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Odi & WaterAid

WATSAN -PRSP PROJECT

Poverty Reduction and Water access in Sub-Saharan Africa

UGANDA CASE STUDY

**Supported by
DFID**

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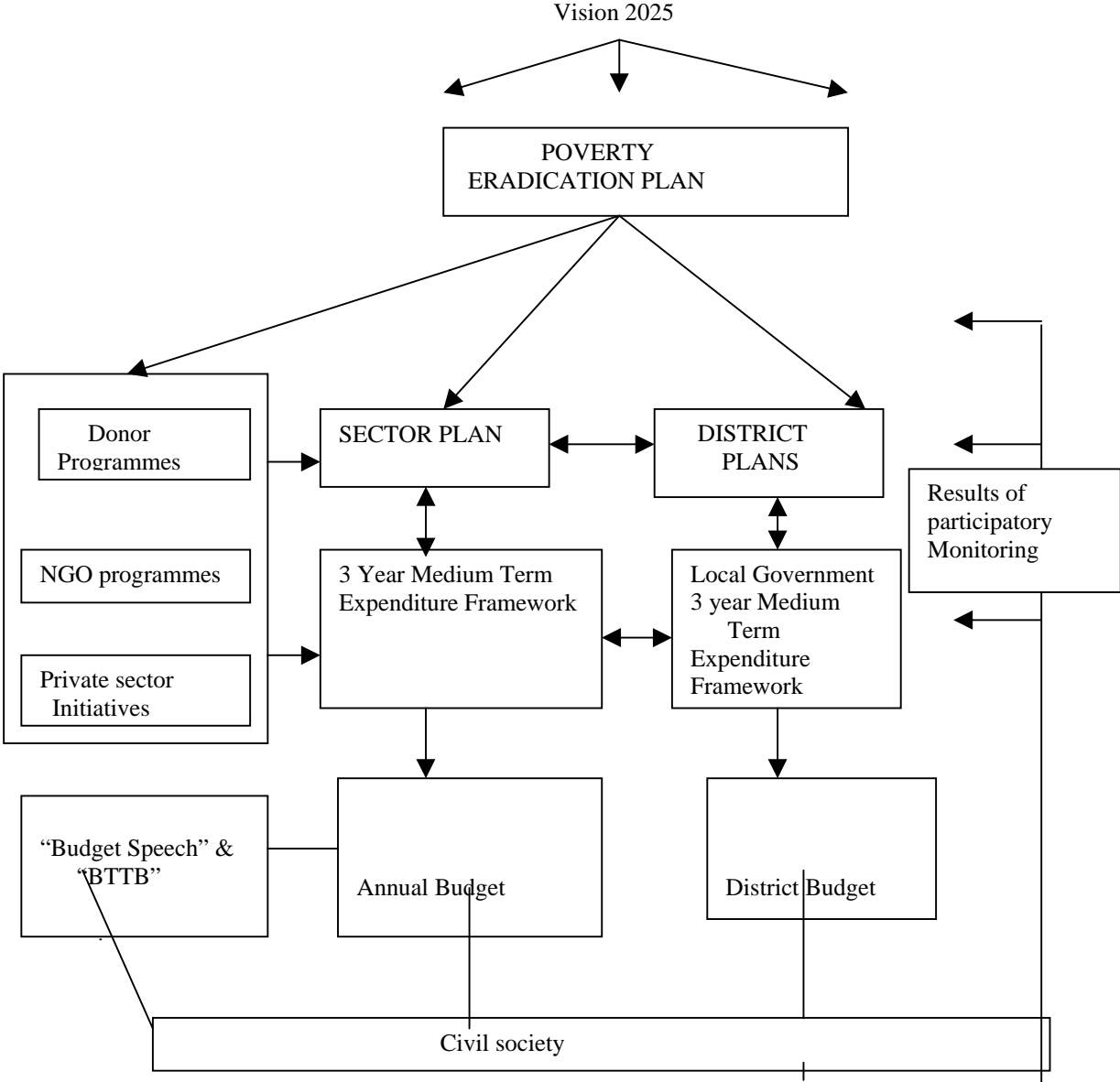
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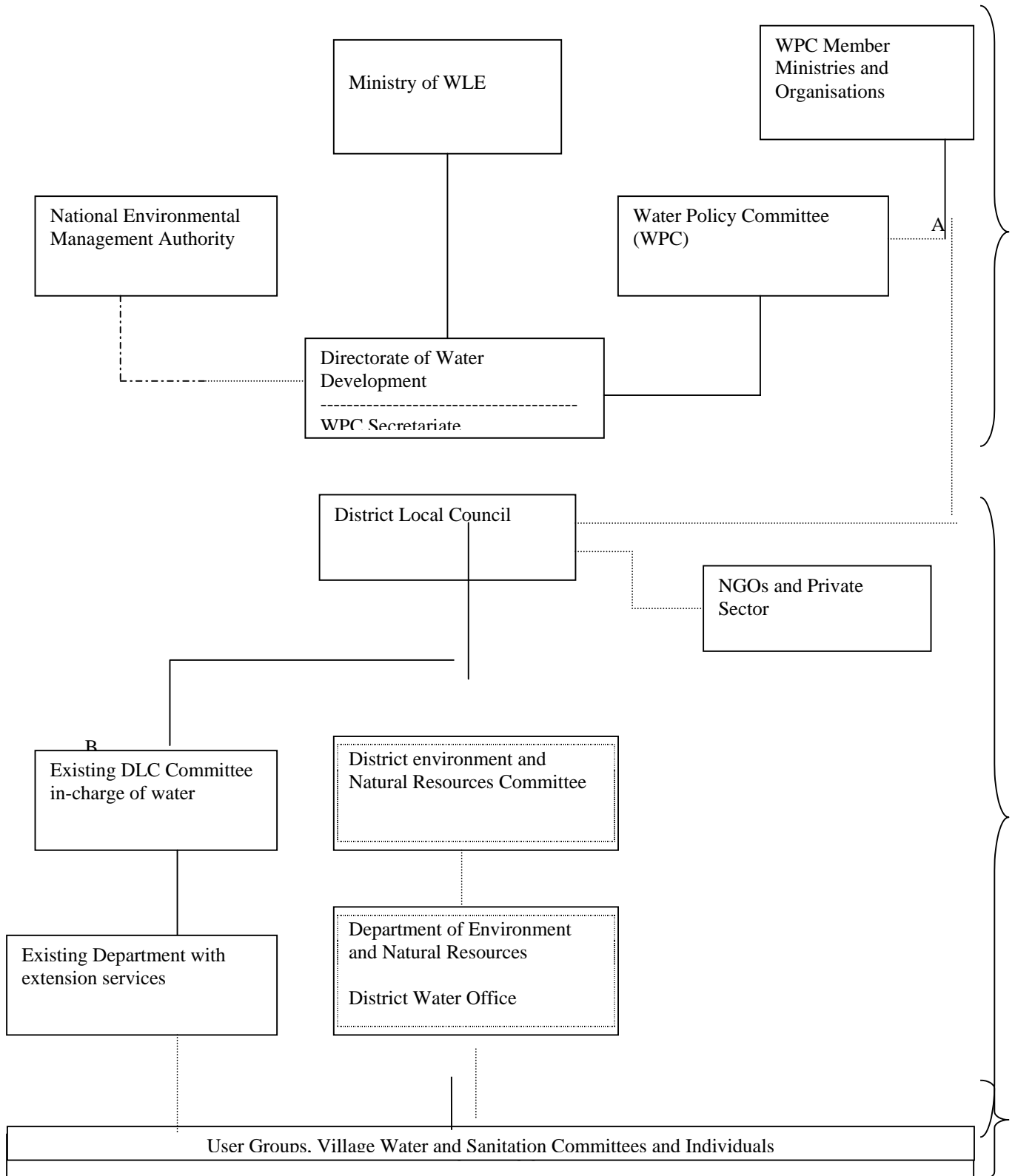
Chart 1:
UGANDA: Overview of PEAP Planning & Information flows



Source: PEAP [2001- 2003] VOL.1

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Chart: 2 organisational Structure for Water Delivery



— Lines Of Responsibility
 - - - Lines of Communication, Liaison and Services

□ Proposed. A – National Level B – District Level C – Local Level

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Acronyms

Acronyms

AHA	Asset Holding Authority
AIDS	Acquired Immunodeficiency Syndrome
BB	Background to the Budget
BFP	Budget Framework Paper
BOO	Build, Own & Operate
BOT	Build, Operate & transfer
CAO	Chief Administration Officer
CBO	Community Based Organisation
CFO	Chief Finance Officer
CFR	Country framework report
CIDA	Canadian International development Agency
CSO	Civil Society Organizations
DANIDA	Danish International Development Agency
DWD	Directorate of Water Development
DWO	District Water Officer
DWSCs	District Water & sanitation Committees
EPRC	Economic Policy Research Centre
GFS	Gravity Flow Scheme
GIS	Geographical Information System
GoU	Government of Uganda
HIPC	Highly indebted Poor Countries
HIV	Human immune deficiency virus
HSSP	Health Sector strategic Plan
IGG	Inspector general of Government
ISO	Internal Security Organization
LC	Local Council
LG	Local Government
LVEMP	Lake Victoria Environment Management Project
M&E	Monitoring & evaluation
MFPEd	Ministry of Finance, Planning & Economic Development
MIS	Management Information System
MISR	Makerere Institute of Social Research
MoE	Ministry of Education
MoGLSD	Ministry of Gender, Labour & Social Development
MoLG	Ministry of Local Government
MTBEF	Mid term budget expenditure framework
MTBF	Medium term budget framework
MTEB	Medium term expenditure budget
MTEF	Medium term Expenditure framework
MWLE	Ministry of Water Lands & Environment
NAADS	National Agriculture Advisory Services
NEMA	National Environment Management Authority
NGO	Non-Government Organization
NRM	National Resistance Movement
NWSC	National water & sewerage corporation
O&M	Operation & Maintenance
PAF	Poverty Action Fund
PEAP	Poverty Eradication Action Plan
PERD	Public Enterprise reform & divestiture
PEWG	Poverty Eradication Working Group
PHC	Primary Health care
PMA	Plan for Modernization of agriculture
PMAU	Poverty monitoring assessment Unit
PMES	Poverty Monitoring Evaluation strategy

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PPA	Poverty Participatory Assessment
PRSC	Poverty reduction Support credit
PRSP	Poverty Reduction strategic paper
PSR	Poverty Status report
RUWASA	Rural Water and sanitation
RWSS	Rural water supply & sanitation
SWG	Sector Working Group
SWAP	Sector wide approach program
TSU	Technical support unit
UBOS	Uganda Bureau of Statistics
UNCC	Uganda National Chamber of Commerce
UNICEF	United Nations Children Fund
UNPAC	Uganda National Plan of Action for Children
UPPAP	Uganda Participatory Poverty Assessment Process
UPPAR	Uganda Participatory Assessment report
UWASNET	Uganda Water & Sanitation network
UWSS	Urban Water Supply & sanitation
WAP	Water Action Plan
WB	World Bank
WES	Water & Environment Sanitation
WPC	Water policy Committee
WRM	Water Resources Management
WRMD	Water Resource management department
WS	Water Statute
WSS	Water Supply & Sanitation
WUG	Water User Groups

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POVERTY REDUCTION AND WATER ACCESS IN UGANDA

Context, Content and Process of Integrating Water Issues In The Country's Poverty Reduction Strategy

1. UGANDA COUNTRY CONTEXT: WATER REGIME/STATUS

1.1 Water Supply and Sanitation: Delivery/Governance Systems and Structures

Over the last ten years the Uganda government has established systems and structures that are being used to rapidly transform the country's productive sectors. Government initiated a Poverty Eradication Action Plan in 1997 with the aim of enhancing participatory approach to development and engender further increase in resources going into the social sectors of Education, Health and Water.

Before the PEAP however, the key legislation that addressed water & sanitation issues was the Uganda National Plan of Action for Children [UNPAC] developed in 1992. The UNPAC strategy was to provide the basic minimum in the fields of; primary health care, **clean water and basic sanitation**, primary education and adult literacy and community care of children needing help. Subsequently, other legislation have emphasised similar strategies. The Constitution of Uganda (1995) under objective XIV provides for the state to fulfil the fundamental rights of all Ugandans to social justice and economic development. The objective ensures that all Ugandans enjoy rights and opportunities and access education, health services, **clean and safe water**. Further, in objective XXI, the state undertakes "to take all practical measures to promote a **good water management system** at all levels", and in objective XXVII "to promote sustainable development and public awareness of the need to manage land, air and **water resources** in a balanced and sustainable manner for the present and future generations".

The Water Statute of 1995 on the other hand, provides for systems of water supply, formation of grass roots structures for development, and management and use of water sources and water points. It stipulates regulations and standards of workmanship including maintenance and legal issues. This Statute has enabled involvement of the people in; selecting suitable facilities according to need and cost and building management capacity for the sustainability of facilities. The Environmental Statute of 1995 also provides for the protection & sustainable management of water among other natural resources, as stipulated in Chapter 17, Article 278(1) of the Constitution of Uganda. This Statute has enabled the formation of the National Environment Management Authority (NEMA) which co-ordinates all environmental field activities. Similarly, the National Policy on the Conservation and Management of wetland resources of 1995 calls for sustainable use, management and equitable distribution of wetland benefits. In particular it sets strategies for ending practices that reduce the productivity of wetlands.

The other important guidelines include the **National Water Policy of 1999** that was developed to promote a new integrated multi-sectoral approach to water resource management in ways that are sustainable and beneficial to the people of Uganda. The policy treats water as a social and economic good and advocates for relying on markets and pricing to determine water allocation among various sectors and user groups. It also provides for involving the beneficiaries and the private sector in managing water at the lowest appropriate level recognising that water is a finite resource.

The above policy and legal frame work has provided a basis for various structural reforms in the Water Sector. Two conditional grants have been created following fiscal decentralisation and subsequent legislation for conditional grant system in the 1995 constitution and the 1997 Local Governments Act. The two are the District Water supply & Sanitation Operation & Maintenance grant introduced in 1999/2000 and the District water supply and sanitation development grant. The latter is a new conditional grant to enable Local governments address issues related to urban and rural water needs of Districts. There are twenty-two (22) other conditional grants that target Priority Programme Areas.

More recently a rural water and sanitation sector reform study produced a 15-year strategy and Investment Plan which is being used as a guideline for the allocation of District Water and Sanitation Development grants. The Urban Water Sub-Sector Reform study proposed a strategy, investment needs and an institutional framework for the sub-sector for the next 10 years.

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Another noteworthy change has been the restructuring of Ministries in 1996, which transformed the Ministry of Natural Resources into the Ministry of Water, Lands and Environment (MWLE). This has resulted into more specific targeting of the water sector in allocation of national resources. Subsequently, the Water Development Department was restructured into a semi-autonomous body, the Directorate of Water Development (DWD) with new functions and roles.

DWD's role has changed from implementation to planning, monitoring and supervision of water supply and sanitation services.

The National Water and Sewerage Corporation (NWSC) which is responsible for water supply and sanitation in the large urban centres is also undergoing structural reforms aimed at strengthening operations and improving the integrity of performance data (MIS) so as to attract a good asset lease price which is linked to reduced perceived risks. Asset management and investment planning can then be transferred to professionally constituted public urban WSS Authorities in small towns and a dedicated Asset Holding Authority (AHA) for the larger towns. All technical, commercial, and financial operations under the above plan will be sub-contracted to professional private operators. These facilities will therefore remain public.

Government is adopting Sector Wide Approaches, SWAPs as a radical shift from a project driven approach to development of comprehensive sector- specific programmes and investment plans that involve participation of all stakeholders in a genuine partnership. The water sector SWAP will cover rural water supply, Urban water supply, Water for production and Water Resource Management. The approach advocates for GOU/Donors to promote uniform disbursement rules, uniform and stronger accountability rules; common indicators and joint appraisals and reviews for all sectors. To the extent that these can be used to develop SWAPs for different development programmes, the principle of best practice methods is applicable.

On the basis of the above policy framework and related reforms outlined, responsibilities for provision of water supply and sanitation, WSS regulations, and natural resource management are demarcated at national, district and community level. It is important to note here that responsibilities are not delineated between water Supply & Sanitation but rather these two components are implemented side by side by the same bodies. The organisational structure for handling the different functions is shown in chart 2 at the beginning of this document. The functions are however, further elaborated in table 1 below.

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TABLE 1: RESPONSIBILITY FOR WSS IN UGANDA

Level	Policy making, setting of guidelines and standards	Capacity building,	Reporting, M&E and supervision planning	Regulation of service provision, enforcement of service guidelines	Service planning, Budgeting resource mobilisation, oversight	O&M
National	MWLE, initiating national policies and setting standards and priorities for WRM in the country. DWD; guidelines on use of development. Grants, DWD & NEMA issuance of waste water permits. Directorate Water Development: WSS in rural and small urban areas MoE: School sanitation. MOH; Sanitation guidelines For Natural resources; WPC co-ordination of transboundary water issues, regulation is by MWLE. MWLE; management of THFs, wetlands, promoting hydropower generation	DWD through TSUs in future. DWD for districts in sector specific skills e.g. water quality and qty surveillance, design and construction, EIA etc. T/A required for some aspects. Mgt. Based skills e.g., decentralisation, budgeting etc. by sector partners (MOLG, MGLSD, MOH, MFPED on cascading arrangements. MOLG provides capacity building funds for districts.	Assessment of local authorities for minimum conditions for W&S Development grants. Oversee capacity building at district level.	(e.g., Ministry of Health through & Ministry of Education through...: school sanitation only) Setting & enforcing WRM regulations; WRM Dept. inspection & quality assurance	DWD; Sector investment Setting indicators to measure performance planning, NWSC developing water and sewerage systems in urban areas (15-towns) MOLGSD mobilisation and public awareness among school children	
District		Establish MIS-planning & mgt. Procedures for lower councils, private sector & communities for DDA. Health education & sanitation campaigns	Oversee delivery of WSS, supervise contractors, and provide guidance through; WO. TSUs to give technical support in best mgt. practice		District Development Committees (for rural WSS only) work plans & budgets, coordinate health, education, sanitation, water construction, Procure services through DTBs & M activities.	
Autonomous para-statals					National Water & Sewerage Corporation (for urban WSS only)	
Local councils (Sub-County 7 County level i.e. 3&4	Enact and enforce by-laws for WSS	Health & education campaigns through health assistants. Inform communities panning & implementation arrangements for WSS activities. Financial mgt. For Water User Groups	Supervise hand pump mechanics construction works, payments and accountability,		Work plan & budget for rural WSS. Procure locally minor construction works below tender threshold.	
Local Council 2 (Parish level)	Enforce local by-laws on water and sanitation	Inform communities on planning & implementation arrangements for W&S activities, facilitate the establishment of WUGs	Monitoring & construction of works. Monitor facilities in parish			
Community level						Form user groups, apply for, operate and manage facility, Pay user contributions, Apply for funds for rehabilitation for large repairs only.

Source: Directorate of Water Development, Kampala

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Overall, the Ministry of Water Lands & Environment (MWLE) is mandated to “manage and develop the water resources of Uganda in an integrated and sustainable manner. This should be done in order to provide water of adequate quantity and quality for all social and economic needs for the present and future generation” (DWD; 1999). The provision of facilities is based on a demand driven approach (DDA) influenced and supported by the Local Governments. The directorate of water development (DWD) is responsible for the water sector co-ordination, setting of standards, preparing guidelines, reporting and doing relevant research. DWD’s role in water resources management has been strengthened to include water resource monitoring and assessment, regulation of wastewater discharge and water extraction.

Currently there are no responsibilities devolved for WSS activities at the regional level in Uganda. However, Technical Support Units are being formed at DWD for this purpose. These units are supposed to monitor and supervise water activities at a regional level.

Government is also promoting the private sector as a potential partner in the WSS sector. According to the National Water Policy, government intends to support the private sector with financial resources to enable them develop and provide water & sanitation services through the BOO (Build, Own and Operate) or BOT (Build, Operate and Transfer) schemes. Borehole drilling activities have already been placed in the hands of the private sector through competitive tendering procedures.

Note that in the past the participation of the private sector in WSS was not closely monitored or supervised by government and was mainly limited to supply of spare parts for hand pumps through private shops/outlets and the community based maintenance systems. However, in line with the National Water Policy and the reforms outlined earlier, the private sector is now involved in designing and construction of WSS facilities, operation & Maintenance, managing training, capacity building (mainly for communities), consultancy services and relevant commercial services in rural areas. With utility reforms coming on board the role of the private sector is being expanded to mobilise financial resources especially for the urban sectors (**National Water Policy; 1999**).

According to the water sector Reform Studies [Wadrop Engineering Inc] government will continue to monitor and support the private sector (in both short to medium period) and intervene in areas of national sector priority to ensure stated goals are expeditiously attained including providing possible inducements. DWD is considering a Build Operate and Transfer arrangement for one or more of the currently non-serviced rural growth centres. It is not evident if communities have been consulted on this.

1.2. Water Supply and Sanitation Data

Data collection on WSS activities in Uganda is at the moment limited in scope and yet there are many stakeholders collecting and/or using this information. The most reliable data source is the Management Information System of DWD, which is continually being updated to produce a comprehensive database involving district and national level parameters. The Water Resource Management department –WRM at Entebbe despite being recently revitalized, has gone a long way in establishing structures for inputting large-scale data on water resources in Uganda.

The DWD and WRM sources are supplemented with data from Demographic Health surveys (DHS), Household Budget Surveys, Population & Housing Census reports and reports from stakeholders for whom WSS is a program component.

WSS data is described by; accessibility to safe facilities, number and functionality of facilities, access by gender and geographical location, Quality issues of water sources, cost-benefit implications in WSS supply, Institutional WSS and source user rights, etc. This information is given for rural and urban localities although a lot of NGO data is provided for particular sites covering specific communities within a District or Sub-County. The table in appendix 2 gives the current efforts at data collection and use in the WSS sector.

Data on WSS is not adequately desegregated. The existing MIS under DWD mainly captures information on status of water sources as well as community and household sanitation. Not much effort has so far gone into detailed analysis of the household sanitation data so as to bring out gender specific issues, age and sex relationships as well as other socio-economic and demographic variables. It is also not possible to see how the water poor match in terms of affected groups although anecdotal findings from various independent studies depict differences in access to safe drinking water for both urban and rural areas.

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These findings, such as from (UNICEF; 1997) indicate that more rural poor people cannot have access to safe drinking water due to long distances. The report further show that the people living in peri-urban areas have problems affording piped water and end up consuming from unprotected sources in the valleys and swamps. Similarly, many typical urban dwellers can no longer afford piped water due to high tariffs and there is a growing shortage of piped or clean water in institutions and other public places due to inability to pay for numerous leakages in the piped water system.

The UNICEF report shows that inappropriate implementation strategies, e.g. demand driven approach, have further alienated the poor of the poor from accessing safe water sources because they cannot afford to contribute towards the initial standard fees (usually 160,000/=). Communities or individuals that cannot afford initial standard fees must resort to unsafe sources of water, which are free (and anyway abundant all over the area) but quite unsafe.

Other data on the water poor is given by (Sewakiryanga; 1996) who shows that time to collect and store water is a critical factor influencing access to education of the girl child in rural areas. Women spend close to 55% of their working day collecting water or storing it and use significant energy carrying pots from valleys to uphill residences. The report analyses time and energy used to access water by women and children. Using the experience of women and children in a peri-urban site, the report shows that the containers used by women and children to collect water are very labour intensive requiring lifting by hand up to 20 liters for very long distances. Similarly, water collecting is mostly done during the early afternoons (after gardening or selling one's labour) when it is very hot and more energy is required to carry the water. Lack of accessible water sources also places a heavy burden on women and children who often have to wait for hours in queues. This leads to women having limited time for agricultural production and other tasks (UPPAP; 2000).

In addition to inadequacy of WSS data and the lack of proper desegregation, there are disparities in levels of WSS in Uganda. Disparities in WSS in Uganda are caused by such factors as civil strife, urban-rural interface, natural factors and supply and demand issues. Civil strife, for example the one currently affecting the northern and western regions has resulted into big populations of Internally Displaced Persons- IDPs. There is a tendency by donors and government to over supply IDPs with WSS facilities (probably as a humanitarian response) at the expense of peaceful areas. Yet on being resettled, these facilities may be put to waste.

On the other hand, Districts or regions that were predominantly urban during colonial period had higher piped water connection and those that were largely rural had very limited access. Rural areas were planned to draw their water from boreholes, wells, rivers and protected springs but most of these could not be provided. Government and donors are consequently putting more focus to improving the quality and quantity of rural water sources. This, while plausible could affect urban WSS component whose performance is already poor and in some, lower than rural coverage (DWD; 2000). There are reports of infiltration with impurities in urban water supply and in some cases it has been declared unsafe. Faecal material was, for example, isolated in piped water in Kampala District whereas the Jinja town reservoirs and pipe system have never been cleaned for over 35 years (NWSC; 1999).

WSS disparity in Uganda is also caused by natural conditions. For example, rocky soils cannot support drilling of boreholes. On rocky soils or in mountainous/hilly regions the expense of drilling a borehole is exorbitant. Rock and mountainous conditions prevail in a number of districts in Western and Eastern Uganda and these have not been well targeted for WSS provision. Similarly, the districts that have high water tables experience flooding of latrines even if they may have advantage for water supply.

In some cases disparities are caused by inability to contribute to co-funding schemes by poor communities where WSS services are supplied on a cost-sharing basis involving initial contributions. Local authorities (Communities) that cannot meet the funding access criteria [usually of 10% co-funding] may not receive support under the funding arrangement until they meet the requirements. This may mean abandoning the WSS priorities or simply waiting with the risk of shifting priorities [UPPAP; 1999]. Political influence reflected in over supply also creates disparity in WSS services in Uganda. There are regions/districts that are over served with WSS facilities because of political influence as well as donor preferences. Some donors have tended to prefer one region thereby over-providing service at the expense of other regions with greater need.

Overall, WSS data is available in the county but in isolated and sometimes unreliable form. A lot of WSS information is collected by NGOs or International agencies for which WSS is a Project component.

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Unfortunately, there are no structures or systems built yet to co-ordinate and harmonise the data collection functions of stakeholder institutions under the WSS sector. Many of these work in isolation often times duplicating each other's efforts. On the other hand there is insufficient utilisation of existing data stock at DWD and WRM. Although data on various parameters has been collected, its not properly desegregated by important parameters and neither is it fully integrated in the planning process at National and District levels. Interestingly, district level data is being collected and analysed by national level stakeholders and there are no sufficient efforts at the district level to maintain or build WSS databases.

1.3. Analysis of Challenges and trends

Several challenges were associated with efforts to improve water access in Uganda before the Poverty Eradication Action Plan- PEAP. During this period, water development was mainly the responsibility of government with very limited contribution from the private sector. In addition, there were no well-developed structures for WSS delivery at the community level and there was significant bias to urban water supply. Rural water supply (which was considered inexpensive) –[MWLE 1995], was thought largely to develop out of self-help endeavors of the communities, with minimum support from government agencies. The following challenges were critical in this era.

- There was limited technical and functional capacity at the district level
- There were problems of co-ordination and planning for Water and Sanitation activities.
- Full Private Sector Participation was yet to be realised especially for simple technology e.g. manufacture of spare parts, supply chain distribution schemes etc.
- District level tendering, contract management, financial management and reporting were seriously under developed leading to very substantial sector programme implementation delays in utilization of allocated funds.
- The Operation and maintenance mechanism was weak or non-existent.
- The NWSC had very high staff and administrative costs amounting to more than half of operating costs. [Water Sector Reform; July 2000]. Similarly there was substantial over-provision of WSS services in some towns due to imbalances in resource allocation and prioritization. An extreme example is Lira town where oversized and over-engineered schemes were constructed through political influence. Such ambitious schemes have diverted resources from larger towns in great need of WSS to smaller towns like Lira where less benefit can be obtained. Standards of maintenance are inadequate and operating costs high with a considerable risk that the service cannot be sustained in the medium and long term. (Water Sector Reform 2000-2015; Rural Water Sanitation component by WARDROP ENGINEERS, PSR; 2001, PMES 2002)
- Sector activities were largely project/program oriented
- There were changing settlement patterns due to wars especially in the Northern and Western Districts
- Soil erosion due to poor farming methods (especially on hilly areas of western and eastern districts) resulted in silting of water sources. Most cattle farmers could not find water for their animals and their households.
- Poor (or lack of) standards set by government resulting in sub-standard work in construction and installation of facilities.
- weak technical capacity of the private sector to undertake installations
- Poor water quality due to industrial pollution, wastewater contamination etc. Problems of poor water quality were mainly caused by lack of quality monitoring equipment, very limited access to laboratory facilities, shortage of qualified staff in water discharge control at district level and lack of agreed standards on water quality standards countrywide.

(WAP Water Resources Development and Management, Executive Summary (Doc. 014) Ministry of Natural Resources DWD).

Other water quality problems concerned rain-induced washout of bacteria and organic matter and chemicals from urban dumpsites located near water bodies creating local water quality constraints to other water users. Similarly, the aggressiveness of ground water caused rapid corrosion of casings and risers in boreholes resulting in collapse and caving in of boreholes. Corroded risers led to failure of pumps to deliver due to leakage. They too, contributed to unacceptable iron content levels in the water causing discoloration of clothes and utensils etc. This state of affairs has recently been researched on but it has not been addressed at the relevant levels.

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Water pollution on the other hand, was caused by organic waste from manufacturing industries such as breweries, abattoirs, sugar factories and meat and fish industries. This kind of pollution affected some poor people who fish or live close to the pollutants. There were also water-borne sewerage systems that discharged (with or without treatment) into streams, rivers, and lakes and posed potential threat to surface waters.

In order to address these challenges, the government of Uganda is pursuing interventions rooted in the water regulations and financial provisions under the PEAP.

Government has developed a water sector reform programme that stipulate issues of investment planning and program implementation in the water sector. The reform program also considers new strategies for planning, capacity building, financing and implementation which are aimed at improving accessibility, transparency and monitoring of the sector activities. It also proposes that in order to provide 100% of the rural population with water supply by 2015 the sector will require \$800 million for rural water supply and \$45.5 million for sanitation. Similarly, the target to provide 100% of the urban population with water supply by 2010 will require \$706 millions for 75 towns. (WARDROP; et al 2000).

Other interventions include:

- Implementation of a water sector policy that is rooted in the poverty eradication principles of the PEAP.
- Decentralizing responsibilities for water management to the District level.
- Emphasizing privatization of most technical water works at the district level.
- Establishing a ground water data bank to enable development of a Planning framework and acquisition of skills
- Enforcement of water abstraction through a permit system.
- Implementation of regional projects such as ‘The Nile Basin Initiative—NBI’ and ‘Lake Victoria Environment Management Programme- LVEMP’ to guide the management and use of Lake Victoria and River Nile.

These interventions have largely contributed to the ‘new thinking’ about WSS by government partner stakeholders and donors. WSS is now a priority program area of government (PPA) and more attention has been drawn to understanding the relationship between poverty and WSS especially through the Participatory Poverty Assessment Process- UPPAP.

In addition, the current approach to policy formulation and implementation has been described by DWD as *more focussed and results oriented*. Policies pursued in the past did not address issues of community participation in program development but more importantly, they were narrow in their focus on poverty alleviation.

The following table shows the differences between policies pursued in the past and those being pursued currently.

TABLE 2: COMPARISON OF PAST AND PRESENT POLICIES

Policies in the past	Policies Today
Emphasised top-down approach to planning and community involvement	Emphasise bottom-up approach to planning and community involvement i.e. participatory approaches to development
Emphasised public sector involvement in economic development	Emphasise mainly private sector development in economic development
Were not very comprehensive in terms of affected groups	Detail out various dimensions of the affected group show are poorest considered
Most Policies did not expressly address poverty concerns of the communities	Most recent policies have a comprehensive poverty alleviation agenda rooted in the PEAP.
Did not adequately address gender & environmental concerns	Gender & environmental concerns are a cross cutting theme in all policies

Source: PEAP, 2001

Despite the above differences and the strength of new policies and operational frameworks, there are difficulties identified especially relating to vague descriptions or unsubstantiated sense attributed to laws and

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policies in the water sector. There are also institutional rigidities cited that impede poverty reduction strategies.

There is poor quality of data in the sector and at local government and community level, there is poor maintenance of facilities by the community mainly due to belief that they belong to Government and there is lack of a culture of Public facilities ownership among community members. Also, there exists a cluster of more or less autonomous data gathering efforts by NGOs and other stakeholder groups culminating into diverse sources, differences in concepts and definitions and differences in timing data collection and reporting, which has made integrating the data difficult. There is overlapping of roles due to too many players.

Overall, there are some successes recorded resulting from pursuit of the above policies. According to the Water Sector Reform study (WARDROP et al; 2001), WSS coverage has increased from 16.5% in 1990 to 47% in 1999%. To date, nearly 9 million people (48% of Uganda's Population) are served with WSS services in Uganda. Actually, if the current level of investment in the sector of approximately \$40 million per year continues for the next 15 years, an additional 12 million people will be served. This would translate into 70% coverage. Only marginal additional investment over current levels is required to achieve 95% coverage.

Allocation of financial resources to WSS increased in recent years starting with the 1999/2000 financial year when the national budget made specific allocations to the water sector.

The challenges and trends in the water sector are characteristic of the upheavals that the Ugandan economy and society have gone through in the last three decades. In the 1970s and 80s there was total breakdown in the functioning of public service entities including the water sector. No new structures or systems were built during this period yet WSS constituted a mere section within the respective ministry. However, there has been significant effort at laying ground for comprehensive systems of managing WSS and natural resources. But, although such enormous success has been made in a spell of a decade there are many challenges relating to manpower, interpretation of laws, community involvement and funding which continue to affect grassroots investments in the whole country.

1.4 Other WSS information

Other information highlighted on WSS concerns water and poverty. The UPPAR 2000 report is the main participatory study that makes a direct link between people's livelihoods and water poverty. The report elaborates on the relationship between water supply and poverty as expressed by poor people.

Issues of time or accessibility, relationship with other sectors (education, health, agriculture), quality, gender roles e.g. the girl child missing out in school, ownership of sources as well as affordability of co-funding by the community) are discussed and analyzed for intervention. Three reports (UPPAR 2000, UNICEF 1989, and Sewakiryanga 1996) emphasize the burden placed on women and children in terms of time and energy spent on collecting water. Women consistently rank inaccessibility to safe water for drinking as one of their top ten community problems.

Another report on the situation of women and children (UNICEF; 1994), depicts low levels of access to clean water as affecting women through ill health of their children and loss of productive time due to engagement less profitable endeavors during water collection. The report talks of more than 12% of women in North Eastern Uganda walking for over 10 km during a dry spell to collect water. Another Study by Lee-Smith (1999) shows how women experience higher levels of poverty compared to men yet they engage in more work-related activities including improving their environment. Sewakiryanga (1996) uses the water extraction implements to depict a growing burden to women's time and health. Women in Uganda use laborious containers to fetch water, which is more often located downhill and in significant distance. The report recommends research into appropriate technology for water collection and conservation.

The DWD and MWLE have not translated the above information on gender into gender desegregated data and therefore it is not possible to use it to carry out gender responsive planning. Another important point to note from the UPPAR is that poor people expressed concern about the link between drinking unsafe water and ill health. The irony here is that the same people continue to contaminate the water through poor sanitation practices, e.g., using water sources for disposal of fecal matter and waste products. This situation illustrates the state of helplessness of poor people to take actions that improve their quality of life. It also calls for more collaboration between the Ministry of Health, WSS department and the WRM department of DWD in public awareness campaigns.

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Another contradiction is that despite the above concern, poor people did not identify poor sanitation and hygiene as a priority problem pointing to the lack of information on these issues despite the data routinely collected for planning purposes. People do not know about the National water policy or the government's policy about sanitation. Some people know that safe water is from boreholes and protected springs/wells and that unclean water comes from streams, lakes and ponds. Many people are ignorant of the causes of water related diseases; most people only hear about improved methods of sanitation and get information on good hygienic practices when there is an epidemic and people are dying [Policy Briefing Paper No. 2]]. Therefore there are gaps as to the application of available data to improve the plight of the poor despite the elaborate Management Information Systems at DWD. & WRM.

The other issue that has not been tackled yet is the concern about the capital contribution cost, CCC, towards constructing of water facilities. Poor people, especially in the urban areas find it unaffordable to contribute towards facilities. This calls for revisiting the principle of cost-sharing social services by the poor. The other useful information is that which point out disparities of water coverage between districts, which is contained in the PEAP and poverty monitoring documents. It is reported that this issue is being addressed through the equalization grant.

1.5. Water Resources Management System/Structures

The Ministry of Water Lands & Environment,(MWLE) and the Directorate of Water Development, (DWD) are the lead agencies in Water Resources Management as well as Water Supply and Sanitation, (WSS) in Uganda. The DWD is structurally positioned under the MWLE as a sister department to the National water & sewerage Cooperation – NWSC that handles large towns WSS. DWD is constituted between the rural Water Supply and Sanitation Department (which has a small town's WSS component) and the Water Resources management Department located at Entebbe.

A Water Policy Committee, WPC, instituted by the Water Statute of 1995 oversees the functions of the MWLE, which are also provided for in the National Water Policy. The Committee advises the minister and initiates revision to legislation and regulations. In addition, it co-ordinates the sector ministries' plans and activities relating to water resources. DWD is the secretariat to this committee.

[Water Resource Development & Management aspects, Annex Report Vol.3 (Doc. 012): DWD Information Booklet 1991-2001 Decade Performance, The National Water Policy 1999 MWLE].

The functions of the Water Resource Management Department (WRMD) include, among others, monitoring the quantity and quality of water resources and providing reference for water quality and analytical services. WRMD conducts studies and processes and disseminates water resources data to all information users. The department advises NEMA on Environmental Impact Assessments -EIAs and water quality. It also advises the Water Policy Committee - WPC on trans-boundary issues including reviewing national plans and frameworks. It undertakes to process, monitor and enforce water permits.

Some of these functions and the attached responsibilities and powers are devolved to local governments under the decentralised system. They include the following:

- Making policies, plans and co-ordinating WRM activities in the districts.
- Establishing a district management structure (following DWD Guidelines) for water resources management.
- Defining District priorities for Water Resources Management (WRM) in light of severity of problems, expressed needs and financial resources available.
- In accordance with national policies and with the approval of DWD, making by-laws and regulations regarding the management of wetlands, hillslopes, cattle watering, fish ponds irrigation schemes and other water resources.
- Establishing Databases on water resources services and use.
- Integrating District extension services including water resources management and environmental activities.
- Supporting lower local governments to undertake responsibility for monitoring and managing water resources in their areas.
- Promoting the role of women in WRM.
- Regulating water extraction in collaboration with DWD.
- Regulating wastewater discharge in collaboration with DWD.

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- Monitoring performance of water extraction and wastewater discharge for permit holders and report to DWD.
- Mediating disputes concerning use of water resources.
- Training District extension staff in integrated approaches to water resources and integrated land and environmental management.
- Promoting rural water supply systems that are owned operated and maintained by the users.
- Ensuring that town water supply systems are operated and maintained by Town councils or Community groups

Apart from the monitoring role, the above are more of what is foreseen for the future than what is in practice. Note that WRMD activities are yet to be fully decentralized. Similarly, the private sector is more of a recipient of WRM services than a participant in the management. The role of this sector is only vaguely referred to in the National Water policy which talks of all sections or interest groups of the Ugandan society - formal or informal being involved in partnership with government at the various operational levels". The active involvement of this sector is however important to intervene in the negative activities of the industrialists and land developers on the water resources.

By virtue of its functions WRMD has to link with certain institutions like NEMA for the EIAs, the WPC and Lake Victoria Environment Management Programme (LVEMP) to advise on the trans-boundary issues. Another important linkage is with the meteorological department to procure data on weather and climate, which is processed to forecast status of water resources. The department links directly with various categories of water resource users including the NWSC to provide them regularly to supply them with information on water quality, permits and other relevant information.

1.6. Water Resources Data/Information

DANIDA and other donors are helping WRMD to set up an elaborate data system for purposes of enhancing her regulatory, supervisory, monitoring and planning role in the sub-sector. There are data sets in place for ground water, surface water, water quality and permit databases.

Data is collected on river flows, lake levels, rainfall amounts and ground water levels. River flows are read daily on a per hour basis. The WRM department checks and compiles the information on a monthly basis. There are 16 monitoring stations throughout the country charged with measuring the level of ground water. This is done to ensure that at any one time the needs of an area are not compromised by excessive demands resulting from industrial and other activities. For rivers, the volume is measured in cubic meters.

A hydro-climatic study has been done to show areas affected by drought, flooding, etc. Similarly, a hydro-geological mapping study has also been completed by WRM. The Rapid Water Resource Assessment has provided a picture of available resources in the country for planning purposes. This assessment provides information on the Upper Nile System and the Uganda catchments and the ground water sources. The water resources data collected is geared to giving information on availability of water reservoirs and water for domestic, agricultural and industrial use.

In the above reports and data structures, access to safe water is defined as availability of safe water within a maximum walking distance of 1.5kms. **Safe water** is considered to be that water which is free of pathogens detrimental to human health [Interview DWD]. On the other hand, sanitation is looked at as a process, where people demand, develop and sustain a hygienic and healthy environment for themselves by erecting barriers to prevent the transmission of disease [UNICEF 1997 in National Sanitation Guidelines, MOH, Uganda]. Table3 below describes these two measures.

It is important to note however, that even when water is accessible by the above definitions or standards, poor people (esp. in peri-urban areas) are not able to access it. This is because water points are usually few and over congested. Obtaining water of any quantity is time consuming and, in the circumstances, people resort to unsafe water sources. According to the NWSC, another factor that has been found to exclude poor people from safe water sources is the prohibitive cost charged by water standpipes and kiosks. In such cases people try to economise household water at the expense of good sanitation. Another dimension to this is that most people do not know about the prescribed daily water consumption limits per person since these are not published for public consumption.

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The above information routinely compiled by the WRMD is useful for planning purposes, however its immediate applicability for the poor communities is not evident. Given that the poor reported that they only hear about sanitation and hygiene when there is an epidemic, a gap exists in terms of data applicability for early warning system in health and other sectors.

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TABLE 3: COMMON MEASURE FOR WATER AVAILABILITY IN UGANDA.

PARAMETER	CRITERIA
Residential water demand per person per day	20 litres
INSTITUTIONAL WATER DEMANDS	
Day school per student per day	5liters
Residential school per school per day	25liters
Hospital per bed per day	100liters
Health centre per bed per day	100liters
Government office per employee per day	10liters
Hotel per bed per day	100liters
Camps per person per day	80liters
LIVESTOCK WATERING WHERE SERVED BY SYSTEM ALSO SERVING HUMAN BEINGS	
Per head of cattle/day	40liters
Per goat or sheep/day	5liters
Per donkey/day	25liters
Per pig/day	10liters
Per 100/day	20liters
Max. people/hand pump	300
Volume of water /bore hole/day	7.5
Max. No. of people/protected spring	150
Volume of water per protected spring/day	5
Max. number of people/standpipe/tap at kiosk	500
Volume of water /stand pipe/day, cu.m.	10
Maximum walking distance to water supply point	1.5km
Maximum walking distance to a spring or standpipe/kiosk	0.5km
Minimum distance between bore-holes	300m
Minimum distance between water source and source of contamination	30m

Source: WRM, Uganda.

NB: An allowance of 20-25% is advised for spillage and unaccounted for water losses.

The DWD data regime desegregation is limited by type of data collected. Data desegregation for example, covers only a few aspects such as seasonal trends for dry and rainy season and mean annual rainfall by region and by the ground monitoring station.

WRMD however continues to monitor well whether ground water levels are rising or falling. Data on water use by different sectors is however not available. There are plans to provide this when studies on *Water for Production* and *Water for Natural Resources* are complete. Data is not desegregated by gender, because of complexity of dealing with this variable.

On the other hand, annual coverage figures for access to safe water are shown in Table 4 below which depict the trend of water supply. The data shows that the coverage has been on the increase. An analysis of whether value-for money is being realised would give a more meaningful picture.

TABLE 4: PROPORTION OF POPULATION WITH ACCESS TO SAFE WATER IN %

Year	Rural %	Large towns %	Small towns %	Functionality Rate %
1993/94	28.0	75		-
1994/95	31.0	75		-
1995/96	33.5	60-75	<50	70
1996/97	36.0	80		75
1997/98	39.0	-		-
1998/99	40.0	-		-
1999/00	49.8	60.3*		90
2000/01	52.2	54	-	-

Source: Back ground to the Budget: 94/95, 95/96, 96/97, 98/99, 99/00, 00/01

* includes both small and large towns

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TABLE 5: FACILITIES PROVIDED BETWEEN 1999/2000 – 2001/02.

Description of benchmark	1999/2000		2000/2001		2001/2002	
	Forecast	Actual	Forecast	Actual	Forecast	Actual
Spring Protected	Na	Na	695	365	800	800
Shallow well protected	Na	Na	760	330	1420	1420
Borehole rehabilitated	Na	Na	325	459	1500	1500
Borehole drilled	Na	Na	172	135	1280	1280
Rain water tanks	Na	Na	635	368	537	537
Gravity flow schemes(taps)	Na	Na	8	4	13(254)	13(254)
Production wells/ BH for piped water sources at RGCs	Na	Na	90	0	126	126

Source: MTBFP FY 2002/03 to FY 2004/05 na= not availed

The functionality rate (percentage of functioning water supply points as a proportion of total water supply points in the community) is reported to have increased to 90% [PSR2001] in 1999/00 from 70% in 1995/96. This is said to have been due to improved Operation & Maintenance, which is carried out by the community and the private sector under the supervision of the DWD. The decentralisation policy is reported to have increased the roles of District Water Officers (DWOs) and Local Councils in the supervision and management of facilities construction.

However, water quantity is expected to be a problem with increasing industrialization [Interview; WRM]. This is likely to affect the urban poor not only in terms of water access but significantly in terms of water quality due to effluents. The on going studies for the water resources and water for production components are expected to address this problem.

On the other hand, the urban sector reform is proposing to lease WSS facilities to private operators under an Asset Holding Authority (AHA). This has to be undertaken with caution so as to accommodate the needs of the poor. Already, the water kiosks operated by the private sector seem to be creating hardships for the urban poor. It is also reported in the PEAP and DWD documents that in the area commonly referred to as the Cattle Corridor the quantity of water is inadequate due to seasonality of rivers and limited amounts of rainfall. Steps are however being taken to dig valley dams and ensure water storage. Under the Ministry of Agriculture, Animal Industry and Fisheries (MAAIF) a budget for this activity has been drawn at 4.8 billion shillings for this financial year. Government is also encouraging and supporting small fishponds all over the country under different projects. The anticipated Water study is expected to provide new information required on the current situation.

The Lake Victoria Environment Management (LVEMP) is contributing a great deal to the promotion of Water Resource Management especially considering poverty reduction in the riparian communities. The activities of LVEMP focus on; catchments, afforestation, land use management, sustainable use of wetlands, water hyacinth control, management of industrial and municipal wastes, water quantity and quality monitoring, fisheries research and management, institutional and human capacity building as well as micro-projects. All these translate into socio-economic benefits of the poor and environment conservation. Overall, however, there are several challenges in relation to data collection and management of WRM. The major hindrance is associated with Public Sector reforms. For instance the unit charged with monitoring and regulatory activities related to water resources issues has only two officers for the whole country and they claim not to earn a living wage. The data is therefore not collected as frequently as it should, in some cases it is done on voluntary basis (gauge readers), which casts doubt to reliability of the data and sustainability of the MIS set up through donor financing. Collection of the water quality data suffers the same encumbrances of inadequate staff and motivation.

The WRM data collection installations are ever vandalized by locals looking for ‘mercury’ for sale and yet they are very costly, going for up to \$4000 for an automated gauge. The department is expected to charge for certain data but there is no willingness to pay. On this issue however the motive to generate income from data sales could compromise the function of data and information dissemination. It is the view of the staff that the sustainability of the system will be a challenge due to heavy reliance on donor funds for the reasons stated above.

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1.6.1. Trans-boundary issues

The degradation and deterioration in quality of Lake Victoria is being addressed under Lake Victoria Environment Management Project (LVEMP). There are also other political bodies like LVLAC (Lake Victoria Local Authorities Association).

According to DWD (a) 2001, the existing agreements and treaties need to be renewed to ensure that Uganda gets her equitable share of water resources of the Nile Basin. Further, there is need to prepare strategic development plans at the International, National and the local levels especially to show the investment requirements. These are expected to provide government with a clear strategy for the management of the country's water resources.

There are regional difficulties in managing the water hyacinth because Rwanda and Burundi are not part of the Lake Victoria Environmental Management Project - LVEMP. So control from River Kagera becomes difficult. (Interview with Mr. Wambede; WRM Entebbe)

1.7. Other Water Resources Information

The following information is also available on Uganda's water resources:

- The water hyacinth has been brought under control but because of the nature of propagation it is difficult to eradicate completely. LVEMP interviews Wambede).
- Some fish species, which were thought to have disappeared from Uganda's Lakes, are surviving in some satellite lakes in the Victoria basin.
- Increasing urbanization, population growth and anthropogenic activities have been reported to have resulted in significant deterioration in the quality of both surface and ground water in many parts of Uganda. This has caused high incidence of water borne diseases, high water treatment costs, depletion of oxygen causing fish fatality, proliferation of algae bloom (eutrophication) and bio-accumulation of toxic substances in the aquatic food web [MWLE, DWD (a), 2001]. Similarly, sewerage erosion problems have been reported from the mountainous and hilly areas and from the Livestock areas in the Northeast and South Western parts of Uganda.

According to research findings, the estimated total pollution loads being discharged into lake Victoria are still high even after passing through wetlands, river systems and other natural purification systems [LVEMP News Bulletin Vol. 2 No. 1 Dec 2001]. The NEMA carries out regular inspection of factories and those found to be defaulting on effluence standards are charged a fine and advised accordingly.

The Nile Basin Initiative, which involves all Nile Basin countries, has its headquarters in Uganda. The programme has received funding from World Bank to support Water Resource Planning, River Trade, and Environment Management. The Regional initiative with a membership of Kenya, Tanzania, Uganda, has several components which implement water resource initiatives co-ordinated by the Lake Victoria Environment Management Programme Secretariat. There are sector representatives for each of the five components, namely;

- Water Resource Management; on Quality and the Ecosystem
- Ministry of Agriculture on water hyacinth control, Fisheries and Land use management.
- NWSC; on industrial and municipal waste management.
- The Wetlands inspection division; on buffering capacity of the Lake.
- Forestry, MWLE on catchment issues.

The ministry of Health (MOH) is not a member of the LVEMP committee, which creates a gap on co-ordination. Given the level of concern in the country regarding water resources quality and deterioration and intermittent epidemic outbreaks, its membership would help advise the committee on water source quality issues and facilitate co-ordination of sanitation issues a function that is still not comprehensively tackled in the PEAP.

A three-year US \$ 3m project for the regulation of the Nile water in Uganda has already received a pledge of US \$ 1.2m from the World Bank.

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1.8. Macro Country Context- Economic/Political

Uganda was the first Country to benefit from HIPC debt relief initiative in 1998. The country was granted debt relief of USD347m in Net Present Value (NPV) terms, equivalent to USD 650m in nominal terms spread over a period of thirty years. Uganda's early access is reported to be due to the advanced stage of the Country's poverty reduction strategy programme (PEAP 1997). The funds that became available following the waiving of external debts have all been channelled into the PAF (Poverty Alleviation Fund), created in 1998.

In 1999 the enhanced HIPC initiative which puts emphasis on the link between debt relief and poverty reduction was set up in Cologne, Germany at a meeting of Finance Ministers. Uganda was the first to qualify in May 2000 with promise of USD656m in NPV terms over a period of 20years. (Approximately USD 1.3bn in nominal terms in addition to the to the USD347m [Back ground to the Budget 2001/2002]. Funds made available under HIPC and enhanced HIPC amount in total to \$86m, \$82m and \$84m in 2000/01, 2001/02 and 2002/03 respectively.

The PAF is therefore the conduit for use of financial resources saved as a result of debt relief under HIPC initiatives. In addition to HIPC however, donor funds also contribute the PAF.

PAF funds are disbursed as conditional, non-conditional and equalisation grants and are used to fund substantial increases in the spending in the PEAP areas that directly affect the poor, namely: Primary Education, rural feeder roads, agricultural extension, rural WSS and Primary Health Care.

In mid- 2000 Uganda reached an agreement with international agencies on issues raised by the IMF and World Bank. Amortisation of External debt is projected at \$79m in 2000/01, \$82m and \$89m in 2001/02 and 2002/03 respectively. [Ref. BFP 2000/01 to 2002/03.

One of the fundamental reasons for the progress that has been made over the last few years in implementing the PEAP has been the increased availability of funds arising from debt relief. There have been fundamental changes in the government practices relating to national planning and sectoral planning especially as regards methodology, disbursement and control mechanisms and reporting. All districts are now required to produce quarterly progress reports and work plan. Starting 2000/01- release of funds will be conditional on district progress reports and work plans.

In 1998/99 the government introduced a more consultative and participatory approach in the management of public finance, a mechanism that aims at increasing transparency and accountability in the planning and utilisation of resources. The Medium Term Budget Expenditure Framework (MTBF) determines the resource envelope. It was prepared by a working group comprised of different ministries, and discussed during a workshop involving district officials and the donor community. The main areas discussed were; monitorable performance indicators, the development budget and conditional grants. The Medium Term Expenditure Framework Paper (MTEFP) is developed based on the Medium Term Budget Framework Paper (MTBFP). The former determines the ceiling of expenditure. The main channels for the implementation of the two is PAF and PPAs.

Centralised control of ceilings and prioritisation for the PAF funds is now the issue as it creates some anomalies between district priorities as opposed to those perceived at the centre. A case in point is the earmarking of a feeder road grant for Kalangala district an island where most of the transport is water-borne. The decentralisation of prioritisation being undertaken as capacity is being built, but then with time the conditional and equalisation grants are supposed to be phased out. Hopefully the capacities built will be applied to planning for locally generated revenue. The practice of setting expenditure ceilings by the centre could also be the reason for the disparities between what is budgeted at the district level and the actual disbursements. A mechanism for participation of stakeholders in discussing expenditure ceiling would address this issue.

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2. PEAP/PRSP CONTENT AND WATER

2.1. Priorities and Prioritisation

Uganda has so far prepared two PEAP documents, the first in 1997 and a Revised Version in 2000. The revision drew on the progress made since 1997, including the development of Sector Wide Action Plans (SWAPs), the participatory research carried out by UPPAP, the constraints identified in the Poverty Status Report, and the development and costing of public actions and monitorable indicators in key poverty oriented sectors.

PEAP 2000 like PEAP 1997 has been adopted as Uganda's comprehensive Development Framework. It places great emphasis on the actions, which promote private sector development and therefore contribute directly or indirectly to poverty reduction.

Uganda's poverty eradication action plan (PEAP 2000) is established on four major pillars; namely;

- Creation of a framework of economic growth and transformation;
- Good governance;
- Increasing incomes of the poor
- Increasing the quality of life of the poor.

There are seven priorities, namely;

- Security
- Roads
- Agricultural Research and Extension
- Primary Education
- Primary Health Care
- HIV/Aids
- Water and Sanitation

Water appears in the PEAP as goal number three, which describes the productive assets of the poor that, can increase their ability to raise incomes. WSS and WRM are together prioritised with education and health under the fourth goal of the PEAP, however the two appear third following health and education respectively. Compared to other sectors, the water sector is allocated little money. Nonetheless significant funding has recently been earmarked for the sector in 2001/2002 financial year following UPPAP's recommendations (PPAR 2001).

The 2000 PEAP talks a little more on Water and Sanitation issues (p133) than the 1997 PEAP. Slightly greater effort went into understanding and describing the sector in the second PEAP although, overall, both documents do not comprehensively address the sector issues as they are elaborated by DWD. WSS priorities and needs are instead examined in detail in the water sector investment plan, which is based on the priority principle of "*some for all and not more for some*".

The water sector objectives in the 2000 PEAP are four and they cover aspects of targets, community capacity building, conservation of water resources and efficiency for service delivery. The first objective is about provision of safe drinking water to 100% of the Uganda population and provision of adequate water for livestock by 2015. The second objective talks of building community capacity to operate and maintain facilities as well as increase community ownership through physical participation and financial contributions. The third objective is about conserving water resources by adhering to environmentally friendly practices and the fourth talks about increasing efficiency through increased co-ordination of government programs in the sector.

It is noted by DWD that expenditure on WSS is not clearly emphasised because its effect on poverty is indirect (DWD; 2001). That is, one cannot immediately see how provision of water results in increase in individual (household) earnings and savings or ultimately in poverty reduction. Consequently, the degree of prioritisation of WSS by the Ministry of Finance does not appear to match the concern expressed by DWD or importantly by the findings of the Poverty assessments. PEAP emphasises expenditure on directly poverty reducing services and water is not understood from this standpoint.

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Further, there are differences in the treatment and prioritisation of water supply and sanitation. Water supply issues are more emphasised than Sanitation in the PEAP water sector objectives. Specific targets like facilities for example, refer to water supply and not sanitation. It is only under the urban and peri-urban strategies that water is directly linked to poor sanitation although monitoring indicators still refer to water coverage.

One of the reasons cited for not adequately prioritising sanitation in the PEAP is the difficulty of estimating the sanitation measure especially for the rural areas where there is high coverage of rudimentary pit latrines which are at varying degrees of safety. Consequently, tagging a cost for improvement or rehabilitation of such facilities is very difficult and it ends up being omitted.

Government is instead limiting support in the sector to institutional sanitation and moreover through the Ministry of Health (BFP 2000/01-2002/2003).

Water is nonetheless, considered an integral element in the survival of the natural ecosystem which supports the livelihoods of many Ugandans. The water purification value of wetlands has recently come to much limelight following increases in industrial developments and effluents discharge. Over flooding of the Nakivubo channel which drain Kampala City has for example continued to be a major subject of concern. The channel's draining functions have been seriously compromised by destruction of wetlands (WRM 1998).

Water is also considered for its industrial functions such as support to rural processing industries and under the rural electrification program where electric water pumps are being installed to generate electricity.

Under the first goal of the PEAP water is mentioned as part of the infrastructure to create a framework for Rapid economic growth. This is also described by the urban water sector reform, which envisages facilitation of the private sector participation in water supply and sewerage systems as an important element in infrastructure building that will contribute to private sector development in Uganda.

On the other hand there is great link in function between Water Resources Management (WRM) and WSS although the two sub-sectors are geographically isolated (in terms of office space) in Uganda. The objectives of WSS & WRM are similar, both aiming to provide sustainable basis for economic growth, good health, food security and social equity. [MWLE; DWD (a) 2001]. The Water Resources Regulations gazetted in August 1998 for example, cover water supply and sanitation as well as water resource management.

Other aspects on interrelationship include the development of hydro-electric schemes where both water supply and water resource management issues are considered through environment impact assessments and Environmental protection policies, guidelines and by laws which link WSS to WRM for reasons of sustainable water supply. The Water Resources Management department is also charged with ensuring water quality standards through protection of water sources from pollution.

In terms of challenges the issues in WRM namely; uneven distribution of surface water sources, seasonal fluctuations, erosion, low levels and inadequate ground water, pollution of large water bodies and trans-boundary issues are all affecting WSS in the country.

2.1.1. Target groups identified in relation to the above priorities:

The PEAP priorities are identified according to rural-urban stratification (National Water Policy; PEAP 2000-01, MTBF Paper 20002/03). There is however little stratification according to gender, age or education level etc. Yet, even the targeting for water coverage between rural and urban areas is dis-proportionate. For example; whereas more than 80% of Uganda's population lives in rural areas, water coverage is only 49.8%(1999) compared to urban areas where only 20% of the population lives and yet coverage is 60.3%(1999). Equity issues are nonetheless being addressed through fiscal allocations under the Medium Term Expenditure Budget. Similarly, under the urban water and sanitation strategy further provision is made for the poor in peri-urban and small growth centres with particular attention being given to improving water supply for peri-urban poor who face an acute scarcity of sanitation services.

On the other hand equalisation grants are allocated to dis-advantaged districts with water supply and sanitation coverage below 30%.The cattle corridor (i.e. Mbarara, Karamoja, Masindi, Nakasongola etc) which is prone to drought is also specifically targeted as far as water for livestock is concerned.

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2.1.2. Financial allocation and prioritisation:

As indicated earlier, the PEAP is the overall framework for sector and District plans. Water Objectives prioritised in the PEAP have received fiscal support under the MTEB. Rural water is however allocated bigger funds compared to urban water supply or even town councils. However, town councils are being targeted more in the MTEB than the Municipal Councils, which are directly served by the National Water & Sewerage Corporation.

The District Water and Sanitation conditional grant is allocated to Districts and it covers the urban and rural components. There is also the rural WSS funds which are channeled directly to districts. For the 2000/01 to 2003/04 financial years, the WSS funds amount to 21, 24, 25 and 26 billion shillings respectively. For small towns WSS, fund allocation and channeling are project based.

For purposes of supporting the PEAP objective of **community capacity building**, increasing ownership, participation and contribution; government introduced conditional grants for rural local governments and allocated 1bn shillings initially in the 1999/2000 financial year. In addition to this, a capacity building conditional grant has been introduced for town water systems.

For the case of large towns, Government is channeling development funds to NWSC as loans to be repaid. The aim of this is to facilitate NWSC to generate it's own operational funds from the tariffs and to increase private sector participation. In this way a water fund for cross subsidization in small towns could be created to facilitate operation, construction and expansion of new WSS systems. **[RE: Frame work for SWAP,WSS. A Presentation to the joint GoU/Donor Review of the WSS].**

Overall, to support the objective of increasing efficiency through increased co-ordination of government programs, NGOs and other stakeholders, a SWAP- (Sector wide Action Plans) budgeting arrangement has been adopted. Under this arrangement the aim is to move from project based budgeting to program based budgeting whereby government resources and donor funds are pooled into one basket and allocated according to GoU strategic objectives and priorities. [PEAP 2001 pg143; Water Sector Medium Term Budget framework Paper FY 2002/03 to FY2004/05]. It is however interesting to note that government contribution to the water sector (from its own sources) has continued to be marginal and in some cases has declined. Water has remained a donor dependent sector and there is no indication of this changing in the short run.

TABLE 6. FINANCIAL ALLOCATIONS BY OBJECTIVE (DONOR US \$M, GOU BUDGET IN Billion Shs)

Objective	Source	1999/00	2000/01	2001/02
Safe water coverage (Min. Dev. Programmes)	Rural WSS	GoU	3.068	3.225
		Donor	\$21.21	\$31.2
	Small Towns	GoU	2.762	4.862
		Donor	\$19.84	\$20.46
	Large Towns	GoU	0	0
		Donor	loan to NWSC \$3.2	\$4.1
Water for Production	GoU	1.59	3.133	
	Donor	0	0	
Conservation of resources WRM	GoU	0.592	0.977	
	Donor	2.028	\$6.749	
Capacity building	GoU	0.263	0.569	
	Donor	1.81	\$1.81	
Conditional grants District water & sanitation(Dev)	GoU	0	21	
	Donor	0	0	
District WS O&M (All development programmes devolved to the district.)	GoU	4.1	1.19	
	Donor	0	0	
Recurrent (Non-wage)	WSD	GoU	0.478	0.290
		GoU	0.357	0.144
	WRM	GoU		0.276
			0.235	

Source: Medium Term Budget Framework Paper FY 2002/03 to 2004/05

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Table 6 above shows that donors are filling up most gaps for both urban and rural water & sanitation supply. Government of Uganda is providing as little contribution in all sectors and increasingly relying on donors for supporting the sector. Donor support is as well being channeled to small town WSS programs. This is dependency on donor support for both WRM and WSS is despite increase in the HIPC resources.

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2.2. Actions

The Government of Uganda has developed a number of actions aimed at enabling the poor access basic Water and Sanitation services. Effort is also going into improving water resource management as well as development and establishment of structures for the implementation of the water goals both at district and national levels.

The most important actions are:

- Increasing private sector involvement in rural water and sanitation activities.
- Developing appropriate technologies (and low cost technologies) especially to be used in rainwater harvesting.
- Ensuring continued assessment and monitoring of water resource status and potential at local and regional levels.
- Supporting Districts and Sub-Counties in procurement planning.
- Conducting Capacity building exercises at National level to take into account the changing roles of Government under Decentralisation.
- Preserving water for livestock in semi-arid areas through construction of dams and implementing the *Babiha* plan at district and lower levels.
- Advocating for increase in allocation of public expenditure to water sector.
- Formulating a master plan to prevent industries and sewerage disposal from polluting water sources. Protect lakes, Rivers and Ponds.
- Conserving water resources by adhering to environmental practices.
- Increasing grassroots participation in planning, selection, construction and maintenance of preferred choices of WSS services.
- Involving NGOs in water supply at all levels.
- Establishing and strengthening community based management systems in order to ensure minimum downtime of improved sources.
- Ensure community contribution to maintenance costs and build technical capacity to maintain water sources.

[Water Sector Reform Reports; 2000]

Government is improving operation and maintenance mechanism for all investments in the Water sector by setting up District water and sanitation teams (DWST). Government also plans to phase out donor financing for *capital expenditure* in the water sector through the Sector Wide Approach -SWAP.

To ensure increased efficiency and commercialised operation, efforts are planned to go into advocating for involvement of the private sector in service delivery and public sector ownership of assets managed by autonomous water supply and sanitation authorities or asset holding authorities (AHA). Also, there are efforts towards privatising regulation to an independent regulation system. [PSR 2001].

Other actions foreseen include:

- Strengthening capacity of ministries to develop Sectoral Management Information Systems -SMIS [PMES March2000 MFPEd].
- Drawing up a National poverty research agenda in collaboration with Makerere Institute of Social Research -MISR and the Makerere University Economic Policy Research Centre -EPRC in order to focus on poverty related research [PMES, 2000].
- Determining and institutionalising the role of civil society in poverty monitoring.
- Desegregation of water data by geographical location using the geographical Information System – GIS which is planned to be prepared on the basis of Census 2002 [RE PMES].
- Setting up of a national evaluation institution independent of the implementing arm of government.
- Increasing community sensitisation on water borne diseases (planned to be part of NWP)
- Increasing provision of water for production for other areas other than Karamoja e.g. Mbarara, Nakasongola, Masindi, [PEAP 2001].
- Review of existing valley dam schemes [RE PEAP 2001].
- Flexibility in setting targets based on community preferences and diverse local technical conditions [PMES, 2000]
- Carrying out routine Impact assessments, and

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- Improving evaluation of water project designs.

The following actions are nonetheless pending or missing but could be discussed and even implemented in the medium or long term:

- Land use plans to ensure protection of natural resources
- Provision of water for rural industry and aquaculture.
- Measures to improve the quality of borehole water and ensure “safety of rainwater”.
- Harmonising non-UPPAP indicators with those identified by the poor in UPPAP, 2000.
- Incorporation of particular constraints of the urban poor in design of poverty reduction strategies.
- A Policy decision on the balance between protected and private forests. [Note that lack of policy in this area is delaying allocation of funds to wetlands and protected forests], and
- Desegregation of data by gender.

It is envisaged that the public sector will have the following roles in implementation of WSS services especially in line with the above actions [Water Sector Reform documents July 2000].:

- Establishment of structures and systems in line with PEAP objectives and in support of decentralised roles and functions, and private sector/ civil society participation.
- Building capacity and providing logistical support to facilitate the sector Management Information System.
- Setting up sector specific complimentary monitoring indicators and giving support and supervision where gaps are identified
- Providing specialised training to all categories of stakeholders at District and National levels.
- Planning, co-ordination and monitoring WSS and WRN activities especially at the national level.

On the other hand, the private sector will have the following roles:

- Operation, management and maintenance of WSS facilities for urban and rural sectors.
- Mobilising resources and financing projects in the water sector especially through the BOO (Build Own and Operate) or BOT (Build Operate and Transfer) arrangements in the urban areas. [**National Water Policy 1999**].
- Provision and distribution of spare parts.
- Drilling of boreholes and construction of gravity flow schemes.

The roles to be played by the informal sector service providers (ISSP) shall include:

- Informal sector poverty monitoring by the people.
- Provision of critical information to parliament and mass media by Community Service Organisations (CSO).

Those of civil society are expected to include:

- Representation of the communities in WSS activities
- Sharing of information
- Mobilisation of funds [but limited to specific ceilings and approved sources].

The communities are expected to carry out the following roles suggested by the Water sector reform reports; July 2000.

- Decision making in managing facilities.
- Cost recovery on installation.
- Operation and maintenance of the water sources.

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- Provision of public information on health benefits of improved water supply. [Community Development/Water Officers expected to spearhead this].
- Contributing in cash or kind to construction of the water source.
- Raising funds to purchase spare parts and remunerate pump attendants.

The above Water Actions can only be achieved if there is private sector participation, Sound pricing and Presence of local appraisal, financing, implementation and operation capacity all managed under a decentralised arrangement. These pre-conditions may also fail if there are no institutional reforms such as restructuring the National Water & Sewerage corporation [which entails examination of assets ownership and management and fiscal autonomy including establishment of an asset holding authority to manage the lease assets].

In addition, the following obstacles affecting implementation of actions must be addressed in the short run:

- Very limited Capacity building vis-à-vis expected output in areas of service provision.
- Limited investment in water supply sector despite increased funding from the HIPC [investments in water supply remains way below the level necessary to deliver 95%-100% of the safe water targets in the next 10 years. Current spending levels instead are compatible with delivering just 75% coverage.
- A mis-match between target water coverage figures by DWD and reflections in the PEAP.
- Low utilisation of funds due to inadequate financial/managerial capacity at district level.
- Inadequate capacity of the community to maintain water points
- Low utilisation capacity of some over sized facilities say in lira town.
- Lack of Management Information System.
- Poor administrative and technical capacity for WSS services
- Very few water catchment points and reserves for rainwater
- Lack of community water plans.
- High population especially in urban areas which creates pressure on existing facilities especially sanitation [e.g. Kampala's population has increased from 300,000 in the 1960s to more than 1,000,000 in the 1990s.]

On the other hand, in order to realise the objectives of the water for production component a sector reform study will be undertaken to map out the strategy, investment and institutional infrastructure. Similarly, implementing WRM actions shall require a water resource management study.

All in all, the above obstacles are being addressed through practical steps taken by government to improve water institutions, laws and structures under the PEAP arrangement, and these include:

- Putting in place a framework for private sector participation in water production and distribution. [As a first step, government is legislating to allow greater private sector and establishment of an independent water regulatory authority as a prerequisite for the attraction of private funding. The statute for NWSC is being amended to provide for higher level private sector participation options which may include BOO (Build Operate and Own) and BOT (Build Operate and Transfer) concession arrangements as well as water purchase agreements.
- The development of the commercial policy, which is cited as critical to reforming the water sector. Currently NWSC runs a system of cross-subsidisation where only three urban centres i.e. Kampala, Jinja and Entebbe are at breakeven point. The remaining 12 centres are cross-subsidised at the cost of Shs.3.6bn per annum. The cross-subsidies necessitated by government social missions limit the extent to which water tariffs can be reduced to reflect economic cost.
- The reform in water provision under the jurisdiction of DWD involves licensing private investors, with an incentive structure and a clear subsidisation policy to be able to attract investment in rural areas.
- Integration of water issues in other sectors under the decentralised structure.
- Private sector capacity building and implementation of land use plans

2.3. Timing

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All actions are planned to take place over the period 2000 to 2015 within which period the desired safe water and sanitation coverage targets will have been achieved. The investment period is divided into three five (5) year periods; 2000-2005, 2006-2010 and 2011-2015.

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2.4. Context: Problem Identification & Analysis

The PEAP lists health, education and water under the major goal of improving quality of life. It is important to note that water is frequently cited for its importance to improved health of the people other than as an issue central to poverty reduction. On the other hand education and health are more directly linked to poverty as causes of low incomes emphasized in inter-sector linkage analysis of poverty. Environmental degradation is noted as a cause and consequence of poverty and certain actions are identified to ensure a sustainable natural resource base. The PEAP recognises the effect of natural resources on the ability of the poor to increase their incomes. It spells out actions taken to ensure this goal pointing out the role of NEMA and the MWLE. Water is only implicitly referred to in these activities (being an environmental aspect of the health minimum package). Overall, the document identifies the inter-linkages of goals and actions to eradicate poverty mentioning that treatment of sectors under one goal is for convenience.

The document has a section specifically on water resource issues under the heading, “water and sanitation”. In this section, emphasis is on water supply situation and related aspects of delivery services. As earlier described various categories of data are being collected on WSS and WRM though the system is constrained by inadequate personnel, *inter-alia*. There is information on water coverage and actions to improve performance of the sector e.g., reforms and costing that match the reports of DWD.

In one of its sections, the PEAP describes indicators for poverty reduction. In the text under water there is some analysis of performance indicators noting that the failure to achieve some targets could be a pointer to local preferences and the diverse local-technical conditions. This deduction appears to miss the point of affordability of CCCC earlier referred to which could also be a factor in level of performance. An attempt is made at examining the impact of the demand driven approach, which places emphasis on user initiative. The PEAP notes that new investment is likely to take place in communities, which have NGOs that are interested in water resources. It adds that participation in poorer and less resourced areas needs attention. Sensitisation is also suggested as a possible solution.

The problem that is introduced here is the contradiction to sustainability of the systems put in place to serve the poor. On the one hand some communities may be exempted and yet others be left to rely on the NGOs to fill the gap. It may be noted here that the sector aims to provide the services on a sustainable basis. This matter will require further study.

Sanitation issues as evident throughout the PEAP document seem to be sub-sumed in water supply and health concerns and this seems to water down its importance in the poverty cycle. More emphasis has to be placed on sensitisation given that even the poor people seem to have been affected by this gap in terms of knowledge of the dangers of poor sanitation. Sanitation is again raised as critical issue for the peri-urban poor and the solution stated is to improve water supply for this group in addition to structural reforms and a costing structure that takes into account the position of the poor. In effect maintaining a public role in service delivery alongside the private sector in service delivery. Apart from this issue and the report on budget provided to achieve set targets for the PEAP period, there is not much comparative analysis between the urban and rural sector. The rural sector is more emphasised in the report on targets and indicators of performance than the urban. This is to be expected given that living in rural areas is mentioned in the PEAP as one of the characteristics of poverty.

The PEAP reports on the areas of concern for environmental degradation, which are recognised as both causes and consequences of poverty. The policy strategy, to improve Natural Resource Management (NRM) and a framework to support wetland management and provide water for livestock, is stated. Information on water resources including the issues of pollution is not comprehensively incorporated in the PEAP. A link is made regarding production and the utility of information by the people to make decisions for farming and harvesting. The PEAP states that government will examine the option of for developing a revitalised and user responsive meteorological service. It will be important to review the commercial strategies for data provision by this department and that of WRMD to categorise types of information necessary for poverty reduction, which should be given freely.

The Ministry of Health (MOH), Ministry of Education and Sports (MOES) and Ministry of Water, Lands and Environment (MWLE) collaborate on Sanitation activities in the Districts. The Health sector provides most of the software components like development of guidelines, hygiene education in schools and on the other hand collaborates with the Ministry of Water, Lands and Environment (MWLE) for construction of

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sanitation facilities in Schools. In the past the health sector has received funds directly from MWLE for this purpose. [Interview; Mr. R. Odongo, Senior Health Environmentalist, MOH].

'Sanitation Initiative' is a new project in the Ministry of Health funded from the PAF. This project undertakes demonstration of Sanitation facilities in problematic environments such as those too sandy or too rocky or with high water table. The Environmental Health Division in the Ministry of health is also responsible for routine water quality surveillance at household and institutional level especially to determine the risks of using a water source. Emphasis is on faecal contamination and physio-chemical aspects of water sources. The Ministry of health provides a limited number of water testing kits for this purpose and there is regular exchange of information on this subject with the water sector. The Ministry of Health is also working with NEMA on matters of Natural Resource Management.

2.5 Targets

The key outputs from the water sector, is water supply to rural areas and towns (large and small). Sector output is examined by trends in safe water supply in the rural sectors this can be justified by the fact that 96% of the poor people live in the rural areas [Interview; Moller C, MFPED, 2002]. The targets are set out below:

Provision of safe drinking water to 100% of the population by 2015 in rural areas and by 2010 for 100% of the urban population.[MTBFP FY 2002/03 to FY 2004/05].

1060 boreholes to be drilled in 1999/00., 900 springs protected, 1000 shallow wells protected.

49% rural water coverage, 60% urban water coverage.

Functionality rate: the target is 60%-70% for 1999/2000

TABLE 7: OUTPUT TARGETS FOR WATER SUPPLY AND INSTITUTIONAL SANITATION.

Bench mark	99/00	00/01	½	02/03
Spring protected	900	900	800	700
Shallow well protected	1000	1100	1420	1700
Borehole drilled	1060	1100	1280	1500
Borehole+ Rehabilitated	-	325	1500	-
Rain water tanks	-	635	537	-
Institutions with sanitary latrines	5700*	712	712	712
Piped schemes designed	-	20	45	70
Gravity schemes constructed(taps)	-	10	15	20

Source: Policy Briefing Paper No. 2. *current level
+figures from the MTBFP 2002/03-2004/05

The PEAP mostly states goals and strategies for different sectors other than setting detailed quantifiable targets as per table above.. For the three social sectors namely education, health and water, a simple analysis is made on performance against targets. While the water sector exceeded some targets for physical facilities provision for the year 1999/2000 the education and health sub-sectors did not. Health and Water sectors set targets in terms of service coverage in terms of number or percentage of people/pupils covered. Physical facilities are emphasised under water while Health is leaning more on capacity building. Targets do not show any inter-linkages as envisaged in the PEAP goals. The education and health sectors do not for example set targets for sanitation.. the problem of sanitation coordination has already been stated in this report. Government has recognised the gap and already the three sectors have prepared a joint paper to address this.

The national vision for poverty eradication is set within Vision 2025, which places Uganda's long-term goals in the context of international development goals. Uganda targets to reduce the proportion of people below the poverty line to 10% or less by 2017, which appear to be above the international development targets.

Uganda's targets in the water sector compare closely with international targets in some aspects. The international target is to reduce by half the proportion of people who are unable to reach or to afford, safe drinking water and acceptable sanitation facilities by 2015. This is to be surpassed by Uganda, which is targeting 100% safe drinking water and acceptable sanitation for all Ugandans by the year 2015. The principle of 'SOME FOR ALL AND NOT ALL FOR SOME', that came out of the global consultation on

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Safe Water and Sanitation for the 1990s, is the guiding principle for Uganda's national policy for provision and management of domestic water supply services.

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2.6. Links to Natural Resources Sector & Other Links

The issue that is emerging is the application and strengthening of the existing linkages to improve the lives of the poor and at the same time keep a focus on government strategies to improve efficiency through private sector participation.

In the PEAP there are links drawn between the Water sector and the Natural resource sectors (and sub-sectors). The links exist with agriculture, forestry, wetlands and fisheries in the following ways;

Agriculture; The Plan for Modernisation of Agriculture (PMA) which is central to poverty eradication identified seven core areas for public action, among of which are rural infrastructure and sustainable natural resource utilisation and management (natural resources include water bodies, wetlands, forests and land). Water for production, which falls under the water sector targeted for purposes of improving Livestock production.

Wetlands; in the PEAP wetland degradation is associated with reduction in quality and quantity, and temporal and spatial water distribution, reduced dry season livestock and agriculture production areas, severe flooding in urban areas, pollution of lakes and rivers. The PEAP mentions the Wetland Action Plan which aims at improvement of wetland management for water storage, wetland products, and edge cultivation through community wetland management planning. This is being supported under PAF.

Fisheries; the link with water is made in connection with aquatic weeds affecting water quality and pollution endangering fish species.

Health; the importance of safe water supply is directly linked to health benefits in the UPPAP report and in PEAP document.

Education; Improvement in water supply and sanitation is linked to sanitation in schools and also in freeing children for school especially girls.

Industrial activities are reported to be polluting surface water bodies while on the other hand water supply is part of the infrastructure necessary for industrialisation under the broad goal of economic growth.

2.6.1. Gender in the PEAP

Gender in the PEAP is brought out in terms of women being managers of water resources. Women and children walk long distances and spend a lot of time and energy, which could be freed for other economic activities if water was provided within reasonable distances. Gender issues are however not given emphasis in the WSS section, yet increasing sensitivity to gender issues is included in the PEAP as one of the cross-cutting principles for poverty eradication.

2.7. Financial Resources

Funds allocations to WSS in the PEAP do not clearly distinguish between Water, Sanitation or water Resource management. Water and sanitation is imputed and budgeted for as a single component at the national level. However at the district level the grant can be split to cater for the two different issues. Hygiene is budgeted for as a component of water supply interventions especially in institutions.

Water priorities in the PEAP include Rural WSS, small towns WSS, Large towns WSS, Operation & maintenance, water for production and water resource management.. The District WSS Development grant and Water Supply O& M grants are wholly provided by Government.

The Table 8 below shows that very little funding has been provided through the PEAP towards large town WSS. This is despite the fact that total flow of resources to the water sector has tripled over the last four years from 44.9 billion shillings to 133.9 billion shillings. The contribution from government has increased ten fold resulting in a higher government share to the water sector in the MTEF from 0.5% (97/98) to 2.4% (00/01). The resources contributed by donors over the same period remain three times higher than government contribution. Donor support has been significant for Water Resource Management (WRM) but overall, there is limited realisation of donor funds in the PEAP.

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TABLE 8: PEAP FINANCIAL ALLOCATIONS IN THE WATER SECTOR.
[ALLOCATION AND FINANCIAL PERFORMANCE]; GOU IN BILLION SHS. DONORS IN MILLION \$

Conditional Grants(PAF)	1999/2000		2000/2001		2001/2002	
	Budget	Outturn	Budget	Outturn	Budget	Outturn
District Water & sanitation Development. GOU Donor		0 0	21 0	20.06 0	24.05 0	24.05 0
District WS(O & M) GoU Donor	4.1 0	4.1 0	1.19 0	1.19 0	1.31 0	1.31 0
Rural WSS GoU Donor	3.068 21.21	2.918 na	3.255 31.2	3.224 --	6.829 26.92	6.829 --
Small town WSS GoU Donor	2.762 19.84	2.762 na	4.862 20.46	4.720 na	11.149 20.18	11.149 --
Large Towns GoU Donor	0 3.2	0 na	0 4.1	0 -	0 0.05	0 -
Water for Production GoU Donor	1.59 0	1.59 -	3.133 0	3.133 -	4.84 0.69	4.84
WRM GoU Donor	0.592 2.028	0.592 2.007	0.977 6.794	0.977 2.585	1.647 38.3	1.647 6.1898
Institutional development GoU Donor	0.263 1.181	0.263 0.932	0.569 1.67	0.569 1.369	1.92 4.08	1.92 2.24
SUB-TOTAL GoU Donor	12.375 -	11.633 -	34.986 -	33.873 -	57.748 -	57.748 -
TOTAL GoU Donor	12.834 47.459	12.057 2.959	35.421 64.179	34.185 3.954	52.259 96.220	52.17 8.430

Source: MTBFP FY 2002/03 to FY 2004/05.

On the other hand, compared to other sectors Water and Sanitation sector is allocated significantly less than her PEAP requirements. For example, the PEAP medium term water requirements amount to as high as 530 billion shillings but only 290 billion shillings can be offered through the medium term expenditure framework. This leaves a very big funding gap amounting to 333 billion shillings. In other words, nearly 50% of the PEAP water requirements cannot be supported under the current medium term funding arrangement for the Program Priority Areas [Budget framework Paper/ Annex Budget for poverty eradication; 1998-2001].

The three sectors where spending is less than half of the required PEAP amount are; primary education, agricultural modernisation and water & sanitation. Only in the road sector is spending as high as 80% of the required levels. [MTEB].

As a result of the above short fall there are sector priorities, which cannot be funded, and these include: Recurrent budget for the Department of urban water & sewerage and the water sector liaison Division. Program for drilling more bore holes in Karamoja.

Urban water & sanitation especially considering Urban water supply, Urban sewers and sewerage systems, Water supply and sanitation to the urban poor and extensions WSS to the peri-urban.

Construction of valley tanks and strategic surface water reservoirs and water supply intervention for the poor Water resource programs focussing on mapping of water resources and protection of water sources.

The budget for the water sector falls far short (less than half) of set targets. This could mean failing to meet safe water coverage targets of 95-100% by 2015 and instead reach 75-80%. The costs of achieving a realistic maximum percentage of 95% WSS coverage by 2015 have been estimated at \$800m over the period (where as 70% would cost \$670m). The MTEF assumes expenditures (including the conditional grant) of \$50-60m over the next three years. Unfortunately the total budget for the next three years is only \$63million [MTBFP 2002/03 to 2004/05, Policy Brief Paper No.2, MFPED& Oxfam GB, Uganda].

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Allocations in the water sector are also affected by inadequate resources. The table below shows that the Water Resources Management Department is provided with least funding and there is more funding going to WSS in the districts.

TABLE 9: FY 2000/2001 BUDGET ALLOCATIONS WITHIN THE WATER SECTOR

Programme	2000/2001(Shs Billion)	% contribution
Recurrent (non-wage) water development	0.210	0.6
Recurrent WRM Devt	0.102	0.29
Conditional grant. District water & sanitation Devt	20.06	59.0
Ministry Devt program for rural WSS	3.224	9.47
Min. Devt. Programme for small towns WSS	4.72	13.88
Water for production	3.133	9.21
WRM	0.977	2.88
District water O&M	1.19	3.5
TOTAL	34.185	

(Source: PEAP analysis reports 2001)

According to the expenditure plan, more resources are going to capital development than recurrent costs and towards rural WSS than Urban WSS and in the 'water poor' districts than in well served districts. However, it should be pointed out that there are many non-funded programs in the DWD/MWLE funding framework that are not receiving satisfactory funding under current prioritisation. And yet they ought to be priority actions. These include: many components of urban water and sanitation systems, water for production and a number of water resources programs

More effort as noted above has gone into supporting District water programs, especially establishment of capital investments and this recently [FY 2000/01] culminated in a new District Conditional Water development grant. Funds are allocated to enable districts provide water and sanitation services to the rural areas including rural growth centres with a population of less than 5000. Donor and Government funds invested in the sector currently amount to approximately \$33m annually since 1999. In addition to the sector specific investments, several donors such as Irish Aid, DANIDA and Local Government Development programme of MoLG/World Bank are supporting District Development Programmes.

Notice that Investments through these programmes are largely targeted for the five priority programme areas, which include the rural water and sanitation sector and are estimated at \$5.1m per year. Thus the total Capital investment in the rural water and Sanitation Sector is currently about \$38m annually plus approximately \$2m annually for the current rehabilitation of point water sources allocated from conditional grants from the DWD/GOU budget for FY99/2000.

Donor investments in the sector decreased dramatically in the 2000/01 financial year. Discussions are going on to review future donor support in the sector. Nonetheless, Government continues to anticipate donor support and in the 2001/2002 financial year the following projections for donor support in the sector were made:

TABLE 10: ENVISAGED EXTERNAL SOURCE CONTRIBUTION FOR 2001/02 PROGRAMMES

	Amount in US \$ million?
Conditional Grants	
District water & sanitation Dev.	0
District water supply O&M	0
Rural water supply	26.92
Small towns	20.18
Large towns	6.05
Water for Production	0.69
Water resource management	6.1898
Institutional development	4.08

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TOTAL	64.1098
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Source: MTBFP FY2002/03 to 2004/05

Recurrent expenditure has been supported for both wage and non-wage components. Both components are expected to increase in the medium term. At an average of one billion shillings, recurrent expenditure constitutes just over 2.5% of annual expenditure in the sector.

TABLE : **RECURRENT BUDGET ALLOCATIONS (SHS IN BILLION).**

Programme	Item	2002/03	2003/04	2004/05
05-Water	Wage	0.2	0.216	0.23
Resource mgt department	Non-wage	0.182	0.186	0.196
	Sub-total	0.382	0.402	0.426
06-water supply department	Wage	0.22	0.254	0.27
	Non-wage	0.32	0.324	0.332
	Sub-total	0.54	0.578	0.602
	Total	0.922	0.98	1.028

(Source: PEAP analysis reports 2001)

Government has also supported a district water supply operation and maintenance conditional grant in the 1999/2000 financial year. Shillings 4.1bn were provided for both urban and rural water systems. This grant has been growing every year

Overall however, there is effort by government to ensure that all grants address the poverty concerns of the population despite their size. A formula which examines the poverty focus of the grants has been developed and is being used to allocate sector conditional grants to the 56 districts in Uganda [Sector Conditional Grant study 2001]. A conditional grant is poverty focused if the group of poor districts receive significantly more per capita than better off districts. With this measure it is possible to rank the various grants according to their poverty focus as presented in the table below;

TABLE 11: POVERTY FOCUS OF THE SECTOR CONDITIONAL GRANTS

Grant	Poverty Focus measure	Poverty Focus	Size
PHC-NGO Grant	174%	Yes	6.7
School Facilities Grant	64%	Yes	45.9
Rural Feeder Roads	39%	Yes	15.1
UPE Capitation Grant	22%	Could improve	40.7
District W/Sanitation	22%	Could improve	21.0
PHC-Non-wage	12%	No	8.8
PHC-Development	12%	No	10.0
NAADS	19%	No	0.2
PMA Grant	19%	No	2.0
Agricultural Extension	19%	No	2.4
TOTAL	-		152.8

Source: Anew formula for Poverty Eradication, PMAU, MFPEd.

In addition, there is a highly participatory and strategic process involving key actors in the MWLE, DWD and the Ministry of Finance that ensure equitable allocations which are poverty focussed. The multi-disciplinary Technical Advisory Committees based in the Ministry of Water and a Water desk Officer in the Ministry of Finance scrutinise performance indicators vis-à-vis resource allocation and expected outputs. All this is done to ensure that allocations are cost effective and are within the stipulated framework of the PEAP and the MTEF of the Government of Uganda.

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The above highly participatory and strategic process leads to the national budgeting process, which is based on the overall national planning framework. The National Planning process is developed against the following structures;

The Country's long term goals and objectives i.e. Vision 2025

The poverty eradication action plan

Detailed sector wide plans and investment programs set within overall MTEF.

The Sector working Groups (SWGs) consisting of representatives of the Sector Ministry, MFPED, NGOs, the Local Authorities, Urban Authorities and the Private Sector who originate their respective plans based on a resource constrained budget.

Budget Framework Paper (BFP) reflecting mission, goals and objectives of the sector

2.8. Indicators.

Water is reviewed under pillar number four, which talks of measures to improve the quality of life of the poor. Priority indicators are selected from each pillar of PEAP, [PMES, March 2002].

The actions to produce desired results are translated into action plans through listing activities that are to be done, achievements and targets for each activity during the fiscal year [PSR 2001]. The table 18 below relates actions to indicators

TABLE 12: ACTIONS AND RELATED INDICATORS.

Goal	Objective	Action	Outcomes	Output/indicator
Improving the quality of life of the poor				
	Provision of safe water supply to 100% of the population by 2015, and adequate water for livestock			
		Provision of safe water	Proportion of population using safe water	Proportion of population within ½ a km using safe water
		Provision of sanitary facilities	Proportion of population using safe sanitary facilities	Proportion of population with safe sanitary facilities
		Drilling bore-holes	-	Bore-holes drilled
		Protection of shallow wells	-	Shallow wells protected
		Protection of springs	-	Springs protected

Source: PEAP 2001-2003 volume3, modified by consultants to incorporate goals and objectives

The indicators so far developed are only with reference to water infrastructure as shown in table 18 above. As may be discerned from the above table the indicators referring to facilities are specific and practical, the data being obtained from administrative data. The indicators referring to population with access to safe water and sanitary facilities is obtained through household surveys but is reportedly difficult to observe [PEAP, 2000].

The indicators referring to facilities have been proved achievable as per Poverty Status Report 2001, in which it is reported that some targets (bore-holes) set for the year 1999/2000 were surpassed while this was not the case in the Health and education sector. However 30-40% of the boreholes were non-functional reflecting the need to improve maintenance. Population access to water was also close to the target both for urban and rural for the same year. The figure for functionality rate seems to have been inflated considering the 30%-40% non-functional boreholes reported. (PSR 2001)

There is a need to strengthen the monitoring system so that achievements against targets are interpreted more realistically in terms of impact on the livelihoods of the poor. Low functionality rate for example means that while the sector appears to have delivered, coverage of the population still remains low and therefore a number of people out there have no access to water.

The indicators so far developed are not satisfactory. Most of the objectives do not have indicators developed for them yet so it is difficult to monitor their relevancy and or effectiveness in producing the desired results.

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The gaps are in relation to; water for Livestock, building capacity of the community in operation and maintenance of facilities; and increasing ownership through community participation and financial contributions towards construction; conservation of water resources through adhering to environmentally safe practices; increasing efficiency through increased co-ordination of Government programs with those of NGOs and other stakeholders.

There are also gaps in objectives with regard to Private sector participation and equity; gender, geographical distribution, and categorization within the poor, e.g., per-urban poor etc.

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2.9. Steps for Strengthening PEAP

The results of PPA no. 2 are not yet available. However from the foregoing sections on context and content, various aspects of the PEAP will need strengthening in the future as discerned from the monitoring and evaluation strategy. The following are some of the areas cited and the suggested steps to strengthen the water elements as derived from interviews and the PEAP monitoring documents.

The monitoring and supervision role of WRM has been partly undermined by restructuring without parallel Capacity building at both district and national level to compensate for reduction of technical staff. The requisite structures for private sector participation and the related legislation when implemented will alleviate this burden of low capacity. Due to decentralisation the roles of government staff have changed creating a gap for technical and administrative skills and sectoral linkages (e.g. between water supply and sanitation roles at district level, linkage with natural resources.). Capacity building programmes are necessary. This point however has to be in cognisance of the government strategy to keep administrative costs low compared to capital development.

Sectoral linkages are weak especially as regards sanitation and natural resources. There are on-going studies that will address some of the linkage issues. Sectors that may have been over looked for representation on multisectoral committees e.g. MOH for the LVEMP committee, should be reconsidered for membership where their role is clearly identified. Sensitisation seminars on linkages should be incorporated as a monitoring and evaluation activity.

Civil Society participation would help in provision of critical information as they have the advantage in most cases of being more in touch with the ordinary people than government. They should therefore be co-opted in the MIS set up in form of incorporating their activities and, programmes in the local government quarterly reports. This sector should also be involved in setting MTEB ceilings and performance indicators. Sectoral MIS including dissemination and use of data for poverty monitoring is still inadequate. Districts' and people's information needs and capacities should be addressed in setting up information systems. Systems for monitoring implementation could also have a component on supervision of the implementers other than them performing all the functions and supervising themselves. Allocation of financial resources will have to be re-aligned to the prioritisation of stakeholders.

The issue of gender is not given due attention to the level of the spirit of the country's Gender Policy or the PEAP itself. There is need to build capacity in the various sectors to impart gender-mainstreaming skills. The MGLSD, should be represented on all working groups and committees charged with implementation of various aspects of the PEAP. Finally private sector participation needs to be studied deeply examining all implications for poverty reduction. Other areas to be strengthened are; operation and maintenance systems and capacity, data disaggregation ,and water quality monitoring.

It is hoped that the on-going PPA 2 will provide a further refinement of the PEAP and therefore close most of the above mentioned gaps.

On the other hand the articulation of water aspects of poverty reduction progressed relatively well in the PEAP as compared with previous document.

- Access to water in terms of distance defined to mean having safe water source within 1.5km walking distance (previously reference was made to coverage within a distance of 5kms in PEAP 1997 and other documents talked of access targets in terms of "reasonable distance").
- Water for production has been further emphasised and elaborated in terms of provision for livestock for draught prone areas e.g. Karamoja.
- Roles for district, NGOs, private sector and communities have been elaborated further and opportunities for their participation widened.
- Monitorable indicators have been elaborated in terms of outcomes and outputs.
- The voices of the poor, with reference to distance, time, energy and gender roles and impact on livelihoods have been, brought on board.

There are however misguided issues that need re-focussing. Current determination of the district water and sanitation grant is based on consumption, which would be a valid approach given enough resources; the poor districts would get more resources. However due to the inadequacy of resources, 21 districts were piloted to

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have their full needs covered and the rest (24 at the time) shared the residual funds at lower levels than their needs. Analysis of the poverty focus in this context gives two different pictures. In the case of consumption based allocation analysis the poor districts appear to be getting more resources than the “better off” districts, 22% higher annual per capita allocation. However if this definition is changed to one based on district water coverage, then new information is revealed supporting more realistic allocation i.e. the districts with high water coverage are shown to be receiving 19% higher than the districts with lowest water coverage. The less served districts would then have an opportunity to correct the disparities if the formula for allocation of the grant is changed. A simple count of the pilot districts reveal that 15 of them belong to the “high coverage” districts. Since pilot districts receive 100% of their investment needs, high coverage districts received relatively more grants.[Pages 17-19 PMAU-1, Nov. 2000]

A further complication involved in assessing the poverty focus, of the district water and sanitation grant (DW&S) is the fact that there are already donors and NGOs operating in the districts. Thus the grant should compensate districts with low donor support as well as districts with low coverage. Therefore the total allocation for conditional grant and donor support should be analysed for poverty focus. However according to the PMAU, the conclusion will not change; There is lack of poverty focus in the DW&S grant. This speaks in favour of analysing the poverty focus of the total allocation made to each district i.e. both conditional grants and donor support. However even if donor support is included in the calculation, the conclusion does not change much. There is lack of poverty focus in the District Water and Sanitation Grant.

Most administrative data are facility based that is focusing on those already getting service not those under current provision yet these are the target group of poverty orientated policies. Inadequate and lack of disaggregated data by geographical location could lead to inequitable distribution of facilities.

Water resource monitoring systems have to ensure sustainability. The sustainability of the community contribution strategy is still questionable and needs further investigation; Can poor communities afford O&M or the one time off contribution towards construction?

Sanitation issues should be given higher emphasis than the case presently, Targets and linkages with other sectors be well articulated to facilitate implementation at district and national level.

As a framework document, an outline agenda for action/discussion, PEAP has contributed highly to the planning process. This contribution is elaborated below;

PEAP guides national development policy and has facilitated participatory planning, transparency and accountability by bringing various stakeholders into the National planning framework.

The new budgetary process has helped improve cost effectiveness, prioritisation at national and sectoral level and efficient use of financial resources with respect to poverty reduction.

PEAP has helped attract national budget support increasing available resources through HPIC and donor funding.

PEAP has engendered Capacity building (human capital) in both the Public and Private various sectors. It has contributed to the decentralisation process and improved its effectiveness through capacity building, refocusing of national efforts on poverty reduction through multi-sectoral approach and SWAP.

By virtue of water being one of the priorities in the PEAP a process of analysis has been applied to this sector through which gaps and priority actions have been identified, for example, a value- for- money analysis by the Poverty Monitoring and Analysis Unit (PMAU) has revealed apparent inefficiency in the delivery system and recommended appropriate action.

On the whole the PEAP has given direction for all poverty reduction actors in developing and implementing various programmes and projects. However it is rather wanting on linkages e.g., the WSS and WRM are not comprehensively handled in terms of linkages with other sectors. The format for all broad goals should be standardised so that each sector is treated with uniformity and in appropriate detail. Understandably, the PEAP on its own is not adequate because. The PEAP needs complementary documents from each sector such as guidelines, regulations, sectoral plans and budgets to enable implementation by the PRS actors.

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3. PRSP/PEAP PROCESS AND WATER

3.1. New poverty planning structures introduced by the PEAP

The new structures and systems for the implementation of the PEAP are mainly at the centre. At the lower levels government is adapting the pre-existing structures to fit within PEAP. The structures at district level are being built as gaps are identified and the requisite capacity built.. Following decentralisation, local council committees were established at all levels namely village committees, at LC-1, Parish committees at LC-2, Sub-county Committees at LC-3 and then the District Development Committee, LC-5. Similarly user groups and or associations follow this structure. The County, LC-4 level has no planning function but co-ordinates Sub-counties within its jurisdiction. This level is earmarked for posting of university graduates to man each sector. New offices/sections have been created, e.g, the Offices of District Water Officer (DWO), District Environment Officer (DEO) etc. these being new developments resulting from decentralised roles. The implementation of PEAP at district level therefore ,as earlier described under functions, is based on this structure.

The poverty structure would perhaps require reviewing in keeping with the government objective of a lean administration for PEAP implementation. At the centre some new structures have been set up specifically for implementation of the PEAP and these are;

There is PEAP steering committee; which meets regularly to discuss policy challenges in the PEAP. The UPPAP, a partnership with the government of Uganda for poverty eradication, is located at MFPED but operates independently of the government structure. It is the set up through which the government is consulting the poor and is responsible for planning and executing the PPAs. A Poverty Monitoring & Analysis Unit (PMAU) in the same ministry is responsible for developing indicators and follow progress of PEAP. A Poverty Eradication sector Working Group (PEWG) in the PMAU which is part of the monitoring and budgetary process, is responsible for co-ordination and review of the work of all the other sector groups to ensure that poverty concerns are fully addressed. It is to be strengthened to play an important part in the formulation of the budget in future. The Economic Development Policy and Research Department (EDPRD) in MFPED is responsible for raising issues of economic policy and ensuring that the policies implemented across government address poverty eradication. Technical input will come from the strengthened PMAU within this department There is also Plan for the Modernisation of agriculture (PMA) secretariat which is a holistic strategic national framework for eradication of poverty through multi-sectoral interventions enabling the people to improve their livelihoods in a sustainable manner.

Civil society organisations have established a National Poverty Forum (NPF) that will provide a forum for public discussion of poverty and regularly review implementation of the PEAP and dissemination of pertinent information to members

3.2. Government Role

The GOU has been at the forefront to the development and ultimate implementation of the PEAP. On the African continent Uganda government has been rated highest in terms of commitment to the development of the PEAP with many countries just initiating the process and very few, if any, at the second PEAP where Uganda currently is. In addition, Uganda government has initiated a participatory poverty assessment process (UPPAP) to further enhance the PEAP development and implementation. The Government, through the sector ministries and stakeholders has also evolved a medium term budget framework process as well as a Medium Term Expenditure Framework (MTEF) all aimed at enhancing implementation of the PEAP. The annual poverty status reports that describe progress of the PEAP implementation have been strengthened and there is strict enforcement of accountability for the PAF resources. The entire PAF resource basket is funding the PEAP priorities.

Recently, Uganda received more funding as a result of good performance linked to government commitment to utilising all the HIPC funds into relevant poverty alleviation programs [MFPED; Budget Summary 2002] Overall, the Ministry of Finance is the main facilitating and implementing agency of the PEAP

The PEAP has revolutionised District and national budgeting creating significant changes in budget composition and implementation. Prior to debt relief in 1998/99 spending on PEAP programmes that

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directly benefited the poor accounted for 17% of the government's budget (excluding Donor project financing). In FY 2000/01 however, these programmes accounted for 31% of the budget indicating a very high increase in funding of PEAP priorities. This presents a remarkable shift in the composition of the budget by any country's standard and demonstrates a real commitment to PEAP by the government. Also this budget share goes beyond international targets, which recommend only 20% of PEAP, spending to basic social services.

Government is emphasising Public involvement by encouraging Reporting on PAF through quarterly reports (in the media). These enable civil society to monitor budget performance. According to the PEAP 2000, budget out-turns have been 95% of original proposals, since the creation of PAF.

A long term expenditure framework is proposed to enable government, Parliament, Donor partners and civil society examine and debate the merits of different approaches to prioritisation

After the first PEAP, government (in order to re-prioritise donor spending) undertook a review of all donor and government financial projects which led to the publishing of the Public Investment Plan (PIP) or Volume II of the PEAP. The PIP contains some projects in the water sector although many issues prioritised for implementation do not clearly feature here.

Ever since the PAF was created budget out turns have been at least 95% of original budget proposals. Consequently, the PEAP has been a central document and process which continues to be reflected in all other sector programs in the country. For example, out of the PEAP, other programs such as the Plan for modernisation of agriculture, the good governance plan, the road sector plan, the health sector plan and the education investment plan have emerged. The PEAP process is therefore characterised by wide consultations at national, district level and involves civil society and the local communities (PEAP2000). The PEAP itself is developed through a wide range of steps that are supposed to ensure participation of all stakeholders but also to guaranteed authentic output.

The steps taken include:

- Establishment of technical/action working groups and Terms of reference.
- Poverty assessment [both qualitative (esp. through the UPPAP) and quantitative (esp. through Uganda Bureau Of Statistics).
- Sector prioritisation and brainstorming over budgets and detailed costing involving Sector working groups whose membership consists of line ministries representatives, MFPED, private sectors, NGOs, District representative and donors. Ministry of finance harmonisation of sector costing and linkage in medium term expenditure framework.
- Donor conferences/examination of sector funding and resource allocation /flow framework over medium term
- District Planning and prioritisation/integration of sector poverty issues and medium term work plans.
- Annual national budget development and linkage with PEAP.
- Commission PPA (UPPAP)
- Different sectors make their submissions (working with civil society).
- Consultants contribute to drafting report
- After draft is out, there is quick consultation at district level, contributing views to improve PEAP.
- A separate report on views of the people on PEAP is written.

On the other hand the steps taken to develop the Water sector plan and other such sector plans include:

- Technical working groups consider sub-sector priorities & financial implication at the DWD & District level.
- Consideration of cross-cutting issues over sectors and ministries.
- Review of detailed budget and harmonising with funding sources.
- Building a Medium Term Expenditure Framework.

The Participatory Poverty assessment process goes through the following steps:

- Preparatory activities including recruitment of project staff.
- District selection based on purposive sampling to include some of the diverse social-economic conditions and various facts of poverty across the country.
- Identification of core research partner organisations on the basis of involvement in or commitment to poverty reduction.

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- Planning of workshops about the PPA process.
- Training of the core partner research organisations and selected districts.
- Research design considering research areas on poverty
- Community selection aimed to represent the greatest diversity across the districts.
- Field research taking into account gender balance, familiarity with the local language PRA experience.
- Reporting performed in four tiers i.e. daily reports for each exercise, site reports for each community, district PPA reports and the national UPPA report.
- A national synthesis workshop involving all researchers, technical advisors, partner organisations, donors and government representatives.

The second PEAP builds on the above process by way of methodology and findings: PPA findings are quoted widely in the PEAP document and the number of steps followed in evolving in the PEAP are borrowed from the PPA process itself (or vice versa).

Overall, a lot of information that was not available to the public in the past has now been made available portraying a higher degree of accountability. But, although this has been made possible, the issue of how well the public uses this information to demand accountability of leaders and implementers is still at large. The following information is nonetheless available;

- Media reports of Quarterly PAF expenditure.
- Booklets entitled; The Uganda Budget 2001/02; A Citizen's Guide; and A Citizen's Guide to the Budget Process are given freely to the public by the MFPED.
- Quarterly reports on progress of implementation of the Decentralization Program

There is also information on how the poor define poverty from a holistic point of view, the multi-faced causes of poverty from the standpoint of the poor, views of the poor in relation to performance of government (especially the Poverty Policy Framework), how special services to the poor interact with poverty reduction e.g. water pollution, Health, Education, etc and the nature of poverty associated with specific vulnerable categories e.g. widows, orphans, street kids etc. Information on how poverty can be overcome by the poor themselves and case studies of former poor persons who have upgraded to better positions is available.

3.3. WSS Sectoral Participation

Sectoral engagement pivots on the national water policy which identifies the need to enhance co-ordination in WSS sector and this is done through the following committees WPC, WSSC, WSWG and DWSC., national sanitation working group - nswg

The WPC deals mainly with water and sanitation issues while the WSSC provides policy, co-ordinates sector programmes, reviews sector plans, strategies and resource needs, mobilise resources and guide their utilisation. It also carries out monitoring and evaluation functions and gives overall guidance to the water sector

The Sector working groups (SWGs) were established to prepare sector action plans outlining specific actions of government, donors, NGOs and communities, and making recommendations for reorientation and reallocation of government expenditure for effective implementation of the PEAP.

Membership of steering committee established by MFPED to oversee implementation and preparation of the PEAP, include representatives of all sector working groups involved in the MTEF. This was to ensure close co-ordination between the PEAP and the MTEF. In turn the MTEF groups are closely linked to the broader working groups involved in the preparation and monitoring of sector wide plans. The steering committee also includes key line ministries and NGOs. The water sector working group comprises the Permanent Secretary, MWLE (chairperson) and officials from DWD (director, commissioners and representatives of each division), NWSC, MFPED (secretary), MOH(PHC), MoLG (inspectorate), MoES (primary), DANIDA(donor representatives)and UWAS NET(NGO representative).

The DWSCs are not yet functioning properly but their membership is supposed to reconstitute to include LC chairperson, secretaries of district sectoral committees (responsible for water, women, district engineer, DWO, DDHS, SDO, NGO, SBO representative). Their functions include co-ordination, approval of work plans, supervision and monitoring at that level [**RE Framework for SWAP WSS sector pg9**].

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The SWGs are a mechanism to promote a more consultative and participatory approach in the management of public finance and a mechanism to increase transparency and accountability in planning and utilization of resources. They undertake the preparation of MTBF papers.

In January 1999, Oxfam formed a consultative group to engender a forum for briefing the CSOs. Since then they have been brought on board and are now represented on budget meetings by the UDN, Uganda Debt Network.

An NGO network, Uganda Water and Sanitation Network, UWASNET, was formed in 2000 to ensure effective coordination, networking and collaboration of NGOs and CBOS. The network has formed six working groups according to thematic areas selected based on NGO water activities. Originally UWASNET was operating under Water Aid and they participating in updating the PEAP 2000.

The water SWG is not part of the MWLE. It comprises of the Permanent Secretary MWLE, the Director, DWD, Commissioner DWD, Head of Water Liaison Unit WLU, Danida chief sector advisor, MOLG, MOH, MOPS, UWASNET (NGO representative) and the donor community (represented by Danida). The MFPED act as the secretariat of this SWG. The committee meets on quarterly basis to review implementation of sector activities.

3.4. Sectoral Linkages

The PEAP process has created linkages through working committees, for example: working policy committee, poverty monitoring network, parliamentary sectoral committee and working groups e.g. poverty eradication working groups, sector working groups, and co-opting of civil society organisations on committees.

PEAP provides a framework within which government's planning effort is conducted. The principles set out in the PEAP guide the formulation of Sector wide Action Plans -SWAPs, such as those which have been or are being prepared in education, health, water and agriculture, and drafting of plans at the district level.

The public expenditure implications of the SWAPs are implemented through the budget under the MTEF.

The linkages between the PEAP and SWAPs at all levels are iterative, with information flowing in both directions. Participatory research and the design of a participatory approach to the budgetary process are feeding an increasing amount of information from districts and local levels into the plan.

The process allows for opportunities of dialogue between specialists and formation of Technical committees. The specialists interacted during preparation of the water sector paper for the MTEF paper.

Interaction between ministries and sectors is through the Poverty Eradication steering Committee whose role is to oversee the operation and implementation of the PEAP.

3.5. Civil Society Participation

Civil Society Organisations (CSOs) were brought into the process later than donors and the government sectors. A briefing meeting by Oxfam was held in Jan/Feb 1999 and a consultative group was formed. They have since been actively engaged in the PEAP revision. Subsequently as a result of a meeting convened by UDN and OXFAM in January 2000 a CSO task force was established to analyse issues relevant to PEAP and PAF. The chairperson of CSO task force sits on the Poverty steering committee. The task force has influenced the final draft of the PEAP as a result of their extensive consultation. The CSOs were involved in the two national consultative workshops in January and February 2000. Noteworthy is the contribution to the consultative process that resulted from meetings held at regional level. The CSO task force held 10 regional meetings involving 644 participants from 42 districts to collect their views on PEAP. The views of the participants were compiled and submitted to the MFPED. Other areas that have been brought to the attention of government in relation to the PEAP as a result of CSOs participation; are wage employment, security and conflict resolution especially the conflicts in Congo, Sudan and Burundi, quality of primary school education

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and the retention of the girl child, clear definition of the role of Local Governments, gender sensitivity and geographical inequalities.

Civil society bodies have helped to bring the voices and perspectives of the poor into PEAP at district and national levels. A mechanism for involvement of the CSOs is in place. The process of revising the PEAP builds on the work of the Sector BFPs. The chairpersons for the Sector Working groups are members of the Steering committees for the revision process. CSOs are represented on both the poverty monitoring network and the poverty eradication committee. The task force circulates the drafts of the revised PEAP among stakeholders.

An NGO network, Uganda Water and Sanitation Network (UWASNET) which co-ordinates 172 registered member NGOs in the water sector was created in 2000. It is a member of the Water Sector Working Group. The network co-ordinates all NGOs in the WSS sector in Uganda and plays a capacity building role in addition to lobbying government for funding of its members to be able to implement water programmes at district level.

CSO could have been more proactive in forming networks at an early stage in order to pool their resources together. Such network would facilitate sensitisation, mobilisation and capacity building.

According to an interview with a UPPAP official, NGOs need to increase capacity in policy analysis and good writing and presentation skills. They need to develop a mechanism of policy information gathering in order to know the government procedures. They also need to ensure that they put in place qualified staff specifically on policy analysis and such staff should be given the time to do the job. Finally it was suggested that NGOs should lobby for having a desk office in the MFPED just like the government sectors. The NGOs will also need to familiarise themselves with the program approach (SWAP) as opposed to project specific planning in line with government policy. The above could be implemented through capacity building by UWASNET.

3.6 Capacity-Building

Restructuring of sector ministries to meet demands of new roles and functions has created demand for capacity building which is being met through use of conditional grants. More functions have been developed following restructuring of MWLE. The three departments of rural WSS, WRM and urban water i.e. NWSC have redefined their roles and more focussed training is necessary.

Under WRM the government through DWD is building the capacity to monitor & forecast seasonal variations in water resources as they relate to climatic variations and capacity is being built to objectively analyse water quality. Government is also investing in capacity building for users and institutional and human resource development in the development for water for Agriculture production.

Increasing involvement of the private sector through PEAP is enabling the local artisans and mechanics to increase their capacity in order to provide the numerous technical services to the water sector.

At district level the integrated extension services staff are being trained to be able to disseminate information to the various users of the water resources. Capacity is also being built at district and county/sub-county levels in planning, monitoring and technical service delivery to respond to community requests.

At community level, sensitisation is carried out by districts to improve capacity for water users to make appropriate choices for water and sanitation facilities, siting of water points and involvement in conservation activities and the daily running and maintenance of the scheme. However gaps still exist in the following areas;

- Technical skills for the private sector involvement in WSS services.
- Capacity for data collection and analysis for large data sets in WSS & WRM.
- Capacity of staff in Health and Local Government Ministries and other stakeholders to understand WSS & WRM issues.
- Costing PEAP especially of sanitation and WRM.
- Monitoring and evaluation especially at district level.

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Inter-sectoral working is the norm in the PEAP development and ultimately in the accompanying plans such as the PMA, the Local Government Development Programme (LGDP), the Health Sector Plan, the Road Sector Reform Study and the Poverty Eradication Plan. A number of these plans were developed with strict consultation from relevant sister ministries especially over the cross-cutting issues. In the formulation of the PEAP for example effort is taken to build a holistic picture of poverty eradication from the standpoint of all sectors. Under the MTEF all donors meet to agree on the expenditure areas for the national budget support scheme. A common language is emerging in the planning processes namely; participation, consultation, multi-sectoral approach, decentralisation, capacity building, Sector Wide Approach (SWAP).

3.7. Other Participation

Participation of all stakeholders is now more organised than it was at the beginning, and follows the budget cycle.

Donors are now going beyond the advisory role at government level to participate in developing SWAPs as members of Sector Working Groups (SWGs). The private sector apart from being engaged as consultants are actively participating in the consultative process attending workshops and seminars and presenting papers. The poor have added their voice through the UPPAP process and the involvement of the CSOs who seek their views and forward them to government. Communities and the poor participated through the UPPAP process. Donors have participated in various ways namely; funding the process, overseeing implementation as well as monitoring and evaluation and involvement in the consultative meetings and conferences.

The challenge to government is the integration of pre-PEAP sector plans into the Budget Support Approach. These were already at different levels of implementation in the PEAP framework and came with different processes and mechanisms. There is also pressure at both national and district level for political re-organisation which could under-mine the process diverting it from the PEAP objectives.

The consultative process was highly facilitated by donors in terms of; Providing technical skills in developing methodology and overall development in the processes and mechanisms, guiding the discussions of the working groups, helping to refine issues and concepts, building arguments and funding. This stage of consultations led to the production of a Background Paper that was later translated into an outline Strategy for Poverty Eradication.

3.8. Financial Resources

3.8.1. Planning/budgeting process for poverty reduction

All PAF funded expenditure are still an integral part of the government budget and they are subject to the discipline of the MTEF process. PAF funded expenditures are further subject to the normal parliamentary appropriation process and scrutiny by the auditor general and the public accounts committee of parliament.

Funds are released as conditional grants to the district with 5% being set aside for enhancing existing accounting and auditing procedures. In-order to ensure plans are achievable sector wide planning is decentralised to line ministries and districts.

In theory, the planning is well co-ordinated at all levels. Sector action plans of the PEAP are followed by further development of sector wide programming for all sectors to specify for each sector the mission of the sector, its objectives in relation to poverty eradication, the outputs and outcomes which are expected to result from sectoral expenditures and the activities which the inputs will fund in order to get the pre-determined outputs and outcomes. In turn these detailed sector plans help to guide the MTEF and priority action within the PAF. The planning stage involves the sub-county, which formulates work plans at that level and submits to the district technical planning committee. The District Technical Planning Committee (DTPC) then compiles the district work plan and budget, and then presents it to the district council for approval. Both the Sub-County Technical Planning Committee (STPC) and DTPC are comprised of heads of the different departments and sectors. Information and budgetary decisions between these structures is iterative. The District work plans and the Local Government Budget Framework Paper (LGBFP) are then incorporated in

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the national budget through the sector working group (SWGs) in which local governments are members. At national level the sector Budget Framework Papers (BFPs) are consolidated to form the MTBFP, of which the national budget is part.

The above financial planning is integrated in the national budgetary process as described under PEAP content and water. The main change since PEAP is the introduction of District BFPs at district and sector level, which feed into the national annual budget and the MTBFP.

The priorities articulated in the PEAP incorporate views of the poor and are implemented through sectoral plans and financed by annual budgets. In preparation/prioritisation of sector plans, ministries have a clear idea of resources available to their sector consistent with government and donor commitments to all other sectors. The Medium Term Expenditure Framework (MTEF) for the water sector, is prepared by the MWLE based on district plans. Activities are presented to the Ministry of Finance for approval and subsequent allocation of funds. The guiding document for the MTEF is the Strategic Investment Plan (over a period of 15 years). The costing is done by sector working groups basing on guidelines given by the MFPED.

In relation to costings of the PEAP, consultations have been made at a sectoral level and with donors and the MFPED to ensure that all plans are based on a realistic view of what can be afforded.

.A number of sectors have already developed their plans e.g. PMA, Road Sector, Health plan, Water sector plan, etc. and the PEAP costings were based largely on proposals drawn in these plans. However it's been difficult even to date to harmonise some sector plans and costs into the PEAP framework due to the different timing for the different sectoral activities.

The government body responsible for the financial aspects of the PEAP is the Ministry of Finance where the Budget Department is located. The higher supervision is the responsibility of Cabinet, which reviews the MTEF every year and approves annual budgets. The final approval of the budget rests with the Parliament, which is also mandated to monitor the use of the money through its sectoral sessional committees.[RE: PEAP, Citizen's Guide to the Uganda Budget Process].

The PEAP costings are incorporated into the national budget and implemented on an annual basis. The costs of each programme are compared with budget levels of spending for FY 2000/01 (including donor funded project spending) to assess the level of the required increase.

Despite these shortfalls there re still mismatches in expenditure with a number of sector programmes not spending what is released to them for the year due to inadequate capacity, and others not receiving what is budgeted due to limited resources. In either case some activities are not implemented.

Unlike the budgeting process, participation in spending decisions is largely limited to the bureaucrats. Ordinary people are supposed to participate indirectly through their elected representatives whom they should hold accountable for prescribed releases, by the Local Government Act, to lower levels.; the cabinet at the district approves the budget and since they are elected by the people they take into account their interests [Interview; Simon Kenny, Advisor/WSS MFPED]. In practice this is not yet working very well. Accountability institutions like the IGG get involved after receiving adverse reports from informers and or the Auditor General. This means the method is not yet attuned to prevention of financial irregularities.

The future consultations will build on the current position explained in order to continue building capacity and keeping spending decisions within the limits of the macro economic resource envelop.

The MTBF is not yet representative of the districts' prioritisation. So disbursement decisions depend on the ceilings determined at the centre for conditional, non-conditional and equalisation grants to the district or through the development budget. The releases are made by the ministry of Finance, which manages a consolidated fund of National Income from the donors/bilateral/multilateral agencies, local funds from taxes and fees and donations. The consolidated fund also receives money from PAF originating from debt relief pertaining to HIPC. Ministries and Parastatals also release funds to district and local partners but through the Ministry of Finance and sometimes, Local government to which accountability must be made. Five percent (5 %) of PAF resources are set aside for enhancing existing accounting and auditing procedures.

To enhance transparency, all releases of PAF resources are published regularly and are discussed at quarterly in PAF meetings chaired by government. A large number of donor agencies have been represented. Officers from relevant line ministries and district level officials are invited to attend and report on implementation issues. Local and international NGOs are also invited to attend in order to exchange information, discuss policy issues and where applicable report on programme implementation and/or accountability issues. The

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media are also invited to these meetings in order to enhance accountability through sharing information with the public.

The conditions normally attached to disbursement are:

- Funds are released based on approved annual plans and activities.
- Before subsequent releases are made the district are required to submit accountabilities.
- Ensure quarterly accountability to Ministry of Finance.
- Ensure that there are work plans for the implementation of the programmes.

The PEAP has resulted in centralised accountability whereby districts account to the MFPED through their respective sector ministries with respect to government transfers.

Management of funds at lower levels is according to structures that have been set up by the Local Government Act 1997;

A local government finance commission is supposed to advise the president on all matters concerned with distribution and allocation to each local government.

Financial and accounting regulations prescribing financial and accountability measures,

The LG finance committees, District/sub-county finance committees and technical planning committees review the financial position of the council and they set the targets based on the resource basket.

The district/sub-county councils are supposed to endorse the council budgets but also enforce accountability and carry out monitoring and supervision.

All funds are put into one account at the district level from which they are distributed to different department/sector accounts under the supervision of the CAO.

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3.9. Indicators/Monitoring (See Also Part Iv Below)

Considering that poverty monitoring is a process in which many institutions have a stake, government has set up a strategy outlining the different roles and responsibilities of key players as shown in the table 19, below. This strategy is yet to be launched officially. The main monitoring instrument is the Poverty Status Report, which monitors status implementation of PEAP strategic actions. Other instruments are the Poverty Reduction Paper (PRSP) and the Poverty Reduction Support Credit (PRSC). An independent body, the Poverty Monitoring Network, (PMN), comprising of stakeholders within government, donor community and CSOs was established to ensure collaboration between research institutions and civil societies with planning agencies and policy makers.

The Poverty Monitoring & Evaluation Strategy (PMES) covers priority poverty monitoring indicators, methods of data collection, institutional roles and responsibilities and dissemination and use of monitoring data for learning and accountability.

TABLE 13: INSTITUTIONS INVOLVED IN MONITORING

INSTITUTION	ROLE IN MONITORING
Economic development Policy & Research Department (EPRD) ; MFPED	Co-ordinate data collection, analyse the whole range of data. Publish reports which present a holistic view of poverty in Uganda and review the implementation of the PEAP and disseminate findings to government and civil society
Uganda Bureau of Statistics(UBOS)	Collect of census and survey (including household survey & DHS) and construction of national accounts: analysis of the trends in this data and their causes
UPPAP	Collection of participatory evidence and people's experience of poverty, trends and causes
Ministry of Public Service(MOPS)	Run national service delivery surveys providing information on users experience of service quality and their preferences about services
Sectoral Ministries, particularly Planning Units	Design indicators and collect administrative data on service delivery and outcomes in the sector; analyse this data in conjunction with other data sources, and identify policy responses
Budget Department ; MFPED	Monitoring public expenditure
Macro economic department MFPED	Monitoring and projecting macro economic indicators; monitor implementation of directly poverty reducing expenditures through PAF
Uganda AIDS Commission	Co-ordinating data and policy response on AIDS
District Authorities	Develop a database at the district level; collect information on outputs and inputs
Economic Policy Research Centre – EPRC	Implement research on all aspects of economic policy including poverty
Directorate of employment , MGLSD	Identify data needs for monitoring the labour market
Donors	Various responsibilities; increased co-operation with government is welcome
OCHA	Currently co-ordinating and publishing data on the number and living conditions of displaced people and refugees
Other Academic institutions & NGOs	Conducting research on all aspects of poverty, using official data and collecting their own; providing an independent view on poverty, performing some studies subcontracted from government
IGG, Auditor General	Ensuring that inputs are converted into outputs in a transparent manner.

The structure is designed to clarify the relationship of public actions to poverty reduction .it analyses indicators at three levels; outcomes, outputs and inputs. It also analyses the impact of public programmes on outcomes.. At each level there are regular processes e.g, surveys, administrative data review, participatory studies and specific studies to determine the impact..

The PEAP does not describe a process for deriving the sector specific indicators. The overall PEAP indicators however were formulated based on the national accounts, national household surveys the UPPAP research and the district administrative data. The process is co-ordinated by the PMNAU and involves all the major institutions in the table above. The monitoring process is experiencing some difficulties and this could possibly be because there is no provision for this item in the PEAP costing. There are problems to do with poor quality of most routine or administrative data, inadequate logistical support and inadequate skills and weak incentives to collect and analyse data. According to the PMES paper the following steps are needed;

- Government to ensure adequate capacity and logistical support at sectoral level.

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- Collaboration with research institutions to interest them in poverty related research.
- Strengthening and institutionalising functions of PMAU, which is currently donor, funded.
- Synchronise frequency of surveys e.g. household surveys', service delivery surveys' etc in order to pool resources and generate district level estimates
- Streamline reporting mechanisms to avoid over loading of the system.
- Institute incentive mechanism to encourage collection and use of monitoring information at all levels.
- Determine and institutionalise the role of civil society.

The funding for the monitoring process is not yet determined. According to the PMES, 2002, it is not possible to be exact in determining the budget for poverty monitoring in the short term. The plan is to develop costing for the various activities as they are developed. The Sectors shall be developing an M&E budget. Other resources that will be required are trained personnel at Sector and district level.

3.10. Steps for Strengthening PEAP Process

The PEAP has been a successful process facilitated by the PAF which in 1998/99 enabled government to double the resources available to PEAP programs. The process could be further strengthened by re-aligning financial allocations to the objectives and mobilising funds to fill the gaps between budgeted/required funds and actual allocations. The monitoring and evaluation process also needs to be addressed comprehensively in terms of sectoral specific indicators, costing and budgetary allocations.

The sector budget framework papers, BFPs, provide very few hard figures for costing programs so far. They also provide little attempts to relate the cost of programs to sector ceilings. The centre BFP provides the ceilings, which do not necessarily reflect the situation on the ground; i.e, there is no linkage with the district BFP. This results in under funding. According to the UPPAP official interviewed, from that point of view the water sector is over funded, as the performance does not reflect the recent increase by 300%.

In addition, the sector BFPs contain too few performance indicators with which to monitor whether sector priorities and targets are actively met because very few sector working groups have so far been able to produce measurable performance indicators. Monitoring capacity is itself very weak at the sector level. Consequently, monitoring and evaluation of sector programs and project is very poor in most cases. The process of revising the PEAP builds on the work of the sector BFPs There is thus a need for further decentralisation of decision making and capacity building at district level.

Government procedures and attitudes have changed to an extent towards a more market friendly attitude to treat ordinary people more like clients than people seeking favours. An example is the free information given by some government departments in form of leaflet.

People are getting more serious on proper procedures rather than just thinking of inputs because PEAP has clear guiding principles [Interview, MOFPED].

The government budgetary process is more participatory and transparent, quarterly reports on budget performance are published in the media. LGDGP (Local Government Development Grant Programme) has been created to facilitate capacity building and capital investments at the district level.and there is direct transfer of money once the accountability is accepted and the districts.

According to UPPAP, there were some delays in starting on the part NGOs because they learnt about the consultative conference late so they had only two months to prepare for it. which period is considered inadequate

It is hoped that in future objectives will be more specifically stated, there will be increased resource allocation to water objectives to close the present gap in sector requirements versus financial allocations, improved interaction with the PMAU through meetings, reports etc to enable this unit have readily accessible information about sectoral issues; better integration of natural resource/water resource issues; and capacity building will match implementation targets. Nevertheless despite its low prioritisation, water now a national concern unlike in the past.

The next key steps/events in the process will follow the usual cycle of the PEAP process and actions to close the gaps identified along the way. These would be;

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- The revision of PEAP.
- Preparation of operational plans by the MoH, MoE and MWLE to support sanitation in schools, households and the public at district level.[PRSC II]
- Environmental screening of sub-projects especially addressing safe guard issues.
- Full mobilisation of Technical Support Units (TSUs) to carry out their roles which should include environmental audits.
- Setting up of a National Evaluation Institutional that is independent of the implementing arms of government planned in the medium term.
- Launching of the Poverty Monitoring Strategy.
- Indexing of the NWSC tariff to allow for annual inflation.
- Finalise National Poverty research agenda, and disseminate to institutions and general public.
- Disseminate the poverty monitoring strategy, and compendium of statistical concepts to institutions and the general public.
- Review basic service sector M & E systems in light of decentralisation and the PMA.
- Uganda National Household Survey (with Agricultural module).
- Prepare Uganda Poverty Status Report, 2003.

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4. PEAP: ITS POVERTY REDUCTION IMPACT AND WATER:

4.1. Impact On Water Related Poverty as a Result of PEAP.

The system for measuring impacts will follow the poverty monitoring system in place, which already provides for measuring outcomes, that is the indicators achievable over the long term. From what is stated in the PEAP, there appear to have been no deliberate impact assessment study yet. The Poverty Status Report, PSR is the main document outlining the progress in reducing poverty in Uganda. This instrument aims at summarising the widest possible range of on-going research on poverty while monitoring the critical.

Indicators. The other measures are;

The UPPAP which is to be carried out every three years.

The poverty reduction strategy paper (PRSP) and the poverty reduction support credit (PRSC) produced by World Bank, these two target outcomes and outputs a regular basis.

Under water related poverty impact measurement, the water resources management of DWD collects data on monthly basis from 52 surface water monitoring stations, 16 ground water observation wells and 112-water quality sampling sites. This enables to assess impact of various activities on water availability.

The levels and composition of spending on poverty related activities are now being monitored under PAF.

The assessment at central and district levels is carried out by MFPED and UBOS respectively through Household and Community surveys which explore levels of service delivery; PPAs providing in depth exploration of process issues and other unanswered questions rising from survey analytical work, administrative data and Service delivery surveys. Participation of the people in impact assessment is through the PPAs and household & community surveys. The CSOs are participating in the monitoring process as earlier described.

The other bodies, outside government, involved in impact assessment in the WSS sector are DANIDA, CIDA, WB, JAICA, and Austria. These are involved in monitoring PEAP overall and tracking sector performance against targets, following up funding obligations and ensuring proper accountability and value-for-money.

On the whole the Poverty Monitoring is concerned with tracking the final outcomes or impacts that the poverty-reduction strategy is aiming to bring about. The time frame therefore covers the envisaged PEAP implementation period i.e. 2010 for 100% urban water coverage and 2015 for 100% rural water coverage. The monitoring instruments are PSR every 2 years, PRSP every year. and PRSC every six months.

4.2. Impact Criteria/Indicators:

The impact measurement criteria is based on the Poverty Monitoring and Evaluation Strategy which has been developed by the Poverty Monitoring and Analysis Unit of the MFPED. The sector specific impact criteria for the water sector are also contained in the sector MTBF. The water related impact criteria mainly refer to physical capital, human and natural capital. For physical capital, it is the number of bore-holes drilled, springs and shallow wells protected, bore-holes rehabilitated, rain water tanks installed, Gravity Flow schemes (taps) installed, pipe lines laid and the functionality rate. For human Capital the criteria is implementation of policies, operation databases and groundwater resource maps produced, efficiency in performances, reduction in unit costs and capacity building, For natural Capital it is Water Resource Assessment and EIA reports, Surface water and Ground water levels and permits issued, water quality, Public awareness campaigns, Dredging activities of L.Kyoga blockage, Waste discharge regulations, transboundary water resource issues.

There are other impact measurement indicators under the PEAP/PAF linked to the above WSS indicators as stated below. The linkage described below is not directly stated in the PEAP;

- Indicators under the goal of ability to increase incomes (e.g. through better natural resource use) will affect capacity to contribute to water facilities and therefore number of facilities built/provided.
- Capacity building in WRM will influence functionality of facilities and cost/unit.
- Ground and Surface water resources, wetland protection directly affect number, location and type of WSS facilities and their cost. In turn these will affect availability of water for cattle and crops (Agriculture) and their yield.

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4.3. Impact Studies

- Some of the impact studies that have been done comprise of the following:
- Review Of Uganda's Water Sector, Opportunities For Wateraid Uganda An Independent Report By Joy Morgan, 1999.
- Operation and maintenance of RWSS systems (Consultancy by DWD).
- Strategy Paper (Draft on community Based Maintenance Arrangements and Support Systems at Sub-county level (by DWD, to be updated by an international consultant))
- Consultancy to analyse and prepare NWSC's Short term & Medium term Capital investment Program and its Short term and Medium term financial forecast.

The Uganda Poverty Participatory Assessment study; Listening to the voices of the Poor, MFPED, 2000

In addition to the above the PSRs & PRSCs, regularly review implementation of PEAP and report outputs. In PPA 1, the participatory studies were conducted in 9 districts and findings consolidated into the UPPAR: Learning from the Poor, 2000. This has been increased to 13 districts in PPA2.

According to the Policy briefing Paper number 2, on Water as Sanitation, MFPED, the key findings of the UPPAR (in relation to WSS) are:

- Lack of access to safe water supply is a prime cause and consequence of poverty; the situation is worse in rural areas and even more critical in non-permanent communities. Please cite the source of this proposition – which is important.
- 42% of the rural pop. & 26% of the urban pop. Lack adequate sanitation (i.e. a household pit latrine) the situation is very grave in urban areas.
- Ill health is the most important cause and consequence of poverty, however, people did not (expect for Kampala) identify poor sanitation and hygiene as a priority problem or need none the less poor solid waste management and inefficient drainage pose major health risks and are a major concern in most urban areas.
- Limited access to safe water, inadequate household sanitation, poor solid waste management and drainage cause people to suffer economically and physical from water related illnesses.
- People expect government to provide better access to safe water and are suspicious that officials are embezzling the funds.
- Poor people cannot afford capital cost community contribution (CCCC) for new water supply schemes. (Do you have an information to substantiate this?)
- People don't know about the National Water Policy or the Government's Strategy on Sanitation. Nor do they know what the actual level of CCCC should be for the services there are receiving.
- Some people know that safe water comes from boreholes and protected springs/wells and that unclean water comes Lakes, Streams and Ponds. On the other hand many people are ignorant of the causes of water related disease.
- Most people only hear about improved methods of sanitation and get information on good hygienic practices when there is an epidemic and people are dying.

The impact to date of WSS actions is mainly demonstrated by;

- The proportion of the population, within easy reach of safe water and sanitation facilities has increased as per table 4; the distance to measure access has been reduced from 5km to a maximum of 1.5 km; maintenance and effective use has improved as indicated by the increase in the functionality rate. There are however long queues at some water points especially in peri-urban areas that have led to using unsafe sources in the interest of saving time. The key issues emerging in relation to impact measurement are;
- Lack of physical and technical capacity.
- Private sector inflates the prices of their inputs and this affected the water supply in terms of facilities provided.
- Value-for-money is not yet realised in service delivery.
- Community participation is not as high as planned in the process.
- The tendering process though encouraging competitive bidding excludes NGOs from participating in the PAF funding procedures and implementation at district level.
- Delays in disbursement and accountability of funds.

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On the other hand the reported impacts to-date by the water sector, in relation to water-related poverty as a result of the PEAP/PAF are;

- Population served and facilities built/point water sources have increased as indicated in the monitoring instruments.
- Private sector participation has been achieved at district and urban centre level.
- Capacity is being built at sectoral level.
- Structures for management of large water bodies have been instituted and they are operational.

APPENDIX 1: Other policies and Statutes related to the Water sector

- The Uganda Water Action Plan of 1995: This deals with some basic issues in the water sector such as guiding principles and strategies for the sustainable management and use of water resources. It also deals with institutional and management options in the water sector.
- National Water & Sewerage Corporation Statute 1995: This provides for water supply and sanitation in major urban centres, twelve in number (12) with more three (3) coming on board soon.
- The Local Governments Act 1997: This spells out the responsibility of Local Governments in the areas of water provision & maintenance of water sources.
- The Gender Policy 1997 This aims at making all sectors including Water & Sanitation interventions gender focused with special attention to the special needs and roles of women and children. There is no reference to particular sectors.
- Does the Policy provide an explicit definition of "integrated"? If so, please cite this.
- National Sanitation Guidelines.

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APPENDIX II: PRE-PEAP DATA ON WATER SUPPLY AND SANITATION

Data available	Used for	Measures and definitions for assessing level of access to WSS
<ul style="list-style-type: none"> • Number & Operational status of existing water sources • Proportion of population served by WSS facilities at the District level • Number of people per Water source • Ownership of water sources • Year of construction of water sources • Existing and active WSS committees • Data on existing source caretakers • Lists of existing water systems • Hydro-geological survey data • Hydro-climatic data • Ground water data bank 	<ul style="list-style-type: none"> • Assessing performance of the water sector • Justifying funds utilization (esp. through the ministerial policy statements). • Providing politicians with WSS information about their constituencies (ad-hoc) • Compiling publications including national Statistics • Developing work plans for Ministry of Finance and other sectors, incl. Local Governments • Following up sector specific issues (esp. through monitoring & evaluation) • Influencing Budgetary policies • Research studies by Consultants, the private sector and research students, IGG¹ and ISO² • Used to equitably distribute water supply and sanitation services • Used for co-ordination and collaboration purposes • Used to aid in requisitioning for funds 	<p>MEASURES</p> <ul style="list-style-type: none"> • Source to man ration³ • Functionality percentage⁴ • Proportion of LC1s with at least one water source • Water quality testing to determine availability of safe water sources • Proportion of population within easy reach of safe water <p>DEFINITIONS</p> <ul style="list-style-type: none"> • Safe water access⁵ • Safe excreta disposal. This is disposal of excreta in a prescribed standard pit latrine⁶

Source; Wakholi Watson; Head MIS Department DWD, Luzira; Kampala

¹ Inspector general of Government

² Internal security organization

³ This is a pre determined measure for water point allocation i.e. 300 users per borehole

⁴ This is percentage of functioning water supply points as a percentage of total water supply points in the community recorded by the District Water Department

⁵ This is access to safe water within one and a half kilometres of walking distance [PEAP 2001, PMES 2000]

⁶ Should be at least 25ft deep and at least 14 meters away from the living house

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APPENDIX III

LIST OF OFFICIALS WITH WHOM CONSULTANTS INTERACTED.

NAME	INSTITUTION
Watson- Wakhooli	Directorate of Water Development.
R. Chong	Directorate of Water Development
C. Moller	Ministry of Finance and Economic Development
S. Kenny	Ministry of Finance and Economic Development
L.Okello	UPPAP
W. Muhairwe	NWSC
Byaruhanga	NWSC
C..Kanyesigye	NWSC/Quality Department
M. Badaza	WRM
J.R. O konga	WRM/Hydrology Section
Etimu-Elimu	WRM/quality
UNICEF WATER DESK	UNICEF
C. Wambedde	LVEMP
Nabunya H	UWASNET
Batanda C	UWASNET

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Michael Woods: Water Sanitation & Health; learning from the poor: UPPAP Policy briefing paper
- Sewakiryanga R** (1996) *Women access to Water & poverty relationship; Masters dissertation in Gender studies; Makerere University*
- Water resource Management A** user's Manual on how to fill in the ground water permit application forms

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