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Decentralization

Critical Implementation Issues
for the Rural Water Supply and
Sanitation Sub-Sector in Uganda

An Issue Paper

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April, 1999

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LIST OF ACRONOMYS

ACAO	Assistant Chief Administrative Officer
Ag.	Acting
CAO	Chief Administrative Officer
CBO	Community Based Organizations
DANIDA	Danish International Development Agency
DCA	Deputy Chief Administrative Officer
DRA	Demand Responsive Approach
DWD	Directorate of Water Development
DWO	District Water Officer
GoU	Government of Uganda
HRD	Human Resource Development
ICBP	Institutional Capacity Building
IDS	Institute for Development Studies
IFAD	International Fund for Agricultural Development
IMSC	Inter-Ministerial Steering Committee
LC	Local Council
LG	Local Government
M&E	Monitoring & Evaluation
MIS	Management Information System
MoE	Ministry of Education
MoH	Ministry of Health
MoLG	Ministry of Local Government
MoFPED	Ministry of Finance, Planning & Economic Development
MoWLE	Ministry of Water, Lands and Environment
NGO	Non Governmental Organization
NWSC	National Water and Sewerage Corporation.
O&M	Operational and Maintenance
PPME	Participatory Planning, Monitoring and Evaluation
PRA	Participatory Rapid Appraisal
RTWSP	Rural Towns Water and Sanitation Project
RUWASA	Rural Water and Sanitation Project
RWSS	Rural Water Supply and Sanitation
TNA	Training Needs Assessment
UNICEF	United Nations Children's Fund
WATSAN	Water and Sanitation
WHO	World Health Organization
WPC	World Policy Committee
WSP	Water and Sanitation Program
WUA	Water User Association
WUC	Water User Committee
WES	Water and Environmental Sanitation

PREFACE

In the past decade, the role of the governments in promoting social and economic development has undergone significant changes, necessitating sectors to adopt to the new realities. In Water Supply and Sanitation (WSS), there has been a tremendous shift from the view dominant in the 1950s and 1960s whereby the state was the direct provider of water services, guided by a "supply-driven" model.

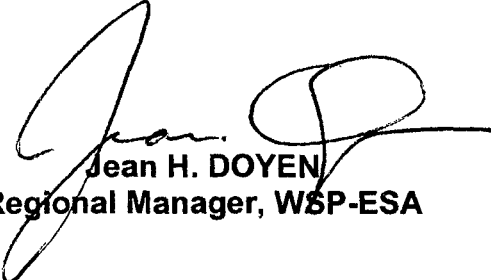
The recent changes towards a "demand-driven" approach coupled with the decentralization policy have nonetheless ushered in a new era for the Rural Water Supply and Sanitation (RWSS) sub-Sector in Uganda along with its specific challenges. This Issue Paper could not have come more timely to create a common understanding among all the actors in WSS about the problems and critical issues of the sub-Sector.

This Paper is the conclusion of Phase I of the study to analyze the impact of decentralization on the provision and delivery of RWSS services in Uganda. Phase II will be initiated in July 1999 to collect concrete information (staff situation, fund flows, etc.) in selected districts. This will assist in formulating strategies for systematic capacity building at district level.

The results of PHASE II shall be made available to the RWSS Sector Review Team as background material that will assist in detailing policy provisions and a transition plan for rational devolution of RWSS functions and responsibility to the district level.

I wish to acknowledge with gratitude the work done by the consultants, Narathius Asingwire (Social Scientist) and Michel Tymans (Institutional Specialist). Special thanks to the Directorate of Water Development and other sector actors for the tremendous support and cooperation accorded to the Consultants in the course of the study.

The Water and Sanitation Program – East and Southern Africa (WSP-ESA) will continue to support the ongoing sector reform efforts. This Issue Paper is a contribution to the process and a starting point for discussions with all stakeholders in the WSS sector as a whole.


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EXECUTIVE SUMMARY

Background

This Issue Paper on the Rural Water Supply and Sanitation Sub-Sector was prepared as a result of the realization that the implementation of the policy of decentralization would have a far-reaching impact on all aspects of public finance and on critical roles and responsibilities. Thus the purpose of this Issue Paper is to highlight and create a common understanding of these changes as they affect the development and delivery of sustainable water and sanitation services in rural areas in order to formulate a focussed and realistic strategy for the future. The paper concludes that the strategy has to be based on a long-term vision of the institutional structure of the sector, which is outside the mandate of this present Paper.

The major objective of this Paper was to identify critical issues arising from rapid socio-political and institutional changes initiated by the Government of Uganda. These included decentralization, privatization and shift from supply to demand driven approaches to rural water supply and sanitation development.

This Issue Paper is an outcome of a one-month study conducted by Narathius Asingwire (Social Scientist) and Michel Tymans (Institutional Specialist) in Uganda for WSP-ESA. It draws from both documentary and primary sources of information including field visits to selected districts.

Critical Issues - Overview of Findings

The most critical issues were identified as those arising from changes in roles and responsibilities that are still in the process of evolution. In this paper, they have been divided into two categories: resources and organization. Later, they have been discussed under five headings, namely financial resources, human resources, principles and methodologies, roles and responsibilities, laws and procedures. Inevitably, however, some are crosscutting, and no one issue can be considered in isolation. All impact to some extent on other areas of concern.

1. Resources

Financial Resources: A fundamental issue is that of finance, not only the fiscal resources of donor funds available to both central and local government, but the capital and cash flow in the private sector. Local Government appears unable to mobilize resources even within the limits set out in the Local Government Act. They are heavily dependent on Central Government funding. Central Government also has a budget deficit and often delays remitting funds to the Districts. Financial issues are not solely those related to availability but also to weak financial management, budgeting and accounting.

Overall, the Water and RWSS Sub-Sector are almost totally dependent on donor funds for development. Rural Users contribute no more than 2% of direct development costs (5% for protected springs), but thereafter become fully responsible for managing and maintaining their improved source. The same users are personally responsible for domestic latrine construction, and that of other hygienic facilities. Assistance is in form of advice and subsidized sanplats.

Human Resources: A second issue relates to human resources. Not only the limited number of qualified and experienced staff in both public and private sectors, but the lack of manpower plans, and the demotivating work environment for most. Little has been done to carry out training needs assessments and much training has therefore been based on supposition, or is merely a form of sensitization to the conditionalities of projects. In the process of decentralization, the District departments or offices originally part of Central Government Ministries, were simply made part of District Governments with no prior review of roles and responsibilities or the implications of a truncated hierarchy of officials. There is thus no clear or standard definition of roles and responsibilities for the various actors in the RWSS Sub-Sector.

2. Organization

Local Government: Decentralization has led to considerable confusion with respect to roles and responsibilities. While the rationale for decentralization is to improve equity and efficiency, in practice real power and financial control are still concentrated by the Central Government. There are also increasing concerns that decentralization is providing even less effective in the delivery of social services in a transparent and accountable manner.

The Private Sector: Much emphasis is given and expectations have been raised about the potential of the private sector. However although all projects have had experience of using private companies and individuals, there has been no detailed or systematic assessment of the strengths and weakness, more especially of those concerns providing goods and services to the RWSS Sub-Sector. Anecdotal information however suggests a number of corporate weakness including lack of capital and up to date equipment, lack of management and technical expertise and undue reliance on the limited markets presented by development projects.

Community Participation: Most water and sanitation project purport to be demand driven. Stress is placed on the need for community participation in planning and implementation of projects and in undertaking management and maintenance of installed facilities. However the reality is that most decisions are made before community mobilization is initiated and the limited number of qualified facilitators/mobilizers further detracts from the effectiveness of participatory methods of working with communities.

Laws and Regulations: The legal framework for the implementation of the policy of decentralization and privatization is neither enabling nor makes for precision. Full assessment was not possible in the time available. It is, however, clear that the legal documents that the Consultants accessed have internal inconsistencies and there may be conflict of laws when one set of regulations is considered in relation to another. Furthermore, there is a lack of codification, which made the review difficult.

Information Systems: While information is vital for effective planning and management, and is a prerequisite for sustainable decentralization of the Water Sector, local councils have not yet initiated MIS. Participatory M&E while being advocated suffer from the same constraints as other aspects of community participation.

Sanitation and Hygiene: The promotion of sanitation and hygiene is a component of all water development projects, however they actually belong to two separate sectors, each with its own policies and imperatives, its own institutional structures and community perceptions.

Recommendations

The Consultants identified the following possible areas for action:

Financial Resources: The proposed plan of action with respect to financial issues has a number of more detailed components, however the most urgent priority is to carry out a critical review of local government fiscal resources and modalities of collection to determine how they could be made more self-sufficient. At the same time standardized budgeting and accounting system should be developed whose use should be mandated for all water and sanitation project.

Human Resources: Three studies are envisaged: District Manpower Appraisals leading to District Manpower plans: A review of terms and conditions of public sector employees leading to recommendations on improvements subject to current budgetary constraints; and District training needs assessments both related to job description and taking into consideration manpower plans.

Policies, Roles and Responsibilities: There is an urgent need for a critical review of the process and practice of decentralization as it relates to the development and management of water services provision, delivery and the promotion of sanitation and hygiene. This will help lay the foundation for clear definitions of roles and responsibilities. There is also a need to critically assess the methodologies, meaning and implications of demand driven approaches to community participation. Functional local council M&E and MIS should be developed, starting with the district level.

Laws, Regulations and Procedures: The three Acts of Parliament which are fundamental to any consideration of the RWSS Sub-Sector are the Local Government Act (1997), the Water Statute (1995) and the Land Act (1998). There are additionally various bylaws relating to health and sanitation, which were not readily available to the Consultants. There is an evident need for further expert review by qualified legal specialists who can recommend how the law may be better harmonized and operationalized to provide an enabling environment for the development and delivery of water and sanitation services.

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1. INTRODUCTION

1.1 Background and Objectives of Study

Over the past decade the Government of Uganda through the Directorate of Water Development (DWD) has initiated important reforms in water supply and sanitation programs. Demand responsive approaches are being introduced under several projects, in particular RUWASA and Eastern Centers (DANIDA), Small Town Water and Sanitation Project (IDA), WES (UNICEF and SIDA).

DWD has also moved from carrying out all siting and drilling for deep and shallow wells to systematic reliance on the private sector for construction activities. In addition, community based Operation and maintenance (O&M) systems, that were pioneered in rural areas in tandem with the initiation of participatory demand driven approaches, are beginning to be extended to systems serving small towns and trading centers.

The 1995 Constitution and the Local Government Act of 1997 have in the meantime fundamentally changed the context of WSS development. Local governments are now being expected to plan and implement sector activities and to take full responsibility for management and maintenance of installed facilities. Projects work with and through District Governments rather than relating to/cooperating with the DWD itself.

Decentralization has had important effects and implications for Water Sector Development. This paper is thus an attempt to review constructively the major emerging critical issues. The paper describes sector policies, strategies and operations with particular emphasis on the roles and responsibilities of key actors and stakeholders; and to identify and analyze critical issues impacting on development and sustainability. The paper is divided into three sections: (1) introduction and overview; (2) Sector Profile; (3) Current Program and; (4) Critical Issues and Implications.

1.2 Activities and Investigations carried out by the Consultants

The study, on which this issue paper is based, was carried out in Uganda over a one-month period. It utilized rapid appraisal methods that included both a review of relevant documents and interviews with key informants. The major texts (secondary sources of data) are listed in Appendix 1 while the list of those interviewed (the primary source of information) is in Appendix 2. Primary sources included Government Departments, international donor agencies, local projects and NGOs. Field visits were made to Luwero, Mbale, Rakai and Soroti where in -depth discussions were held with officials including Chief Administrative Officers, District Water Officers, politicians, project and NGOs personnel.

There were two consultants: Michel Tymans, an institutional specialist and Narathius Asingwire, a social scientist. This paper, drafted at the end of the one-month mission, represents the critical findings of the Consultants in respect to both the initial Terms of Reference and the final expectations of the clients (DWD and the WSP-ESA) after careful review.

1.3 Summary of Findings

The critical issues identified by the Consultants have been categorized under two headings: resources and organization. The former includes financial and human resources, the latter principles and methodologies, roles and responsibilities, law and procedures. The main factors inhibiting current development and future sustainability of installed systems were identified as being:

- (1) Low level of economic activity and thus limited fiscal resources base and poor mobilization of local finance/funding and poor financial management ;
- (2) Lack of qualified and committed manpower/human resources
- (3) Lack of clarity in respect to and understanding of roles and responsibilities in the decentralized system
- (4) Inappropriate and inconsistently/unsystematically implemented demand driven methods of community mobilization and education;
- (5) Disabling regulations

The first two constraints are not generally amenable to actions in the RWSS Sub-Sector although, as has been initiated under RUWASA they can be partially addressed through capacity building and strategies to improve job motivation. The linkage between water and sanitation provision, management and maintenance is also fragile/artificial while sanitation and hygiene issues tend to take second place when combined with water development, particularly with respect to individual household facilities and practices.

There is an urgent need to explore ways and means of improving the local revenue base. There is also the need to agree and operationalize standardized, user friendly and secure/enforceable budgeting and accounting systems; to review the present management system for delivery of water and sanitation services and education; to provide well targeted and designed professional community mobilization and management, and macro and micro planning. Finally, there is the need to critically review all legislation and regulations that impact on the speedy and effective development and efficient delivery of water and sanitation, in order to recommend necessary amendments.

2. SECTOR PROFILE

2.1 Overview

The water sector in Uganda is presently divided into three sub-sectors: Urban, Rural and water Resources Management. The Directorate of Water Development (DWD) under the Ministry of Water, Land and Environment (MOWLE) is charged with overall responsibility for resource management, coordination and regulation of the water sector as well as overseeing and supervising its development and exploitation of the resources.

The Urban Water Supply Sub-Sector

The Urban Water Supply Sub-Sector currently includes all towns and growth centers with a population of 5000 and over. These number 100 and include 11 presently served by the National Water and Sewerage Corporation (NWSC). The NWSC is the sole water and sewerage authority in 11 urban centers of Kampala, Jinja, Entebbe, Mbarara, Masaka, Mbale Tororo, Gulu, Lira, Fort Portal (Kabarole) and Kasese. It provides piped water and mains sewage to a proportion of the populations of these towns.

Other smaller towns and trading centers either do not have or manage their own piped distribution and none have sewerage systems. Even in the major towns including Kampala, a majority of homes and businesses are not connected to the sewerage network and ill-regulated development inhibits the extension of the sewerage network to many residential areas.

The Rural Water Supply Sub-Sector

The Rural Water Supply and Sanitation Sub-sector includes the rest of the country (approximately 85% of the population), whose scattered homesteads are largely served through communal water point sources such as protected springs, boreholes and standposts. Sanitation is the responsibility of each individual householder and is commonly some form of pit latrine.

It is currently estimated that safe water coverage is 60% in urban areas but only 42% in rural. The target of DWD is 100% and 75% respectively by the year 2000. Whereas the DWD has the lead role in policy formulation and water resources development and regulation, under the present policy of Decentralization, Local Councils are responsible for the provision, management and maintenance of water supplies within their respective areas of jurisdiction. The role and responsibilities of Local Government Councils, executives, administrators and technical staff is further described ahead.

In practice DWD has negotiated and oversees externally funded development projects, which probably account for nearly all investment in the Sub-Sector. Donor grants or loans cover not only investment in water and sanitation facilities but construction or repair of offices and other buildings; procurement, running and maintenance of vehicles; performance related allowances for essential District staff; all costs of Project implementation units; training, workshops and capacity building.

In the case of RUWASA, Central Government is responsible for paying the taxes, which would normally be charged on inputs. Community contributions (see also 2.3.10) are included in the overall Project Budget. District contributions, of variable and uncertain amount (see also 4.1) are used for activities not approved within the central Project Budget, such as facilitating community mobilization, and some staff allowances. In some Districts they also cover transportation and stationery.

Costs of management and maintenance meanwhile are borne by users from fees collected by their Water User Committees. Up to the present major repairs and rehabilitation have been funded through both major and minor projects by external donors.

Central Government Grants cover salaries of most District staff. However, Districts and Sub-Counties also contribute to those of certain lower level extension agents. District Budgets have to cover the running costs of the District water and health offices. Sub-County Budgets similarly allow for costs of repairs and maintenance to Sub-County Headquarters.

While in the past each Central Government Ministry had an extension service managed through District Offices, the latter have now been taken over by the respective District Governments, who are responsible for their organization and activities, and for recruitment but not terms of service. Central Government also provides the funding for the salaries of most staff previously recruited through the (National) public service commission. However some personnel were always paid from local funds, more particularly Health Educators and community Development Assistants.

As will be further detailed, most District directorates operate with what may be termed a skeleton extension staff of at most one extension agent per sub-country. District Water Offices have never deployed staff at sub-county level. At best, the District Water Officers will have one or two Assistant Water Engineers. (A sub-county usually comprises at least five parishes and each parish can have eight or more villages each of about 1000 households).

Development and Construction Activities

Local Governments have a responsibility of planning, coordinating, managing and monitoring the provision of water supplies and sanitation. Construction activities under rural water supply and sanitation projects are handled by the donor organizations concerned. Actual work would usually be undertaken by either the District Administration, a school or health unit, or the Project Implementation Unit or NGO contracting private firms or local craftsmen. The construction of domestic latrines is, however, the responsibility of each individual household. The District Directorates of Health provide advisory support and particular projects may support the supply of other subsidized inputs.

Coordination of Community Mobilization and Education

Water resources development and management of deep wells has traditionally been the responsibility of the Directorate of Water Development, while spring protection and other simpler technologies and rural sanitation and hygiene, have in the past been the concern of District Departments of Health and Community Development. The extension staff of the Ministries concerned with Health and Community Development was not only trained in community techniques but also in simple water and sanitation technologies.

Currently, the Ministry of Gender and Community Development (MoGCD), through the District Directorates of Community Development has responsibility for community mobilization and sensitization, while the Ministry of Health (MOH) is responsible for national hygiene and sanitation policies. District Directorates of Health Services oversee District health services and have to provide not only health education, but exercise regulatory functions.

The major water development project (as detailed ahead) have promoted the formation, and supported the continued existence of coordinating committees at the district level. However, there is often no one sectoral committee at District level to oversee them. Under the local Government Act each Council is allowed to have only 6 Sectoral Committees. Each Council decides what these committees should be. It is frequently the case that water and sanitation or some issues concerning either fall under different sectoral committees.

Small scale water and sanitation development projects most usually do not provide for District level coordination but work through the lower levels of the local government system, and assume that beneficiaries by themselves will manage and maintain installed facilities.

National Coordination

An Inter-ministerial Steering Committee (IMSC) composed of Permanent Secretaries, Directors and Commissioners and Head of Donor Agencies provides for collaboration with respect to the major rural water programs of Water and Environmental Sanitation (WES) and Rural Water and Sanitation Project (RUWASA).

Sanitation and Hygiene

This Issue Paper describes the Rural Water Supply and Sanitation Sub-sector, and there is in practice a strong link between water and sanitation. The two, actually belong to two different sectors covered by two laws under different central government Ministries, and in the Districts by two separate Directorates and Departments whose institutional cooperation is mediated through coordinating committees.

The relationship between water and sanitation provision in rural areas is in practice somewhat tenuous. In towns, the provision of piped water supplies to individual houses and businesses goes hand in hand with the provision of mains sewage systems to deal with the resulting effluents. In the countryside, installed water facilities are communal springs, deep and shallow wells, taps either of gravity feed systems or as extensions to urban distribution systems. Sanitation, on the other hand, is the responsibility of each individual household and is commonly some form of pit latrine.

It is well established that incremental health benefits depend on proper hygiene practices, including maintaining the "safe water chain", clean latrines and appropriate food protection and waster disposal. The requirements for community education, monitoring and the promulgation and prosecution of by-laws, do not augur well with the technological and management requirements of speedy and efficient water development. The requirements for future sustainability are like wise divergent.

2.2 Policies

2.2.1 Decentralization

Historical background

Since its inception in 1986 the NRM led Government of Uganda has been committed to a policy of decentralization and grass-roots empowerment through the establishment and furtherance of a system of elected local councils at District, country, sub-country, (secular) parish and village levels. These are otherwise described as LCV, LVIV, LCIII, LCII and LCI. These are essentially Rural Councils. Urban authorities are coincident with either LCV (Kampala City), LCIV (major towns such as Jinja, Mbale, Fort-Portal and Arua), LCIII (small towns, often also District headquarters, such as Iganga, Mukono and Kumi).

Some level of local autonomy is not new to Uganda. In the early years of post independence in 1962, district councils were granted substantial autonomy under the then constitution. With the abrogation of the 1962 constitution in 1967 most of these rights reverted to the central government. Local Government was further eroded during the dictatorship of Idi Amin and was not thereafter restored. It has to be noted that many features of the present system are entirely new, or represent a reversion to these earlier systems of governance, which are no longer familiar. In the 1960s the number of District Councils was also far fewer (13) as compared with those today (49), and the boundaries of the former Districts were largely based on ethnic divisions.

Key Features of the Present System

Under the present policy/system of decentralization certain powers and functions will remain with the Central Government while others are being gradually devolved to the several levels of local council, not only to District but to the lower levels of sub-County (LCIII) and Village#1 (LC1). The role and responsibilities of the local councils are set out in the local Governments¹ Act (1997). In order to facilitate the process of devolution, GoU also set up a Decentralization Secretariat which, in addition to organizing workshops and training for local councils personnel, has also produced several guides to various aspects of the Local Government System (see Appendix 1).

The key features of the present system are outlined in "decentralization in Uganda: Center Local Relations", Document Number 8 produced by the Decentralization Secretariat and are further described in the Local Government Act of 1997. Local Councils are empowered to exercise all political and executive powers and functions, and to provide services, with certain exceptions reserved to the central government (such as Foreign Relations and the regulation of trade and commerce), as they deem fit.

There are other limitations to their independence of action, notably with respect to finance. In addition, the relationship between the different levels of local council is not very precise. This lack of clarity is compounded by the absence of or inadequate of separation of powers in the local government hierarchy.

District Councils depend heavily on the Central Government for funding through Unconditional, Conditional and Equalization grants. Equalization grants are not yet being paid as criteria for their disbursement are still being developed. Their major independent source of finance is Graduated Taxes. Sub-Counties who retain 40%, remitting 35% to the district and theoretically giving 25% to the village collect these. In addition, the sub-counties also collect license fees and market dues. Some Districts have privatized market management and are paid set amounts by the contracted company.

The collection of Graduated Taxes has become notoriously poor, with very many Districts registering as little as 40% of estimated revenue (figures as low as 20% have been quoted in the press in some cases). Various reasons are ascribed, such as drought or floods affecting capacity to pay, or inertia due to reluctance on the part of Councilors to harass their potential voters for payment. Local Councils have also proved no more efficient than Central Government in managing their finances and several top financial and administrative personnel have recently been interdicted. As a result, salaries, merger in any case, may not be paid for months, seriously eroding commitment and motivation of staff and contributing to the inability of Councils to attract and retain qualified personnel.

The Districts have 'inherited' Departments whose structure, staffing and functions have been determined by the Central Government Ministries. They have been largely debarred from expanding or re-organizing them, through a general ban on new public service recruitment. Central Government has also determined the retrenchment of some categories. Sub-Counties do not recruit staff. District Directorates and Departments post staff to the sub-counties who are most often paid from central government grants. Villages do not have staff.

¹ It should be noted that in some places the term "zone" is used and the administrative area of a village is not always the same as the traditional village as defined by the inhabitants but can be section or have different boundaries

2.2.2 Private sector participation

The GoU is also pursuing a policy of Private sector participation. This has two major elements. Firstly, divestiture of government owned public corporations. Secondly, contracting out provision of services traditionally carried out by Government Departments, including, with respect to water and sanitation, construction of water facilities, drainage and waste disposal, communal water provision and latrines. Thirdly, the promotion of local manufacturing. In the case of rural water supplies and sanitation, pumps and spare parts are produced in Kampala. At the same time, both major water projects and NGOs have promoted a system of spare parts dealers down to sub-county level. In the case of latrines slabs RUWASA has trained women's groups to manufacture and market them and other projects have also promoted local producers.

Tendering procedures are, however, still the subject of Government regulations. The Approval process involves either the Central or District Tender Boards and may also be subject to specific donor regulations. In some districts, District Tender Boards have proved incompetent or corrupt. In some instances, they have been dissolved and take time to be replaced. In addition, contract documents are subject to approval by the Ministry of Justice, which adds to more delays in the whole process of contracting out.

The private sector, in Uganda, with few exceptions, is dominated by either foreign based large companies, or by small "jua kali" operations of local firms. The latter are under capitalized, lack working capital, often rely on poor or inadequate equipment and are staffed by under-qualified and inexperienced personnel. This lack of experience is both technical and managerial.

Private companies are also the subjects of various other regulatory procedures, including licensing and taxation, which may be particularly oppressive to the smaller concerns and are not always administered in a transparent, egalitarian manner.

In so far as water supplies are concerned an important small private contractor is the Hand pump mechanic. Groups of Hand pump mechanics are contracted by the Districts to install the pumps and later are expected to sign maintenance agreements with Water User Committees to carry out regular preventive maintenance and any necessary minor repairs.

Until recently it was thought that water users together with Hand pump mechanics would be able to fully manage and maintain community based water sources. However it is now being realized that the cost and technical implications of some repairs such as replacement of riser pipes and desilting will be beyond the competence of this level of organization and other options are being explored.

2.2.3 Demand Driven Approach

A demand driven approach is now used in almost all development projects to promote a sense of ownership by beneficiaries. The rationale behind this is that if communities are involved in decisions about development initiatives and express their demand for them in a material way by contributing to development costs, they will be sure to manage and maintain such facilities and not rely on outside agents to do so. There is some lack of clarity in what demand driven should entail. Firstly at what level should demand be expressed and, secondly in what manner.

The demand driven approach requires the use of participatory methods to enable communities to identify and define their development priorities and to sensitize and educate community members on their roles and responsibilities. However there is no one definition of what constitutes either the community or the participatory methods needed to facilitate community mobilization, sensitization and education. Different organizations prefer to use different methodologies.

An important reference document in this respect is Tools for Community Participation². There are multiple other guides and manuals. One of the Authors of this paper is also currently carrying out a study for RUWASA on the effectiveness of the participatory training and mobilization methods used for the project. This will provide an important contribution to discussion on these issues. DANIDA has also produced a useful guide to community based logical framework analysis as a starting point for community based monitoring and evaluation³.

Training of Trainers is also almost often too short to be effective. IN addition it is often confined to the classroom, as was the case with the GoU course for local councilors that were conducted in 1997. Participatory techniques require much practice under guidance.

Furthermore there is a different between theory and practice. Very often neither facilitator nor community member are able to afford the time necessary to carry out participatory activities fully or intensively enough. Methods, which rely on pre-prepared drawing/visual aids, are also confronted by the fact that these quickly become stale. On the other hand more open techniques require a greater level of expertise.

2.3 Roles and Responsibilities

2.3.1 The Directorate of Water Development

The Directorate of Water Development no longer has responsibility for implementing water development or for managing and repairing water facilities. However, it still retains its functions as the supreme policy making body and it also has regulatory and research functions. It negotiates and manages the development budget, and continues to plan and supervise externally funded projects. (The role of DWD is further detailed in the Sector Profile).

A major issue confronting donor nations and organizations is whether and how they should deal directly with individual Districts should the development budget be decentralized. This is more feasible where only one or two Districts are involved, as is the case with some NGOs (ACTIONAID, PLAN International). The logistical implications of negotiating with and supervising a multiplicity of Districts, or even perhaps sub-counties, for a Project such as WES are daunting.

2.3.2 The Ministry of Health

The Ministry of Health oversees the second largest sector (to Education), being directly responsible for Government aided hospitals, and for Health Policies and practices. The Ministry of Health promulgates laws and statutes in relation to all matters concerning health and hygiene. It took a lead role in the recent Sanitation Declaration.

The District Directorates of Health also have wide-ranging responsibilities for education and enforcement, as well as for overseeing the development and management of health units.

2.3.3 The Ministry of Local Government

The MoLG oversees all local government activities and has powers to intervene to ensure the Law is adhered to. There have been a number of instances where councils are in conflict with Executive staff. Other conflicts involve Executive Committee members among themselves and other councilors. The later is more as a result of lack of appreciation of the limits of particular responsibilities or failure to comply with the provisions of the Local Government Act.

² Tools for community participation-A manual for training trainers in participatory techniques by Lyra Srinivasa, PROVESS/UNDP Technical Series involving women in water and sanitation

³ Logical Framework approach-Flexible Tool for Participatory Development

The difficulty of exercising control over the activities of lower levels of councils is compounded by the lack of staff. The fact that LCV auditors have responsibility not only for Sub-County finances but also for those of Primary Schools requires a large establishment of finance personnel many with limited practical experience.

2.3.4 The Ministry of Education

The ministry of Education has over all responsibility of education policies. This has most recently included Universal Primary Education (UPE) under which the Central Government pays the primary school fees of up to 4 children per family. It also regulates primary school organization and dictates both what funds may be solicited from parents and how these should be used. This has had unforeseen impact on the provision and maintenance of water and sanitation in government aided schools.

2.3.5 The District Government (LCV)

Each District is now responsible for all aspects of project implementation and for the day to day running of services. The several Departments of central government are now part of district governments. However, block grants from the central Government continue to be the main source of funding for staff salaries in these Departments. The central Government still exercises control over (and sets limits to) recruitment and terms and conditions of service continue to be standard for all government employees in every District. Nevertheless, the District service committees carry out actual selection of staff. The staffing structure of Departments in the Districts still continues to reflect central government ministry organization.

In so far as the RWSS Sub-sector is concerned, the key departments are the District Directorate of Health, the Department of Community Development, the department of Education and the Public Works Department (although the latter may not be formally involved). The District Chief Administrative Offices as the overall accounting officer in each District is also inevitably involved in all projects and activities within the District.

The District Water Departments are relatively recent institutions in most districts and have only skeleton staffs. They thus rely on the DDH and the DCDO where community mobilization, sensitization and training have to be carried out. Not all Districts even have qualified District Water Officers and few have sufficient Assistant Water Engineers to post one to each county as is recommended.

2.3.6 The Sub-Counties and Community (LCIII, LCII and LCI)

In line with the policy of Decentralization, Sub-County (LCIII) and village (LCI) councils have both powers and independent sources of funds. However the staffs who are posted to work at Sub-County level are under the authority of the district and recruited by the District Service Commission.

At the lower level the Executive Committees of the Councils have administrative and judicial responsibilities. There is no separation of powers. With respect to water and sanitation, they have both policy (within specified limits), legislative (enacting bylaws) and regulatory policing functions. They are also often expected to inform and educate as well.

The LCII and LC IV (except where it coincides with an urban center) have no separate status and functions in the local government system.

Since 1986 local councils, most especially at the lower levels, have been actively involved in defining needs and priorities, and communities have been mobilized for construction and management of public facilities. However, by the early 1990s it had become apparent that even the lowest level, the LC I, was not sufficiently responsive to the needs particularly of maintaining communal water supplies. Therefore, water user committees (described in the

Water Status as Water and Sanitation Committees) were instituted, representing the more limited group of users. Members are thus not only living closer to the water facilities, but also relying on themselves.

With respect to water supplies, communities were at one time expected to contribute labor and locally available materials. Currently on the major projects they are expected to pay money equal to between 2 and 5 percent of development costs. While some smaller projects supported by NGOs such as Water Aid, Busoga Trust, and ADRA follow similar conditionalities, others provide water facilities free, or with different requirements such as PLAN International. In addition, District Governments are also expected to contribute for such major projects as RUWASA and WES but not usually for NGO sponsored development. The amount of the latter contribution is presently under review.

2.3.7 The United Nations

UNICEF has since 1986 been a major player in the sector with funding from bilateral donors. UNICEF has been instrumental in developing systems, which involve communities both in construction, and maintenance of installed facilities. UNICEF also played a key role in pioneering the deep well technology now in most general use, firstly the U2 and currently U3 pumps. UNICEF has supported the production of educational materials for the sector.

The World Health Organization sets water standards. However those adopted in Uganda fall slightly short of these. In general higher rates of both bacteriological and chemical contamination are accepted.

2.3.8 Bilateral/International Donor

Water development is heavily dependent on donor finance and international donors have been active in defining the parameters and mode of operation of the water development project they fund. The major donor nations have been Denmark (DANIDA), Sweden (SIDA), Great Britain (DFID).

2.3.9 Non-Governmental Organizations

A large number of non-governmental organizations are involved in rural water and sanitation development. These include the main churches, Protestant, Catholic and Moslem and several Protestant denominations including Pentecostal and Baptist congregations; secular international NGOs such as CARE, Plan International and World Vision, and specialist NGOs including Water Aid; even local NGOs both specialized such as Madzi and other smaller organizations. This list is not comprehensive. Complete information is not readily available especially on with respect to simpler technologies springs and hand-dug wells.

Each NGO although broadly following the system pioneered with UNICEF assistance, has its own specific requirements with respect to local involvement more especially in the construction phase. Since there may be more than one organization working in the same District, either sequentially or in neighboring sub-counties, these differences of detail can be confusing to community members.

2.3.10 Water User Associations

The water User committees were given legal status by the Water Statute of 1995. That Statute envisaged that the WUCs within a defined area would form Water Associations, which would strengthen their capability to maintain and manage, installed water facilities and to organize and pay for more extensive repairs as these became necessary.

The water Statute legitimizes the formation and functioning of Water User Committees and water User Associations. The Water User Committees represent groups of users of improved water sources. They are generally supposed to be composed of three men and three women, and are held responsible for ensuring that installed facilities remain operational.

For this purpose, they are empowered to collect fees from users. Theoretically these should be banked, some being needed for routine maintenance and some reserved for repairs and spare parts. However, only one or two banks have branches even at district headquarters. The implication is that banking services are not readily accessible to most water user committees. Most WUCs are also unprepared to see large sums of money lying idle for long periods, particularly since interest rates hardly keep pace with the rate of inflation. Thus the respective Treasurers less securely keep more often and much such funds.

From among their members WUCs select two persons (1 male and 1 female to be caretakers). These are usually expected to work as volunteers, although in a few instances they may be paid or otherwise compensated by being exempted from community voluntary work such as clearing paths.

In WES and RUWASA and some smaller NGO supported projects, the WUCs are also responsible for collecting the community contribution of UShs. 180,000/= for new deep wells and UShs. 45,000/= for spring protection from registered potential users, that is calculated to represent 2% and 5% respectively of direct project costs.

2.3.11 Private Companies

Three types of concern are involved in the delivery of water supplies and sanitation in the rural areas: large, often international drilling companies small construction firms specializing in casting and spring protection or latrine construction or supply of materials and spares, and individual specialists. The latter include the Hand Pump Mechanics.

In so far as the drilling companies are concerned the experience of the DWD is that only two have all the necessary resources of equipment and expertise, while three or four others struggle to comply with contract specifications and deadlines.

The first step in provision of water supplies is identifying the location of suitable sources, whether of ground or surface water. This requires the services of hydrogeologists and water engineers. In so far as surface water is concerned the District Water Officers are responsible for carrying out appropriate measurements. In case of ground water various methods have been used for locating sites. The Hydrogeologists are employed either by the Projects, or by consulting firms. Nearly all have once worked with DWD itself and nearly all are under-qualified. Most usually they are simple science graduates of the University of Makerere who majored in geology and were then given in-service training in the use of specialized sounding devices.

There are numerous small construction companies. In addition there is what may be termed opportunistic businesses, which while having no track record in construction can put together a proposal and tender for any job on offer. Both make use of either self-trained, or partially trained, or partially trained technicians (*fundis*) to actually do the work.

RUWASA has promoted women's groups to manufacture slabs and sanplats for institutional and household sanitation as an element of gender sensitivity in the project.

3. PROJECTS AND PROGRAMS

3.1 Overview

The water sector is one of the five priority sectors for GoU and thus has enjoyed preferential budgetary allocations. It has also secured major external funding from variety of donors. In the 1997/98 Financial Year donor funds of \$39.4 million accounted for 87% of the total, whilst GoU contributed around \$5.5million for capital development and \$375,000 for recurrent expenditure (at 1997 rates of exchange). In FY 1998/99 the corresponding figures are \$45.1m (83%) and approximately \$12.8m (at 1999 exchange rates) including \$386,000 for recurrent expenditure. 93.2% of this expenditure was for urban and rural sectors, each getting a little over 46% of the total. These figures do not include small-scale donor funded or private developments not reflected in the national budget.

There are two major Rural Water and Sanitation Projects presently being implemented in Uganda, WES and RUWASA. In addition, there are several smaller more localized projects or specific developments implemented by a number of NGOs. NURP for which World Bank is currently funding a Needs Assessment for Phase 2 also had a substantial water development components for Districts in Northern Uganda most affected by the civil war following the assumption of power by the NRN government in 1986.

The Table below⁴ sets out information on the larger schemes, but omits several, more especially those not including deep drilling, such as those of Busoga Trust (funded by DFIC) and a German Church aid funded project in Nakasongola.

External Support Agency	Project	Districts	Financial Terms
EU through SNV	Gravity Feed System	Arua, Nebbi, Moyo Moroto, Kotido Kasese Kabarole, Rukungiri Bundibugyo	Grant
DANIDA	RUWASA	Mukono, Jinja, Kamuli Iganga, Tororo, Mbale Palisa, Busia, Bugiri Kapchorwa	Grant
DFID	Rural WATSAN North	Katakwi	Grant
Japan International Cooperation Agency (JICA)	Rural Water Central	Mubende, Mpigi, Kibogo	Grant
LWF/ACAV/UNHCR/ CARE/ICD/PLAN Int'l.	Rural Watsan Drilling	Moroto, Kotido, Arua, Nebbi, Moyo, Luwero	Grant
IFAD/BSF	Masindi Integrated Project	Masindi	Grant
Irish Aid	Kibaale Drilling Project	Kibale	Grant
SIDA/UNICEF	WES program	All except Kampala/RUWASA project area	Grant

⁴ Taken from paper "Overview of sector Stakeholders" presented by Eng. S. Bomukama, Commissioner for Water supplies to Water sector planning and coordination workshop, Jinja 30/11/ to 1/12/98

The lack of a complete database on rural water development underscores the need to develop information systems both at National and District levels. This will make planning for development, monitoring and evaluation, coordination, maintenance and management undertaken more effectively.

With respect to the Water Sector Institutional rules, the major donor funded projects-WES and RUWASA have largely developed them with inputs from the respective donors UNICEF/SIDA and DANIDA.

Both rely on similar structures and are guided by similar principles. These are described below: -

3.2 RUWASA

RUWASA covers 11 Central and Eastern Districts. It is now in its second Phase and aims to provide altogether about 6000 safe water supplies to achieve 75% coverage by the year 2000. In addition, it has the objective of improving sanitation in approximately 300,000 homes and 50% of primary schools. RUWASA has a Project Office located in Mbale. District Management Teams composed of the DCAO, DWO, DHI, DHE, DCDO, DIS, DPO and DCFO manage implementation. Plans and Budgets have to be approved by the LCV Councils after review by the Sectoral Committees. Most recently, the Secretary to the relevant Sectoral Committee which is decided by each Council (Councils are each allowed to form only 6 Sectoral Committees), has assumed a status at District level similar to that of a Cabinet Minister in the national government.

At County level, county level Social Mobilizers who are County Health Inspectors and Senior Community Development Assistants implement the project (where these exist). They have particular responsibility for the Institutional (Health Unit and School) water and sanitation component of RUWASA and for supervising Sub-County Social Mobilizers.

At Sub-County level, social mobilizers who are Health and Community Development Assistants posted by the District Directorates to that level, implement the project. The Sub-County Councils are responsible for allocation of water units to Parishes and for identifying and paying for the training of handpump mechanics. The Sub-County Coordinating Committee has particular responsibility for overseeing the Hand pump mechanics and for identifying dealers for both spare parts and latrine slabs and sanplats.

Allocation of Water Units to villages (LC1) has up to now been carried out by the Parish (LCII) councils but new procedures are being tested which will eliminate the parish and require villages to apply to the sub-country councils to be allocated a water source. The LC Is identify particular sites and oversee the election of Water User Committees under the guidance of the Social Mobilizer after specified community mobilization and sensitization have been carried out. The operational rules for RUWASA are set out in **Letters of Understanding** negotiated with the districts and **Mobilization Guidelines** and other training guided developed on the basis of experience gained in Phase I.

Although the Districts implement RUWASA, the Project office has a substantial role not only in doing the siting and in overseeing drilling operations for deep and shallow wells, but also in the design of community mobilization methods and procedures and monitoring the flow of activities. The Project Office produces various publicity and training materials on all aspects of project implementation. In addition, the project office defines the system for budgeting, planning and reporting, and supervises expenditures or even undertakes procurement on behalf of the Districts.

Devolution of more responsibilities to the Districts had been planned and even scheduled, but lack of capacity and commitment in the districts has restricted the pace of this process. Whilst concentration on implementation has resulted in lack of clear guidelines for post project management and maintenance of installed facilities. The need for more precision will become more acute as donor comes to deal more directly with Districts.

3.3 WES

The WES project encompasses all other Districts not covered by RUWASA and Kampala. It has similar operational rules to RUWASA. There are however, some apparently minor differences that have important practical implications. Overall management of implementations is under the Program Coordination Unit. Up to the present as with RUWASA, WES has been implemented through District Management Committees for similar composition to the DMTs.

Unlike RUWASA, the WES planning process is not treated separately from the overall annual planning process within Districts. This has definite advantages since planning and budgeting for RUWASA activities separately from the standard district budgeting; particularly utilizing different formats is both time consuming and arduous/confusing. Both projects now have a unit cost guide to assist with costing budgets. WES required more detailed work plans, 6 monthly, whereas RUWASA needs quarterly plans. The respective District Council approves plans and budgets however WES foresees having to deal more directly with the 600 or so sub-county councils as further powers are devolved on them⁵.

3.4 NURP

The largely World Bank funded Northern Uganda Rehabilitation program ended in 1997, although a need assessment is currently in process to determine the parameters and content of phase 2. During phase 1, DWD were contracted to construct deep boreholes while local NGOs were responsible for supervision and for simpler technologies. Under the community Action program for West Nile, a fully funded (Netherlands/SNV) component of NURP, a number of springs were protected in the district of Arua, Moyo and Nebbi. In a further development, the Netherlands government through SNV also supported the development of three gravity feed systems in Arua/Nebbi.

3.5 Other NGOs Supported Schemes

The Consultants were unable to get complete information on projects and programs of NGOs. It was clear that there is a multiplicity of actors and each operates according to its own principles, although with some recognition of Government of Uganda operational modalities. Some NGOs such as Water Aid, even question recommended technologies as well as procedures for community mobilization and involvement.

⁵ Decentralization, the WED programme experience, paper presented to IMSC Meeting 16-17 February 1998

4. CRITICAL ISSUES AND IMPLICATIONS

4.1 Finance

Financial problems permeate and underpin many other issues impacting on the development and maintenance of water and sanitation facilities. The rationale for decentralization includes improved equity and efficiency: the concept that those who benefit from public services should pay for them and that resources will be most efficiently allocated where decisions are made by those who will benefit from their use. If Decentralization is to be meaningful, then Districts must have some degree of financial independence.

However, as was pointed out in World Bank District Management study in 1992⁶, while the theory may be sound, practical factors inhibit the realization of these goals. Basically the problem rests with the real poverty and lack of economic development/fiscal resources in the rural areas. For the foreseeable future therefore the bulk of tax revenues will be collected and allocated/dispensed by the central government. In effect, Decentralization has not resulted in the mobilization of larger government revenues but only created multiple political organs that have to share in the same size of cake. In addition, lack of fiscal independence and flexibility at District and lower levels is compounded by the fact that the provisions of the Local Government Act are not yet fully complied with, since the development budget has not yet been decentralized and equalization grants have not yet been realized.

The low level of economic activity in the Districts places 90 percent or more of taxpayers in the lowest tax category. This is compounded by the lack of up-to-date tax registers in many places, and reluctance to enforce regulations, which provide for the arrest and imprisonment of tax defaulters. It is also often the Districts with the poorest water and sanitation coverage that have the least absorptive capacity for development resources. The same applies at lower levels of Local Government.

The overall financial weakness of the Districts, sub-counties and villages and the unavoidable demands for paying salaries and allowances not only casts doubt on future sustainability of installed systems but can cause discontinuities in implementation. The low level of remuneration of District and sub-county staff demotivates them in spite of payments of performance related allowances by donors.

The constraints may best be understood by the experience of RUWASA. RUWASA Project Phase 2 envisaged an increasing contribution from the Districts over the 5 years of project life, starting with an estimated 1% of direct project costs increasing to 5% in year 5. Experience has shown that most districts are unable to raise even the required one-percent and they have fallen increasingly in arrears. The example of Mbale, a relatively wealthy District may be given. In the year 1998/99 Mbale was only able to budget US\$ 26m. (approximately \$20,000 at current rates) towards water development and management (excluding staff salaries to be paid from the central government grant). It may also be stressed that budgeted expenditure is generally optimistic-the water department will most likely not have funds released in this amount. By the end of 1988 the cumulative percent of the amount expected for the first two years of phase 2 in the 10 RUWASA aided Districts was between 4.8 and 50.8 percent. 6 of the 10 having contributed less than 25% of what was expected⁷ although the project was already in the third year of operation.

⁶ Uganda District Management Study, Report no. 10695-UG of the infrastructure operations Division, East Africa Department, May 29th 1992.

⁷ Draft paper on RUWASA Project Institution Development and Management

Financial problems are not only confined to lack of money. Districts are weak in money management, in planning and budgeting in exercising financial controls over expenditure. This situation is even more acute at lower levels. Project Funds are released to Districts in the case of both WES and RUWASA on submission of 6 or 3-month workplans and budgets. More difficulties have also been experienced in controlling expenditure of project funds especially keeping within planned expenditure and budget ceilings.

These problems point to the need for:

- i) A comprehensive Review of the rural tax base and investigation of alternative sources of local government taxation and the modalities of collection.
- ii) Improved information systems to register and track taxpayers
- iii) More intensive community sensitization on responsibilities.
- iv) An exploration of ways to improve the probity of Politicians and Administrators and to make honesty pay.
- v) More specifically targeted simplified training in planning, budgeting and accounting
- vi) Standardized and integrated budgeting procedures and formats for local councils.
- vii) A review of alternative methods for long term funding of the development and maintenance of rural water supplies, including private companies and use of credit
- viii) Expediting the process of decentralizing the development budget and operationalizing payment of equalization grants.

4.2 Human Resource

4.2.1 District Staff Establishments

The key Departments in the development of the rural water supplies and sanitation are those of water, Health and community Development. While in most District the Directorate of Health Services is fairly well staffed both in terms of numbers and of knowledge and skills, the Water Departments hardly exist, one or two having no professional staff and more having only one or two to manage water development in entire Districts. In this connection, it has to be pointed out that although most construction work can be contracted to the private sector, this does not obviate the need for supervision. In fact, supervisory tasks can be even more onerous. The Directorate of Community Development is also most usually poorly staffed and appears to be being rapidly phased out in many places.

At sub-country level District Directorates post extension staff. The District Directorates of Health Services commonly have Health Inspectors in most, but not all sub-counties and Health Services commonly have Health Inspectors in most, but not all sub-counties and Health Educators in a few. The Directorate of Community Development normally will have at most an establishment that covers about 50% of sub-counties, while the District Water Office does not have any staff at the lower levels.

Present District and Sub-county Staff establishments are inadequate in number and inadequately equipped and motivated to undertake the many tasks assigned to them, to coordinate and manage the implementation of water and sanitation development and maintenance. Many are also not well qualified to undertake some new responsibilities.

Resort to auxiliaries such as the Water User Committees, or Local Councilors to undertake community sensitization and education may not prove successful. This is not only because such voluntary services are not rooted in local tradition and such persons will also expect remuneration, but also because facilitators and trainers need to be themselves educated and skilled. While in some communities it is possible to find some retired civil servants or more highly educated farmers, in others it is not.

4.2.2 NGO Extension Workers

While NGOs have their own field staff, several also rely on District Government staff or collaborate extensively with District Directorates. Staff of both DDHS and DCD in addition to their normal duties also work for projects and NGOs. RUWASA calculates that such field staff (social mobilizers) spend 10 days a month on project related activities and are paid a performance-related allowance. Without such motivation they would be unlikely to work. All projects thus augment local government staff salaries in different ways and to differing degrees. Attempts to standardize the amount and conditions of such payments have so far not been successful.

4.2.3 Training and Education

Whereas all NGOs use Government extension agents for community mobilization and training, both RUWASA and WES also involve key District Staff in a more structured way as members of the District Management Team/District Management of which the District Chief Administrative Officer is the Chairperson. In the case of RUWASA there is also a District Coordinator of RUWASA activities. While ideally this individual should be the District Water Officer, circumstances and District preferences have resulted in staff of other Departments taking on this responsibility.

All Projects have included capacity building and training for local political leaders and District staff of these Departments, however, many individuals have been later on made redundant, or leave to take jobs in the Private Sector. Those that remain are often demoralized by the working conditions referred to above.

It was clear to the Consultants that capacity building carried out so far has not had the expected impact. In addition there is a general complaint that staff spend too much more on workshops and not enough working. The reason for this requires full investigation.

4.2.4 Working Environment

In the time available it was not possible to adequately explore and document the work environment of local government extension staff. However, it was evidently not ideal. District Directorates are often housed in inappropriate buildings without proper furniture. The newly created Districts, particularly those furthest from Kampala are worst off. Some staff live in neighboring district town centers and commute. Energy and communications are sporadic or absent. Most Projects including minor as well as the major ones, provide logistics for offices and staff involved in Project activities, including vehicles, motorcycles and bicycles, computers and even office furniture, as well as communication materials.

However, this does not touch the root of the problems confronting public service employees. Salaries are still execrable, in spite of GoU efforts at improvement. All staff augment their salaries by other work. At sub-county level this is commonly farming. There are no longer any other benefits, with the exception of generous night out duty allowances. At sub-county level staff not only have to house themselves but also use their houses at least for keeping files and other materials, since they have no offices.

The transport provided by Projects is never adequate. Although Districts are described as Implementors, Project Implementation Units still operate the bulk of Project vehicles. Bicycles are commonly sold to extension workers at subsidized rates and extension agents are expected to maintain them. RUWASA pays about \$60 per month as an allowance to the Sub-County Social Mobilizer, of which \$5 is for bicycle maintenance.

Some Projects have explored the possibility of improving conditions of work but all essentially require some funding and it is inadequate funds which inhibit not only payment of a living wage but also provision of better terms of service. Nevertheless this is an area which can still be creatively explored.

4.2.5 Conclusion and Implications

The Consultants identified three categories of critical issues in relation to human resources.

1. The first is the small number of local government staff relative to the extent of responsibilities.
2. The second is poor term of service: not only below subsistence level salaries, but lack of attention to other enabling factors in the work environment, affecting staff personally and their work situation e.g. staff development plans, well-appointed offices, adequate logistics.
3. The third is lack of capacity, inadequate or inappropriate qualifications, or inability to apply theoretical knowledge to practical situations.

It may be observed that to a large extent all these issues are directly dependent on an improvement in both the mobilization and management of local government funds. Nevertheless, if whatever funds are available are to be well used, priorities need to be agreed and systematic plans prepared, based on defined principles. It was the view of the Consultants that there is insufficient information at the moment on which to carry out such planning.

In particular not only does Uganda have no Manpower Plan, but there is no systematic description of manpower resources in either the public or private sector in any District. It is difficult to get even minimal information on the staff establishment of any District Directorate. There are as yet few approved District Plans and these do not include an adequate appraisal of manpower needs. Such needs, taking account also of Private sector participation, most provide the basis for human resource development plans.

- i. A first task therefore is to carry out District Manpower Appraisal and to critically assess manpower requirements in relation both to development and to recurrent activities and responsibilities. If the local Government Councilors or other private sector organization is an essential element in the provision of services to the community, then such appraisal should also include a review of the manpower resource available down to the level of LC I executive Committee, and in locally based business enterprises.
- ii. A second concern is the terms and conditions of service of public sector employees. Again, a constructive assessment should be undertaken. This should examine and report on the implementation of regulations governing the employment of civil servants and on their actual work conditions and consider and recommend possible improvements within available local funding and Project topping up arrangements and with reference to experience elsewhere.

- iii. Thirdly, with particular emphasis on the Water and Sanitation Sectors, to review training needs in relation to job description and in the context of proposed manpower plans.

4.3 Roles and Responsibilities

4.3.1 Overview

The organizations responsible for the development and delivery of water supplies, sanitation and hygiene education have already been described. Stakeholders include Donors, Central Government, District Governments and other local Councils, NGOs and users. Uganda has and is benefiting from the investment of wide range of donors and actors in the RWSS Sub Sector. However, there is both a lack of definition of roles and coordination in their activities. Some important tasks have as a result been neglected. The Consultants singled out monitoring and evaluation as having been particularly poorly effected. Districts and communities are furthermore confronted with contrasting styles of operation and conditions.

It was impossible within the time allowed for this study to obtain full information on all water development projects since there appears to be no central registry or clearing house for information. Although officially the DWD has to authorize and allocate numbers for each deep borehole, it has no such control over other types of systems and the Districts have not yet instituted information systems on any aspects of their services. This is inspite of the attempts through a number of Projects to provide computers and other resources.

4.3.2 Local Government Councils

While the Local Government Act (1997) and the Water Statute (1995) provide the overall legislative framework for operations, they do not cover all eventualities. Many changes are introduced piecemeal over time. In addition, not only major Projects but also smaller development initiatives modify their rules during the course of implementation. As a result not all players at any point in time are certain of their roles and responsibilities vis-à-vis other actors.

For instance the Local Government Act often refers loosely to "Local Councils" without specifying which level e.g. "Has power to raise taxes". Other documents may have to be referred to which provide more operational detail. These may either not be available in a language readily comprehensible to all those concerned. Thus conflicts may arise between different levels of Local Councils, between politicians and administrators, or within Councils between the members and the Executive or between members of the Executive itself. Where the Ministry of Local Government intervenes in a dispute it may itself become party to the conflict rather than adjudicator or mediator.

4.3.3 Water User Groups

Water User Groups are formed in response to the supply situation. They are not self-reliant, established concerns actively seeking donors to support their already identified development priorities. Instead their composition, roles and responsibilities, are stipulated as part of Project conditionalities. To that extent they are dependent on external rather than internal support for their continuing existence.

At the User level there is no tradition for paying for water. Although the need to contribute to development costs is now widely accepted, there is resistance to making regular payments for management and maintenance. The concept for preventive maintenance, distinct from repairing what has broken down, is also still very new. The roles and responsibilities of users, Water Users Committees and Associations, and Local Government Councils for sustaining installed systems is furthermore not well defined.

4.3.4 Conclusion and Implications

The Consultants concluded that there is no clear, commonly agreed and systematic demarcation of roles and responsibilities, or assignment of authority between the several players including NGOs, Project Implementation Units, Civil Servants and Central and District levels and politicians and ordinary community members.

The small number and fledgling status of companies with drilling experience and capacity inhibit private sector assumption of public sector roles and responsibilities in rural water and sanitation development and delivery. Other inhibitions include demonstrated ability to produce quality construction and lack of an appropriate standard regulatory framework for their operation. There is also no market for their services other than the exclusively donor funded projects.

The implications of these findings are crosscutting with those detailed under other headings.

- i) There is firstly a need for greater clarity and consistency with respect to roles and responsibilities. It must be appreciated that it takes time to sensitize and educate the large number of individuals involved in the supply or management of rural water sanitation. At the lowest level, players and beneficiaries may have just understood and started to operationalize one set of procedures when something new is introduced. Uncertainty over assigned responsibilities can also lead to inaction or inertia.

The extent to which detailed provisions and guidelines are developed nationally can undermine many of the basic premises of decentralization and demand driven processes. Nevertheless, the need for some degree of standardization may require the imposition of rules rather than allowing each beneficiary group to decide its own.

- ii) Information generated through baseline studies, systematic monitoring and evaluation and the maintenance of dynamic information system is essential in order to document successes and failures and so that there can be systematic learning from experience and operational modalities can be tailored to situational realities. Greater priority thus need to be given to developing participatory monitoring and evaluation systems, not only for the duration of projects implementation, but which can form a permanent basis for Sub-Country and District Planning.
- iii) Logical Framework Analysis should also be utilized that fully involves all stakeholders from the outset in first defining objectives as the beginning of an implementation process that includes not only input/output monitoring but review, assessment and evaluation of processes and basic principles.
- iv) Donors must be prepared to invest more money and time in software activities and these should, if necessary, extend beyond the construction/implementation phase of projects.

4.4 Principles and Methodologies

4.4.1 Decentralization

Decentralization involves devolution of rights and responsibilities not just to District governments but to Sub-Counties and below. However, availability of qualified personnel and funds, scanty even at district level, are in even shorter supply at lower strata. In addition, District Plans are supposed in future to incorporate the plans of the Sub-Counties lower, yet up to the present time even most Districts do not yet have realistic if any Development Plans and their Planning Departments are typically manned by one or two new

graduates. Experience in both RUWASA and WES has drawn attention to the inadequacies of District Plans.

Districts, more especially those most newly created, lack logistics, offices, office equipment, reliable sources of energy. The Sub-Counties are even worse off. Typically there is a building with a meeting hall, used for court proceedings, meetings and even social events, perhaps two rooms as offices for the Sub-County Chief, Sub-County Treasurer and the LCIII Chairperson, that are also used by the committee members and officials. Furniture is minimal. Extension staff commonly operate from their homes.

Sources and amounts of funding for projects and programs are still largely central government grants. Although funds may be budgeted, both discontinuities in payment of grants and excessively poor mobilization and irregular flow of funds raised locally may mean that no disbursement is actually possible. In the case of water development, where the release of project funds may be conditional on some counterpart contribution, this can result in dislocation of activities directly paid for by the Districts, especially simpler water protection systems or community mobilization activities.

Decentralization has multiplied the number of political structures and persons who have to be paid for from public funds. District and lower level budgetary provisions are therefore of necessity heavily weighted with such commitments. Districts are thus unable to pay for the number of extension staff needed to carry out effective community mobilization and training.

Decentralization has also left District Departments isolated from the support and guidance they used to receive from their Ministry headquarters and more dependent on the goodwill of the local politicians. Avenues for promoting to Center no longer exist, whilst payments of salaries and allowances have become more uncertain. This has led to further lack of motivation and commitment. Consequently, difficulties in attracting and keeping qualified personnel, especially in more remote have emerged.

4.4.2 Private sector participation

The Private Sector is small and undercapitalized. Heavy construction tends to be monopolized by a handful of multinationals. Local concerns rely on poor, often secondhand, equipment. There is a general lack of qualified manpower so companies compete for the few available reliable experts, who may end up working for more than one concern.

The lack of expertise in almost every type of enterprise has meant that projects such as RUWASA often have to spend resources on capacity building those hired to carry out a task, be it training, gender sensitization or spring protection.

The smallest business such as those producing slabs and sanplats, or dealing in spare parts are heavily reliant on project support and contracts. They usually require some advance payment to enable them to mobilize and start up and are unlikely to continue to function when the project ceases to give them work. It is also difficult to ensure transparency and a level playing field in hiring policies either through District or Central Tender Boards.

Cost/charges by Private contractors and providers of services tend to be higher to government than on the high street or to private buyers as a result; it is claimed, of long delays in payment and other contracting costs.

4.4.3 Demand Driven Approach

In theory the demand driven approach allows beneficiaries a choice in determining the key elements of a project at the planning stage and ensure that limited resources are channeled to communities fully prepared to maintain new or improved water supply and sanitation systems. However the extent to which communities negotiate and determine what type of facility they are to get, on what terms and most specifically where it will be located vary from

project to project and in most instances, especially in case of the major projects are very restricted.

While also demand driven strategies are expected to expedite development, in practice they most usually delay implementation. The process through which local councils and communities are enabled to access and 'demand' assistance lengthens the time between initial contact and eventual installation of handpump or other facility, without guaranteeing sustainability or even measurably contributing to it.

The Global Study⁸ commissioned by the World Bank amply demonstrated that sustainability is not so much dependent on freedom of choice as on effective and sustained sensitization and education of beneficiaries. This does not necessarily have to be carried out prior to development and in any case activities initiated in the planning stage require further follow up and long term support and monitoring.

In any case with respect to nearly all of the water development projects now being undertaken in Uganda, the detailed conditionalities leave little choice to communities or local governments. It is very much take it or leave it.

On the other hand, donors are impatient to see measurable material outputs for their investments and unprepared to invest in software activities to the same extent as for hardware. Thus much education is both rushed and skimped. In addition, while a great deal of time and effort has been expended on the details of project implementation, little thought has been given to routine management and maintenance issues.

As has been described another critical issue is that community participation is facilitated through the use of participatory methods of mobilization, sensitization and education. However, not only do such methods take time but also require fully trained facilitators. Much of the ToT is too short and classroom confined.

4.4.4 Gender Issues

All projects pay lip service to the need to involve women who are generally recognized as having an essential role in the provision, management and safeguarding of water. The Consultants noted that apart from such declaration, project description and DWD policy papers do not further explore how women should become integrated into all stages of project planning and implementation. Neither do they monitor the few areas where a stipulation such as 50% of members of WUCs should be women are actually being followed.

4.4.5 Conclusion and Implications

Decentralization: The Consultants observed that decentralization had been implemented without any evaluation of its possible implications and impact, but on the basis of theoretical assumptions about its benefits. It has been implemented in stages and so far as the Consultants are aware there is no written timetable outlining these stages and the rationale behind them.

While also in theory decision making should reside with Local Councils, it is not always clear which level has the power to make decision in relation to either development of their day to day recurrent operations, and substantial control over even some details of administration remains with the central government. In as much as donors are the main financiers of water and sanitation development they also determine many organizational details.

⁸ #UNDP World Bank and Sanitation program, Uganda country report "An analysis of the impact of institutional rules on rural Water Sustainability" N. Asingwire and D. Muhangi, July 1997

There is a need for a critical review of the process and practice of decentralization as it relates to the provision of water and sanitation, in order to lay a sound basis for defining roles and responsibilities that is workable and acceptable to all stakeholders.

Private sector participation: Most issues with respect to the policy of private sector participation have already been dealt with under the previous heading or fall more comfortably under critical issues in relation to laws and procedural rules. The private sector is in its infancy. It lacks resources of capital, manpower and equipment. Most private concerns have little if any corporate experience. Tax and licensing regulations, banking and insurance facilities, even communications and energy resources are not friendly to private sector development.

A study is necessary on how to develop an enabling and supportive environment, especially for the small entrepreneur in the construction sector. At the same time, there needs to be further investigation into how quality of output may be best assured.

The Demand Driven Approach: The premises on which demand-driven approaches are based are questionable. Although it is unarguable that communities must somehow be involved in the decision-making process, in practice the ultimate beneficiaries, even district government, are given little choice in the design of water projects, financial, technological and social issues and even siting are largely decided by technocrats. In addition, human resources constraints mean that the participatory methods used in community mobilization and education are not effectively implemented/used, especially on major development projects.

It is recommended that as a preliminary step a review workshop be organized for the Community Development Resources Centers and the Community Based Health Care Workers Association in Uganda. The workshop should review the application of Participatory Rural Appraisal, SARAR and other demand-driven approaches in initiating and sustaining development. Special emphasis should be given to rural water sub-sector, with a view of developing common understanding of what it takes to develop a workable program for TOT and to utilize PRA in community mobilization and education.

Sanitation and Hygiene: The critical issues described so far are equally relevant to the promotion of sanitation and hygiene. Major responsibility for sanitation and hygiene policy formulation falls under a different central government ministry, while different District Directorates and extension agents largely carry out implementation. Donor financial support for sanitation and hygiene is relatively minimal compared with that for what, thus inevitably relegating sanitation and hygiene to a position of minor importance. It was also pointed out to the Consultants that whereas there is an effective demand for water, the promotion of improved sanitation and hygiene requires some measure of coercion. This is in addition to intensive and extensive education.

Further comparative study is needed to explore alternative approaches to and organizational arrangements for the promotion and sustainability of improved sanitation and hygiene. Additionally, donor funding should reflect the importance that should be given to this sub-sector component, if as the literature suggests maximization of the benefits of safe water supplies depends on good sanitation and hygiene.

Gender Issues: These issues hardly feature in the documents reviewed by the Consultants. They were also not spontaneously mentioned in the various interviews and meetings, in spite of the fact that in rural areas women, as stated in the National Water Policy of 1994, are almost solely responsible for the collection and care of household supplies.

There are cultural factors that militate against the more effective involvement of women in decision making in spite of GoU commitment to improve their status at least by setting

minimum requirements for the number of female Councilors and Parliamentarians. Nevertheless, there needs to be more innovative approach to dealing with the underlying causes rather than making cosmetic changes.

4.5 Laws and procedures

The Consultants were not able to review the legal framework for water and sanitation development and delivery exhaustively. Nonetheless, superficial review indicated that there were contradictions, inconsistencies, unclear or incomplete provisions that need to be amended.

Reference has been made to the major Laws and Statutes governing Local Governments and the Water Sector. It has already been noted that these laws do not contain comprehensive provisions to cover all eventualities. They also have to be read and interpreted in relation to other laws and bylaws. There appeared to be both internal contradictions and contradictions between the provisions of the separate laws. In particular the provisions of the Water Statute, that was passed in 1995, do not harmonize with those of the later Local Government Act. In practice also the Water User Committees provide for in the Water Statute do not have the status and power of village Councils. The Chairman of the WUC may have to obtain permission from and the support of the LC I chairman to convene meetings.

It is also unclear from the Statute how Water User Groups should be formed, and to what extent they are to be responsible and representative of members, particularly since the Statute also allows "Local Authorities" to organize their formation. There is at present no system for registration of such Groups, nor law relating to their composition or limiting the liabilities of their executive committees.

The Water Statute, under the heading of 'Inventory of Water Resources' empowers the Minister of the Central Government Ministry at any time responsible for the Water Sector to require 'any person, or class of persons' to keep records (among other things). This would appear in conflict with the independence of Local Government. Without information, as has already been noted, there can be no proper planning. It is also unclear in the Water Statute who needs the information for what purpose within the decentralized system.

Further on (p.23) it gives the "Director" the power to enter land for the purpose of investigating water resources and carrying out construction. This appears to be in conflict with some of the provisions of the Land Act of 1998.

There is an evident need for further review by qualified legal specialists who can recommend how the laws may be better harmonized and operationalized. Such a study should include:

1. Water Rights
2. Communal Responsibilities
3. Management Systems
4. Water Resource Development and Conservation
5. Private Investment
6. Health Regulations.

APPENDIXES

APPENDIX 1: LIST OF DOCUMENTS REVIEWED

MoWLE/DWD

1. "Implementation process/Methodology for the small towns water and sanitation Project (IDA) paper by E. Kisembo DWD workshop June 25-26 1998.
2. "The water sector institutional arrangement and legislation" Paper by P. Kahangire, DWD workshops June 25-26 1998.
3. "Overview of Sector stakeholder, their roles and need for proper coordination". Paper by S. Bomukama, DWD workshop, June 25-26.
4. "The Review of the progress towards Achieving sector objectives by NGOs" Paper by M. Kunihiro, DWD workshop June 25-26 1998.
5. "Operational and Management of Water supply and sewage systems in towns" Paper presented at DWD workshop.
6. Policies and guidelines of the Rural Towns Water and Sanitation program, DWD November 1997.
7. Decentralization secretariat.
8. Decentralization in Uganda: Popular Version.
9. Decentralization in Uganda: center-Local Relations.
10. Decentralization Manual for Local Councils in Uganda.
11. Brief on Decentralization of the Development Budget.
12. Decentralization in Uganda: The Policy and its Philosophy.
13. Decentralization in Uganda: The policy and its Implications.
14. Decentralization in Uganda: challenges of institutional change.
15. Decentralization in Uganda: Challenges, shortcomings and advances.

WORLD BANK

16. Financing Agenda 21: Freshwater, by Briscoe J. and Garn M the World Bank Transportation, water and Urban Development Department.
17. Uganda: District Management Study 1992, infrastructure operation Division Eastern Africa Department
18. An Analysis of the Impact of Institutional rules on Rural Water sustainability, by N. Asingwire and D. Muhangi, UNDP-World Bank Water and Sanitation Program, Regional Water and Sanitation Group, Eastern and Southern Africa Region in collaboration with the Ministry of Natural Resources (Uganda) and RUWASA Project.

Urban Reference

19. Proposed for streamlining the management of urban water supply and sewerage services.
20. Policies and guidelines for the Rural Towns Water and sanitation program.
21. Urban local Government Finance by Ronald Johnson.
22. Resource Mobilization and Financial Management by Douglas Keare.
23. Environmental services by Ghooprasent Wanchai.

RUWASA

24. Institutional Development and management.
25. Decentralization-RUWASA Experience and Lessons, Paper presented to 16th IMSC meeting in Arua February 1998.

Other documentary sources

26. "Status report on the implementation of the Decentralization program for the period 1st January to 30th June 1998, Decentralization Secretariat.
27. Logical Framework Approach-A Flexible Tool for Development, DANIDA 1995.
28. National Water Policy, MoWLE 1977.
29. Proceedings of Coordination Meeting of Non-Governmental Organizations, Kampala 7th March 1997, UNICEF country office in collaboration with Regional Water and Sanitation ground for Eastern and Southern Africa.
30. "Decentralization of power in Uganda: Obstacles and opportunities" paper by Prof. Apollo R. Nsimbabi present to Uganda Economic Association meeting April 29th 1993.
31. Uganda: Constitution of the Republic of Uganda (1995).
32. Uganda: The Local Government Act (1997) Acts supplement No.1
33. Uganda: The water Statute (1995) Statues supplement no. 7.

APPENDIX 2: LIST OF INFORMANTS

Location	Institution	Name	Status
Kampala	DWD	Mr. P. Kahangire	Director
	DWD	Mr. S. Bomukama	Commissioner
	DWD	Mr. I. Ainebahoona	WES Coordinator
	DWD	Mr. Shillingi	Commissioner
	DWD	Mr. Cong	Chairman, Water Sector Reform O&M
	DWD	Mr. Charles Kabugo	O&M
	Small Towns	Mr. Eyatu-Oriono	Dep. Project Coordinator
	MoLG	Mr. Nkayorwa	Ag. Director, Inspectorate
	MoLG	M. Babalanda	Assistant Inspector
	UNICEF	Mr. Bill Fellows	Ag. Chief, WES/UNICEF
	Water Aid	Mr. Amsalu Negussie	Country Representative
	Water Aid	Ms. Monica Kunihiro	Coordinator
	Irish Aid	Ms. T. McDonnell	Program Officer
	DANIDA	Mr. Hans Lillelund	Counselor, Development
	DANIDA	Mr. Sam Mutono	Program Officer
	MoFPED	Mr. Tim Williamson	Advisor, Finance
	MoFPED	Mr. Kayondo	Commissioner, Budget
	IFAD	Mr. Simon Mugayo	Team Leader
	Decentralization Sec.	Mr. B. Kumumanya	Training Officer
	Decentralization Sec.	Dr. Nsubuga-Kyama	Chief, Training Division
MoLG/ICBP	Mr. Tiwaidha-Kyama	Program Officer	
Rakai	District Council	Mr. M.J. Mukasa	Chairman LC V
	District Council	Mr. Anthony Yiga	CAO
	District Council	Mr. David Balubuliza	DWO
Kyotera	Town Council	Sheikh Matovu Badru	Mayor
	Town Council	Mr. N. Tukundane	Ag. Town Clerk
	Town Council	Mr. J. Bakagaba	Town Engineer
	Town Council	Mr. Ben Hategeka	Health Inspector
Luwero	District Council	Mr. J. Ssebunya	Community Dev. Officer (Ag. DWO)
	District Council	Ms. H. Nsereko	Sec. for Health, Water and Social Serv.
	District Council	Ms. Mugumya	Assistant CAO
Mbale	District Council	Mr. J. Balisanyuka	Assistant CAO
	District Council	Mr. C. Walimbwa	Chairman, LC V
	District Council	Mr. George Wopuwa	Deputy CAO
	District Council	Mr. Nyagosha	District Engineer
	District Council	Mr. Wabule	Secretary
	CARE	Mr. Bob Fielding	Technical Services Officer
	RUWASA	Mr. P. Okuni	Deputy Project Coordinator
	RUWASA	Mr. Christer Rooth	Financial Controller
Soroti	District Council	Mr. Onega	DWO
	District Council	Mr. Juventina Ebanu	Ag. Chairman LC V
	District Council	Mr. Okoropot-Aporu	Deputy CAO

APPENDIX 3: TERMS OF REFERENCE

DIRECTORATE OF WATER DEVELOPMENT (DWD) AND THE UNDP-WB REGIONAL WATER AND SANITATION GROUP FOR EAST AND SOUTHERN AFRICA (RWSG-ESA)

DECENTRALISATION AND THE REFORM OF THE RURAL WATER AND SANITATION SUB-SECTOR

DRAFT TERMS OF REFERENCE FOR PREPARATION OF AN ISSUE PAPER

INTRODUCTION

The following Terms of Reference (TORs) concern the preparation of an ISSUE PAPER (IP) on the implications of the decentralization for the decentralization for the rural water supply and sanitation (RWSS) sub-sector in Uganda. This will be an input in the process of developing a strategy for RWSS. It will define the evolving overall institutional context for the reform of WSS sector.

A team of two consultants and one staff will prepare the Issue Paper from the Directorate of Water Development (DWD). DWD will be the operational host for the assignment. DWD will provide guidance and assign staff to work in close collaboration with the consultants.

BACKGROUND

Over the last five to seven years, the Government of Uganda through the DWD has initiated important reform in community water supply and sanitation programs. Demand responsible approaches are being introduced under several projects, in particular, RUWASA and Eastern Centres (DANIDA), Small Town Water and Sanitation Project (IDA), WES Programme (UNICEF). DWD has moved toward systematic reliance on the local private sector for drilling and construction. DWD has also started to deal with arrangements for O & M of systems serving small towns and trading centers as well as complex piped systems for rural communities.

DWD intends to prepare a reform program for RWSS sub-sector, RWSS in the context of Uganda covers point source serving one village as well as systems serving several villages or small towns and trading centres. This programme would take stock of the experience gained so far and map out further reforms concerning in particular the operations of WSS systems and the mechanisms for their financing. However, the over-arching objective of the - RWSS reform program will be to adapt sector institutions to the decentralisation and to redefine roles and responsibilities and to review operational policies and development programmes accordingly.

DWD has the task of leading all sector actors in the transition toward decentralised operations. The passing of the 1995 Constitution, the Local Government Act of 1997 and the coming into force of the national decentralisation programme have fundamentally changed the context for RWSS development. Local governments are now emerging as the cornerstone of sector activities. The implications in terms of institutional roles and responsibilities, as well as, financing of RWSS, need to be carefully analyzed and the related reform introduced together with capacity building measures.

The drive to implement the decentralisation has focused primarily on crosscutting aspects: personnel - management, budgeting process and financial management etc. The efforts steered by the Decentralisation Secretariat in the Ministry of Local Government and supported by the Institutional Capacity Building Project in the Ministry of Finance. The Civil Service Reform Office is also playing a key role.

The attention is now turning to the specific sectoral reforms called for to redefine role and build the capacity needed at the various levels. Decentralisation in each sector needs to be clearly linked with sector strategy. The issues that are emerging in RWSS and in other rural, infrastructure sectors are generally related to:

- the tension between decentralisation and traditional centralized sector programming
- the multiplicity of financing mechanisms and conditions, either through thematic or sectoral programs;
- the lack of clarity on issue of ownership; and the lack of capacity at the district level

PURPOSE AND OBJECTIVES

The purpose of the Issue Paper is to create a common understanding among sector actors of the problems and challenges and set the stage for action planning later.

The specific objectives of the Issue Paper will be: (I) to identify the critical implications of the decentralisation for the RWSS sub-sector (ii) to outline needed institutional reform; and, (iii) to recommend a process to develop an institutional transition plan.

The study team, including two Consultants and one DWD staff, will proceed through the following steps:

- to gain familiarity with sector policies and operations in Uganda in particular the role and capacity of key actors; DWD, districts and local governments, projects, NGO'S, private sector operators.

Activities

- To establish the necessary protocol with DWD and the liaison with the working group and the IMSC;
- To review relevant policy documents and legislative acts and evaluations related to institutional arrangements for RWSS development and operations with particular attention to financing and ownership and management rights and responsibilities;
- To visit representative districts (preferably with ongoing rural and small town RWSS programmes); visit project management units; visit NGO'S; contact RWSS NGO's
- To develop an overview and an understanding of the programmes underway to implement the decentralization and of related issues especially concerning implementation of - sector policies (community management and response to demand);

Activities

- To establish contacts with key agencies: Decentralisation Secretariat, Institutional Capacity Building Project and Civil Service Reform Office.
- To review experience and approach of other sectors dealing with services to rural constituencies; e.g. health; visit relevant projects in particular the rural infrastructure project support by UNCDF.
- To identify systematic issues for local infrastructure services serving rural communities and small towns.
- To identify linkages/coordination between RWSS sub-sector and other agencies involved in decentralisation.
- To identify critical issues for the RWSS sub-sector and how they impact the various actors; DWD, districts, projects and NGO's and private sector (consultants, contractors, suppliers, O&M services providers etc).

Activities

- To assess implications for RWSS sub-sector concerning planning, programming and budgeting financing M&E and personnel management and capacity utilization and development etc particular attention to be paid to:

- (a) policy development and implementation in particular community management and local resource mobilization (project rules);
- (b) RWSS financing from the Center (DWD and projects) in particular through conditional grants and sector ;thematic funding mechanisms, and at the district level;
- (c) capacity requirements and development/utilisation at the district level,
 - to identify needed changes in roles and responsibilities for DWD, districts, projects and other sector actors.
 - to map out the process to develop an institutional transition plan under the sector reform programme

Activities

- To present key findings to WG at workshop to test relevance and priority of issues identified and develop proposals to address them;
- To map out process to develop institutional transition program institutional objectives roles, responsibilities and relationships phasing and sequencing management of the reform, evaluation and feedback

OUTPUTS

1. A report on decentralisation and the RWSS sub-sector covering the points mentioned above (draft before the workshop); with executive summary and main body not exceeding about 30 pages.
2. A summary of workshop proceedings with recommendations to the WG on RWSS reform, detailing the process for preparing an institutional transition program.

STAFFING AND DURATION

The study team will include:

1. One institutional specialist, international consultant (Michel Tymans)
2. One **CWSS** specialist, national consultant (Asingwiire Narathius)
3. One **RWSS** Planner/Engineer, DWD staff

The assignment will last four weeks (28 calendar days) during the month of October 1998.

DWD will organize a launch meeting with the WG on RWSS sub-sector Reform and representatives of central ministries dealing with the overall implementation of the decentralisation. The first two weeks will be spent on data collection and analysis; the third week on report preparation; and the last week on the workshop with the WG and on the preparation of the final version of outputs.

MANAGEMENT

The Director of DWD will provide overall supervision with the support of RWSSG-ESA staff Ato Brown (Sanitation Specialist).

DWD will facilitate contacts with other ministries and agencies in particular:

- the decentralization secretariat in the Ministry of Local Governments;
- the Ministry of Finance; Institutional Capacity Building Project;
- the Civil Service Reform Office and,
- project units and districts administrations

DWD will organise the liaison with the Inter-Ministerial Steering Committee for RWSS and with working group set up to oversee the operation of the reform of the RWSS sub-sector. The latter will be the object of another assignment to be funded under DANIDA Sector Project.

FUNDING AND SUPPORT

RWSG-ESA will fund the consultants (fees and travel).

DWD will provide its staff and arrange transport for field visits and organise the two-day WG workshop/seminar at the end of the assignment.