



## Water and Environment Sector Semi-Annual Performance FY 2016/17: What Were the Key Emerging Issues?

### Overview

The key government implementers in the sector include: Ministry of Water and Environment (MWE), National Environment Management Authority (NEMA), National Forestry Authority (NFA), Uganda National Meteorological Authority (UNMA), National Water and Sewerage Cooperation (NWSC), Kampala Capital City Authority (KCCA) and Local Governments (LGs).

Over the second National Development Plan (NDPII) period, the three priority focus areas are to: i) Develop water and sanitation infrastructure, ii) Promote rational and sustainable utilization of natural resources including development and effective management of the environment, and iii) Increase water for production for multipurpose use.

The half year performance of the sector for the period July to December 2016 was assessed by the Budget Monitoring and Accountability Unit (BMAU) through qualitative and quantitative data collection techniques. A total of 18 projects/programmes were monitored. The votes covered were MWE, NEMA, NFA, UNMA and 10 district LGs for the rural water and sanitation grant.

This briefing paper presents achievements in various projects, and key implementation issues affecting performance.

### Performance score

The extent to which planned outputs were achieved was rated using a Quantitative Weighted Scoring Method. The scores are grouped as: Very Good (90% and above); Good (70%-89%); Fair (50%-69%) and Poor (Less than 50%).

### Emerging Issues

1. Poor value for money indicated by the good financial absorption, but only fair physical performance.
2. Poor planning in some projects where unrealistic targets were set
3. Poor pricing in some works advertised under Water for Production, that failed to attract bidders
4. Low funding for environmental management activities leading to increased environmental degradation.

### Introduction

The key sector planned outputs in FY2016/17 include:

- ✚ Water supply systems constructed.
- ✚ Sewerage and sanitation facilities construction.
- ✚ Water monitoring stations operated and maintained.
- ✚ Regional water quality laboratories set up.
- ✚ Heavily degraded zones for rivers, canals, wetlands, forest reserves etc. demarcated, rehabilitated and protected.
- ✚ Commercial timber plantations established.
- ✚ Wetland management plans developed.
- ✚ Climate change mainstreamed into selected district development plans.
- ✚ Environmental sustainability integrated in the policies plans, program's and budgets of MDAs, LGs, private sector and CSOs.
- ✚ Environmental Compliance and Enforcement strengthened.
- ✚ Central Forest Reserves effectively and efficiently managed.
- ✚ Tree plantations maintained.
- ✚ Tree seedlings raised for sale and for community tree planting.
- ✚ Meteorological stations assessed, rehabilitated and/or maintained.
- ✚ A weather radar procured.



### Sector Financial Performance

The release performance of the sector by December 2016 was good (36.8% of the expected 50%) and 87.31% of the released funds were absorbed. The details of budgets, releases and expenditure of the votes are represented in Table 1.

**Table 1: Budget Performance by 31<sup>st</sup> December, 2016**

Vote (s)	Budget (Ug Shs)	Release (Ug Shs)	Expenditure (Ug Shs)	Budget Released (%)	Release Spent (%)
MWE	590.83	209.09	184.13	35.39	88.06
District Water and Sanitation Development Conditional Grant	59.76	31.40	29.00	52.54	92.36
NFA	28.51	10.77	9.48	37.79	87.95
UNMA	22.61	7.68	3.27	33.98	42.55
NEMA	20.05	4.84	4.72	24.12	97.66
KCCA	14.64	7.23	6.04	49.39	83.49
<b>Total</b>	<b>736.40</b>	<b>271.01</b>	<b>236.64</b>		

Source: Q2 Performance Reports

### Physical Performance

The overall performance of the sector was fair (55%) although absorption of released funds was good (87.31%). This is an indicator of poor value for money. The Table 2 represents the sector performance based on the average weighted score of projects monitored.

**Table 2: WES Sector Performance by 31<sup>st</sup> December, 2016**

Vote/Project	Weighted Score(%)	Remarks
Provision of Improved Water Sources for returned IDPs – Acholi Sub Region	21.5	<b>Poor performance:</b> Only two outputs were achieved. i) Sanitation and hygiene campaigns conducted in the Lake Kyoga basin. ii) A draft design outline for water supply was developed for 12 Rural Growth Centers. Performance was affected by pending agreement among the stakeholders.
Solar Powered Mini-Piped Water Schemes in Rural Areas	44	<b>Poor performance:</b> Nine out of 15 mini systems were completed. Manyame Water Scheme in Butaleja district was functional. Poor planning of some outputs affected performance. For instance completion of 100 feasibility studies in the FY that were planned is not feasible.
Water and Sanitation Development Facility Central	91.9	<b>Very good performance:</b> The key planned outputs were achieved. Four water systems were completed in the Rural Growth Centers of Ssunga, Kiboga, Kakooge, and Katuugo, however, delayed completion of water system designs by consultants affected timely procurement for new water systems.
Karamoja Small Town and Rural growth Centers Water Supply and Sanitation	3.5	<b>Poor performance:</b> This project had not achieved any of its key planned outputs. Designs for water systems in Napak and Moroto towns were not available for works so towns earmarked for implementation were changed to Amudat; and Kacheri-Lokona in Kotido district, thus the delays to start works.



Protection of Lake Victoria-Kampala Sanitation Program	60	<b>Fair performance:</b> The key output of this project is to complete construction of Nakivubo-Kinawataka Waste Water Treatment Plant. By December 2016, physical progress was at 70%. However, this project had issues of land compensation in wetlands owned by private persons; and inadequate counterpart funding.
Kampala Water Lake Victoria Water and Sanitation	24.24	<b>Poor performance:</b> Procurement for contractors was ongoing. Slow progress due to i) Bureaucracies in the approval processes of financing package among donors and ii) Changed project budget estimates.
Water for Production	90.2	<b>Very good performance:</b> Andibo dam in Nebbi district and Ongole dam in Katakwi district were completed as planned. Formation of farmer field schools for sustainable management of facilities had lagged due to delayed initiation of procurement. The construction of Mabira dam in Mbarara district and Acanpii dam in Oyam district did not commence due to low bid prices.
Water for Production Regional Center-East	92.4	<b>Very good performance:</b> Iwenba and Nabweya valley tanks in Bugiri district had attained 65% cumulative progress against the 50% planned Q2 target.
Support to Water Resources Management	83.3	<b>Good performance:</b> Achievements included setting up and equipping the water testing laboratory in Fort Portal with basic equipment; Operating the national laboratory in Entebbe. The sub-sector of Integrated Water Resources Management is faced with a challenge of limited technical capacity of consultants to adequately carry out tasks.
Water Management Zones	98.8	<b>Very good performance:</b> Permit holders were monitored for compliance e.g. Jamber Tannery (U) Ltd in Busia district complied with the conditions of the wastewater discharge permit; and 40% of the Mbarara Water Management Zonal office was renovated.
Saw log Production Grant Scheme (SPGS) Project	41	<b>Poor performance</b> due to: i) Delayed issuance of contracts to staff. ii) Delayed approval of budget reallocation submitted to Ministry of Finance for the Sawlog Production Grant Scheme (SPGS) project III since SPGS II had ended.
Farm Income Enhancement and Forestry Conservation project Phase (II)	35.2	<b>Poor performance:</b> Late initiation of procurements for service providers and consultants affected implementation of 63% of the project outputs. The construction end date for Olweny Irrigation Scheme was extended from July 2016 to March 2017 due to slow progress of works resulting from poor cash flows. By December 2016, the contractors' unpaid certificates were totaling Ug shs eight billion.
Climate Change Project	80.9	<b>Good performance:</b> Planned Q2 outputs were achieved but with support from budget donor funding.
Local Governments (Votes: 501-850)	19.6	<b>Poor performance:</b> Software activities were completed in 70% of districts. Some districts had started drilling works while procurement was still ongoing in 40% of districts. Mityana district had completed construction works. One of the key implementation issues was low staffing especially in the newly created districts, for example Omoro district lacked a district water officer.
Programme 01 – Administration (NEMA)	85	<b>Good performance:</b> The planned outputs were achieved. Pallisa and Mbale districts were supported to integrate environmental concerns into their work plans. Noted was the increased environmental degradation due to low funding to support environmental activities especially at local governments.
Support to NEMA Phase II project	71	<b>Good performance:</b> Planned outputs were achieved. NEMA liaised with LGs to restore degraded wetlands, for instance along Lake Lemwa in Pallisa district. However, due to uncoordinated government institutional roles, NEMA grapples with



		the issue of removing titled private developers from wetlands.
Uganda National Meteorological Authority Project	87.95	<b>Good performance:</b> Outputs were achieved for example weather alerts and forecasts were issued; Weather monitoring stations were maintained in the districts of Pallisa, Lira, Kabale, Kayunga and others.
<b>Overall sector performance score was 55%</b>		

*Source: Semi Annual Budget Monitoring Report FY 2016/17*

### Key Implementation Issues

**Poor planning in some projects**, for example Solar Powered Mini-Piped Water Schemes in Rural Areas set unrealistic output targets.

**Delayed completion of designs/design reviews** by consultants affected timely procurement. The Karamoja Small Town and Rural Growth Centers Water Supply and Sanitation Project, lacked designs for some water systems.

**Land compensation issues** for instance in the Nakivubo Waste Water Treatment Plant, titled private land owners in wetlands demanded to first be compensated.

**Low staffing levels** in newly created districts; and the Directorate of Water Resources Management affected timely implementation.

**Limited technical capacity in Integrated Water Resources Management (IWRM):** Few consultants respond to works advertised and cannot adequately perform.

**Lack of institutional coordination among government agencies** for instance while NEMA regulates settlement in wetlands, Ministry of Lands, Housing and Urban Development issues land titles within wetlands.

**Delayed payment of contractors’ certificates** leading to slow progress of works, as evidenced in the Olweny Irrigation Scheme and the Nakivubo Waste Water Treatment Plant.

**Low bid prices:** Some WfP works did not commence owing to low bid prices that failed to attract contractors.

**Low funding for environmental management** at local governments affect implementation of environmental activities.

### Recommendations

- ✚ The MWE should set realistic targets commensurate with budgets and timelines.
- ✚ The MWE should plan for works with readily available designs. Design consultants too should be procured early enough to fit within the project timing.
- ✚ The NEMA should expedite the cancellation of land titles in wetlands.
- ✚ The MWE should solicit for consultants within the East African Community region for IWRM activities.
- ✚ The MWE should phase works in WfP to fit within available budgets.
- ✚ The MWE should prioritize the environment sub-sector during budgeting by allocating to it reasonable funds.

### References

- ✚ Semi-Annual Budget Monitoring Report FY 2016/17
- ✚ Ministerial Policy Statement FY 2016/17

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