachers and members of the Board of Governors from three schools were also trained. MWE also conducted training for Bulisa Town Council, Water Board, Beach Management Units, and NGOs dealing in WATSAN.

□□ The **handwashing campaign** is expected to last at least 3 years. The expected launch was delayed due to lack of resources, but during this period lessons learnt from the pilot were consolidated for the national roll out and fundraising continued. In order to have sustained mainstreamed into district development plans. Over 40 Districts have committed to promote hand washing with soap and some budgeted for promotion activities in FY 2008/9.

□□ It has been found that the limiting factors for latrine acquisition by the **urban poor in Kampala** are: lack of satisfaction with existing sanitation technologies, poor latrine supply chain and financing mechanisms, market segmentation, lack of delivery mechanisms and costly/unsustainable latrines. SSWARS confirmed these factors to be compounded by poverty and the complexity of behaviour change and adoption of better sanitation practices. In March 2008, a 2-year pilot project based on the principles of **sanitation marketing** was commissioned in Bwaise I and Nateete in Kampala. The lessons learnt to date are as follows:

- o The results of sanitation marketing are gradual and modern product marketing requires substantial expenditure before realising any tangible outcomes.
- o The loan scheme for acquisition of sanitation facilities in urban slums is new and still challenging.
- o In order to create sustainable demand for improved sanitation, incentives and innovation must be combined with enforcement.
- o Local entrepreneurs within the communities need to be interested in sanitation as a business.

