



WATER AND ENVIRONMENT SECTOR

THE 6th JOINT GOVERNMENT OF UGANDA – DEVELOPMENT PARTNERS SECTOR REVIEW 2014

AGREED MINUTES

21st – 23rd OCTOBER 2014

SPEKE RESORT - MUNYONYO, KAMPALA

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1 INTRODUCTION

The Joint Sector Review (JSR) is a forum for performance assessment, setting of priority actions/undertakings and provision of policy guidance for the water and environment sector. The review is guided by an annual Sector Performance Report, and a pre-determined theme originating from emerging sector policy and/or strategic issues. The review allows a broad spectrum of stakeholders to get an insight into, discuss, and influence sector developments. The JSR draws conclusions and makes recommendations on the overall key issues in the sector. Any binding decisions during JSRs, such as key actions or undertakings for the forthcoming twelve months or beyond, are subject to formal endorsement by the Water & Environment Sector Working Group.

The JSR critically examines the achievement of annual targets for the key sector performance indicators, agreed actions and attainment of undertakings for the previous year(s), and also formulates new undertakings to be implemented during the following year(s)...The JSR supports the Joint Budget Support Framework and its Joint Assessment Framework (JAF), which is the agreed Government of Uganda and Development Partners' mechanism for constructive dialogue and agreements on provision of Budget Support. The review supports the JAF appraisal, which normally takes place in November.

The timing of the JSR is also linked to the start of preparations for the next national budget cycle and the Medium-Term Expenditure Framework (MTEF).

2 PROCESS OF THE REVIEW

The 6th JSR for the water and environment sector took place from 21st to 23rd October 2014 at the Speke Resort- Munyonyo, Kampala. The theme for the review was ***"Financing of the Water and Environment Sector for Sustainable Service delivery"***.

The 2014 JSR had the following specific objectives:

1. To assess progress and performance of the sector in relation to the agreed key sector performance indicators and the 2013 JSR undertakings.
2. To provide policy and strategic guidance to the Water and Environment Sector institutions and stakeholders.
3. To develop key actions and undertakings for the forthcoming twelve-month period or beyond.

The overall sector performance for 2013/14FY is presented in the Water and Environment Sector Performance Report, 2014.

Participants in this year's review included:

1. Government Ministries, Departments and Agencies (MDA), namely Ministry of Finance, Planning and Economic Development (MoFPED), Office of the Prime Minister (OPM), Ministry of Energy and Mineral Development (MEMD), National Planning Authority (NPA), Uganda Prisons, Ministry of Water and Environment (MWE), Umbrella Organisations (UO), the sector semi-autonomous agencies, i.e. the National Water & Sewerage Corporation (NWSC), National Environment Management Authority (NEMA), Uganda National Meteorological Authority (UNMA) and National Forest Authority (NFA), as well

- as the Appropriate Technology Centre (ATC Mukono), and the Environmental Protection Police Unit
2. Selected Local Governments (of Adjumani, Agago, Arua, Buliisa, Busia, Gulu, Hoima, Kabarole, Kamuli, Kanungu, Kasese, Kayunga, Kiboga, Kumi, Kyegegwa, Lira, Lyantonde, Manafwa, Maracha, Masindi, Mbarara, Mukono, Mwoya, Napak, Rubirizi, Serere, Soroti, and Wakiso Districts), represented by their elected and appointed officials, namely: District Chairpersons, Chief Administrative Officers (CAOs), District Health Inspectors (DHIs), District Water Officers (DWOs), District Natural Resources Officers (DNROs), District Environment Officers (DEOs), District Forestry Officers (DFOs), City Environment Officers, Town Engineers, and Town Clerks representing Water Authorities, and Kampala Capital City Authority (KCCA).
 3. Bilateral Development Partners (Austrian Development Cooperation (ADC), Danish Embassy (Danida), French Development Agency (AFD), Germany (Kreditanstalt für Wiederaufbau (KfW), Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ), and German Embassy), and Japan International Cooperation Agency (JICA).
 4. Multilateral Development Partners (African Development Bank (AfDB), the European Union (EU) Delegation, Food and Agricultural Organisation (FAO) of the United Nations, United Nations Children's Fund (UNICEF), United Nations Development Programme (UNDP), and the World Bank.
 5. Civil Society Organisations-CSOs (ACODE, Africa Ahead, Care International in Uganda, Environmental Management for Livelihood Improvement (EMLI), Environmental Alert, Hoima Forest Coalition/HEP, International Union for Conservation of Nature and Natural Resources (IUCN), Joint Effort to Save the Environment (JESE), Lifeline Fund International, Living Water International, Livelihood Improvement Programme of Uganda (LiPRO), Network for Water and Sanitation (NETWAS), Protos, Netherlands Development Organisation (SNV), Tree Talk, Uganda Wildlife Society, Water-Aid, Water for People, Uganda Water and Sanitation NGO Network (UWASNET), which is an umbrella organisation of Civil Society Organizations involved in the water and sanitation sub-sector, and World Wildlife Fund (WWF) Uganda
 6. The Uganda Local Government Association (ULGA) and the Association of Private Water Operators (APWO)
 7. The private sector, represented by individual contractors and consultants namely, Dott Services Ltd., Uganda Baati Ltd., Vitens Evides International, Warner Consultants and Whave Solutions
 8. Researchers and radio and print media (Daily Monitor, New Vision, Radio Simba, UBC, Urban TV, and WBS), and
 9. A visiting delegation of five participants from the Department of Water Affairs, Kingdom of Swaziland.

In all, **275** people participated in the Joint Sector Review 2014.

The process of the review included an opening ceremony in plenary, and summary presentations on sector performance during 2013/14 financial year, as well as progress of the undertakings for the previous joint sector review which was held in October 2013. Thereafter, parallel sessions were held, starting with various short presentations on key initiatives per sub-sector, and followed by break-out sessions along Thematic Groups (i.e. Sector Performance Monitoring, Sector Capacity Development, Integrated Water Resources Management, and Sector Finance, Water for Production, Environment & Natural Resources, Sector Governance, Sanitation, and Climate, Weather & Climate Change). Participants then reconvened in plenary to present and discuss the findings of the break-out sessions and agree

on formulation of new undertakings for the FY214/15. There was also a presentation by the Ministry of Finance, Planning & Economic Development's Budget Monitoring and Accountability Unit on findings from field visits to selected project/field activities in the water and sanitation sub-sector. Other activities included a formal launch of the Catchment Planning Guidelines and Source Protection Guidelines by the Hon. Minister for Water & Environment.

2.1 Opening Ceremony

The JSR 2014 opening ceremony was chaired by Mr David O. O. Obong, the Permanent Secretary, MWE and he welcomed all participants to the review. During the introduction to the overall review process for 2014, it was mentioned that the overall programme for the review had been modified in order to have more discussions through focal thematic groups. The Permanent Secretary then made opening remarks to the review through which he requested participants to observe a moment of silence for four staff of the Directorate of Water Resources Management/MWE who passed away in the previous year (i.e. the late Director of Water Resources Management, Eng. Mugisha Shillingi, Fred Kyosingira – Assistant Commissioner, Richard Okonga – Assistant Commissioner, and Moses Rupiny Oniang – Laboratory Technician). He mentioned the ongoing development of the new National Development Plan, NDP II, and government approval of a new structure for the Ministry of Water & Environment as a result of the restructuring process of selected government ministries, departments and agencies. The new structure notably includes the expansion of the Directorate of Water Resources Management through the formation of the new Department of International and Transboundary Affairs, the formation of the Urban Water Supply and Sewerage Regulation Department in the Directorate of Water Development, the change of the Department of Meteorology into the Uganda National Meteorological Authority in the Directorate of Environmental Affairs, whereas the Climate Change Unit has been upgraded to Climate Change Department. He also mentioned that construction of a new office block for the Ministry of Water & Environment at Luzira (Kampala) had started and is now at 40% completion. He informed the audience that the national climate change policy was approved by a Policy Committee on Environment in December 2013, and guidelines for mainstreaming climate change aspects in all sectors had been developed. Finally, he mentioned a decision taken by Government in early 2014 to reverse the destruction of wetlands in the country by cancellation all land titles which were illegally issued in wetlands after 1995.

Opening remarks were then made by H.E. Peter-Christof Blomeyer, the Ambassador of Germany (outgoing Lead Development Partner Representative for the Water and Sanitation sub-sector). During his speech, H.E. the Ambassador voiced concern about the stagnation in safe water supply coverage in rural areas as result of a high population growth coupled with insufficient funding to the water sector. Nevertheless, he was encouraged by the slow but steady increase in access to improved sanitation in the rural areas. He raised concern about the high pupil:latrine stance ratio of 70:1 in primary schools, as stunted growth of children as a result of bacteriological infections is partly the result of the appalling status of school sanitation. In that regard, he also noted the apparent sub-optimal coordination amongst the three ministries involved in sanitation as one of the issues that needs to be addressed. He pointed out the need for equitable and sustainable economic growth, which is impacted by the provision of safe water supply and sanitation, and encouraged the government to take a holistic approach in raising the living standards of Ugandans, which includes raising the budget share for the water and environment sector, which is now only at about 2.8% of the national budget.

This was followed by opening remarks from Mr. Bogdan Stefanescu, the Head of Rural Development Section, European Union Delegation in Uganda (Lead Development Partner Representative for the Environment and Natural Resources sub-sector (ENR)). He welcomed the deliberate attempt to invite more private sector participants to this Joint Sector Review, which will contribute to attainment of strategic public private partnerships in the ENR sub-sector, which have not yet been tapped into. This is an opportunity to explore and fits in well with this year's theme.

The Honourable Minister of State for Planning, and holding the Portfolio of Minister of Finance, Planning & Economic Development, Mr. Matia Kasaija, made opening remarks and informed the audience that the water and environment sector is key to improve the health and wealth of the Ugandan society, for instance through agriculture. He pointed out that the Hon. Minister of Finance, Planning & Economic Development, in her Budget Speech for 2014/15FY, mentioned that government will undertake corrective measures by collecting the due taxes, and enhance revenue collection procedures, to generate the required budget to fund the water and environment sector in addition to the other priority infrastructure sectors. In improving the sector performance, the minister recommended to focus on climate change adaptation, fast tracking of irrigation projects, commercial forest planting, enhancing soil fertility, cleaning of Lake Victoria for improved transportation, rainwater harvesting, scaling up bulk water supply for small scale farmers, wastewater treatment plants, enhance functionality of water facilities, purchase of state-of-the-art weather monitoring equipment including radar, and enforcement of the government decision on cancellation of land titles in wetlands. He shared his belief that the main challenges of service delivery in Uganda are not only the lack of sufficient resources, but in addition, the achievement of maximum efficiency and effectiveness of the available financial resources.

The Honourable Minister of Water and Environment, Professor Ephraim Kamuntu, in his Keynote Speech titled "Bridging the Gap", discussed the situation where the indicators on handwashing after toilet use and safe water coverage show that a lot remains to be improved. The Minister also discussed the status of open defecation in the country, and the need for enforcement of our laws on environmental protection. He stated that the commitment of the NRM government is to provide universal access to safe water. To that effect, one must have adequate resources, and then use these efficiently; unfortunately the sector does not have the resources to achieve the national development plan targets. He reiterated the challenges of women carrying water on their heads, and the effects of climate change like floods and droughts which are so much linked to poverty, and the prevailing situation where almost the entire nation is dependent on wood fuel. He called for adoption of appropriate technologies that can match the different income levels and address the needs/demands of our people.

2.2 Presentation of sector performance

The session on presentation of the water and environment sector performance report for 2013/14 was chaired by the Managing Director of National Water and Sewerage Corporation, Dr. Silver Mugisha. Presentations highlighting key achievements, emerging policy and other strategic issues were made by the MWE Directors of Water Resources Management, Water Development, and Environment Affairs, plus the , Executive Directors of the sector semi-autonomous agencies (NWSC, NFA, NEMA and UNMA).

The Minister of State for Environment, Hon. Flavia Nabugere, noted that the implementation of laws pertaining to the environment sector are lacking, and suggested that NEMA and NFA (their respective legal departments) should be given slots on the programme to present their findings in the next Joint Sector/Technical Review.

Comments on the FY2013/14 sector performance were made by Civil Society Organisations (CSOs), represented by the Uganda Water & Sanitation NGO Network (UWASNET) representing the Water and Sanitation CSOs, and by Environmental Alert, representing the ENR CSO-Network.

Germany, the Lead Development Partner Representative of the water and sanitation sub-sector, provided a response to the sector performance report; Ms. Caren Blume of the German Embassy, shared with the audience that this financial year, the Ministry of Water and Environment reached an absorption capacity of 90.1%, and was thus one of the financially better performing ministries within the government, which is very important in view of the limited budget. The funding gap, the difference between the financial requirements according to the Sector Investment Plan and the actual budget, of about 30% is such that it cannot be closed by gains in efficiency.

Mr. Bogdan Stefanescu of the EU Delegation in Uganda, representing the Lead Development Partner for the ENR sub-sector urged the Ministry to fast-track achievement of last year's undertakings 1 and 2 for the ENR sub-sector. He noted the sector's development of 7 Wetlands Management Plans, and hoped to see more progress in the coming year(s) to reverse the encroachment and destruction of protected wetlands in the country. He acknowledged the on-going processes towards development of a Wetlands management bill and welcomed Cabinet's directive to cancel land titles in wetlands and hoped that this exercise will be fast tracked and implemented in coordination with relevant all stakeholders e.g. NEMA, and the Uganda Investment Authority (UIA).

2.3 Progress on undertakings for FY 2013/14

A total of 14 undertakings were agreed during last year's Joint Sector Review in October 2013. To implement the undertakings, thematic groups and subgroups were formed which thereafter prepared detailed action plans with indicators/outputs to monitor progress of implementation of each undertaking. The action plans were subsequently approved by the Water and Environment Sector Working Group (WESWG). Progress made on implementation of the 14 undertakings shows that 4 undertakings (Undertakings 5, 7, 11, 13) were achieved. A total of 6 (Undertakings 2, 3, 4, 6, 8 and 14) were only partially achieved (as a result of procurement delays, undertakings being too ambitious and outside the control of the sector, and/or insufficient funding); the work plans for these undertakings will be revised and re-tabled in the subsequent WESWG meeting for approval. Three undertakings (1, 9 and 10) covering two financial years are on track.

Undertaking No. 12 on increased coverage in rural water supply through increased funding was not achieved because the increased funding for rural water supply was only the result of release of funds by Danida for FY2012/13 which had been frozen. These Danida funds, which were released in FY2013/14 were used to fund activities/commitments made during the previous year (2012/13FY). It is recommended that, instead of rolling it over as an undertaking for next financial year, this issue of increased funding for rural water supply should be pursued at a political level with Ministry of Finance, Planning and Economic Development.

The progress of implementation for the undertakings is summarised below:-

Undertaking 1 - Baseline data for ENR sector performance monitoring framework: This undertaking, which spans over a 3-year period (FY12/13-14/15), is on track. Challenges include source and costs for data collection of indicator values, and the fact that not all indicators will be monitored yearly.

Undertaking 2 - demarcation and management of wetlands and forests: This undertaking is delayed. Demarcation of some wetlands in selected districts commenced, but demarcation of the national forest reserves was not done because of lack of funding, and management of the ecosystems still needs to be put in place.

Undertaking 3 - Oil contingency plan: This undertaking has to be carried over to the next year following delays in implementation of the planned activities due to delays in finalising the Oil Contingency Plan.

Undertaking 4 - Local Government Capacity Building for management of environment activities: This undertaking was partially achieved as a capacity needs assessment was carried out for all districts, and training was carried out of 60 officers in effective ENR planning management as well as resource mobilisation. The undertaking will be carried over to the next year.

Undertaking 5 –Development of 7Catchment Management Plans: This undertaking was achieved.

Undertaking 6 - Murchison Bay's Pollution Management to mitigate the adverse aspects of pollution: This undertaking was partially achieved, whereby development of the strategy commenced with support of a consultant. The inception phase has been completed, and awareness workshops have been held for regulators and industries regarding pollution challenges and sensitization on Cleaner Production Technology and water use efficiency.

Undertaking 7- Urban Water Functionality Indicator: This undertaking was achieved, and the indicator reads: *"Ratio of sold and paid for water [m³/months] to actual demand [m³/months]."*

Undertaking 8 - Functionality Improvements of Urban Water Supply by NWSC: Various activities were implemented towards improvement of the functionality of towns taken over by NWSC. This undertaking has not been achieved fully, but it is expected to be fully accomplished in the current financial year, without maintaining it as an undertaking for FY2014/15.

Undertaking 9 - District Conditional Grant Allocation Formula: This two-year undertaking is on track; the revised District Water & Sanitation Conditional Grant (DWSCG) allocation formula was presented, finalized and agreed upon at Rural Water Department level. The application of revised allocation formula at national level awaits approval of Top Policy Committee/MWE and the Water and Environment Sector Working Group (WESWG).

Undertaking 10 - Domestic Rain Water Harvesting: This undertaking is on track. The revised strategy document for scaling up domestic rainwater harvesting has been finalized and is now ready for implementation.

Undertaking 11 - O&M Framework forUrban Sanitation: This undertaking was achieved through respective efforts by the Lake Victoria Water Supply and Sanitation Programme II for which an O&M framework for on-site urban sanitation was developed, a Faecal Sludge Management System through clustering of towns, and an ISH manual developed for use by WSDFs.

Undertaking 12 - Increase Funding to Rural Water Supply: This undertaking was not achieved; A letter was sent to the Ministry of Finance, Planning and Economic Development on the need for increased financial allocation to the Rural Water and Sanitation Conditional Grants, and financial requirements for increasing coverage by 2 percentage points from the Strategic Sector Investment Model were computed. However, the funding was not increased.

Undertaking 13 - Urban Regulation: This undertaking was achieved; In July 2014, following the endorsement of the proposal to establish an independent regulatory authority (i.e. the Urban Water and Sewerage Regulation Authority (UWASRA) by the Water Policy Committee (WPC), the Draft Water amendment Bill which contains provisions for the establishment of UWASRA, was submitted to the Ministry of Justice and Constitutional Affairs for legal advice. A team was selected within Ministry of Justice to review the Draft Water Bill and the exercise is still on-going.

Undertaking 14 - Sector Capacity Development (SCD): This undertaking was partly achieved, with support of a consultant to develop a standard approach to operationalise the SCD Strategy starting with the development of subsector-specific Capacity Development Plans. Completion of this undertaking will be incorporated in the new undertaking for Capacity Building for FY2014/15.

2.4 Launch of catchment planning guidelines and water source protection guidelines

Water catchment planning source protection guidelines, and Water source protection guidelines which were earlier on developed and approved for implementation, were officially launched during the cocktail at the end of the second day of the Joint Sector Review by Prof. Ephraim Kamuntu, the Hon. Minister for Water and Environment.. Operational guides are being developed have also been developed with step-by-step details of the practical modalities to be followed during implementation of the two guidelines.

2.5 Findings of the Budget Monitoring and Accountability Unit (BMAU)

On the third day, in a plenary session, the BMAU of the Ministry of Finance (MoFPED) presented the findings of their field monitoring and assessment of a number of projects in rural water supply, urban water supply, and water for production and water resources management implemented by the MWE in the FY2013/14. The overall technical performance of the sector was rated as very good (75%), and financial release (85%) as well as expenditure (88%) which was excellent. Most of the funding spent in the 1st and 2nd quarters was used to pay the previous year's works (2012/13) which affected achievement of planned outputs for the 2013/14FY.

Excellent performance was exhibited in the Water and Sanitation Development Facilities as they managed to complete almost all of their annual planned activities.

The sector has some recurring challenges that affect progress of works and achievement of sector goals and targets, which all relate to **untimely disbursement of funds** to the sector and **delayed procurements**.

The BMAU subsequently made the following recommendations: (i) the district local governments should ensure timely land acquisition to avoid delays during implementation. (ii) MWE should carry out comprehensive and high quality feasibility studies to reduce on variations/design changes after commencement of works, (iii) MWE and MFPED should ensure timely disbursements of funds to allow for early commencement of procurement of contracts for goods/services/works and (iv) MWE should develop a comprehensive procurement plan to allow timely procurements and project implementation.

The development partners noted with satisfaction that the Sector's performance, both technical and financial, as compared to other sectors was/is rated as satisfactory.

With respect to MWE's challenges with sub-standard feasibility studies, the audience suggested that in the absence of an umbrella organization that registers and regulates the work of consultants (like the Uganda Law Society for all advocates/legal practitioners), the MWE needs to implement its regulatory function, and thus ensure selection of consultants that do good work and recommend to the Public Procurement & Disposal of Assets Authority (PPDA) to sanction non-performing service providers.

3 PARALLEL SESSIONS

3.1 Sector innovations

Three parallel sessions on sub-sector initiatives/innovations were held in the afternoon of Day 1, for water resources management, water development and environment and natural resources, respectively.

Under water resources management, 4 presentations were held: (i) Flood Forecasting and Early Warning, (ii) Catchment Management Planning Process, (iii) Financing of WRM Activities, and (iv) Cleaner Production.

The water development sub-sector had a total of 11 presentations: (i) Considerations on Faecal Sludge Management, (ii) Sanitation, (iii) Force Accounts – Operational Experience of WFP, (iv) Urban Water Regulation – The Way Forward, (v) Financing O&M Portfolio in the UWSS Sub-sector, (vi) Mobile for Water, (vii) Providing Universal WASH, Everyone Forever, (viii) Research Findings on the Iron Water Challenge, (ix) Achieving Sustainable WASH Services Delivery, (x) Realizing the Human Right to Water and Sanitation, and (xi) Information on the proposed WSDF website www.wsdf.go.ug.

The presentation on **iron contamination in rural groundwater** supply was specifically interesting. Over the years, the sector performance report has been reporting on a declining trend in water quality for rural areas and small towns. The frequently occurring iron contamination, which affects the aesthetic drinking water quality, was until now thought to be mostly related to the natural environment. WaterAid has carried out field research and testing which revealed that corrosive groundwater eventually leads to corrosion of GI rods and pipes in the U2 pumps, and that it can be overcome by using plastic pipes for shallow boreholes and stainless steel in deep boreholes.

Two presentations were made in the environment and natural resources session: i.e. the '*Jinja Commitments for Improved Service Delivery in the ENR sub-sector*', and the *State of the Environment Report for 2012*.

3.2 Issues identified by thematic working groups in break-out sessions

Thematic (technical) working groups were earlier on established in the sector to ensure that issues and/or joint sector review undertakings whose implementation involves multiple stakeholders, various departments or even sub-sectors are addressed in a holistic manner. Subsequently, break-out sessions were held for thematic technical/working groups (i.e. Sector Performance Monitoring, Sector Capacity Development, Integrated Water Resources Management, Sector Finance, Water for Production, Environment & Natural Resources, Sector Governance, Sanitation, and Climate, Weather & Climate Change) on the second day. The objective of the sessions was to determine key issues at Departmental level (resulting in a **key action**), and key issues for the Thematic Working Groups requiring collaborative actions among different departments, agencies and/or sectors, resulting in a **undertaking**. In addition, the following outputs needed to be obtained for each Technical Working Group: suggested

membership of the Technical Working Group during the coming 12 months, sources of funding, and identification of a secretariat for the thematic group.

In each break-out session a number of issues were discussed; the one or two key issues, including the key action identified to address this issue, are listed in the following paragraphs. New undertakings that were identified in the break-out sessions are listed in Chapter 5, while those adopted during last year's Joint Sector Review that span more than one year, or are not yet fully implemented were carried forward to FY2014/15 or beyond as necessary.

3.2.1 Sector Performance Monitoring

There is no data available in the Sector Performance Report 2014 on key indicators in the performance contracts of small towns that are signed between the MWE and Water Authorities. This makes performance monitoring of small towns' water supplies impossible. **A key action for the urban water department is therefore to put in place a system for regular collection and analysis of data on the key indicators of the small towns' performance contracts.**

Another challenge in sector performance monitoring is that the sector's financial performance monitoring is first of all not aligned with the Ministry of Finance's budget performance analysis and reporting, and also that financial sector performance reporting and quarterly reporting formats (as produced by MWE and MFPED) are inconsistent from one report to the other. **A key action is therefore to work in collaboration with MFPED and Development Partners to develop a standard format for financial performance reporting.**

Finally, progress on some of the platinum indicators for ENR may not be monitored on a yearly basis because of the costs involved and lack of clarity the data sources for some of the indicators. This will necessitate slight modification of the existing 2-year ENR undertaking on baseline monitoring.

3.2.2 Sector Capacity Development

To enable effective sector capacity development, there is need to take stock of, and update, the existing human resources at national and decentralised levels. **Key actions to that effect are to compile a list of all sector organisations, and establish their current human resources capacities.**

In addition, coordination mechanisms with line ministries, local governments and semi-autonomous institutions needs to be defined to develop linkages, synergies and alignments with regard to capacity building. **Key actions for optimum coordination are to study the current coordination mechanisms, and develop guidelines for effective coordination.**

The total amount of funding available for sector capacity development is unknown. It is therefore important to identify and document the available resources for capacity development for their consolidation, prioritisation and rationalisation. **Key actions will be to compile a list of capacity development related activities from the Ministerial Policy Statement, and determine/estimate the required and available resources for capacity development for the sector.**

The dissemination and integration of the new Handbook and Toolbox on operationalisation of capacity development will be an important activity in the current financial year. **Key actions include printing and distribution of copies of the Handbook and Toolbox, and the conduction of training sessions for all stakeholders on their use.**

3.2.3 Catchment-Based Integrated Water Resources Management

Catchment-Based Integrated Water Resources Management (CbiWRM) requires collaboration and participation of all stakeholders and key lead institutions. The following **key actions** are envisaged to achieve this collaboration: **(i) broaden and reactivate the Thematic Team on IWRM (see also Annex 1), (ii) broaden and operationalize the National Task Force on CbiWRM, (iii) raise awareness among key stakeholders about CbiWRM, and (iv) promote involvement of the private sector and other key stakeholders.**

A holistic planning and equitable allocation of the available water resources (through catchment based IWRM) is of utmost importance to avoid conflicts and to ensure long-term sustainability. Sustaining CbiWRM is a challenge that may be addressed through the following **two key actions: (i) review of the current implementation and coordination arrangements and mechanisms for CbiWRM, and propose improvements based on stakeholders' input and current experiences, and (ii) identify possible funding options and mechanisms, and propose the most appropriate option to be pursued.**

In previous years, hot spot catchments were delineated in the various WMZs for consideration in development of Catchment Management Plans. Murchison Bay in Lake Victoria was identified as a hot spot area where activities were urgently needed to mitigate the adverse aspects of pollution and environmental degradation. For this financial year, the sector decided to expand this approach, and identify and map additional hotspot catchments in all four Water Management Zones (WMZ), and kick-start implementation of priority actions in these catchments. It was decided that this key issue would be addressed as an **undertaking**. The following **activities** were identified to target 4 hot-spot catchments in Uganda in the FT2014/15: (i) develop criteria for selection of hotspot catchments with involvement of stakeholders (ii) identify hotspot catchments, (iii) operationalize in these hot spot catchments Catchment Planning Guidelines and Water Source Protection Guidelines in planning and implementation of priority actions, (iv) engage stakeholders to make them aware of the challenges and to enable them relate to water resources issues, (v) package and improve information dissemination on water resources issues to stakeholders and the general public, and (vi) identify appropriate enforcement mechanisms for implementation of CbiWRM.

3.2.4 Sector Finance

Every year, there is a bigger funding gap between funding needs to reach the targets and actual funding to the Sector. The sector has responded to this challenge with efforts to increase cost-efficiency and promotion of self-supply initiatives. However, all these efforts notwithstanding, the insufficient funding has translated into stagnation of access to safe water in the rural areas and non-performance of other key sector indicators.

Four approaches were briefly discussed to increase available resources for the sector to bridging the increasing financial gap: (i) further increase efficiency in operations and resource utilisation; (ii) tap into alternative funding sources and mechanisms (bonds, Carbon Credits, provision of agreed 3% of funding for new water infrastructure investments for catchment management and/or source protection, activities funded by companies' corporate social responsibility programmes, equity, Public Private Partnerships, the implementation of a Water Fund, Tree Fund, use of income from water charges and reallocation of income from sector services and water permits to the sector); (iii) enhance existing sources of funding through the preparation of bankable projects and investment plans; and (iv) access to private

sector financing - examples are water provision through self-supply, and commercial tree planting.

3.2.5 Water for Production (WfP)

Three key issues were identified requiring key actions for Water for production:

- i. Co-ordination between MWE and the districts in respect to WfP developments at district level is weak. **Action is therefore needed to improve coordination between the centre and district local governments.**
- ii. The Water for Production Sub Sector does not have a clear criteria for guiding investment and development of water for production facilities in the country. **The identified key action is to develop investment criteria for water for production investments and interventions.**
- iii. Operation and Maintenance of WfP facilities that have been constructed is weak and therefore negating efforts that have been made in increasing the storage capacity, and utilisation of the water. **The key action is to build capacity for O&M of WfP facilities to enhance their life span.**

Two other main issues were identified, that will require a concerted multi-sector approach, and which therefore are formulated as undertakings for the coming year. These issues are that there are gaps in coordination at central level between the key players in the WfP sub-sector. Arising from this, there is need to reactivate the WfP-Sub-Sector Working Group, co-chaired between MWE and MAAIF, to enhance co-ordination. Secondly, there is no national irrigation policy to guide planning, implementation and monitoring of irrigation development and use in the country. There is need to develop/finalize a national irrigation policy.

3.2.6 Environment and Natural Resources

Local government ENR sector programmes are hampered by highly insufficient funding. **The following key actions were identified to address this issue: (i) develop a mechanism for using the National Environment Fund (NEF) to finance local government ENR programs, (ii) identify additional sources of funding for the Environment Fund, (iv) establish District Conditional Grants for Forestry, and increase Wetlands Grant, and (v) fast-track the development a sub-Sector Investment Strategy to guide resource mobilisation.**

The ENR sector has challenges with coordination and performance measurement. **Key actions were identified to address this in the next financial year: (i) disseminate and operationalize the sector coordination and performance measurement framework, the respective data collection tools and protocols, (ii) develop the capacity of local governments to use the tools, and (iii) develop and operationalise the sector management information system. These actions will be implemented as part of last year's undertaking 1 on establishment of the baseline for the ENR monitoring indicators.**

Public accountability and participation in the ENR activities needs to be stepped up through the following key actions: **(i) public disclosure of Environmental Impact Assessments (EIA) certificates, permits and licenses, (ii) sensitization of the public on incentives for compliance to environmental laws, (iii) scale up community-based ENR monitoring/accountability platforms to cover wetlands and forestry, (iv) establish toll-free telephone lines and community policing, (v) lobby and influence key political and administrative power centers, and (v) establish standard operating procedures for enforcement.**

A rebranding of the ENR sub-sector was discussed earlier before the review in October 2014 during a two-day retreat in Jinja. The main outcome from the retreat, which is described in

more detail in the “*Jinja Commitment*” was presented and discussed at the JSR. The re-branding aims to improve the public image of the sub-sector through fast-tracking of service delivery standards, and selection of a new sector name and motto. Questionnaires were handed out to the JSR participants to enable them to also participate in the re-branding process. The outcome of the branding exercise will be communicated after the review.

3.2.7 Sector Governance

Two issues were presented and discussed, namely:-

- i. The scope of activities the Group has become so wide that it exceeds the present Group’s capacity to manage. In addition, the efforts and achievements of the Good Governance Working Group cannot be measured consistently and over time due to lack of governance indicator(s).
- ii. A survey on the effectiveness of the Urban Conditional Grant for Operation and Maintenance is required to determine efficiency and effectiveness of the grant, taking into account the fact that not all the budgeted funds were released during the financial year(s), that numerous breakdowns of electro-mechanical equipment were recorded, and that water authorities seem not to apply the conditional grants for O&M activities only, which has affected the overall functionality of water systems. The thematic group recommended to implement a study (as an undertaking) to establish the adequacy, allocation criteria, channelling, use, and effectiveness of the operation and maintenance grant.

3.2.8 Sanitation

Poor sanitation contributes to school dropout and low literacy rates, especially among girls. School sanitation is monitored by the sector through an indicator on hand-washing and pupil:latrine stance ration for primary schools. As there is no specific or ring-fenced funding for school sanitation within the Water, Education or Health Sector budgets, the performance of these indicators is poor: the percentage coverage of hand-washing facilities is 38% against a target of 45%, and the pupil:stance ratio is for the second year in a row at 70:1, against a target of 50:1.

The following activities were proposed to address the issue of poor sanitation in schools: (i) Consolidate baseline information/mapping on Water, Sanitation and Hygiene (WASH) in schools, (ii) develop a school WASH database preferably as part of MWE’s web based Water Supply Data Base (WSDB), (iii) develop or review a WASH package for schools, (iv) develop a system of integrating emptying of school latrines in sludge management, and (v) define/clarify the roles of various ministries and agencies for School WASH. It was also suggested that the MWE should participate actively in the sector reviews for education and health, and that the sector explore ways of ensuring that water is available in schools for sanitation and hygiene.

All towns in Uganda are characterised by poor Faecal Sludge Management (FSM) as it is not being budgeted for by the centre or the respective urban authorities. **A number of key actions were proposed, which include: (i) putting in place collaborative instruments and platforms between various parties in offering FSM services, (ii) pilot a Demand Aggregation Model for at least two clusters of towns, (iii) promote standard latrine designs that can be emptied, (iv) propose financing models for FSM, and (v) developing a monitoring system for FSM.**

The quality of implemented sanitation technologies and approaches leaves a lot to be desired. **Suggested key actions are to disseminate information on the available technologies, and mainstream the Technology Assessment Framework (TAF).**

3.2.9 Climate, Weather and Climate Change

On 19th December, 2013, the National Climate Change Policy (NCCP) was approved by the Policy Committee on Environment. **A key action is now to submit the Cabinet Paper on the National Climate Change Policy to Cabinet for final approval before the end of FY 2014/15.**

The overall NCCP Performance Measurement Framework (PMF) for monitoring policy implementation also needs to be finalised as a Key action and initiate its implementation (before the end of FY14/15).

In order to enable direct access to funding for Climate Change, the **key action** is that **the National Implementing Entity (Ministry of Water and Environment) proposals have to be submitted to the National Designated Authority (NDA) of the United Nations Framework Convention on Climate Change for accreditation.**

Adequate funding should be allocated to the newly formed Uganda National Meteorological Authority (UNMA) to enable it perform its duties effectively and efficiently. This can best be achieved through the creation of a Vote (on the sector budget/MTEF) for the Authority. This is an activity which requires the MWE to formally request the Ministry of Finance and Economic Development for a Vote for UNMA starting with the budget for 2014/15FY.

4 UNDERTAKINGS FOR FY 2014/15

A number of new undertakings were identified during the break-out sessions by Thematic Working Group on the second day. Undertakings for FY 2013/14 that were only partially achieved or that have a timeline of more than one year were rolled over to the FY2013/14, with some modifications. All undertakings thus identified were presented in a plenary session on the third day, which was chaired by the Permanent Secretary of the Ministry of Water and Environment. The following undertakings were accordingly adopted for the 2014 JSR:

4.1 Environment and Natural Resources

Undertaking 1: Using the established baseline information, start implementation of the ENR Performance Measurement and monitoring framework to provide regular information as required, with effect from FY 2014/2015.

Undertaking 2: Complete demarcation of 6 new wetlands and commence the opening up of boundaries of 3 local forest reserves/finalise and implement the management framework of these ecosystems by the end of FY 2014/15.

Undertaking 3: Operationalise the Oil Spill Contingency Plan for the Albertine Rift Graben by the end of FY 2014/15.

Undertaking 4: Develop a pragmatic mechanism for enhancing and improving Local Governments' technical and financial capacities in the ENR by the end of FY 2014/15.

Undertaking 5: Create a stand-alone Vote for the Uganda National Meteorology Authority by the end of FY2014/15.

4.2 Water Resources Management

Undertaking 6: Identify and map additional hotspot catchments in all the 4 WMZs and kick start implementation in at least two catchments per WMZ in line with the Catchment Planning Guidelines by the end of FY 2014/15.

Undertaking 7: Finalise the Pollution Management Strategy to improve the long term water quality of Inner Murchison Bay and initiate the implementation of its interventions by the end of FY 2014/15.

4.3 Water Supply and Sanitation

Undertaking 8: Implement the revised conditional grant allocation formula for rural water and sanitation in order to improve equity within and between districts by FY2015/16.

Undertaking 9: Reactivate and ensure functionality of the WfP sub-sector Working Group to guide planning, implementation and monitoring of water for production interventions by the end of FY2014/15.

Undertaking 10: Finalize the national irrigation policy to guide planning, implementation and monitoring of irrigation development and use in the country (by the end of FY2014/15).

Undertaking 11: Develop a framework for a holistic approach to school sanitation by the end of FY 2014/15.

4.4 Policy and Institutional Issues

Undertaking 12: Develop a financing framework to facilitate the entry of additional (alternative) funding sources into the water and environment sector to bridge the gap between budget provision (MTEF) and sector plans.

Undertaking 13: Develop appropriate indicator(s) for monitoring of good governance in the water and environment subsector by the end of FY2014/15.

Undertaking 14: Carry out a study to determine the effectiveness and efficiency of the Urban Conditional Grant (taking into account allocation criteria, channelling, utilization, adequacy, audit and reporting) by the end of FY2014/15.

Undertaking 15: Develop, by the end of FY2014/15, a costed strategic plan for implementation of the Sector Capacity Development Strategy for the period 2013/14 – 2017/18, incorporating provisions in the JWESSP.

5 Closing ceremony

The JSR 2014 closing ceremony was first addressed by the Head of the visiting delegation of the Kingdom of Swaziland, Ms. Nompumelelo Ntshalintshali, National WASH Coordinator of the Kingdom of Swaziland. She informed the audience that the JSR event was an eye-opener for the visiting team. The Vision of 2022 of the Kingdom is to become a first world country, for which the experiences learnt in Uganda, a country ahead in the sector, are very important.

Ms. Simone Knapp, the Head of office, Austrian Embassy, in her capacity as the in-coming Lead Development Partner Representative for the water and sanitation sub-sector, in her closing remarks, appreciated the good sector performance over during 2013/14FY, and the with promising trends in the areas of urban water supply, functionality, household sanitation, water for production, as well as the initiation of catchment-based integrated water resource management. Continued efforts are needed to sustain these achievements and move forward. She also mentioned that increasing access to safe water particularly in rural Uganda remains a challenge, partly as a result of the almost doubling of the Ugandan population (in the almost 20 years that Austria is supporting the water sector in Uganda), while sanitation and hygiene is another area of continued concern, particularly in schools. Finally, the water quality supplied by small towns has been gradually declining since 2008, which is a worrying trend, while solid waste as well as wastewater is still not appropriately handled.

Ms. Knapp conveyed the Development Partners' satisfaction with the progress made regarding the theme of the review. She observed that strategically crucial actions and undertakings have been drafted in the review, including but not least, working on a robust funding strategy for the sub-sector. In that regard, she also stressed the importance of the MWE to implement to adequately address the issues and recommendations which are contained in the Auditor General's audit report for 2012/13FY in order to strengthen donor confidence and support to the sector.

Ms. Almaz Gebru, the Country Director of UNDP, as incoming Lead Development Partner Representative for the Environment and Natural resources sub-sector, was pleased to note the innovativeness in organising this joint sector review by focusing on thematic issues to facilitate linkages with other Ministries, other agencies, civil society and the private sector.

She stressed that sector coordination and performance tracking, public accountability and transparency, including citizen participation, and sector financing especially for local government activities remain key challenges to improving management of environment and natural resources. She was pleased to note that during the ENR sub-sector retreat in Jinja at the beginning of October 2014, and during this JSR, all the sub-sector stakeholders have committed themselves to address the sector challenges (as indicated in the '*Jinja Commitments*') and JSR 2014 undertakings.

She stated that without addressing governance and human capital development issues in the sector, realising sector goals and its contribution to the national development and achievement of vision 2040 will be constrained. She was encouraged by the political support government leadership has demonstrated up to the highest office towards protection of wetlands and forests.

On behalf of the Honourable Minister of Water and Environment, Professor Ephraim Kamuntu, the Permanent Secretary read the Hon. Minister's closing speech, thereby marking the formal closure of the 2014 Joint Sector Review.

In the speech, the Hon. Minister noted that the parallel session setting of the Joint Sector Review managed to enhance discussion of sector performance, key challenges, and the way forward. He advocated for increased funding to the sector by the government, and in addition stressed the need to explore alternative sources of funding for the sector, to address the growing funding gap, urgent need for monitoring of the performance contracts with the Water Authorities for management of the installed water supply infrastructure, the need for improved sludge management, and the urgency of improved coordination with health and education sectors to address school sanitation and hygiene.

He welcomed the incoming lead development partners, and thanked the outgoing development partners for a job well done, and finally he thanked the delegation of Swaziland for their participation in the JSR.

6 CONCLUSION

The Thematic Groups responsible for implementing the undertakings should provide detailed work plans before the next Water and Environment Sector Working Group meeting.

Germany is the outgoing Chair, while Austria is the new Chair of the Development Partners Group for Water and Sanitation until the end of the next JSR in October 2015, and Denmark will be the incoming Co-chair. The European Union Delegation (EU) is the outgoing Chair of the Development Partners Group for Environment and Natural Resources, with UNDP as new Chair until the end of the next JSR in October 2015.

All parties agreed to implement the undertakings and key actions by coming up with Thematic Group members, lead institutions, milestones, actions with indicators and time frame for achievement of results.

David O.O. Obong

Erwin Kuenzi

Onesimus Muhwezi

Permanent Secretary
Ministry of Water and
Environment

Deputy Head of Office
Coordination Office for
Development Cooperation,
Austrian Embassy Addis
Ababa, Kampala office

Team Leader / Head Energy and
Environment
UNDP Uganda

On behalf of the **Government
of Uganda**

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

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

Signed:



Signed:



Signed:



Kampala, 4th November 2014

Kampala, 4th November 2014

Kampala, 4th November 2014

Annex 1. Memberships of the Thematic Working Groups for FY2014/15

Sector Performance Monitoring:

GoU: MWE (Planning Dept., WESLD, DEA), MFPED/BMAU

Agencies: NFA, NEMA, UNMA

CSOs: Environmental Alert

DPs: UNDP

Capacity Development:

GoU: MWE, MoLG, OPM, MoEMD, MoES, MoFPED, MoH, MoGLSD, MoPS

Agencies: NEMA, NWSC, UNMA, NFA,

CSOs: NETWAS, Water Aid, SNV, ACODE, KANCA, Hoima Forest Coalition, AHEAD Africa, EMLI, Environment Alert

DPs: EU/FAO, KfW/GIZ, BTC, DANIDA, World Bank, African Development Bank, Austrian Development Agency, UNDP, JICA

Private Sector: APWO

Academia: Universities & BTVET Institutions conducting formal, non-formal & Informal (e.g. Worker's PAS Logbook) courses relevant to the sector.

Other: Media

Integrated Water Resources Management:

Institution: Representatives from various departments in MWE (DWD, DEA, DWRM); MAAIF, MEMD, MTI, MFPED

Agency: NEMA, NFA, UNMA, NWSC, NPA, UWA, UIA,

CSO: UWASNET, ENR-CSO Network, IUCN, WWF, JESSE, KIGEZI DIOCESE, PROTOS, Uganda Red Cross, NAPE, Uganda Water Partnership, ULGA

Private sector: UMA, Uganda Cleaner Production Centre

DPs: DANIDA, Austria, WB, GIZ

Sector Finance:

GoU: DWRM, DWD, DEA, Urban Regulation Unit, MOFPED, Water Planning, Water Liaison, MAAIF, Ministry of Internal Affairs, UPDF

DPs: EU, WB and others.

Agencies: NWSC, NFA, NEMA, UNMAS

CSOs: UWASNET; ENR-CSO Network, Umbrella Organisation

Private Sector: APWO, WHAVE

Water for Production:

Institution: MWE, MAAIF, MoLG, OPM, MTIC, MoGLSD, MoES, JLOS, MoH.

Agency: Private Sector, ULGA, UWASNET, Uganda National Farmers' Association (UNFF)

DPs: MWE donor, MAAIF donor

CSOs: UWASNET, NGO in Agriculture

Environment and Natural Resources:

Institution: Ministry of Justice and Constitutional Affairs, Ministry of Lands, Housing And Urban Development, Ministry of Agriculture Animal Industry and Fisheries, Ministry of Defence, Ministry of Internal Affairs

Agency: National Environment Management Authority, National Forestry Authority, Uganda National Meteorological Authority

CSOs: ENR CSO Network, CSOs in the following fields: Financial, Litigation, Technical, Advocacy, Mobilisation

Private sector: various

Sector Governance:

GoU: MWE, MFPED (BMAU), IGG

Agencies: PPDA, NWSC, ACCU

CSOs: NETWAS, UWASNET, SNV

Private Sector: APWO

DPs: ADC, DANIDA, GIZ, World Bank, WaterAid, TI/WIN

Sanitation:

GoU: MoH, MWE, OPM, ULGA, MGLSD, MoES

Agencies: NWSC, KCCA, Prisons

CSOs: UWASNET

Private Sector: APWO

Other: Media, DPs

Climate, Weather and Climate Change:

GoU: MWE, MAAIF, Ministry of Gender And Social Development, Ministry of Health, OPM, Ministry of Energy and Mineral Development, Ministry of Education and Sports, MoFPED, Ministry of Internal

Affairs, Ministry of Local Government, Ministry of Lands, Housing And Urban Development, Ministry of Foreign Affairs

Agencies: UNMA, NEMA, NFA

CSOs

Development Partners

Private Sector

Academia