

Water: Failed Government Programmes

1. There have been several major water projects over the years. The first major one was designed as a pilot for test for improving water and sanitation starting with Kampala, Jinja, Masaka, Mbarara and Mbale. National Water and Sanitation Services (NWSC) was to be developed into a strong water authority with the capacity to take over the 7-towns project and extend it to other towns. The 7-towns project US\$121 million.
2. Since then there have been 14 externally funded water and sanitation (and some environmental) projects costing a total of \$72.5 million in grants and \$1321.8 million in loans.

Second Water Supply Project (7-Towns)

January 1991 – June 1998

3. The outcome was very poor. The reasons were the incompetence of the government and errors which the lender, IDA (World Bank), admitted.
4. Under the project water production, transmission and storage increased but access to the water and sewerage services did not. That means the investment served the elites already enjoying water and sewerage services.

Outcomes:

5. The project did not achieve its goals of:
 - extending the water supply and sanitation service and
 - developing the NWSC into a financially viable water supply company. Also
 - large scale on-site sanitation projects were not established
 - NWSC was not prepared to take over operations in other towns.
6. It is important to note the weaknesses of the lender, IDA/World Bank. Its own internal review stated overall contract management was weak stating:
 - their staff did not collect data on monitoring indicators agreed at appraisal,
 - even though NWSC's performance was poor, the IDA often rated it as satisfactory.
7. Twenty-one years later the Sector Performance Report 2019 states that low financing affects fulfilment of the sector's main functions.

“As a result, the targets under the Strategic Sector Investment Plan (2018-2030), the second National Development Plan and Presidential Directives (e.g. one water source per village) are unlikely to be met. Capacity gaps in the sector remains a critical issue particularly in newly created local governments, Umbrella Authorities and the ENR subsector.”

8. Since the end of the 7-Towns project, and the failure of NWSC to become viable, Government has continued to borrow for the Water and Environment Sector. The same problems continue, for example;

Urban Water Supply Project

9. Sanitation work in Pacego, Padibe, Moyo, and Pabbo were not carried out because government failed to raise its contribution to the loan funds.
10. Water & Sanitation Development Facility - North
11. Underfunded by 47 percent leaving demand for water unmet.