**NWSC, Finance ministry use prepaid meters to fight arrears accumulation.**

**KAMPALA July 11, 2014**

The ministry of Finance and National Water and Sewerage Corporation have moved to fight the challenge of unpaid utility bills and accumulation of arrears through the installation of pre-paid meters.

National Water and Sewerage Corporation (NWSC) has installed 100 pre-paid water meters in Government ministries and departments with a further 110 ready for installation.

The installation of the meters comes after the signing of a memorandum of understanding with the Ministry of Finance, Planning and Economic Development. The memorandum underlines Government’s commitment to clear arrears and measures to control its accumulation.

The meters have already been installed in the ministries of Health, Gender, Finance, Internal Affairs, Transport, Tourism, Information, Public Service and Defence.

Other meters have been installed in State House, President’s Office, KCCA, Uganda Aids Commission, the Electoral Commission, National Information Technology Agency, National Roads Authority and Police Headquarters.

Government departments currently owe NWSC about Ush.40bn in unpaid arrears. This is affecting NWSC’s operations and rate at which NWSC can extend services to new areas.

The Ministry of Finace has however committed to clear the arrears with Shs 25b already budgeted for.

NWSC currently provides clean water to 66 towns. Payment of the arrears will help the Corporation expedite the extension of clean water to 91 towns and urban centres by 2016 as opposed to the planned 80 towns by 2018.

Speaking at the launch of the first prepaid meter in the ministry of health on April 30, 2014, the Managing Director of NWSC Eng. Dr. Silver Mugisha said the prepaid water meters will empower water customers manage their bills better and help the corporation manage its cash flows and extend services to more Ugandans.

He said prepaid meters will help the corporation and government to solve the problem of accumulated unpaid arrears totaling to about Ush 40billion.

Speaking at the same event, Kenneth Mugambe, the Director Budget in the Ministry of Finance said the government had enough funds to pay its utility bills. He blamed the problem of accumulated arrears on accounting officers who under budget and sometimes divert money meant to pay water bills.

Mugambe who was speaking for the Permanent Secretary Ministry of Finance Keith Muhakanizi warned accounting officers who do not adequately budget for utility bills that they will be held liable for non-payment of bills.

**Prepaid Metering System**

The prepaid metering system is a simple technology with three components; a card, an Internal Unit and a meter. Both the meter and the card reader will be installed at the premise. Each card is tailored to the meter and will be auto loaded with credit at NWSC approved vending points and then it is inserted into the Card reader Internal Unit to recharge the meter.

Before the credit runs out, the meter will produce an alert noise, if the card is not recharged the valve of the meter closes and water flow is stopped.

The recharging points will be placed in different NWSC offices and will be accessible at all times.

**Benefits**

* Encourages Water Consumption Control
* Shows Current credit and the corresponding water left
* Customer can see current and past consumption
* Identification of leaks
* Smart Card – Simplicity
* Emergency Water – Flexibility

**NWSC – Water is Life. Sanitation is health.**