

Amended Corporate Plan 2021-2024 (May 2022)











Transformative, Accountable and Sustainable Service Delivery



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List of Acronyms and Abbreviations

AfWA	African Water Association
APAS	Arrears Payment Agreements
ARISE	Area Results, Innovation and Service Delivery Enhancement
COSO	Committee of Sponsoring Organizations
CP	Corporate Plan
CSR	
	Corporate Social Responsibility
D-BSS	Director Business and Scientific Services
D-CCS	Director Commercial and Customer Care
DEA	Directorate of Environmental Affairs
D-ES	Director Engineering Services
DESS	Department of Environment Water Support Services
D-FA	Director Finance and Accounts
D-HR	Director Human Resource
D-IA	Director Internal Audit
D-IBS	Director Information and Business Solutions
DMAs	District Metering Areas
DMD-BAMS	Deputy Managing Director Board Affairs and Management Services
DMD-F&CS	Deputy Managing Director Finance and Corporate Strategy
DMD-TS	Deputy Managing Director Technical Services
DoM	Department of Meteorology
D-P&CD	Director Planning and Capital Development
DWD	Directorate of Water Development
DWRM	Directorate of Water Resources Management
EFRIS	Electronic Fiscal Receipting and Invoicing System
ENR	Environment and Natural Resources
FSSD	Forestry Sector Support Department
GDP	Gross Domestic Product
GIS	Geographical Information System
GIZ	German Agency for International Cooperation
GoU	Government of Uganda
HRMS	Human Resource Management System
ICT	Information Communication Technology
IPAs	Individual Performance Agreements
ISO	International Organization for Standardization
IT	Information Technology
IWRM	Integrated Water Resource Management
KCCA	Kampala Capital City Area
KPIs	Key Performance Indicators
KSP	Kampala Sanitation Program
KW	Kampala Water
LV	Lake Victoria
M&E	Monitoring and Evaluation
MD	Managing Director
MDAL	Ministries, Departments Agencies and Local Governments
MoFPED	Ministry of Finance Planning and Economic Development

MWE	Ministry of Water and Environment
NDP	National Development Plan
NEMA	National Environmental Management Authority
NFA	National Forestry Authority
NRW	Non-Revenue Water
NWSC	National Water and Sewerage Corporation
PBS	Programme Based System
PC	Performance Contract
PESTEL	Political, Economic, Social, Technological, Environmental and Legal
PIAPs	Program Implementation Action Plans
PIP	Program Implementation Planning
PPP	Public Private Partnerships
PSPs	Public Stand Posts
SCAP	Service Coverage Acceleration Program
SCOR	Strength, Challenges, Opportunities and Risks
SD	Strategic Direction
SDGs	Sustainable Development Goals
SM-CC	Senior Manager Corporate Communications
SM-CS&IF	Senior Manager Corporate Strategy and Investment Financing
SPAs	Strategic Priority Areas
SSIP	Water and Environment Strategic Investment Plan
SWAS	School Water and Sanitation
UGX	Uganda Shillings
UIA	Uganda Investment Authority
UNMA	Uganda National Meteorological Authority
URA	Uganda Revenue Authority
USD	United States Dollar
VAT	Value Added Tax
WACOCO	Water Community Communication
WACOSE	Water Community Sensitization Programs
WATSAN	Water and Sanitation
WEPWG	Water and Environment Program Working Group
WESWG	Water and Environment Sector Working Group
WMD	Wetland Management Department
WMDP	Water Management and Development Project
WSSP	Water Supply Stabilization Plans
YWP	Young Water Professionals

Vision

The Leading Customer Service Oriented Utility In The World

Mission

To sustainably and equitably provide cost effective, quality water and sewerage services while conserving the environment and enhancing stakeholder trust

Corporate Theme

Transformative, Accountable and Sustainable Service Delivery

Catch Phrase—



Core Values



Professionalism: We focus on Staff competence and adherence to ethical principles



Teamwork: Together, with our different and complementary skills, knowledge and experience, we achieve more.



Innovation: We continuously develop and apply creative solutions towards improved service delivery



Result-Oriented: We strongly believe in effectiveness and efficiency in service delivery



Integrity: We embrace honesty, fairness and openness in everything we do

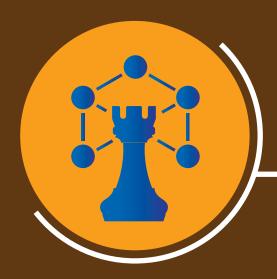


Reliability: We emphasize consistency and timeliness in all aspects of our Business.



Excellence: We look for and promote proficiency in all aspects of service delivery





Strategic Priority Areas (SPAs) Aligned to the NDP III (2021-2025)



SPA 1
INDUSTRIALIZATION



SPA 2
INFRASTRUCTURE
DEVELOPMENT



SPA 3
SKILLING AND WORKFORCE DEVELOPMENT

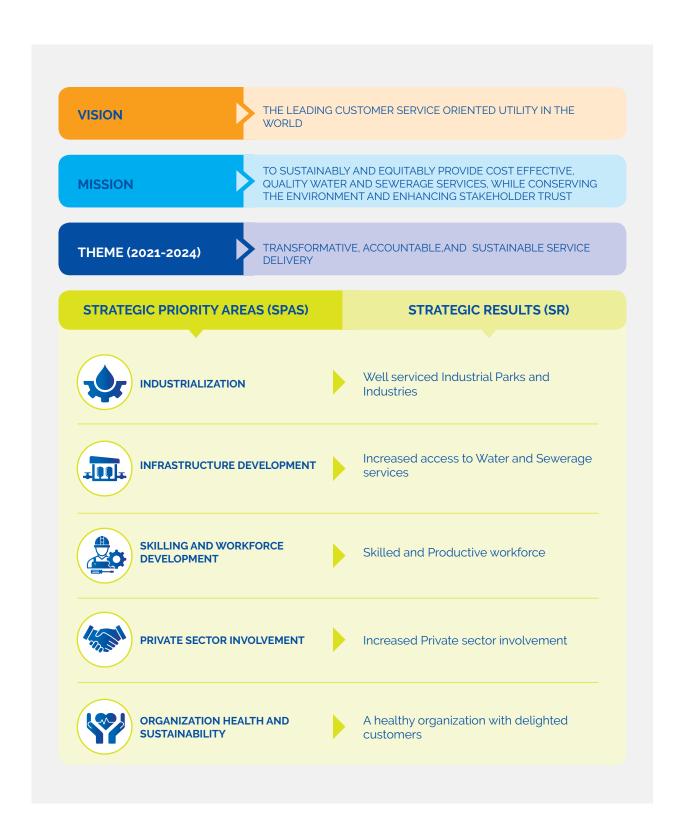


SPA 4
PRIVATE SECTOR
INVOLVEMENT

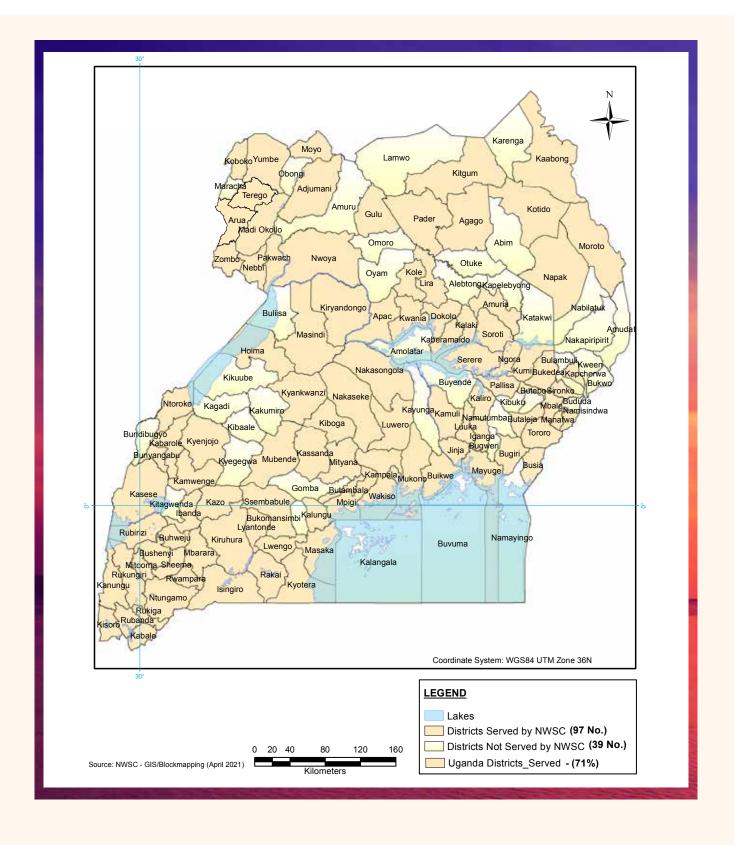


SPA 5
ORGANIZATIONAL HEALTH
AND SUSTAINABILITY

Schematic Presentation of the Corporate Plan (2021-2024)



Our Nationwide Footprint



Chairman's Foreword

It is our duty and honor as National Water and Sewerage Corporation (NWSC) to provide water and sewerage services to the urban centres (cities, municipalities and towns) and the communities entrusted to the Corporation in a sustainable, equitable and cost effective manner; in line with the Water Act, Cap 152 (2000) and the NWSC Act, Cap 317 (2000). This is our mandate to which we are fully committed and in doing so we will continuously endeavor to enhance the trust of our esteemed stakeholders.

In line with NWSC Act, we have prepared the 3-Year NWSC Corporate Plan for the period (2021-2024). This Corporate Plan is part and parcel of our Vision, "The Leading Customer Service Oriented Utility In The World", and has been aligned to the National Strategy and Policy Framework that notably includes, among others the Third National Development Plan, 2020-2025 (NDPIII).

Our strategic intent includes the following five strategic priorities:

- a) Support industrialization as a critical driver for economic development and transformation.
- b) Development of Water and Sanitation Infrastructure to accelerate service coverage and promote production and productivity.
- c) Effectively contribute to a more skilled, better motivated and healthier workforce. Human capital is the most important resource for the Corporation.
- d) Support the strengthening of the Private Sector given the need for a private-sector-led economy.
- e) Enhance the Corporation's Health and Sustainability as a going concern.

We are grateful to the Government of Uganda for the favorable working environment provided and for the enormous support extended to the Corporation. We are cognizant of the support from the Development Partners that has enabled us improve our service delivery capacity. We are always indebted to our esteemed customers for their support to and partnership with the Corporation.

The Board thanks the Management and Staff of the Corporation for the commendable work done in the previous Corporate Plan period (2018-2021) and for the continued efforts, dedication, and commitment in serving our customers.

On behalf of the Board, I pledge our support to the Management and Staff in fulfilling our mandate and what has been set out in the Corporate Plan (2021-2024). This Corporate Plan is a living document. We should therefore proactively and regularly adapt it to the evolving requirements of our stakeholders.

We will ensure effective stakeholder engagement and involvement during the implementation of this Corporate Plan (2021–2024). We look forward to the successful implementation of this Plan, and indeed more importantly to creating more value for our Shareholders-the Government, our Customers and the Public.

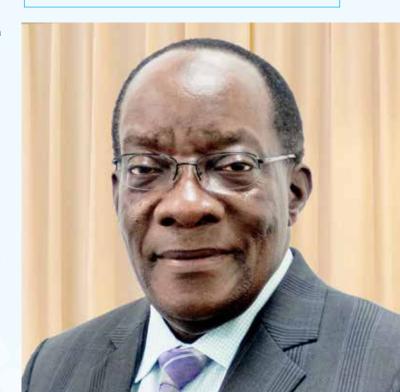
For God and My Country



Eng. Dr. Badru M. Kiggundu Board Chairman

On behalf of the Board, I pledge our support to the Management and Staff in fulfilling our mandate and what has been set out in the Corporate Plan (2021-2024)

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Managing Director's Statement

e are pleased to have in place the National Water and Sewerage Corporation (NWSC) Corporate Plan for the period 2021-2024, which outlines our strategy and plans for our customers and other key stakeholders. We believe that through this Corporate Plan we will achieve transformative, accountable and sustainable service delivery.

To-date, NWSC is responsible for the provision of water supply and sewerage services in over 258 urban centres (cities, municipalities and towns) in Uganda. The urban centres under NWSC's jurisdiction have a target population of 15 million people. By the end of Corporate Plan 2018-2021, the key service delivery attributes for the Corporation stood as follows:

- . Geographical coverage of 258 towns from 17 towns in 2016.
- . Overall Water service coverage of 78% and 84% within the municipal boundaries.
- Sewerage service coverage of 23% in the municipal boundaries
- A customer base of over 750,000 water connections and 24,000 sewer connections
- Total piped water network of 20,513 Km and total sewer network of 714 Km
- Practical water production capacity of 465,000m3/day
- Annual Volume of water supplied of 137 million m3, compared to 103 million m3 in the FY 2015/16.
- Annual Turnover of UGX.427 Billion, a growth of 55%, from UGX.276 Billion registered in the FY 2015/16.
- Operating surplus before depreciation of over UGX. 103 billion in the FY 2019/20, a growth of 72% from UGX.60 billion registered in the FY 2015/16.

In addition, the Corporation was able to complete a number of infrastructure projects, notable among which include the following:

- Arua, Bushenyi, and Gulu WATSAN projects (under the Water Management Development Project),
- Kapchorwa Water Supply Project,
- Kapeeka Water Supply project,
- · New Soroti intake Project,
- Compact Waste Water Treatment Plants for Fort portal and Kisoro towns,
- Fort Portal Water Production Improvements,
- · Masindi Water Production Improvement Project,
- Water Production and Supply expansion and stabilization infrastructure under SCAP100,

These achievements and projects have enabled us to increase service coverage, improve water supply reliability and a number of operational efficiency aspects.

During the same period we faced a number of challenges, notable among which included the following:

- The unfolding negative impacts of the COVID19 pandemic
- Relatively high non-revenue water levels and persistent illegal water use
- · Inadequate investment financing, etc.

This NWSC Corporate Plan (2021-2024) covers a three-year period in line with NWSC Act, but has goals, targets, strategies and deliverables span over a 5-Year period (2021-2026) in a bid to more effectively align NWSC's strategic intent with the overarching national strategy and policy framework of five-year National Development Planning Framework (NDPIII) – 2020-2025.

During the new planning period 2021-2026, we shall focus on performance improvement driven by the following Golden Indicators;

- Growth in the Asset base from UGX.3.8 trillion to UGX.6 trillion.
- Growth in the customer base from 800,000 to over 1,200,000 connections.
- Reduction in NRW from 37% to 33% in the next 5 years
- Increase in the Customer Satisfaction Index from 86% to 90%
- Increase in the Staff Engagement Index from 50% to 70% in the next 5 years.

In Pursuit of the above performance initiatives, we will ensure that the following ongoing and proposed infrastructure projects are completed and commissioned in a timely and cost-effective manner:

- Nakivubo Waste Water Treatment Plant Project,
- Kampala Water-Lake Victoria WATSAN Project (KW LVWATSAN)-Katosi-Kampala Drinking Water Treatment Plant Project and the transmission Mains,
- Integrated Program to Improve Living Conditions in Gulu (Phase II Nile Option),
- Development of Water and Sanitation Infrastructure for the Isingiro, Mbarara and Masaka Areas (South Western Cluster).
- Upgrade of Kapeeka Water Supply System (implemented under SCAP 100 framework)

- Rehabilitation and expansion of Lyantonde, Hoima, Kyankwanzi, Tororo, Soroti, Moroto, Bushenyi,Kalungu Kanungu and lira water infrastructure and construction of office blocks in Fort Portal, Kanungu, Busia, Kalungu, Lira, Kasese, Bushenyi, Rukungiri and Arua using Market Finance
- Sembabule Water Supply Improvement Project
- Integrated Water Development and Management Programme (Mbale, Gulu and Adjumani project components)
- Implementation of Source Protection Plans to enhance sustainability of supply

We will also ensure effective implementation of the strategies in the new Corporate Plan (2021-2024) and the achievement of the implied deliverables and targets. Mainstreamed are strategies aimed at consolidating the ongoing efforts and innovative ways to curb the impact of the COVID-19 Pandemic and ensure service delivery is not compromised.

It is worth noting that among the deliverables we have those that we refer to as "Transformational initiatives", whose implementation, we believe, will have strong positive knock-on effects on the achievement of the other goals and targets as well as have a lasting positive impact on the Corporation's health and sustainability. We will therefore give special attention to the implementation of these transformational initiatives.

We thank our stakeholders including the Ministry of Water and Environment, Ministry of Finance, Planning and Economic Development, the Development Partners and our Esteemed Customers for the support accorded to NWSC. We are very grateful to the NWSC Board of Directors for the oversight, guidance and support given to the Management and Staff of NWSC during the Corporate Plan Period (2018-2021).

I wish to thank the Board, Management and staff for the valuable contribution towards the development of the Corporate Plan (2021-2024) and for the continued efforts, dedication, and commitment in serving our customers.

The successful implementation of this Corporate Plan requires a well-coordinated and committed team with the right attitudes and values. On behalf of Management, I pledge our commitment to the successful implementation of this Plan and I call upon all NWSC staff to dedicate themselves to the fulfilment of this Corporate Plan's

aspirations. Yes, together as a team, we surely can make the Corporate Plan (2021-2024) a real success.

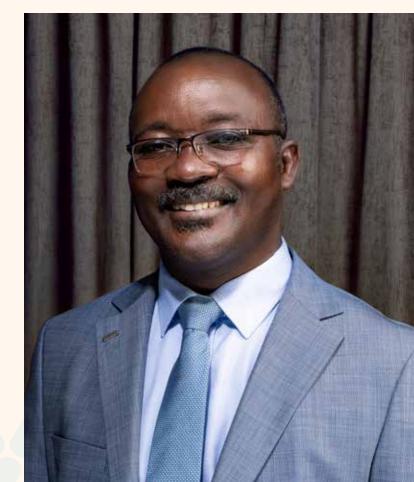
For God and My Country

Dr. Eng. Silver Mugisha

Managing Director

We will ensure effective implementation of the strategies in the new Corporate Plan (2021-2024) and the achievement of the implied deliverables and targets.

"



Executive Summary

The Corporate Plan (2021 – 2024) is the 9th Corporate Plan of the Corporation since 1997 and is prepared in fulfillment of our statutory obligation (NWSC Act Chapter 317 - Part V). The Plan incorporates a wide spectrum of ideas emanating from broad stakeholder engagements, and offers a framework of strategies that will enable NWSC fulfill its mandate over the next three years.

The Corporate Plan (2021 - 2024); is premised on the overarching Government Policy of transforming Uganda from a peasantry to a modern and prosperous economy as enshrined in the National Development Plan (NDP III), Government Manifesto and Vision 2040. The Corporate Plan has been extrapolated by two years up to 2026, to take care of the five year planning horizon that is in tandem with NDP framework and the Government Manifesto. While our focus is water and sewerage services, our goal is a thriving economy and healthy ecosystems through responsible stewardship, efficient management and strategic partnerships.

1.0 Review of the Implementation of the Corporate Plan (2018-2021)

The Corporate Plan (2018 – 2021) was implemented under the overarching theme of "Accelerated Sustainable Growth and Service Reliability through Innovations". The theme was supported by four Strategic Priorities of; Service Reliability and Expansion, Financial Growth and Sustainability, Customer and Stakeholder Delight, and Learning and Growth. These formed the guiding pillars in formulation and implementation of the overall strategic goals and the three-year targets.

Over the 3-year period (2018 – 2021), the Corporation implemented a plethora of performance enhancement initiatives that enabled NWSC achieve significant strides in most of its targets, save for a few areas where performance was

below expectation. Key among the achievements recorded include:

- Growth in geographical coverage from 236 urban centers as at June 2018 to 258 as at June 2021, with an estimated water service coverage of 78% and sewerage service coverage of 23%.
- Growth in daily water production of 12%, from 346 million liters per day as at June 2018, to 385 million liters per day as at June 2021.
- iii. Expansion of the water pipe network by 68%, from an average of 1,273 Km per annum in the period (2015 -2018) to 2,135 km in the FY 2019/20.
- iv. Growth in the number of new connections by 47%, from an average of 43,296 connections for the previous planning period (2015-2018) to 64,036 connections for the period 2018-2021
- Water sales increased by 12% from an average of 79 million cubic meters per year to 89 million cubic meters per year.
- vi. Annual turnover increased by 18% from UGX.388 billion as at June 2018 to UGX.490 billion as at June 2021.

While much has been done to improve water and sewerage services, the Corporation still faces a number of challenges.

These include:

- Inadequate water and sanitation coverage in some areas due to limited network coverage.
- ii. Inadequate infrastructure to meet the growing population needs.
- iii. Inadequate financing for infrastructure upgrade and expansion.
- iv. High level of Arrears, which affects cash flows and operations.
- Climate Change and its adverse effects on water sources and installations especially during droughts and prolonged rains.
- vi. Environmental degradation and deterioration of raw water quality which increases treatment costs
- vii. Covid-19 Pandemic that slowed business due to lock down of some sections of the economy.

2.0 Way Forward – Corporate Plan (2021 - 2024)

The Corporate Plan (2021 – 2024) is premised on the need to enhance water and sewerage services to cultivate improved quality of life of Ugandans, support industrialization growth and increase household incomes through strategic partnerships. The way forward that constitutes our strategic focus (2021-2024), takes into account the NWSC strategic fit and the SCOR analysis presented in chapter two.

3.0 Implementation Mechanism

The Corporation has formulated key strategies and deliverables under each of the Strategic Priority Areas (SPAs), which will be translated into Annual Budgets and Annual Action Plans. These will be implemented through Business Streams and Directorates, and will be championed by the Directors and Senior Managers.

In addition, a detailed risk assessment of the Strategic Objectives and Goals was undertaken and mitigation measures will be incorporated into the Annual Action Plans, which will be monitored regularly to ensure that the Corporation achieves the set Goals.

The total financial requirements for the Corporate Plan (2021 – 2024) is approximately UGX.6.1 trillion and will be funded through various financing options that include internal sources, GoU, Development Partners and Market Financing.

To ensure effective implementation of the plan, various stakeholders will be engaged from time to time including; Customers, Government Ministries, Departments, Agencies and Local Governments (MDALs), Civil Society and all the Development Partners to ensure transparency and ownership.





1.1 Background

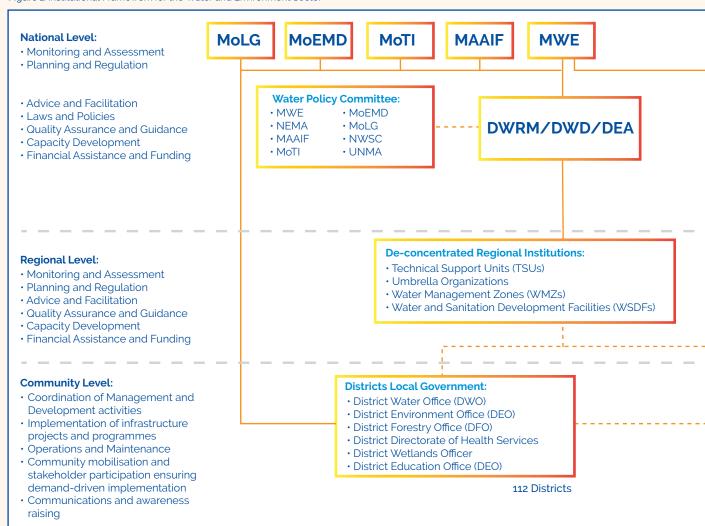
National Water & Sewerage Corporation (NWSC) is a Public Utility Company whose mandate as defined in the NWSC Act, Cap.317 Laws of Uganda 2000 section 5(1), is to operate and provide water and sewerage services in areas entrusted to it on a sound commercial and viable basis. The Corporation currently operates in 258 towns spread across the country.

The Act, under Section 19, requires the NWSC Board of Directors to prepare 3–Year Corporate Plans from time to time that incorporate strategies and policies

that the Corporation is to follow to achieve its objectives; services that the Corporation expects to provide for each Area entrusted to it, and performance indicators and targets. In addition, the NWSC has adopted a Five Year Strategic Direction (SD) which contextualizes the NWSC futuristic goals in a longer-term perspective, and is aligned to the Three Year Corporate Plan.

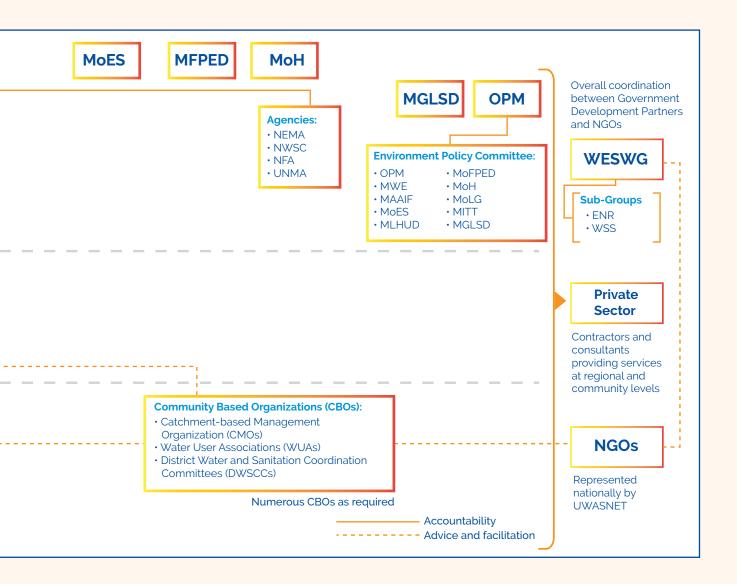
This chapter outlines the NWSC Institutional and Regulatory Framework as well as the Strategic Anchorage and the process of preparing the Corporate Plan (2021-2024).

Figure 1: Institutional Framework for the Water and Environment Sector



1.2 Institutional Framework

The institutional framework for the Water and Environment Sector comprises the MWE and its three Directorates, Parastatal organizations namely; National Water & sewerage Corporation (NWSC), National Environment Management Authority (NEMA), National Forest Authority (NFA), and Uganda National Metrological Authority (UNMA); related Government and Non-Governmental Organizations and stakeholders at Community, District, Regional and National Levels as set out in the Figure 1.



National Water and Sewerage Corporation (NWSC) is governed by a Board of Directors consisting of Nine (9) members that include; the Chairperson, the Managing Director and seven other Directors. The Directors, other than the Managing Director (MD) are appointed by the Minister of Water and Environment in accordance with the NWSC Act. The MD is appointed by the Board and is the Chief Executive Officer of the Corporation, responsible for planning, organizing, managing and controlling the activities of the Corporation in line with the NWSC Act. The MD is responsible for constituting the Management team to carry out the day-to-day operations of the Corporation. The Management Structure (attached in Annex 1) comprises three Business Streams, eight Directorates, and a number of Departments and Operational Areas.

1.3 Regulatory Framework

The NWSC is regulated through a Three-Year Performance Contract between the Corporation and the Government of Uganda (GOU), represented by the Ministry of Water and Environment in accordance with the Water Act CAP 152 Laws of Uganda 2000. According to the Act, the MWE is mandated to enter into Performance Contracts with Water and/or Sewerage Authorities appointed in accordance with Section 46 of the Act to provide water and sewerage services to the people of Uganda efficiently and economically.

The Three-Year Performance Contract is the main instrument for regulating water supply and sewerage services provided and managed by the NWSC. The Contract outlines Key Performance Indicators for which the NWSC should strive to achieve in line with the overall Government Policy objectives. The Corporate Plan, and the Performance Contract targets are usually in harmony to ensure consistency in allocation of resources. In addition to the Performance Contract, the Corporation is regulated by other existing well-established regulatory systems and regulating institutions.

1.4 Strategic Anchorage

The formulation of the NWSC Corporate Plan (2021-2024) has been premised on the overarching National Strategic Framework and the Global Agenda that include the following:

- i. Sustainable Development Goals (SDGs) Agenda 2030: SDG No.6 is to ensure availability and sustainable management of water and sanitation for all. The Corporation will specifically contribute to the achievement of the SDG targets; 6.1, 6.2, 6.3 and 6.4.
- ii. Vision 2040: The Vision of Uganda 2040 is "A Transformed Ugandan Society from a Peasant to a Modern and Prosperous Country within 30 years". To

this end, the NWSC Corporate Plan (2021-2024) has been anchored to the following Vision 2040 aspects; (a) improving the health, sanitation, hygiene and promoting commercial and low consumption industrial setups (b) improving water security and mitigating adverse effects of floods and droughts (c) Development of water for industrial purposes by putting in place the necessary infrastructure to support the re-use of water, and (e) Water use efficiency, water recycling and water re-use

- iii. National Development Plan: 2020–2025 (NDP III): The NDPIII provides the overarching National Strategy from which all strategic plans for Government Ministries, Departments, Agencies and Local Governments (MDALs) are drawn. The Goal of the NDPIII is "Increased Household Incomes and Improved Quality of Life of Ugandans". This will be pursued under the overall Theme of Sustainable Industrialization for inclusive growth, employment and sustainable wealth creation. The key objectives of the plan are;
 - a) Enhance value addition in key growth opportunities;
 - b) Strengthen the private sector to create jobs;
 - Consolidate and increase the stock and quality of productive infrastructure;
 - d) Enhance the productivity and social wellbeing of the population; and,
 - e) Strengthen the role of the state in guiding and facilitating development.

The NWSC Corporate Plan (2021-2024) has been aligned to the Programme Implementation Action Plans (PIAPs) for the various NDPIII programmes, but specifically for the Human Capital Development Programme and Natural Resources, Environment, Climate Change, Land and Water Management Programme.

- iv. Water and Environment Strategic Investment Plan (SIP 2018-2030): The SIP outlines the annual Water and Environment Sector funding requirement to reach the 2030 targets, and remain in compliance with the SDG international Commitments. The SIP provides a bridge from policy to budgeting by identifying investment priorities that efficiently improve indicator achievements and are feasible given the projected financing. This guides the Sector players to make the most of its allotted funding, to demonstrate a clear and direct plan for using any funds received. This also helps to communicate how certain investments have crosscutting impacts.
- v. NRM Manifesto 2021-2026: The main theme of the Manifesto is "Securing The Future" of all Ugandans by prioritizing; Creating Jobs and Wealth, Delivering

Education, Health and Water, Ensuring Justice and Equity, Protecting Life and Prosperity, and Achieving Economic and Political Integration.

vi. Performance Contract Framework between NWSC and the Government of Uganda: The NWSC Governance and Operational framework is based on the Corporate Plan and the Performance Contract with the Government of Uganda. Within the overall framework of the Corporate Plan and the Performance Contract, the NWSC has over time implemented internal reforms and performance contracting frameworks, as well as several high impact short term performance improvement Programmes. These have resulted into significant service delivery, operational and financial improvements.

1.5 Corporate Planning Process

This Corporate Plan (2021–2024) has been prepared in fulfillment of the NWSC Act and it marks the gth Corporate Plan since 1997. It embraces the NWSC aspirations for the next three-year period (2021–2024) as provided for in the NWSC Act. The Corporate Plan aspirations have been extrapolated by two years up to 2026 to take care of the Five Year Planning Horizon of the Strategic Direction in tandem with the overall National Strategic Planning Framework.

The Plan was prepared through a participatory and consultative process involving the NWSC Board, Management, and staff representatives at various levels. In addition, the exercise involved benchmarking of best practices with other leading institutions. The process also entailed a detailed review of the performance for the Corporate Plan (2018–2021) and the Five Year Strategic Direction (2016–2021), the outcome of which informed the Strategic Focus for the period (2021-2026).

1.6 Structure Of The Document

The Corporate Plan (2021-2024) is structured and presented in six Chapters as summarized below.

Chapter 1: Introductory Chapter, which provides an overview of the Institutional Framework, sets out the strategic context and focus, as well as the document layout.

Chapter 2: Presents the Situational Analysis – review of past performance, the major challenges faced during the implementation of the Corporate Plan (2018-2021) and the Five-Year Strategic Direction (2016-2021) as well as the Analysis of SCOR (Strength, Challenges, Opportunities and Picks)

Chapter 3: Highlights the New Transformational initiatives, Five Strategic Priority Areas (SPAs) aligned to the NDPIII focus areas of investment. Under each of the SPAs, Strategic Objectives and Goals were identified. The Chapter also highlights the NWSC Key Performance Indicators (KPIs) and a summary of the annual targets for the Corporate Plan (2021-2024) extrapolated up to 2026.

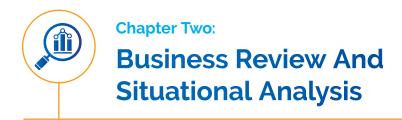
Chapter 4: Covers the Key Strategies and verifiable deliverables adopted by the Corporation to achieve the Strategic Objectives and Goals. The Key Strategies and verifiable deliverables are aligned to the NWSC Four Perspectives of the Balance Scorecard.

Chapter 5: Outlines the Risk Management framework.

Chapter 6: Summarizes the implementation framework that includes; Financing Mechanism, Stakeholder Engagement, and Monitoring and Evaluation (M&E) Framework of the Plan.

The Annexes provide additional information as referenced in the respective chapters.





This chapter presents the NWSC current status, taking care of all the perspectives of our business. It also presents performance of the Corporation with reference to the Five Year Strategic Direction (2016-2021) and the Three Year Corporate Plan (2018-2021) periods. This has provided a basis for setting performance targets for the Corporate Plan period (2021-2024), extrapolated by two years, to take care of the five year strategic focus (2021-2026).

2.1 Operational Set Up

We provide Water and Sewerage services in 258 service areas that comprise Cities, Municipalities and Towns across the Country. These service areas are clustered into 56 operational areas for effective coordination of service delivery. For better strategic and logistical support, the operational areas/clusters are grouped into 5 Regions namely: Kampala Metropolitan, Central, Northern, Eastern and Western & South-Western Regions. The Regions and Areas are supervised and supported by the team at the Head Office (see Organizational structure in Annex 1). The operational areas are further divided into branches and sub branches (Annex 2) to enhance customer outreach and effective service delivery.

2.2 Infrastructure

The Corporation's daily Water Production Capacity stands at 479,102 m³. This production capacity is drawn from both surface and ground water, with 57 of conventional treatment plants and 313 production wells. The daily production is expected to increase by 160,000m3 after the completion of the production plant in Katosi by July 2021. This will further enhance supply to the Kampala Metropolitan Area. The Water Distribution Network stands at 20,513 Km. The Corporation provides sewerage services, which largely involves use of stabilization ponds for sewage treatment, except for Kampala and Masaka cities where mechanical systems are in place; Fort Portal and Kisoro also have Compact Treatment Facilities. NWSC operates centralized sewerage systems for collecting, treating and discharging effluent in 18 out of the 258 service areas, with a daily treatment capacity of 78,782 m³. The Corporation also operates Faecal Sludge Treatment Facilities in Arua, Buwama, Bukakata, Gulu, Ntungamo, Mayuge and Kampala (Lubigi). The Total Sewerage Network currently stands at 714 Km.

2.3 Work Force

We aim at having a highly trained, skilled, healthy and motivated workforce at all times. The Corporation has put in

place transparent recruitment, development and retention programs, which offer opportunities to all. We have a policy of Non-Discrimination based on tribe, religion, gender, disability or political views. Currently the total workforce stands at 4,058, of which 1,259 are female (31%) and 2,799 are male (69%).

2.3.1 Compensation and Reward

In order to retain staff, we have competitive remuneration schemes. Our staff are paid salaries and they also earn incentives based on performance. Annual gratuity equivalent to 25% of annual gross salary is paid to staff who successfully complete the 12-months period of service. It is estimated that each staff supports an average of 6 other people, therefore NWSC impacts on the welfare of over 24,000 people.

2.3.2 Staff Welfare

The Corporation has attractive welfare schemes to cater for our staff and their families. The Medical scheme is designed to treat the employees and their immediate family members. All our staff are insured under the workers' compensation plan. Staff have a Provident Fund where NWSC makes a monthly contribution of 5% of the gross employee's pay and the staff also contributes 5%. We have activities for sports and staff recreation including Water Football Club, which is in the Big League. The Corporation caters fully for the funeral arrangements and expenses of the fallen employees and their immediate family members.

2.3.3 Health and Safety at Work

The health and safety of our employees, customers and the public is our greatest priority. Occupational Safety and Health Guidelines have been developed and are monitored for compliance. Field staff are provided with protective wear and work uniforms. Our offices are equipped with firefighting equipment, which are regularly serviced. Staff are entitled to Annual Leave of 35 days, Compassionate Leave of 7 days and Maternity Leave for female staff of 60 working days.

NWSC has also put in place mechanisms to ensure security of the office premises and installations. The Corporation is also

concerned about the safety of the general public. We have installed Fire Hydrants at several locations across the Country from which the Police Fire Brigade draws water for firefighting. The Corporation ensures full compliance with the COVID-19 Standard Operating Procedures which have been issued by the Government at all our premises across the Country.

2.3.4 Long Service Award

We have a Long Service Award (LSA) scheme to reward employees who have diligently served the Corporation for over 20 years before retirement. Such employees are rewarded with building materials to enable them put up shelters where they can settle after retirement. Over the period 2017-2020, UGX 329 Million was spent on the LSAs Scheme.

2.3.5 Training and Capacity Development

The Corporation ensures that value adding trainings are conducted, with the view of imparting relevant knowledge and skills aimed at enhancing staff productivity. During the period (2016-2021), the Corporation conducted 119 Refresher Courses in management related topics, while 32 Vocational Practical Courses were done to equip our Technicians and Artisans with technical skills to perform their jobs in the field. In total, 3,644 staff were trained.

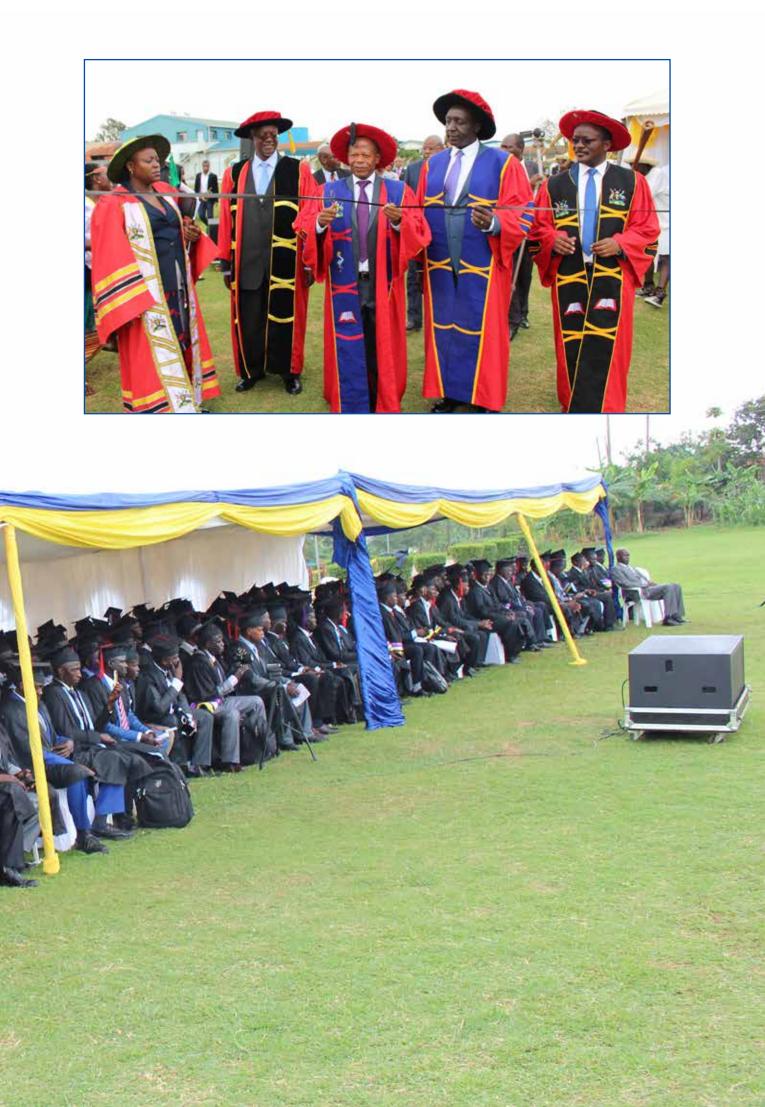
- i. Re-Skilling & Retooling; NWSC embarked on the journey of re-skilling and re-tooling NWSC technicians and artisan staff through Vocational Skills Training and Development. This stemmed from the fact that all the existing vocational training schools in Uganda could not duly address the specific technical training needs of the Corporation. As a result, a full-fledged Vocational Skills Development Facility (VSDF) was constructed at Gaba with support from the German International Cooperation (GIZ), and in collaboration with the Directorate of Industrial Training – Ministry of Education and Sports (DIT-MoES).
- ii. Development of Modular Vocational and Technical Courses: The Gaba VSDF managed to develop and accredit Modular Vocational and Technical Courses for: (i) Industrial Plumbers, (ii) Electro-Mechanical Technicians, (iii) Industrial Welders, (iv) Water Quality Technicians, (v) Sewerage Services Technicians, Photo Voltaic and Solar Energy Technicians, (vi) Customer Service Advisors, (vii) Vocational Training Instructors, (viii) Heavy Equipment Operators and (ix) Workers' PAS certification for Informally Skilled Technicians.

- iii. Graduations and Accreditations: Over the last three years, the Corporation has carried out graduations and accreditations of 860 Technicians under the Workers' Practically Acquired skills (PAS) qualification framework,577 Industrial Plumbers, 3 Industrial Welders, 177 Customer Care Advisors and 103 Electro-mechanical Technicians (EMTs) were awarded certificates of merit by the Directorate of Industrial Training (DIT) of the Ministry of Education and Sports.
- iv. Regional Training Centre; NWSC has purchased a property in Bushenyi (Western Uganda), and is in the process of converting it into a Regional Training Center. The Corporation is also planning to construct another Vocational Skills Development Facility (VSDF) at Kachung in Lira City to accelerate the re–skilling and re–tooling of NWSC.
- vi. Collaboration with other Universities; Over the same period,14 staff were sponsored by the Corporation and completed their Msc degrees at Loughborough University. NWSC signed a partnership agreement with IHE Netherlands, where up to 10 staff will be supported to acquire MSc in Sanitation through co-funding by NWSC and the Bill & Melinda Gates Foundation. The course was due to commence in October 2020 but was postponed to October 2021 due to the Covid-19 pandemic. The Corporation also signed another agreement with EAWAG (Swiss Federal Institute of Aquatic Science and Technology), with funding from USAID and Bill and Melinda Gates Foundation to run joint courses at the NWSC International Resource Center in Kampala.
- vii. Under the Annual Training Plans; the NWSC Area Managers, Branch Managers and General Managers were successfully trained in people management, as a way of improving staff productivity. In addition, a total of 691 new staff were duly inducted before commencing work. All staff continue to be sensitized on customer handling practices through customer care trainings to improve service delivery.
- viii. E-learning; The onset of Covid-19 greatly affected the implementation of the NWSC Training Plans. This new reality has compelled the NWSC to adopt e-Learning as a new and innovative way of delivering training. It entails use of digital tools like Zoom, Skype and other online technologies. Since 2020, a total of 5 live Online Zoom trainings were conducted, benefiting 87 staff.

The Corporation ensures that value adding trainings are conducted, with the view of imparting relevant knowledge and skills aimed at enhancing staff productivity.







2.4 Financial Resources

The NWSC financial resource envelop comprises collections from the water and sewerage billings, funding from Development Partners and Government of Uganda, as well as financial resources generated from non-core services as a way of income diversification. The total amount realized during the five-year period 2016 - 2021 was UGX.3.402 trillion, of which internally generated resources account for 60%. The internally generated resources are mainly used to finance the operating expenditure, minor capital investments as well as meeting the co-financing obligations for major water and sanitation investments financed by Development Partners and the Government. Table 1 below provides a summary of the financial resources from the various sources over the review period.

Table 1: NWSC Internal and External Financial Resources (2016-2021) (UGX "000")

Source	FY 2015/16 (Baseline)	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21	Total
External Resources:							
Development Partners	272,089,607	205,832,568	89,685,226	170,783,183	344,130,286	234,351,400	1,044,782,663
GOU	48,970,814	14,292,827	22,231,108	94,874,436	70.329.575	84,898,077	286,626,023
Total Ext. Resources	321,060,421	220,125,395	111,916,333	265,657,620	414,459,861	319,249,476	1,331,408,686
Internal Resources							
Water & Sewerage	284,127,998	332,724,890	384,656,993	436,971,646	390,998,077	445,809,941	1,991,161,546
External Services	2,313,083	2,078,424	7,175,292	10,463,165	7.425.708	2,500,000	29,642,588
Total Internal Resources	286,441,081	334,803,314	391,832,284	447,434,811	398,423,784	448,309,941	2,020,804,134
Market Finance	-	-	-	-	36,700,000	13,300,000	50,000,000
Total	607,501,502	554,928,709	503,748,618	713,092,431	849,583,645	780,859,417	3,402,212,820

2.4.1 NWSC External Services;

As part of enhancing our financial sustainability and ensuring continued human capital development/retention of staff, the organization established a consultancy unit i.e. NWSC External Services that provides a range of services i.e. Advisory services, Technical Assistance and Capacity Building Programmes that include Performance Management Programmes, Tailor-made training, Vocational Skills training, staff attachments, benchmarking and International Conference facilities among others. The Corporation also sells off its sludge from wastewater treatment facilities that is used as manure. The total amount realized during the period 2016-2021 was UGX 29.6 billion.

2.4.2 NWSC Credit Rating and Market Finance

In 2018 the World Bank, financed a study to consider whether or not the Corporation was able to finance future infrastructure projects using debt in view of the widening infrastructure gap. The report of the study concluded that NWSC has the capacity to issue Bonds of up to USD 200 million, over a period of 5 years. A parallel study carried out by the Global Rating Company assigned the Corporation a credit rating of AA+ with a stable outlook up to 31st October 2019.

At the beginning of the FY 2019/20, the Corporation was faced with a number of challenges. Fifty billion shillings (UGX 50 billion) was required to implement a number of Critical Capital Projects in different parts of the Country, but there were no funds. It was not possible to issue a Bond since the projects were supposed to be implemented within twelve months. The Corporation therefore, decided to take a Medium Term Facility for a period of six (6) years to address the urgent financing gap.

The Ministry of Finance, Planning and Economic Development (MoFPED) authorized the Corporation to borrow the **UGX.50** billion (without Government Guarantee) from the Commercial Banks for implementing the Critical Projects.

NWSC commenced the process of utilizing the facility in December 2019 and expects the intended projects to be completed by 30th June 2021. The Board authorized the utilization of the Market Finance Facility for the following projects: Kapchorwa Water Supply Project, Fort Portal Water Production Improvement Project, Sembabule Water Supply Project, Parombo Water Supply Project, Jinja- Iganga Water Supply Improvement Project, Development of Training Facilities in the North, East and West of the Country, Lira Network Restructuring Project, Bushenyi Water Supply Augmentation Project, Construction of office premises in Lira, Arua, Bushenyi, Rukungiri and Kasese, Kisoro –Nkanka Water Supply Project. Out of the UGX.50 billion which MoFPED authorized, UGX. 47.95 billion had been disbursed by 31st Jan 2021.

2.5 Our Customers & Service Coverage

Our customer base stands at **785,378** connections, comprising five categories that include Domestic, Institutions/Government, Commercial, Industrial and Public Stand Posts (PSPs)/Kiosks. The total number of villages covered with at least one Public Stand Post per village is **11,143** villages against a target of **14,987** villages, and this translates into 18 million people with access to safe water supply against a target of 23 million people. These are however moving targets, with the tendency for the target number of villages and population increasing as more towns are taken over by the Corporation. Therefore, continuous refurbishment, expansion and development of WatSan Infrastructure is paramount.

Table 2 : Service Coverage (2016-2021)

Service Coverage	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
Water Service coverage (%)	78	78	74	74	74	78
Sewerage coverage (%)	6	6	22 22		23	23
Village Coverage	NWSC Jurisdiction		Perf. 2021			
	Total No. of	Population	Villages	Population		
	Villages		Served	Served		
	16,130	23,365,821	11,143	18,104,072		

Figure 1: Customer Base by Category (2016-2021)

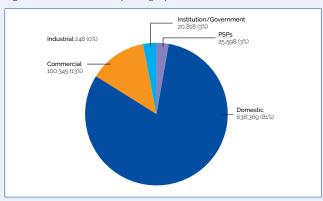
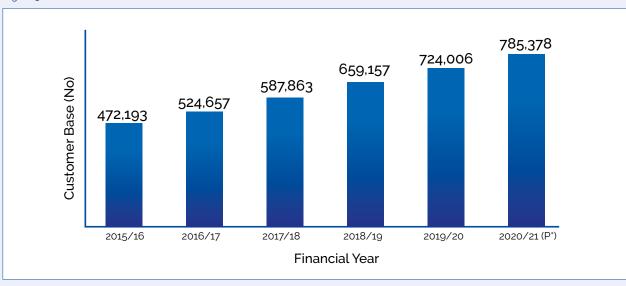


Figure 2: Geographical Coverage (2016-2021)



Figure 3: Trend in NWSC Customer base (2016-2021)



2.6 Systems and Performance Improvement Programs

The NWSC has continuously developed and maintained systems that help it effectively execute its mandate and increase stakeholder – shareholder value and customer trust. Notable among these are:

a) Corporate Governance and Leadership

There are two layers of leadership that govern the affairs of the Corporation; The Board of Directors and Executive Management, and these two complement each other.

The Board of Directors: The NWSC Board is comprised of seven (8) Non-Executive members and one (1) Executive member, the Managing Director. According to the NWSC Act 1995, CAP, 317 Section 8(1), appointment of the Board of Directors (except for the Managing Director who is appointed by the Board) shall be done by "the Minister of Water and Environment" and this appointment will be for three years, with eligibility for reappointment for another term. The Board is accountable to the Minister of Water and Environment

The Board is the policy making body of the corporation and decides the policies and strategies to be followed by the organisation in achieving its objectives and carrying out its functions. It also ensures that the Corporation and the Managing Director perform their functions and exercise their respective powers in a proper, efficient and economical manner, in accordance with the policies and strategies established by the Board.

b) Decentralization Framework

The NWSC operates in 258 towns spread across the country. The towns are clustered into 56 operational areas, each area under the Management of an Area Manager (or General Managers for bigger clusters). The management arrangement is based on a Performance Contract between the Headquarters and Area Management.

NWSC has successfully implemented five management contracts with three phases of the Internally Delegated Area Management Contracts (IDAMC), followed by two phases of the Performance Autonomy Creativity Enhancement (PACE) management framework. The IDAMC management framework registered notable efficiency gains at various levels of service delivery, so were the two phases of the Performance Autonomy Creativity Enhancement (PACE) management framework. Building on the successes and shortfalls of the IDAMC and PACE frameworks, the Corporation in July 2019 adopted Area Results, Innovation & Service Delivery Enhancement (ARISE) framework which is a more autonomous and enhanced management model. ARISE aims to incorporate new features and enhance previous strengths such as Results aimed at "consistent" good performance, Innovation aimed at going beyond creativity and service delivery enhancement through increased service coverage, supply stabilization and stakeholder/customer engagement. The ARISE contracts define the areas of autonomy, clear performance targets, operational risks and incentives, and clearly defines roles and responsibilities of both parties.



In line with the ARISE management framework, the NWSC Head Office carries out bi-annual and annual performance evaluation of all Areas, according to their geographical jurisdictions i.e. West & Southwestern Region, Central Region, and Northern & Eastern Region (which has now been split into Northern and Eastern Regions).

d) SMART Technologies

We have developed various ICT systems and solutions using in-house capacity to support business operations and decision making in areas of Financial Management, Inventory Management, Customer Relation, Planned Preventive Maintenance (PPM) of Static Plant and Equipment, Procurement, Human Resource Management, Communication with various stakeholders, among others. Some of the systems in place include the NWSC Mobile Application, Customer Relations Module, e-Inventory System, Human Resource System, Integrated NWSC Billing System with iScala, Training Information Management System and the computerized Maintenance Management System. The Corporation has also embarked on a project to develop the pre-paid water metering system using our in-house IT Staff. This will significantly reduce the cost of bill collections and improve our cash flows. We shall continue to look for innovative ways of automating our operations to reduce the cost of service delivery.

e) Stakeholder Engagement

The Corporation has a diverse range of stakeholders who include; Consumers, Government, Development Partners, Suppliers, Employees and the Community. While focusing on the implementation of supplying water and sewerage services, we take into consideration the need to balance this mandate with the needs of all the stakeholders. We constantly engage with our stakeholders to understand their dynamic expectations and strive to meet them.

During the 2018 - 2021 Corporate Plan implementation period, a number of stakeholder engagement programs were undertaken. The programs include WACOCO (Water Community Communication) Clubs and SWAS (School Water and Sanitation) clubs, among others. The implementation of these programs was through a cocktail of channels including; Water Barazas, Radio Talk Shows, Television Shows, Magazines, Social Media Platforms and Sensitization Sessions in places of Worship.

f) Environmental Protection

There is a strong connection between our business and the environment. The water we supply comes from the environment and the sewage we treat is discharged into the environment. The impact of climate change has presented enormous challenges to the Corporation. Some of the water sources are drying up due to prolonged droughts







and encroachment on the catchment areas. We are making every effort to ensure that we continue to run our business in a way that takes environmental concerns seriously. NWSC works closely with the Directorate of Environmental Affairs and NEMA to ensure full compliance with the environmental laws. We are committed to protecting our water sources and restoring the environment to make it a better place for the current and future generations.

The Corporation is implementing a number of programs which are aimed at protecting the environment and they include the following:

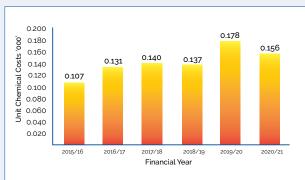
- Tree planting campaigns by Young Water Professionals and School Water and Sanitation Clubs (SWAS Clubs), where over 2 million trees were planted in the various NWSC operational areas across the country. In addition, NWSC has partnered with NFA to plant about 18,000 trees within the Katosi catchment where the Corporation constructed a Water Treatment Plant of capacity 160,000m³/day.
- Protection of R. Rwizi and R. Mpanga catchments in partnership with Ministry of Water and Environment and the Local Governments. This will be scaled up to other areas across the country.
- Established a Pollution control working group consisting of GIZ, KCCA and Factories along Nakivubo channel to control the pollution of Lake Victoria Water Source.

g) Energy and Chemical Optimization

The Corporation adopted measures to optimize energy use at the Water Production Plants that included among others carrying out energy audits in the various areas and this has greatly improved the power factor. In addition, efforts have been made to adopt solar powered borehole systems for smaller boreholes. Over 18 production wells currently use solar energy for water production and this will be scaled up during the Corporate Plan period (2021-2024).

To address rising chemical costs, the corporation adopted installation of onsite electrolytes for disinfection in some towns, using the salt electrolyzers developed in house. This

Figure 4: Unit Chemical Costs (UGX./m³) 2016 - 2021



has reduced chemical utilization to **UGX 156** per m³ compared to **UGX 178** per m³ in 201g/20. Figure 4 shows the trend in chemical costs.

h) Corporate Social Responsibility (CSR)

Corporate Social Responsibility is integrated into the Corporation's business model. The Corporation engaged in a number of CSR activities including; tree planting campaigns, supporting charitable causes to education, health and religious institutions as well as the underprivileged.

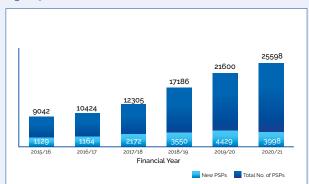
The key initiatives undertaken by the Corporation during the review period included;

- Participation in the annual Tweyonje campaigns in Collaboration with KCCA.
- Annual give back activities at Sanyu Babies Home in Dec 2018
- Annual give back activities to the Muslim communities during the month of Ramadhan.
- Provision of water points in Kampala Service Area during the Covid-19 pandemic in partnership with Sogea Satom, MTN, Uganda Roofings and KCCA.

i) Pro-poor Service Provision

The Corporation undertook several pro-poor initiatives aimed at improving the livelihoods of people living in urban and peri-urban settlements. Some of the key initiatives include the creation of a Pro-poor Tariff which was approved and gazetted in 2017. In addition, we embarked on a Programme aimed at proliferation of pro-poor connections through accelerated installation of PSPs in the various areas, targeting two PSPs per area or a PSP per 200 people. As a result, the total number of PSPs increased from 9,042 PSPs in the FY 2015/16 to 25,598 PSPs in the FY 2020/21. This has increased access to safe piped water services to the urban and peri-urban poor communities. In addition, as part of CSR, we installed 100 public toilets in various parts of the country to raise the sanitation profile among the poor.

Figure 5: Trend in Pro-Poor Connections (2016-2021)





j) Non-Revenue Water (NRW) Reduction

The Corporation is still faced with challenge of water losses, categorized into commercial and technical losses. The technical losses are mainly attributed to old network, which is prone to bursts and leaks, with the most affected area being Kampala metropolitan area. The commercial losses mainly arise from illegal water use by unscrupulous section of the population within our service areas, and old meters which under register consumption. The water losses currently stand at an average of 36%, with Kampala Water registering the highest losses accounting for 42% of the water supplied.

The NWSC Strategic aspiration is to bring NRW to below an average of 15%. To achieve this, the Corporation is required to make heavy investments over and above its current means.

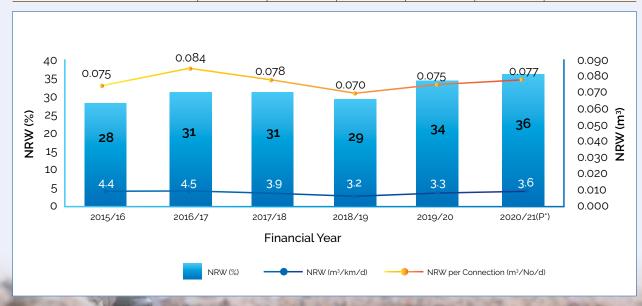
However, some of the short-term to medium-term measures to address NRW include among others; implementation

of tailor-made NRW Reduction Programmes in the various Areas. In Kampala, a specific unit, the Water Loss Prevention Unit (WALOPU) has been strengthened to ensure efficiency in dealing with water theft cases. In addition, funds have been secured under Kampala Water Lake Victoria Water and Sanitation Project (KW LVWATSAN) to restructure and rehabilitate the network. This will entail among others; laying 60 Kms of Transmission Mains, 66 Kms of Secondary Mains and 216 Kms of Tertiary Mains, construction of 4 Booster Pumping Stations, construction of Reservoirs, installation of 41 District Metering Areas (DMAs) and DMA feeding points, and implementation of a SCADA System for network in 8 critical stations in the distribution network.

To address the challenge of meter under registration, we have embarked on a Meter Replacement Programme. Over 55,000 old meters have been replaced in the various NWSC operational areas.

Table 3: NRW in percentage for the period (2016-2021)

INDICATOR	FY 2015/16	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21 (P*)
Water Supplied (million m³)	103	116	120	128	132	137
Water Sales (million m³)	74	80	83	91	88	87
NRW (%)	28	31	31	29	34	36
NRW per Km of pipe length (m³/Km /d)	4.4	4.5	3.9	3.2	3.3	2.9
NRW per Connection (m³/ conn./d)	0.075	0.084	0.078	0.070	0.075	0.068



2.7 Summary of Key Performance Indicators

The review takes stock of the NWSC performance since July 2016 when the SD (2016-2021) was launched. This time horizon therefore takes into account the implementation of Corporate Plan (2018-2021). The performance over the review period has been characterized by systematic and aggressive expansion of the geographical and service coverage, improvement in water supply reliability, improvement in financial performance and infrastructure growth.

The Corporation made significant strides in performance during the review period compared to the baseline performance and targets, except for a few areas where performance was below expectation. The summary of performance under each of the Performance Indicators is provided in Table 4 and the detailed performance review is presented in **Annex 3**.

Table 4: Operational Performance (2016-2021)

Key Performance Indicator	EV 2045 /46*	EV 2016 /17	EV 2047 /49**	FY 2018/19 FY	EV 2010 /20	CF	Perf. 2020/:	% Improvement Vs Baseline		
ney renormance malcator	F 1 2015/10	F 1 2010/1/	FT 201//10		F1 2019/20	Achieved (P*)	Target	% achieved	СР	SD
OUR PRODUCT										
Water Production (Million m³)	106.0	120.7	126.2	134.9	139.7	141.6	136.2	104%	12%	34%
Water supply (Million m³)	102.8	116.2	120.1	127.8	131.6	136.7	129	106%	14%	33%
Water Sales (Million m³)	74.0	80.2	82.9	90.5	87.5	87.4	86	102%	6%	18%
Non-Revenue Water (%)	28%	31%	31%	29%	34%	36%	34%	94%	-14%	-22%
NRW (m³/Km/d)	4.4	4.5	3.9	3.2	3.3	3.6	2.9	80%	7%	23%
NRW (m³/No/d)	0.075	0.084	0.078	0.070	0.075	0.077	0.068	87%	1%	-3%
CUSTOMER SERVICES										
WATER SERVICES Number of Towns (Nos.)	170	218	236	253	258	258	263	98%	9%	52%
Water Service Coverage (%)	78	78	Ĭ Š	84	84	84	90	93%	0%	8%
New Water Connections	38,836	40,712	50,341	69,215	61,521	61,372	59,804	103%	22%	64%
Total Water Connections (Nos.)	472,193	524,657	587,863	659,157	724,006	785,378	783,810	100%	34%	67%
New Public Stand Pipes (Nos.)	1,129	1,164	3,342	3,550	4,429	3,998	3,000	133%	20%	254%
Total Public Stand Pipes(Nos.)	10,841	10,424	12,305	17,186	21,600	25,598	24,600	104%	108%	136%
New water mains extensions (Km)	888	911	2,021	2,727	2,135	539	2,500	22%	-73%	-39%
Total water pipe network (Km)	9,760	12,113	14,466	17,556	19,974	20,513	22,474	91%	42%	106%
SEWERAGE SERVICES										
Sewerage Service coverage (%)	6	6	22	22	23	23	30	77%	5%	283%
New Sewer Connections	388	316	272	368	277	112	300	37%	-59%	-71%
Total Sewer Connections	20,355	21,072	21,616	22,606	23,914	24,026	24,214	99%	11%	18%
New Sewer Extensions(Km)	18	22	24	59	30	21	30	71%	-10%	15%
Total Sewer Length (Km)	556	578	602	661	693	714	723	99%	19%	28%
COMPLIANCE										
Water Quality	98%	98%	98%	97%	98%	98%	98%	100%	0%	0%
Sewerage Effluent	45%	48%	41%	42%	48%	61%	50%	122%	49%	36%
FINANCIAL Turnover (Billion) - (UGX) (Net VAT)	276	321	388	442	463	490	457	93%	18%	66%
Billing (Billion) – (UGX.) -VAT Inc.	292	347	390	437	424	406	419	103%	7%	43%
Collections (Billion) - (UGX) - VAT Inc.	284	323	385	437	391	385	446	116%	16%	57%
FY 2015/16*: SD Baseline, FY 2017	/18** CP Base	line	l.							

2.8 Financial Performance (2016-2020)

The section below highlights the financial performance of the Corporation during the period 2016-2020.

2.8.1 Revenue Improvement

The NWSC has continued to register growth in its financial performance and during the period 2016 - 2021, the annual turnover increased from **UGX 276 billion** to **UGX 490 billion**, a growth of **68%**. However, the annual growth in the last two financial years (2019/20 and 2020/21) was relatively low due to the effect of COVID19 Pandemic that affected billings, especially the Commercial and Institutional consumer categories.

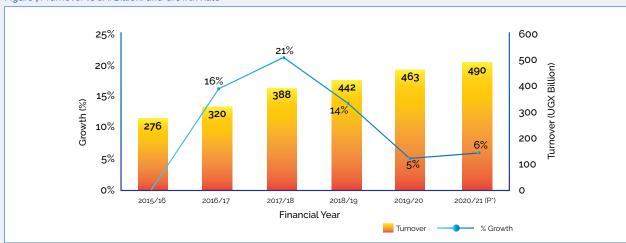
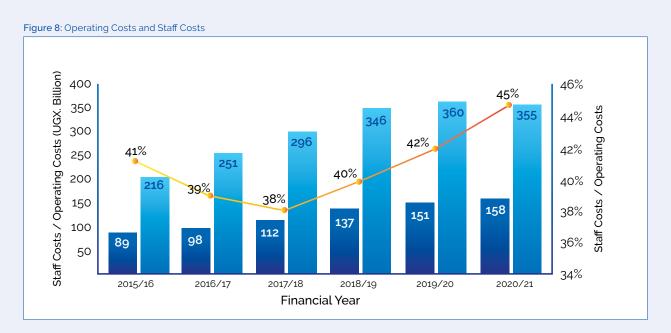


Figure 7: Turnover (UGX. Billion) and Growth Rate

2.8.2 Analysis of Operating Costs

Over the period 2016 - 2021, Operating Costs increased by 65% from **UGX 216 billion** to **355 billion**. The growth is mainly attributed to increase in Staff Costs which constitute 45% of the Operating Cost. The Staff Costs increased by 78%, from **UGX 89 billion** in 2016 to **UGX158 billion** in 2021. This was mainly due to increase in staff numbers, from 2,860 in 2016 to 4,058 in 2021 arising from takeover of new towns and general growth in business.



2.8.3 Operating Profit

Operating Profit before Depreciation increased from **UGX. 6o.2 billion** in the Financial Year ending June 2016 to **UGX 135 billion** in Financial Year ending June 2021. Operating Profit after Depreciation increased from **UGX 34.0 billion** in the Financial Year ending June 2016 to **UGX 54 billion** in the Financial Year ending June 2021. This demonstrates NWSC commitment to sustainable service delivery, notwithstanding the dramatic growth in geographical coverage.

Table 5: Operating Profit 2016 - 2021 (UGX "000")

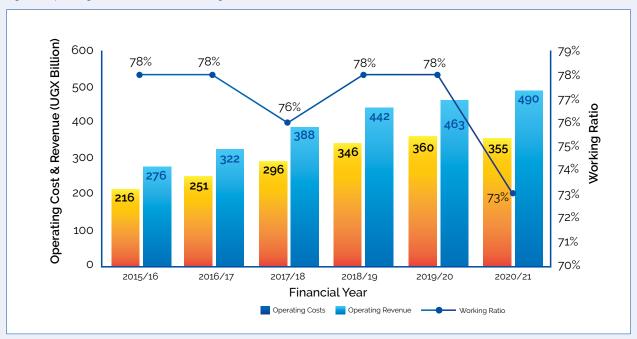
	FY 2015/16	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21 (P*)
Operating Revenue	276,062,157	321,806,567	387,791,671	442,081,718	463,168,236	490,120,519
Operating Costs	215,889,809	250,940,410	295,524,437	345,856,705	359,844,559	355,391,320
Operating Profit before depreciation	60,172,350	70,866,157	92,267,234	96,225,013	103,323,677	134,729,199
Depreciation	26,160,375	31,885,358	33,377,986	40,979,001	55,656,370	80,556,492
Operating Profit after depreciation	34,011,975	38,980,799	58,889,248	47,667,307	55,246,011	54,172,707

2.8.5 Working Ratio

The Working Ratio is a measure of a Company's financial sustainability; it exhibits the ability of the Corporation to cover its Operating Costs from Annual Income. The Working Ratio improved from **78%** in 2015/16 to **73%** in 2020/21. This demonstrates the increased capacity by the Corporation to meet all the Operating Costs and contribute to asset replacement and expansion.

The growth in Working Ratio during the FY 2018/19 (from **76%** to **78%**) was due to the massive takeover of new towns that translated into increased costs arising from the need to improve service delivery in the newly taken over towns. Whereas the dramatic improvement in the FY 2020/21 is attributed to implementation of stringent cost optimisation measures to avert the impact of Covid-19 pandemic. Figure 9 shows the trend of NWSC's Working Ratio over the period 2015-2021.

Figure 9: Operating Cost & Revenue and Working Ratio (2016 – 2021)



2.8.6 Operating Ratio

The Operating Ratio on the other hand is a measure of how efficient a company's management is at keeping costs low while generating revenue or sales. It is the ratio of Operating Costs to Revenue. The Operating Ratio declined from 84% in the FY 2015/16

The decline is attributed to the high cost of operations especially in the new towns with low Cash Operating Margins and are unable to Break-even. In addition, due to the Covid-19 pandemic in 2019/20, the Corporation recorded a decline in business due to the lock-down measures instituted which affected business. Table 6 shows the trend of the operating ratio for the period 2016-2020, and the provisional figure for the FY 2020/21.

Table 6: Summary of Operating Ratio for the FY 2015/16 - 2020/21 (UGX "000")

	FY 2015/16	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21
Operating Expenditure	215,885,807	250,940,410	295,524,437	345,856,705	359.844.559	355,391,320
Annual Revenue (Water and Sewerage Income)	258,483,328	306,434,221	340,119,685	381,895,802	370,705,256	407,775,782
Operating Ratio	84%	82%	87%	91%	97%	87%

2.8.7 Current Ratio

The Current Ratio is a liquidity measure, which reflects the ability of a utility to meet its short- term debt obligations. The Current Ratio has consistently been greater than one during the period 2015-2021, which implies, the Corporation has the capacity to meet its short-term obligations.

Current Assets & Current Liabilities (UGX Billion) 500 2.5 450 2.1 446 1.8 2.0 405 400 350 344 **Current Ratio** 1.5 306 250 278 248 200 237 233

2017/18

Financial Year Current Assets

2018/19

Current Liabilities

1.0

0.5

0.0

2019/20

- Current Ratio

Figure 10: Current Asset, Liabilities and Ratio 2016-2020

150

1,00

50

0

2015/16

2016/17

2.8.8 Collection/Billing Ratio

The Collection/Billing Ratio is the ratio between Total Collections (inclusive of arrears) and Total Billings within a given period. It is one of the most critical indicators for debt collection. The Collection/Billing Ratio improved from 99% to 106% during the period.

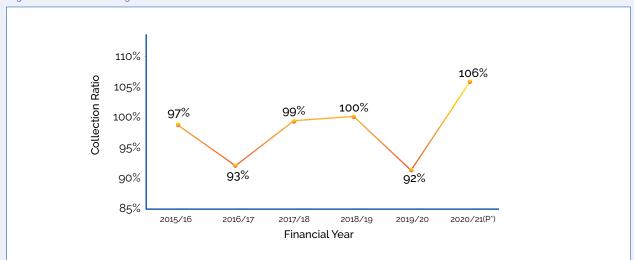


Figure 11: Collection/Billing Ratio Trend

The performance in Collection/Billing ratio can partly be attributed to continuous engagement of Government to make sufficient budgetary provisions and ensure timely release of funds to clear Domestic Arrears for Ministries and Government Agencies. In addition, the Corporation has continuously engaged the Non-Government customers through different Area tailor made arrears reduction programs. Such programmes include among others the Customer Re-connect Program and Revenue Recovery Acceleration Program (RRACE). Table 7 below summarises the Collection Ratio trends of the period under review.

Table 7: Financial Ratios

RATIOS	FY 2015/16	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20
i) Current Ratio	2.1	1.4	1.3	1.8	1.2
Ii) Average Receivables Collection Days	80.5	94.2	88.8	79.6	110.8
Iii) Average Inventory Usage Days	11.1	9.6	12.3	15.0	12.9
Iv) Average Creditor Payment Periods	45.5	53.6	81.5	89.8	77.4
v) Total Assets Turnover	0.1	0.1	0.0	0.0	0.0
vi) Total Fixed Assets Turnover	0.9	0.8	0.7	0.4	0.3

2.9 Infrastructure Development

The Corporation prioritizes infrastructure development as a way of enhancing our capacity to effectively and efficiently deliver services. Highlighted below are the projects undertaken over the period 2016-2021.

2.9.1 Kampala Sanitation Programme Phase 1, Lake Victoria Protection Phase 2 Project,

The Kampala Sanitation Program Phase 1 (KSP 1) is a Multi-Donor funded initiative jointly funded by the African Development Bank (AfDB), the Germany Government through the Entwicklungsbank (KfW), the European Union (EU) Water Facility and the Government of the Republic of Uganda (GoU). The program is broadly aimed at providing general improvements in the urban hygiene and sanitation for the city residents, through rehabilitation and expansion of the current sewage system within the metropolitan Kampala as well as protecting the quality of water in the Inner Murchison bay of Lake Victoria through improved sanitation in Kampala.

The Lake Victoria Protection Phase 2 Project entailed construction of the following components;

a) Nakivubo Waste Water Treatment Plant

The Nakivubo WWTP project component involved construction of an advanced New Waste Water Treatment Plant of capacity 45,000 m³/day in the Nakivubo

catchment to serve the central business district of Kampala.

The liquid/wet line of the plant entailing the sewage treatment processes was completed in 2019, and is currently under operation. Construction of the Gas Production Line entailing the Digesters and Gas Holding Tank is also complete, awaiting technical commissioning expected by end of 2021.

b) Nakivubo and Kinawataka Sewers

The Nakivubo Sewer network component involved laying 17 km of Sewers (diameter ranging from 200 mm to 1500 mm) in the Central Business District of Kampala, while The Kinawataka Sewer Network component involved laying trunk sewer line of length 13 km (diameter ranging from 200 mm to 600 mm) in the eastern parts of Kampala as well as Pumping Mains (diameter 500 mm) to transfer sewage from Kinawataka Pre-treatment Plant to Nakivubo WWTP.

The sewers project was completed in 2019, and is currently under operation. Project closure will be achieved in the FY 2021/2022 upon payment of Contractor's Final Certificate.

c) Kinawataka Pre-treatment Plant and Pumping Station
The project component involved construction of an
advanced Pre-treatment Plant (of capacity 9,000 m³/



day) and Pumping Station in Kinawataka catchment for treatment of sewage from the eastern parts of Kampala.

The Kinawataka project was completed in 2020, and is currently under operation. All payments were made, and project closed.

2.9.2 Kampala Water-Lake Victoria WATSAN Project (KW – LVWATSAN):

The Kampala Water – Lake Victoria Water and Sanitation (KW-LVWATSAN) Project is being financed by a Mutual Reliance Initiative (MRI) whose partners are KfW, AFD, EU-ITF, EIB and GoU. The goal of the project is to ensure sustainable expansion of the water supply and sanitation systems of Kampala to ensure reliable, appropriate and affordable service provision for the city's dwellers up to the year 2040.

The project is being implemented under different components as detailed below:

a) Upgrading and Rehabilitation of the Gaba Water Treatment Complex

The project component involved Upgrading and Rehabilitation of Gaba I & II (60% increment) Treatment Plants, Construction of a new 8,000 m³ Capacity Storage Reservoir at Namasuba, laying 9.6 Km of a 700 mm Diameter Pipeline from Gaba to Namasuba, Modifications at Muyenga Reservoirs, and Replacement of 800 m Section of the DN 500 mm Naguru Main.

The project was completed in 2018. However, Gaba I plant could not realise the design production capacity of 72,000 m³/day resulting into a dispute between NWSC and the Consultant. Mediation between the two parties was finalized, and the matter has since been resolved. Project closure will be achieved in FY 2021/2022 upon payment of Contractor's Final Certificate.

b) Katosi-Kampala Drinking Water Treatment Plant Project

The project component involved; construction of Intake of capacity 240,000 m³/day, construction of a New Water Treatment Plant of capacity 160,000 m³/day in the Eastern part of Kampala, Laying of 10 km (Diameter 1400 mm) Pumping Main to Nsumba hill and Construction of a Reservoir of capacity 40,000 m³ at Nsumba Hill.

All civil works have been completed, and electromechanical installations done. Testing of the system/ technical commissioning is ongoing and will be achieved by end of July 2021.

c) Construction of the Katosi- Kampala Transmission Mains

The project component involved laying of 51 km of Transmission Main from Nsumba Hill to Naguru Hill (Diameters 1400 mm and 800 mm) with offtakes to Mukono (Diameter 500 mm) and Sseeta (Diameter 600



mm) reservoirs, construction of a reservoir of capacity 15,000 m³ at Ssonde Hill and a Booster station at Namugongo.

All civil works have been completed, and electromechanicals installations done. Pressure testing of the pipeline and testing of reservoir for leaks has been done. Technical commissioning will be achieved in July 2021.

d) Network Restructuring & Rehabilitation:

The project component involves laying of over 340 km of Mains, construction of four Booster Pumping Stations, construction of three Reservoirs, installation of District Metering Areas (DMAs), implementation of a SCADA System for network monitoring at eight (8) critical stations in the distribution network, and Refitting of existing 20,000 m³ Gun-hill reservoir.

The project is at design stage, with works expected to commence in 2022.

e) Improvement of Water Supply and Sanitation Services in Informal Settlements:

The project component involves construction of; Nalukolongo Fecal Sludge Treatment Plant (400 m³/day), 240 toilet stances, and Hygiene promotion and sanitation marketing for improving conditions in at least 16 informal settlements in Kampala. Under this component, 2500 public water supply points will be installed with pre-paid meters to serve the urban poor communities living in the informal settlements of Kampala.

Procurement of works contractor is at contract negotiations stage, with works expected to commence in 2021.

2.9.3 Water Management and Development Project (WMDP) & Integrated Program to Improve Living Conditions in Gulu Phase 1 (IPILC 1)

Government of Uganda (GoU) secured financing from the World Bank towards improvements in water supply and sanitation services, including services to the Urban Poor and Source Protection measures, in the towns of Arua, Gulu, Mbale, and Bushenyi.

At the same time, GoU secured financing from Germany Government through KfW Entwicklungsbank (KfW) towards implementation of works for the construction of water supply infrastructure under the Integrated Program to Improve the Living Conditions in Gulu Phase 1 (IPILC 1).

NWSC jointly implemented WMDP with the Ministry of Water and Environment, whereas IPILC was jointly implemented by

NWSC and Gulu Municipality. The scope of works/services for both projects was clearly defined for the respective project implementing agencies. The status of implementation for both projects is detailed below;

a) Arua Water Supply and Sanitation Project

Arua Water Supply and Sanitation Project entailed refurbishment and upgrading of the existing Water Treatment Plant from 1,800 m³/day to 12,000 m³/day, increasing the Storage Capacity of the Reservoir from 1350 m³ to 5000 m³ and Construction of Sewerage System serving central business area of Arua city.

The project was completed in 2018, and it has improved water supply and sewerage services in Arua City and surrounding areas. Due to funding gap in WMDP arising from foreign exchange loss, the final invoices have not yet been paid. NWSC is following up with the MoFPED towards securing supplementary budget from GoU to achieve project closure in FY 2021/2022.

b) Bushenyi Water Supply and Sanitation Project

Bushenyi Water Supply and Sanitation Project entailed construction of Kitagata Water Treatment Plant of capacity 3150 m³/day, improvement of Nyaruzinga Water Treatment Works, 25km of Transmission Mains (Diameter ranging from 200 mm to 300 mm) and total reservoir capacity of 1700 m³.

The project was completed in December 2018, and project closure achieved. It has improved water supply and sewerage services in Bushenyi Municipality and the surrounding areas.

c) Gulu Water Supply and Sanitation Project

The project was co-funded by the World Bank under WMDP, and KfW under IPILC 2. It entailed; Construction of a New Intake at Oyitino 2, Upgrading and Expansion of the existing Water Treatment Plant from a production capacity of 4,000 m³/day to 10,000 m³/day, upgrading of the existing Water Supply and Distribution Network, Upgrading and Expansion of the existing Wastewater Treatment Plant and Wastewater Collection System, and Construction of a Faecal Sludge Reception and Treatment Centre.

The project was completed in September 2020, it has improved water supply and sewerage services in Gulu City and surrounding areas. Similar to Arua project, the funding gap in WMDP delayed payment of final invoices. NWSC is following up with the MoFPED towards securing supplementary budget from GoU to achieve project closure in FY 2021/2022.

d) Mbale Water Supply and Sanitation Project

Mbale Water Supply and Sanitation Project entails; construction of new water supply infrastructure as well as the rehabilitation and upgrade of existing Water Treatment Plant, Storage and Distribution Systems, Rehabilitation and upgrading of the existing Sewerage System in Mbale town and extension of the Waste Water Reticulation System to un-sewered areas of Mbale.

Detailed designs were completed in 2015. However, due to shortage in funding of the WMDP, the works were deferred to the IWMDP that was under preparation at the time

2.9.4 Integrated Water Management and Development Project (IWMDP) & Integrated Program to Improve Living Conditions in Gulu Phase 2 (IPILC 2)

The Ministry of Water and Environment and NWSC are jointly implementing the IWMDP that is aimed at improving access to water supply and sanitation services, capacity for integrated water resources management and the operational performance of service providers in Project areas. The design of the Project was informed by lessons learned from the implementation of the Water Management and Development Project (WMDP) also funded by the World Bank. For NWSC, the project areas are; Gulu, Mbale and Adjumani as well as Arua and Bushenyi for source protection.

At the same time, NWSC is implementing the Integrated Program to Improve the Living Conditions in Gulu Phase 2 (IPILC 2) funded by the Germany Government through KfW Entwicklungsbank (KfW).

The status for both projects is detailed below;

a) Gulu Water Supply and Sanitation Project

Gulu Water Supply and Sanitation Project is co-funded by the World Bank under IWMDP and KfW under IPILC 2. The project is packaged in two; Package 1 (funded by the KfW) entails Construction of a Water Treatment Plant (of capacity 10,000 m³/day) at Karuma, construction of 5,000 m³ capacity Reservoir in Gulu and supply to six small towns along Gulu Highway. Package 2 (funded by the World Bank) entails laying 70.2 km DN 500 ductile iron Transmission Pipeline from Karuma to Gulu.

Procurement of works contractors for both Package 1 and Package 2 is in progress, works are expected to start in 2021.

b) Mbale Water Supply and Sanitation Project

Mbale Water Supply and Sanitation Project entails; construction of new water supply infrastructure as well as the rehabilitation and upgrading of existing Water Treatment Plant, Storage and Distribution Systems, Rehabilitation and Upgrading of the existing Sewerage System in Mbale town and extension of the Waste Water Reticulation System to Un-sewered areas of Mbale.

Review of existing design is underway, works are expected to commence in n the first quarter of the of the FY 2021/22.

c) Adjumani Water Supply and Sanitation Project

Adjumani Water Supply and Sanitation Project entails; development of sustainable raw water sources, construction of Water Treatment, Transmission and



Distribution Infrastructure, provision of potable water to the project towns' Urban Poor and refugees/host communities and public sanitation services provision and management.

Feasibility study is underway, with works expected to commence in January 2023.

2.9.5 Development of Water and Sanitation Infrastructure for the Isingiro, Mbarara – Masaka Areas (South Western Cluster):

The South Western Cluster Towns Project is funded by the AFD and the GoU, it aims at improving water supply and sanitation in parts of Isingiro District, and cities of Mbarara, Masaka and the surrounding Areas.

The project is being executed in three packages;

a) Package 1: Kagera water supply project

Package 1 entails; construction of Intake at Kagera River (of capacity 8 m³/s) and construction of Water Treatment Plant (of capacity 22,000 m³/day) and laying of 68 km of DN 700 mm transmission from Kagera to Mbarara.

Conceptual designs for Intake and Water Treatment Plant and detailed designs for the Transmission Mains were completed. Pre-qualification for works contractors was done, the tendering process and contract award will be completed in December 2021.

b) Package 2: Mbarara water supply and sanitation project

Package 2 entails rehabilitation and expansion of Ruharo water works and sewerage infrastructure in Mbarara supply area.

Designs are currently under review. Pre-qualification for works contractors was done; the tendering process and contract award will be completed in February 2022.

c) Package 3: Masaka Water Supply and Sanitation Project

Package 3 entails; construction of new 12,000 m³/day capacity Water Treatment Plant at Bukakata (including intake), rehabilitation of existing water and sewerage infrastructure.

Preparation of detailed design is underway. Tendering process for works contractors and contract award will be accomplished in March 2022.

2.9.6 Wakiso West Project

The project is funded by DANIDA Sustainable Infrastructure

Finance (DSIF), and is aimed at improving the quality of life, health and economy of people in the South and West of Greater Kampala.

It entails; development of New Water Treatment Plant, Abstraction System, Primary Bulk Storage Reservoir, associated pumping main, distribution system a Faecal Sludge Treatment Plant and Supply of Water in Informal Settlements in this area. Following completion of a feasibility study in 2019, procurement of consultant to undertake detailed design and supervision of works is underway.

2.9.7 Other Projects

NWSC has implemented several projects using funds mobilized from GoU and internally generated revenues. These are detailed below;

a) Kapchorwa Water Supply Project

The project involved construction of New Water Treatment Plant of 3,000 m³/ day and 4 km of Transmission Mains.

The project was completed in 2020, it has improved water supply services in Kapchorwa town.

b) Kapeeka Water Supply project

The project was aimed at developing new water supply system for Kapeeka Industrial Park, Town Council and other neighboring settlements. The plan was to implement the project in phases.

Phase 1 of the project entailed; construction of a Raw Water Intake at River Mayanja and Conventional Water Treatment Plant (capacity 2,500 m³/day) at Corner Kilak, Reservoir, Water Supply Network. This project phase was completed in September 2017 leading to significant improvement in water supply services in the Industrial Park, Kapeeka town and neighboring areas such Corner Kilak Township, Kyelerezi Township, Singo Army Barracks, Semuto town and Bukomero town.

Phase 2 of the project implemented under SCAP 100 framework and it entailed upgrading of Kapeeka Water Supply System aimed at addressing the existing water supply challenges for the Kapeeka community and industrial park through increasing water production from 2,500 m³/day to 7,000 m³/day. This involves modification of Water Intake, expansion of Water Treatment Plant, construction of New Reservoir, and laying of Bulk Transfer Main to the Industrial Park, and development of Borehole System to augument supply from the Water Treatment Plant

Construction of a New Reservoir, and laying of Bulk Transfer Main to the Industrial Park were completed, while modification of Water Intake and expansion of Water Treatment Plant are expected to be completed in August 2021. Two production wells were drilled and procurement of land for Borehole System is underway. The development of the Borehole System will be accomplished in the FY 2021/2022

c) New Soroti Intake Project

The project was developed to replace the old intake for Soroti Water Supply System that was washed away during the October-November Teso floods of 2010. It involved construction of Intake Structure comprising of inlet sump and pump room, supply and installation of 3No. Pumps (including other electro mechanicals).

The project was completed in July 2017, and is under operation.

d) Compact Waste Water Treatment Plants for Fort portal and Kisoro towns

The project was aimed at addressing wastewater disposal challenges in towns of Kisoro and Fort Portal. It entailed; construction of platforms, and supply and installation of package Wastewater Treatment Plants.

The project was completed in 2019 and both plants are under operation.

Masindi Water Production Improvement Project

The project entailed increasing the water production capacity of Kiyanja Water Treatment Plant from 1,700 m₃/day to 3,700 m₃/day to meet projected demand through construction of additional Water Treatment Units (coagulators and flocculators, clarifiers and filters.

The project was completed in August 2017, and is under operation.

Fort Portal Water Production Improvements

The project was aimed at improving water quality and increasing water production capacity of Fort Portal Water Treatment Plant from 3,000 m³/day to 3,000 m³/day. It entailed construction of Flocculator, Coagulator, Clarifier, and Filter. The project was completed in July 2020, and is under operation.

g) Sembabule Water Supply Improvement Project

The project aims at increasing Water Production from 300 m³/day to 3,000 m³/day. It involves upgrading and extension of the Water Distribution Network, Construction of a New Intake and Water Treatment line, upgrading and extension of the Distribution Network (100 km length, 90-200 mm) to surrounding towns.

The project is 90% completed and technical commission is expected in the first quarter of the FY 2021/2022.

Design & Build of a Compact Sewage Treatment Plant for Kiruddu Referral Hospital

The project is aimed at improving wastewater



the smell nuisance resulting from septic tank overflows hence pausing a health risk to those living within vicinity of the hospital. The plant will be able to treat 150,000 litres of wastewater on a daily basis. The project is being implemented in partnership with Ministry of Health (responsible for project financing) and Kampala Capital City Authority (responsible for acquisition of unencumbered land for project site)

Works are expected to commence in June 2021, with substantial completion to be achieved in eight months.

i) Lyantonde Water Supply Project

The project is aimed at improving water supply reliability in Lyantonde town and surrounding areas including Rushara Industrial Park. It entails; construction of new 5,000 m³/day Water Treatment Plant, 2000 m³ Capacity Reservoir, 20 km Distribution Network.

Procurement of works contractor is underway and works are expected to start in the first quarter of FY 2021/22.

j) Hoima Water Supply Improvements

The project is aimed at improving water supply reliability in Hoima town and surrounding areas through expansion of the Water Treatment Plant capacity by 3,000 m³/day, and laying of 3.7 km DN 200 mm Transmission Mains.

Works commenced in May 2021, with substantial completion to be achieved in eight months.

k) Bushenyi Water Supply Improvements

The project is aimed at improving water production in Bushenyi Water Supply Area through construction of new water treatment plant capacity 2,000 m³/day at Kibatema with raw water source from Walogo River, construction of 600 m³ Reservoir and laying of 3.8 km DN 200 mm Transmission Mains.

Procurement of works contractor is underway, works are expected to start in August 2021.

l) Service Coverage Acceleration Project (SCAP 100)

The aspiration of the Government of Uganda is to achieve universal access to water supply by all citizens by 2040. To contribute to the achievement of this goal, we are implementing a project codenamed, "Service Coverage Acceleration Project (SCAP100)". The project aims at ensuring universal and equitable access to safe water supply by the population in all villages under NWSC jurisdiction. The project that was launched in the FY 2017/18, aims at having all villages under NWSC jurisdiction with full access to safe piped water supply, with at least 2 public taps (PSPs) per village or a PSP

per 200 people. The project implementation entails the following components;

- Mains Extensions, Installation of Public Stand Pipes and New Connections.
- Re-enforcing the existing water infrastructure to support increased water demand through; -
 - Construction of Water Reservoirs, Booster Stations and other mini projects to enhance water production and supply.
 - Construction of Distribution Water Mains.
 - Development of alternative water sources like Production Wells.
 - Intensification of the existing Secondary and Tertiary Water Networks.
 - Land acquisition for new infrastructure.
 Since the project inception, 5,509 new villages have benefited from 10,465 new Public Water Points (PSPs), 189,481 new water connections and 5,095 Km of new water mains extension.

m) Water Supply Stabilization Programme (WSSP)

The WSSP is implemented under the framework of SCAP100 and it entails implementation of quick win investments aimed at improving the capacity of water production to enhance supply stability and reliability. The key interventions implemented during the review period included; upgrading and rehabilitation of water treatment facilities, ground water exploration and development to augment the existing capacities, installation of additional water storage facilities, backup power systems and network upgrading and rationalization in various NWSC Areas, especially in the New Towns. During the period under review, the Corporation drilled 54 boreholes, installed 30 Reservoirs, and installed 51 Generator Sets and 20 Chemical Dozing Pumps.

The Corporation has since registered significant improvement in water production capacity, system functionality and supply reliability. The volume of water produced per month grew by 34%, from 8.8 million cubic meters to 11.8 million m³ by June 2021. This has greatly improved the NWSC capacity to meet the everincreasing demand for water services arising from growth in geographical coverage and the general population growth.



2.10 SCOR Analysis

The SCOR analysis consists of an evaluation of the NWSC's Strengths, Challenges, Opportunities and Risks. The **SCOR analysis** incorporated **PESTEL** (**Political, Economic, Social, Technological, Environmental and Legal)** factors as an integral part of the analysis. In doing this, the objective is to achieve a strategic fit between the organization's internal skills, capabilities and resources with the external opportunities so as to minimize the challenges and risks. Sections 2.10.1 and 2.10.2 provide a summary of the major Strengths & Opportunities, Challenges and Risks.

2.10.1 Strengths and Challenges



100

80

60

40

Strengths

- Competent and committed workforce
- Good industrial relations
- Existence of a customer-oriented culture
- Adaptive and supportive leadership within the Corporation
- Existence of well-documented policies and procedures manuals
- · Cross subsidy tariff mechanisms in place
- Strong Corporate brand and visibility
- Existence of operational and financial data spanning many years
- Dedicated Programmes for NRW reduction
- Existence of ICT infrastructure and systems
- NWSC budget commitment to finance and implement some capital projects using internal resources
- Ability to develop in house IT systems and applications
- Capacity to finance Operation, Maintenance, and Depreciation Costs
- Resilience in operations and service delivery
- · Wide geographical presence
- Existing Vocational Skills Facilities and other capacity building programmes



Challenges

- Inadequate water and sanitation coverage in some areas
- Inadequate infrastructure resulting in limited supply reliability in some Areas
- Inadequate financing for infrastructure upgrade and expansion
- Delay in delivery of materials which affects service delivery and performance especially in responding to queries
- Poor quality meters and frequent stock-outs
- Inadequate awareness and (or) marketing of sewerage services to customers
- Implementation of a tariff that is not full-cost recovery
- Non-break-even of most of the Areas/Towns
- Increasing Arrears under the categories of Domestic, PSPs, Commercial and Ministries.
- Inadequate stakeholder mapping and engagement.
- Limited outreach and impact of Corporate Citizenship initiatives
- Inadequate Asset Management practices
- Inadequate integration of the management information system
- Inadequate Capacity to test (equipment / facility) and inspect the water meters
- Inadequate HR system for deployment and supervision of staff
- Inadequate coverage of GIS and mapping
- Inadequate metering for consumers and system input
- Slow response to leakages and bursts
- Inadequate optimisation of water treatment chemicals
- · Inadequate facilities for water quality monitoring
- Inadequate succession planning and career development
- Inadequate alignment of the organisation structure to business trends



Opportunities

- Government support to the Corporation
- Support from the Development partners
- Enabling legislation and policy framework
- Public and customer good will
- Utility Court to address water concerns
- Availability of advanced/superior technology options in the market
- Availability of raw water sources
- Potential for partnerships and collaborations
- Unmet demand for water and sewerage services
- Business potential for income diversification (external services expansion)
- Availability of various investment financing options
 e.g. capital markets
- Availability of various stakeholder and customer engagement platforms
- Political stability
- Availability of potential providers for key service delivery inputs
- Monopoly service delivery in ours areas of operation



Risks

- Deteriorating raw water sources due to environmental degradation
- Power outages in some major water production plants
- Pollution and contamination in the distribution networks
- Inadequate and delayed GoU bills payments and counterpart projects funding
- · Time and cost overruns of capital projects
- Delays and failures in land and wayleaves acquisition for projects
- Connectivity downtimes and failure of key IT servers.
- Data / database insecurity
- · Illegal water use and network vandalism
- Increasing stakeholder expectations and demands e.g. coverage, Corporate Citizenship, etc.
- Negative impact of COVID19 on NWSC business
- Negative and false information, publicity and propaganda.
- High cost, poor quality and unreliable supply of key operational inputs e.g. water meters, bulk chemicals, fittings etc.
- Uncoordinated infrastructure development across different sectors
- · Inadequate physical planning
- · Unstable macro-economic environment
- · Limited capacity of contractors to do quality work
- Continuous technological advancements which can render our technologies in use obsolete
- Flooding at some of the Water Intake Plants.
- Inflated cost of land for the projects.



Our strategic focus (2021-2024) is aligned to the Corporation Vision and Mission, taking into account the situational analysis. The Plan is anchored to the National Development Plan (NDPIII) that is implemented through the various Programme Implementation Action Plans (PIAPs), Government Manifesto (2021-2026), Water and Environment Sector Strategic Investment Plan (2018-2030), Vision 2040, Sustainable Development Goals (Goal 6), as well as the Performance Contract Framework between NWSC and the GoU.

3.1 Anchorage to the National Development Plan (NDPIII)

The NDPIII provides the overarching National Strategy from which all strategic plans at the Ministry and Local Government levels are drawn. Therefore, the NWSC Corporate Plan (2021-2024) has been anchored to the various NDPIII aspects to ensure synergies with the overall National Strategic Framework. The Key NDPIII aspects include the following;

- a) NDPIII Strategic Goal: To Increase Average Household Incomes and Improve the Quality of Life of Ugandans.
- b) Overall Theme: Sustainable Industrialization for inclusive growth, employment and sustainable wealth creation.
- c) NDPIII Strategic Objectives:
 - Enhance Value Addition in Key Growth Opportunities;
 - ii. Strengthen the Private Sector Capacity to drive Growth and Create jobs;
 - Consolidate and Increase the Stock and Quality of Productive Infrastructure;
 - iv. Enhance the Productivity and Social Wellbeing of the Population; and
 - v. Strengthen the Role of the State in guiding and Facilitating Development.
- d) Focus Areas of Investment: The NDPIII strategic objectives provide a framework for streamlining and directing economic actors' investments towards;
 - Increased agricultural production/productivity and agro-processing, mineral beneficiation and mineralled industrialization, oil refining, digitalization, and labor-intensive light manufacturing (including cottage industries);
 - ii. Sequential and coordinated infrastructure

- investments in energy, roads, water, air, rail, industrial parks, and mechanized irrigation schemes to support increased production/productivity for export expansion and the production of goods that are otherwise imported;
- iii. Increased generation of more skilled, better motivated and healthier workforce for all sectors of the economy, but particularly for industrial sector as well as a modernized agricultural sector; and
- iv. A strengthened private sector that is able to drive growth and investment in collaboration with the state.

These areas of investment informed the formulation of the Strategic Priority Areas (SPAs) for the Corporate Plan (2021-2024).

- e) Key Development Strategies: For successful implementation, the NDPIII adopted 21 development strategies. The NWSC Corporate Plan (2021-2024) will specifically contribute to the implementation of the following NDPIII strategies that relate to NWSC Business;
 - i. Agro industrialization
 - ii. Fast-Track Oil, Gas and Mineral-Based Industrialization
 - iii. Import substitution/Promotion of Local Manufacturing
 - iv. Export Promotion
 - v. Harness the Tourism Potential
 - vi. Increase local content participation
 - vii. Institutionalize infrastructure maintenance
 - viii. Leverage urbanization as a driver for socioeconomic transformation
 - ix. Improve access and quality of social services
 - x. Enhance skills and vocational Development
 - xi. Promote Science, Technology, Engineering and Innovation as well as ICT
 - xii. Increase access to social protection

- xiii. Promote development-oriented mind-set
- xiv. Increase government participation in strategic sectors
- xv. Increase Resource Mobilization for Implementation of National Development Programmes
- xvi. Enhance partnerships with non-state actors for effective service delivery

These strategies informed the Strategic Objectives and Goals, as well as the Strategies and Deliverables for the NWSC Corporate Plan (2021-2024).

3.2 Golden Indicators

To broaden the scope of service delivery, the Corporation has developed Golden Indicators to track critical Performance Parameters within the NWSC Monitoring Framework. These include:

- i. Reduce NRW from 37% to 33% in the next 5 years
- ii. Increase the Customer Satisfaction Index from 86% to 90%
- iii. Increase the Staff Engagement Index from 50% to 70% in the next 5 years.
- iv. Growth in the Asset base from UGX.3.8 trillion to UGX.6 trillion.
- v. Growth in the customer base from 800,000 to over 1,200,000 connections.

3.3 Transformational Initiatives

The Corporate Plan (2021-2024) has enlisted new transformational ideas whose implementation will bring about a paradigm shift in the NWSC business. These are 12 initiatives of reset and have been synchronized with the Strategic Objectives and Goals, and implementation strategies and deliverables for the Corporate Plan (2021-2024) to ensure better service delivery.

They include the following:-

- i. Resilient Utility
- ii. SMART Utility Model
- iii. Innovation and Incubation Center
- iv. Strengthened NRW Accountability Framework
- v. In-house Meter Testing and Maintenance Labs
- vi. Green Technology adoption and Decentralized Wastewater Management Systems
- vii. Competency-Based Career Development
- viii. NWSC Captive Insurance Company
- ix. NWSC Captive Construction Company
- x. Digitalization and Improved Workflow Processes for an agile work environment
- xi. African Water and Sanitation Academy
- xii. In-house Medical Facility and E-Health

3.4 Strategic Priority Areas (SPAs)

The Corporate Plan (2021 - 2024) shall focus on the following Five Strategic Priority Areas (SPAs), of which four are aligned to the NDP III focus areas of investments..

- i. Industrialization
- ii. Infrastructure Development
- iii. Skilling and Workforce Development
- iv. Private Sector Involvement
- v. Organizational Health and Sustainability

Each of the SPAs will be implemented through various Strategic Objectives and Goals summarized in table 8 and these will be supported by the Strategies and Deliverables aligned to the Four NWSC Business Balance Scorecard Perspectives. The various Strategies and Deliverables are enumerated in Chapter 4 and have been translated into measurable Annual Targets based on Key Performance Indicators.



Table 8: Strategic Priority Areas (SPAs), Strategic Objectives and Goals, and Performance Indicators For The Corporate Plan (2021-2024)

No.	STRATEGIC PRIORITY AREA	STRATEGIC OBJECTIVES & GOALS	PERFORMANCE INDICATORS
SPA1	Industrialization	Increase water and sewerage service coverage for industrial development and growth	Industrial parks with water services (No.) Industrial parks with sewerage services (No.) Growth of water connections in industrial parks (No.) Growth of sewer connections in industrial parks (No.) Water and sewerage networks to serve the industrial parks (Km) Industrial category of connections (No.) Industrial parks with reliable water supply (%)
SPA2	Infrastructure Development	Increase service coverage Ensure compliance to water and wastewater quality standards	Water Service coverage (%) Sewerage Service Coverage (%) Water Connections (No.) Sewer connections (No.) Capital budget implemented (%) Compliance to drinking water quality National standards (%) Compliance to wastewater effluent discharge standards (%) Water network extensions completed (Km) Sewerage network extensions completed (Km) Practical Production capacity (m³/day) Additional towns/schemes served (No.) Cities/Towns with sewerage coverage (No.)
SPA3	Skilling and workforce Development	Have a highly competent, skilled, ethical and productive workforce Contribute to the capacity development of the water sector	Staff productivity (Staff per 1,000 connections) Staff with Vocational Certification (% of eligible staff) Professional certified staff (%. Of eligible professions) Regional Training hubs established (No.) External people trained (No) Staff Trained (No.)
SPA4	Private Sector Involvement	Strengthen the Private sector involvement	 Ratio of outsourced services Increase in Private financing (UGX) PPP projects structured and implemented (No.)

No.	STRATEGIC PRIORITY AREA	STRATEGIC OBJECTIVES & GOALS	PERFORMANCE INDICATORS
SPA 5	Organizational Health & Sustainability	 Increase revenue Improve liquidity Increase operating surplus Improve operational efficiency Improve water supply reliability Improve customer services Environmental and Ecological sustainability Improve employee motivation and commitment Enhance Corporate Citizenship 	 Collections (UGX) Collection Ratio (%) Debt Age (Months) Creditors Days (Days) Working Ratio Return on Capital Employed (%) Billing (UGX) Cash Operating Margin (UGX) Connections (No.) Connection Efficiency (%) Water sales volumes (m³) System availability: Plant availability (hours of supply) System availability: Network Failure Restoration Time (hours) NRW (%) Specific Energy Consumption (UGX/m³) Specific Bulk chemical utilization (UGX/m³) Customer Satisfaction Index (%) Response time to customer complaints (hours) Break even Areas (No.) Staff productivity (Staff per 1,000 connections) Maturity score (No.) Current Ratio Employee Satisfaction Index (%) Corporate Social Responsibility Budget implemented (%) Urban centers served (No.) Audit recommendations implemented (%)

3.5 Annual Targets 2021-2026

The Annual targets for the Corporate Plan (2021-2024) have been extrapolated to 2026 to synchronize NWSC aspirations with the overall National Development Plan Framework (NDPIII-2020-2025) and the Government Manifesto (2021-2026). Table 8 below summaries the Annual Targets for the period 2021-2026. Details are attached in **Annex (4)**

Table 8: SUMMARY OF ANNUAL TARGETS FOR THE PERIOD (2021-2026)

No.	Parent Indicators	Baseline 2020/2021 (P*)	FY 2021/22	FY 2022/23	FY 2023/24	FY 2024/25	FY 2025/26		
OUR	OUR PRODUCT								
1	Water supplied (million m3)	136.7	172.3	176.7	181.1	199.6	202.7		
2	Water sales (million m3)	87.4	108.9	113.0	117.1	131.4	135.7		
3	NRW (%)	36%	37%	36%	35%	34%	33%		
3.1	NRW (m3/Km/d)	3.6	4.4	4.2	4.0	4.0	3.7		
3.2	NRW (m3/No/d)	0.077	0.092	0.086	0.081	0.080	0.074		
CUST	OMER SERVICES								
4	Total Water Connections (No.)	785,378	848,477	913,277	992,477	1,093,277	1,208,477		
5	Active Water Connections (No.)	688,328	752,819	819,110	886,726	955,695	1,026,043		
6	Total Sewer Connections (No.)	24,026	24,226	24,476	24,776	25,076	25,376		
7	Total Network Length (km)	20,513	21,513	22,713	24,113	25,713	27,513		
FINAL	NCIAL								
8	Billings Revenue (UGX Billion) (VAT Incl.)	418.9	523.4	559	596.5	636.1	677.9		
9	Arrears (UGX Billion)	99.3	158.2	217.7	272.6	317.2	363.6		
10	Collections (UGX Billion)	445.8	464.5	499.5	541.5	591.5	631.5		
11	Working Ratio	77	77	77	76	76	76		
12	Total Asset Base (Ushs.Billion)	3,771	4,451	4,531	4,611	5,711	6,061		
СОМІ	PLIANCE								
13	Water Quality %	98%	98%	98%	98%	98%	98%		
14	Sewerage Effluent %	61%	50%	50%	50%	50%	50%		
15	Customer Satisfaction Index (%)	70%	86%	87%	88%	89%	90%		
16	Staff Engagement Index (%)	50%	54%	58%	62%	66%	70%		

P*- Projected Performance June 2021

3.6 Assumptions

Implementation of the Corporate Plan (2021-2024) and the achievement of the underlying Strategic objectives and Goals are based on the following assumptions;

- · Funding from Government and Development Partners is secured in time to finance the planned capital projects
- Government meets all its bill payment and financing obligations
- · Procurement of capital projects will proceed uninterrupted
- Stable macro-economic environment
- No major changes in the institutional arrangement and governance
- Climatic conditions will not adversely affect NWSC operations
- Political stability
- · Social harmony
- $\bullet \quad \text{Growth in geographical coverage (takeover of towns) will be matched with increased funding}\\$





Chapter Four:

Key Strategies and Deliverables

In order to achieve the Strategic Objectives and Goals of this Corporate Plan, Key Strategies and Deliverables have been formulated under each of the Strategic Priority Area (SPAs). The Strategies and Deliverables are aligned to the NWSC four perspectives of the Balance Score Card namely; **the Customer and Stakeholder Perspective**, **Finance Perspective**, **Internal Processes Perspective** and **Learning and Growth Perspective**. The implementation of these key strategies will go a long way in **a)** addressing challenges and risks, consolidating the strengths and exploiting the available opportunities identified in the situation analysis, **b)** Implementing the 12 Transformational Initiatives of Reset for the period (2021-2024) and **c)** ultimately contributing to the achievement of the NDPIII strategic results.

4.1 SPA 1 Industrialization

Perspective	Strategy	Deliverable & Key Actions/ Milestones	Lead Responsibility	By When
οχ &	1.1.1 : Establish and maintain an effective collaborative	1.1.1.1: Enhanced partnerships with industrialists	D-CCS	June-2022
Customer & Stakeholder	stakeholder framework	1.1.1.2: Strengthened functionality and effectiveness of the NWSC liaison office at UIA	D-ES	Dec-2021
O 66		1.1.1.3: Marketing strategy developed	D-CCS	June-2022
Financial	1.2.1: Partner with Uganda Investment Authority (UIA) to mobilize financing for the	1.2.1.1: Cost estimates for infrastructure development plans for industrial parks in place	D-ES	June-2022
ш.	planned industrial parks	1.2.1.2: Confirmed funding source	SM- CS&IF	Dec-2022
	1.3.1: Cost effective and timely network extensions	1.3.1.1: Industrial parks covered (Numbers)	D-ES	June-2024
S	to the industrial parks	1.3.1.2: Improved service reliability to priority industrial parks	D-ES	June-2024
rocess	1.3.2: Promote decentralized wastewater management solutions in partnership with the developers	1.3.2.1: Masterplan for wastewater systems for priority industrial parks	D-PCD	Dec-2022
Internal Processes		1.3.2.2: Operational decentralized wastewater systems in at least 3 industrial parks	D-PCD	June-2024
		1.3.2.3: Inventory of operational status of WatSan services to industries	D-BSS	June-2023
irowth	1.4.1: Build NWSC capacity in the design and management of industrial and decentralized	1.4.1.1: No. of personnel trained in the design and management of industrial wastewater management systems	D-BSS	June-2026
Learning & Growth	wastewater management systems	1.4.1.2: Industrial wastewater analysis and monitoring tools and equipment in place	D-BSS	June-2023
Lea		1.4.1.3: Collaborative enforcement mechanisms for wastewater management	D-BSS	Dec-2022



4.2: SPA 2 Infrastructure Development

Perspective	Strategy	Deliverable & Key Actions/Milestones	Lead Responsibility	By When	
∞ <u>p</u>	2.1.1: Establish stakeholder collaborations and	2.1.1.1: Timely and regular stakeholder engagements	D-PCD	Annually	
Customer & Stakeholder	partnerships for effective and timely infrastructure delivery	2.1.1.2: Timely Consent from Project Affected Persons and Beneficiaries	D-PCD	Quarterly	
Cus		2.1.1.3: Schedule of land acquired for project sites.	DMD-BAMS	Annually	
	2.2.1: Improve the infrastructure investment	2.2.1.1: Developed database for unit cost of projects within the East African Region	D-PCD	June-2022	
ncial	cost efficiency	2.2.1.2: Capital projects completed within the cost efficiency benchmarks	D-PCD	Annually	
Financial	2.2.2: Mobilize Investment finance for WATSAN	2.2.2.1: Bankable proposals	D-P&CD	Dec-2022	
	Infrastructure in Industrial parks	2.2.2.2: Project funds mobilized	SM-CS&IF	Dec-2023	
	2.3.1: Timely and efficient delivery of major capital	2.3.1.1: Developed comprehensive contract management system	D-IBS	June-2023	
	projects	2.3.1.2: Water and sanitation masterplans and Feasibility studies in the New Cities and priority towns	D-PCD	June-2023	
		2.3.1.3: Funding secured for WatSan Infrastructure	DMD-FCS/ SMCSIF	Annually	
		2.3.1.4 : At least 90% of capital projects completed on schedule.	D-PCD	Annually	
	2.3.2: Timely and efficient delivery of Water Supply stabilization, and water	2.3.2.1: At least 90% completion of annual Water Supply Stabilization improvement plans	D-ES	Annually	
	quality improvement plans	2.3.2.2: At least 90% completion of annual water quality improvement plans	D-BSS	Annually	
Internal Processes	2.3.3: Implementation of SCAP 100	2.3.3.1: At least 1,000 Km of water mains extensions	D-ES	Annually	
Pro		2.3.3.2: At least 3,000 PSPs installed	D-ES	Annually	
mal		2.3.3.3: At least 50,000 new connections	D-ES	Annually	
nte		2.3.3.4: At least 2,000 villages covered	D-ES	Annually	
_	2.3.4: Increase Sewerage Coverage in NWSC	2.3.4.1: At least 30 Km of Sewer mains extensions	D-ES	Annually	
	Operational Areas to 30%	2.3.4.2: At least 200 Sewer connections	D-ES	Annually	
		2.3.4.3: At least 3 new sewerage systems constructed	D-PCD	June-2024	
	2.3.5: Increase NWSC footprint of non-sewered Sanitation system.	otprint of non-sewered implemented Sanitation Acceleration Plan		Annually	
		2.3.5.2: At least 100 public water toilets constructed in selected NWSC Areas.	D-PCD	June-2024	
		2.3.5.3: At least 10 Fecal sludge-handling facilities constructed in selected NWSC Areas.	D-PCD	June-2024	



4.3: SPA 3 Skilling and Workforce Development

Perspective	Strategy	Deliverable & Key Actions/Milestones	Lead Responsibility	By When
∞ ™		3.1.1.1: Updated HR Manual to allow a flexible work environment	D-HR	June-2022
Customer & Stakeholder	3.1.1: Create an agile and conducive work	3.1.1.2: Staff fully equipped with necessary capacity to adopt and adapt the flexible work environment	D-IBS	June-2023
Cust	environment	3.1.1.3: 14 constructed office blocks for selected Areas	D-IBS	June-2024
		3.1.1.4: Established new data Centre	D-IBS	June-2024
	3.1.2: Grow and strengthen strategic	3.1.2.1: Secured and operationalized partnerships with government institutions and local stakeholders	D-BSS	Dec-2022
ncial	partnerships and alliances for internal and external training	3.1.2.2: Enhanced training Programs	D-BSS	Annually
Financial	3.2.1:	3.2.1.1: Established Africa Water and Sanitation Academy	D-BSS	June-2022
	Internationalization of Training for a more	3.2.1.2: Established Partnerships with international training institutions in place	D-BSS	Dec-2022
	productive workforce	3.2.1.3: Certification of selected training courses	D-BSS	June-2024
		3.3.1.1: Fully operationalized HR System (HRMS)	D-IBS	June-2022
S S	3.3.1: Digitalization of the Human Resource	3.3.1.2: Fully operational digitalized Archive system for all staff records	D-IBS	Dec-2022
Internal Processes	System and Practices	3.3.1.3: Fully operational digitalized Medical scheme (E-Health)	D-IBS	June-2023
al Pr		3.3.1.4: Fully functional occupational health systems.	D-HR	
nterna	3.3.2: Organizational restructuring to match	3.3.2.1: Updated Organizational Structure that is well aligned to the business and operational needs	D-HR	June-2022
_	the changing business environment	3.3.2.2: An effective Staff productivity accountability system developed and operationalized	D-IBS	June-2022
		3.4.1.1: Approved 5-year capacity development plan	D-BSS	Dec-2022
		3.4.1.2: Partnerships with relevant institutions to deliver competence based training programs	D-BSS	June-2022
	3.4.1: Effective and efficient skilling and retooling of the workforce	3.4.1.3: Competence Based career development curriculum in place	D-BSS	Dec-2022
		3.4.1.4: Accredited and fully operationalized Vocational Training Facilities in Lira and Bushenyi	D-BSS	June-2024
		3.4.1.5 : M&E framework for the capacity development plan	D-BSS	Dec-2022
		3.4.1.6: Operationalized E-learning platforms	D-BSS	Dec-2022
£		3.4.2.1: Established in-house medical facility	D-HR	Dec-2022
rov	3.4.2: Enhanced staff	3.4.2.2: Established counselling Centre	D-HR	June-2022
و م	welfare and work-life balance	3.4.2.3: Reviewed and enhanced medical scheme	D-HR	Dec-2021
Learning & Growth		3.4.2.4: Social, financial, spiritual and healthier living Programmes	D-HR	Quarterly
_		3.4.3.1: Competence and performance based appraisal system	D-IBS	June-2022
	3.4.3: Develop and	3.4.3.2: Enhanced staff incentive framework 3.4.4.1: Grow the membership and financial capacity	D-IBS	Dec-2021
	implement innovative staff incentive	of the provident fund 3.4.4.2: Restructured Long service Honours and	D-HR	Annually
	and performance	Awards Programme	D-HR	June-2022
	accountability system	3.4.4.3: Talent pool developed	D-HR	June-2022
		3.4.4.4: Mentorship and leadership development Programmes	D-HR	Quarterly / Annually
	3.4.5: Promote ethics and integrity in the workforce	3.4.5.1: Operationalized Staff Integrity enhancement plan	D-HR	Bi-annually





4.4: SPA 4 Private Sector Involvement

Perspective	Strategy	Deliverable & Key Actions/ Milestones	Lead Responsibility	By When
		4.1.1.1: Strategic partnerships with private sector bodies	DMD-FCS	Quarterly
Customer & Stakeholder	4.1.1: Effective Private	4.1.1.2: NWSC portfolio for outsourcing services to the Private Sector documented and disseminated	DMD-FCS	June-2022
Customer 8	sector engagement	4.1.1.3: Information dissemination about business opportunities in NWSC	SM-PR	Quarterly
		4.1.1.4: Held Private sector meetings/ fora (Number)	DMD-FCS	June-2022
	4.2.1.1: Frameworks for undertaking business ventures in partnership wi private sector		DMD-TS	June-2024
	sector financing and partnerships	4.2.1.2: PPP Financed contracts	DMD-FCS	June-2022
Financial		4.2.1.3: Strengthened partnership frameworks with water tankers and cesspool operators	D-ES	June-2022
	4.2.2: Outsource services to the private sector	4.2.2.1: Enhanced Private sector involvement in bill collections	D-CCS	June-2022
		4.2.2.2: Increased volume of outsourced services as per portfolio	DMD-FCS	Annually
19 &	4.4.1: Develop NWSC internal capacity	4.4.1.1: Staff Trained in Private sector participation and PPP arrangements	D-BSS	June-2023
Learning & Growth	for private sector engagement and PPP arrangements	4.4.1.2: Established focal point for Private Sector participation and PPP	DMD-FCS	June-2022





4.5: SPA 5 Organizational Health and Sustainability

erspective	Strategy	Deliverable & Key Actions/Milestones	Lead Responsibility	By When	
	5.1.1: Strengthen Customer	5.1.1.1: Updated and well disseminated NWSC	D-CCS	Dec-2021	
	relations management and	customer charter		200 2021	
	customer experience	5.1.1.2: Restructured and upgraded the Contact Center	D-IBS	Dec-2022	
		5.1.1.3: Expanded NWSC payment options for services	D-CCS	Annually	
		5.1.1.4: Annual Customer Satisfaction Survey reports and documented feedback	D-IBS	Annually	
		5.1.1.5: Digital platforms for enhanced customer experience	D-CCS	June-2022	
		5.1.1.6: Staff Integrity Surveys	D-HR	Annually	
Customer & Stakeholder		5.1.1.7: Annual Staff Engagement Survey Reports and documented feed back	D-IBS	Annually	
	5.1.2: Proactively enhance the NWSC Brand	5.1.2.1: Approved and implemented communication policy	SM-CC	June-202	
₩.		5.1.2.2: An Updated and well disseminated	D-CCS	Dec-2021	
er 8		Stakeholder Engagement Agenda		Annually	
stom		5.1.2.3: Standardized branding of NWSC offices and premises	SM-CC	June-202	
Cu		5.1.2.4: Annual CSR Plans implemented	SM-CC	Annually	
		5.1.2.5: Approved NWSC branding policy	SM-CC	Dec-2021	
		5.1.2.6: Approved CSR policy	SM-CC	Dec-2021	
	5.1.3: Strengthen Governance and			Quarterly	
	accountability	5.1.3.2: Audit recommendations implemented	Directorates	Quarterly	
	5.1.4: Strengthen the measures to provide water	5.1.4.1: Increased functionality of prepaid public water points	D-ES	June-202	
	to the final urban poor consumer at the Pro-poor	5.1.4.2: Increased density of PSPs	D-ES	June-202	
	tariff	5.1.4.3: Regulated and branded PSPs5.1.4.4: Close monitoring of the functionality of PSPs	D-ES D-ES	Dec-2021	
	_			Quarterly	
	5.2.1: Revenue Enhancement Programmes	5.2.1.1: Timely and Priority Meter Replacements; Improved consumer metering accuracy	D-ES	Annually	
		5.2.1.2: Annual illegal Water Use Reduction Action Plans implemented	D-ES	Annually	
Financial		5.2.1.3: Undertake a study on the Economic Level of NRW	SMCSIF	June-202	
뜶		5.2.1.4: Customer Data Clean up	D-CCS	June-202	
		5.2.1.5: Strengthened large customer profiling in all Areas	D-CCS	Dec-2021	
		5.2.1.6: Suppressed accounts reduction plan developed and implemented	D-CCS	Annually	
		5.2.1.7: Timely processing and billing of new connections	D-CCS	Quarterly	
		5.2.1.8: Sewerage services revenue enhancement programme developed and implemented	D-CCS	June-202	
		5.2.1.9: Targeted revenue enhancement Programmes to accelerate breakeven for Areas	D-CCS	Bi-annual	
	5.2.2: Targeted Cost	5.2.2.1: Established Captive Investment Company	D-ES	June-202	
	Optimization initiatives to	5.2.2.2: Established Captive Insurance	DMD-BA&MS	June-202	
	improve profitability	5.2.2.3: Annual Bulk Chemicals optimization plans	D-BSS	Bi-annual	
		5.2.2.4: Optimize Staff costs not to exceed 40 % of total OPEX and 30 % of revenue	D-FA	Bi-annual	
		5.2.2.5: Annual Energy optimization plans	D-ES	Bi-annual	
		13.2.2.3. Alli luat Elicity Optili lization bialis			
		5.2.2.6: Targeted cost optimization for Areas	D-FA	Bi-annual	

Perspective	Strategy	Deliverable & Key Actions/Milestones	Lead Responsibility	By When
	5.2.3: Efficient and effective Debt-age management	5.2.3.1: Increased Customer Response Rate on collections	D-CCS	Bi-annually
		5.2.3.2: Effective management of Arrears Payment Agreements (APAs)	D-CCS	Bi-annually
		5.2.3.3: Pre-paid meters installed for large consumers and Government Accounts.	D-ES	Dec-2022
		5.2.3.4: 40% of customer base in Kampala on prepaid metering	DMD-TS	June-2023
		5.2.3.5: Strengthened and updated debt management policy.	D-CCS	Dec-2021
	5.2.4: Diversification of Income sources	5.2.4.1: Average Annual Income from External Services maintained at no less than 5bn (UGX)	D-BSS	Annually
		5.2.4.2: Strengthened controls for non-core Income	D-BSS	Dec-2021
	5.2.5: Maintain a tariff that protects the business interest of the Organization through timely tariff reviews and adjustments.	5.2.5.1: Tariff Indexation to maintain the real value	SMCSIF	Annually
	5.3.1: Strengthen NWSC	5.3.1.1: Asset Management Policy	DMD-TS	Dec-2021
	Asset Management	5.3.1.2: Asset Investment Plan	D-PCD	Dec-2021
	Framework	5. 3.1.3: Annual Asset maintenance Plans	D-ES	Annually
		5. 3.1.4: Digitization of Infrastructure Assets	D-ES	June2022
		5. 3.1.5: Revised meter management policy	D-ES	Dec-2021
		5. 3.1.6: Asset Revaluation	D-FA	June-2023
	reduction of NRW	5.3.2.1: Strengthened NRW Accountability framework	DMD-TS	Dec-2021
		5.3.2.2: Meter testing and Maintenance labs constructed in the regions	D-ES	June 2023
		5.3.2.3: Established District Metering Areas in all Areas	D-ES	June-2023
		5.3.2.4: 600 Km of network renewal per year	D-ES	Annually
Ses		5.3.2.5: Adaptive leak search and repair campaigns implemented	D-ES	Bi-annually
ess		5.3.2.6: Established Regional Leak Detection facility	D-ES	June-2023
nal Processes	5.3.3: Improve NWSC Quality Management	5.3.2.7: Strengthen the NRW Management Structure 5.3.3.1: Updated NWSC Policies and Procedures manuals	DMD-TS D-IBS	June 2022 Dec-2021
Interr	Systems	5.3.3.2: ISO certification	D-IBS	June-2022
드	5.3.4: Improve NWSC Performance Monitoring Framework	5.2.3.1: Restructured Performance Management Framework	D-IBS	Dec-2021
	5.3.5: Establish a SMART	5.3.4.1: Business intelligence tools	D-IBS	June-2022
	Utility Model	5.3.4.2: Enterprise Resource Management plan	D-IBS	June-2023
		5.3.4.3: Integration of Information Systems	D-IBS	Dec-2022
		5.3.4.4: Document Management System	D-IBS	Dec-2023
		5.3.4.5: Improved Instrumentation	D-ES	June-2023
	5.3.6: Strengthen the Risk	5.3.5.1: Water Safety Plans implemented	D-ES	Dec-2022
	Management Framework	5.3.5.2: Occupational Health and Safety Plans and	D-HR	Annually
		Status Reports 5.3.5.3: Approved and disseminated annual Risk registers	D-IBS	Annually
		5.3.5.4: Quarterly Risk Management Reports	D-IBS	Quarterly



Perspective	Strategy	Deliverable & Key Actions/Milestones	Lead Responsibility	By When
	5.3.7: Reduce the Carbon footprint	5.3.6.1: Up scaled Solar Systems for water production	D-ES	Dec-2022
	·	5.3.6.2: Up scaled briquettes production	D-ES	June-2022
		5.3.6.3: Maximized biogas production from Bugolobi sewage treatment works	D-ES	June-2022 Annually
	5.3.8: Establish measures to	5.3.7.1: Financial reserves built (Credit Rating)	D-FA	Annually
	improve resilience	5.3.7.2: Climate change response plan	D-IBS	Dec-2021
		5.3.7.3: Updated Business continuity plan	D-IBS	Quarterly
		5.3.7.4: Resilience duly incorporated in the design of new projects and old Plans	D-PCD	Dec-2021
	5.3.9: Upgrading of the ICT	5.3.9.1: Robust and ICT Infrastructure	D-IBS	June-2023
	Infrastructure and security	5.3.9.2: Proactive analysis & reporting on IT Security	D-IBS	Quarterly
	5.3.10: Improvement of water and wastewater	5.3.10.1: Adoption of onsite electrolysers, online dozing, hardness removal and modified filtration	D-BSS	June-2023
	treatment processes	5.3.10.2: Adoption of mini treatment for borehole systems	D-BSS	June-2023
& ₩ -	improved service delivery	5.4.1.1: Established Incubation and Knowledge center	D-BSS	June-2023
Learning Growth		5.4.1.2: Strategic and collaborative Research Partnerships	D-BSS	June-2024
		5.4.1.3: Research and innovation products adopted and implemented	D-BSS	Annually





This chapter outlines our framework for managing risk in the Corporation. The framework mainly entails the policy guidelines, the main actors, the risk register, the risk assessment and risk mitigation processes.

5.1 Our Risk Management Policy

We have in place a Risk Management Policy approved and adopted in 2017. The policy is based on on the COSO Framework (the Committee of Sponsoring Organizations of the Treadway Commission for Risk management).

By complying with our Risk Management Policy, we will be able to develop and implement adaptative risk management initiatives and programmes. All aimed at ensuring the Corporation's operational business continuity as well as sustainable growth and service delivery.

5.2 The Main Actors

The main actors in our Risk Management Framework are the following:

The Board of Directors who have the overall responsibility for i) determining our risk appetite and tolerances ii) oversight on the risk mitigation activities and iii) approving resources to implement risk mitigation measures.

The Managing Director whose responsibilities include effectively lead the management team in timely identifications of risks and effective implementation of mitigation measures.

The Risk Owners cover the management teams at the different levels that have the responsibility of cost effectively minimizing and mitigating risk in their respective functions and areas of jurisdiction.

The Risk Management Department whose main responsibilities include the assessment and profiling of risks, escalating risk information, coordinating implementation of risk mitigation measures and providing risk management information and reports.

5.3 Risk Register

We will review and update the Risk Register on an annual basis. The Risk Register will cover the Strategic, Operational and Compliance Risk categories and will entail all critical risks that may adversely affect the Corporation's strategic intent, business continuity and sustainability. The Register will serve as a critical monitoring tool for implementing risk mitigation measures.

5.4 Risk Assessment and Risk Mitigation Processes

The main Risk Assessment and Risk mitigation processes will include the following:

- a) A detailed risk assessment of the Corporate Plan aligned to the 3-Year Strategic Goals has been prepared separately, with respective mitigation measures. The mitigation measures will inform the Action Plans which will be monitored on a regular basis to ensure that the achievement of the Corporate Goals is not hindered.
- b) The implementation of the identified risk mitigation measures will be mainstreamed through the Annual Action Plans of the Directorates and Departments of the respective Risk Owners.
- c) Risk identification on a continuous basis through proactive stakeholder engagement
- d) Quarterly Risk Profiling and preparation of risk hit maps
- e) Monthly engagement with risk owners on the implementation of agreed risk mitigation measures
- f) Quarterly reports to and feed-back from the Board
- g) Annual reviews/evaluation of NWSC's Risk Profile and Risk Register

The risk management processes in NWSC will involve the following stages:





The Corporate Plan (2021–2024) shall be implemented through the Annual Budgets that will be prepared in line with the Annual Targets, Strategies, Deliverables and Key Actions/Milestones. These will further be translated into Annual Action Plans for the various Business Streams, Directorates and Departments, as well as the staff Individual Performance Agreements (IPAs).

The Annual Action Plans will further be cascaded downwards to the various Areas to ensure their effective implementation using the Area Business Plans/Action Plans under the ARISE (Area Results Innovation and Service Enhancement) Performance Contract Framework.

6.1 Financing Mechanism

The Corporation will use a mix of financing options to meet the financing requirements over the next five years.

All operational and maintenance costs, plus minor investments will be financed using internally generated funds. The major capital investment that mainly constitute capital intensive water and sanitation (WatSan) infrastructure will be financed using funds mobilised from the external sources. The external financing will be in form of; a) Concessionary Loan Financing, b) Grants from Development Partners and Government, and c) Market Finance, among others.

The financing mechanism will depend on the nature of the project. Financing for projects of social nature will be sourced from Government/concessional loans to Government of Uganda and Development partners. Where it is financially viable, the Corporation will opt for market finance and explore Public Private Partnerships (PPP).

Table 9 provides a summary of the cash flow requirements and the source of financing for implementation of the NWSC aspirations during the period 2021-2026.

The total financing requirements over the period 2021-2026 is UGX 6.1 trillion, of which 64% (UGX 3.9 trillion) will be committed to capital investments and 36% (UGX 2.2 trillion) will go towards meeting the operational expenditure.

The total budgetary requirements for water and sanitation infrastructure development amount to UGX 3.8 trillion and this accounts for 62% of the total financing requirements and 98% of the total capital budget for the period 2021-2026.

The total budget of UGX 6.1 trillion is expected to be financed using internally generated resources (Collections) projected at UGX 2.8 trillion (45%), Donor Finance amounting to UGX 2.8 trillion (46%) and UGX 0.44 trillion (7%) will be co-financing by Government of Uganda based on the current Medium Term Expenditure (MTEF) projections.

6.2 Stakeholder Engagement

To ensure effective implementation of the Plan, various stakeholders will be involved at different levels of implementation. The key stakeholders include; our Customers, Government Ministries, Departments, Agencies and Local Governments (MDALs), Civil Society, Development Partners and the Media, to ensure transparency and ownership.

The engagements will be in form of open dialogues with the various key players and will entail building synergies, improving effectiveness of the Corporation's activities, increasing stakeholder buy-in of the Corporation activities, promoting transparency, effective communication, and value-addition engagements. This will enhance the Corporation's accountability to its various stakeholders.

6.3 Monitoring and Evaluation

To track progress and ensure effective implementation of the Corporate Plan, we shall strengthen the Performance Monitoring and Evaluation with particular focus to the Golden Indicators. This will be achieved through Progressive Reporting at four distinct levels i.e. at the Government level, corporate level, Business Stream level and Area level.

- Government monitoring will be effected through quarterly and annual reviews of compliance to the NDP III commitments, and the GoU Performance Contract commitments.
- b) At Corporate level, the Board will monitor the implementation of the Corporate Plan through quarterly and annual budget performance reviews. The different functional divisions will ensure that they submit quarterly reports to the respective Board Committees.
- c) At the Business Stream level, monthly meetings shall be held by individual business units to track progress in implementation of key strategies and deliverables for the Annual Action Plans of the various Directorates and Departments. These will be consolidated to inform the Bi-Annual Evaluation Workshops.

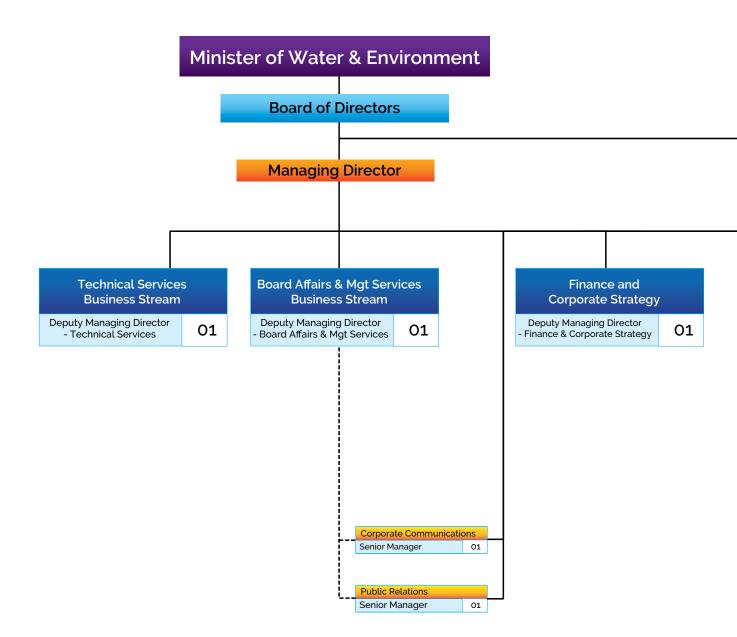
d) At Area level, Area Business / Action Plans will be monitored by management through monthly and quarterly performance reviews. The monitoring and evaluation will be through the NWSC checkers Mechanism and Half Year Regional Evaluation Workshops held to assess the performance of the various Areas in line with Key Performance Indicators (KPIs). The regular assessments at various levels of the Corporation will ensure that timely corrective measures are implemented to address any gaps arising during the implementation of the Corporate Plan.

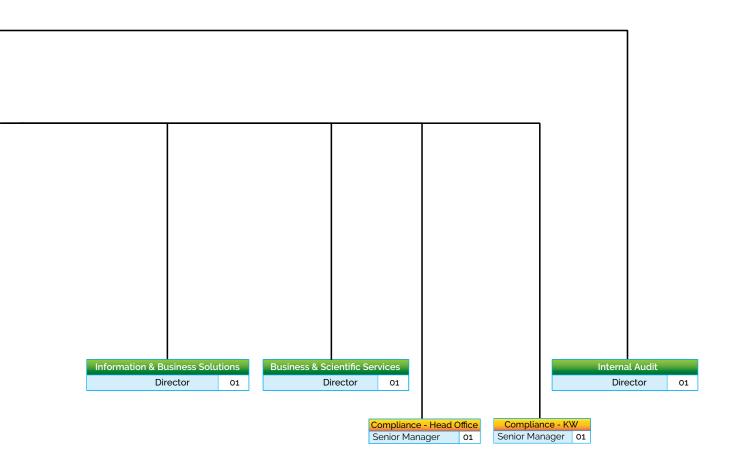
Table 9: NWSC Cash Flow Requirements 2021 - 2026 (UGX Million)

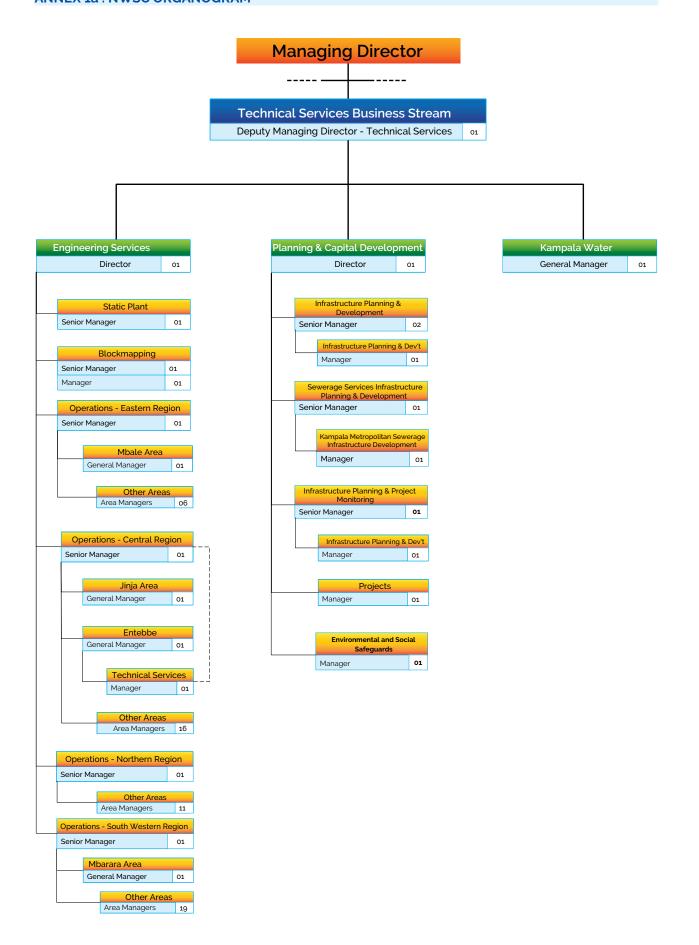
	Baseline FY						
	2020/2021	FY	FY	FY	FY	FY	
	(P*)	2021/22	2022/23	2023/24	2024/25	2025/26	Total
Sources Of Financing (Inflows):							
Internal Sources							
Collections (Water and Sewerage)	434,521	464,521	499,521	541,521	591,521	631,521	2,728,606
Collections from other Income (Rental Income, Lab services, Ext Services and IREC Income)	4,915	4,915	5,137	5,369	5,632	5,907	26,960
Sub-Total (Internal Sources)	439,436	469,436	504,658	546,890	597,153	637,428	2,755,566
External Sources							
GOU Releases	85,949	92,520	86,664	86,664	86,664	86,664	439,176
Donor Releases	436,782	325,548	566,862	599,570	607,200	718,300	2,817,480
Market Finance		9,500	66,500	19,000			95,000
Sub Total (External Sources)	522,731	427,568	720,026	705,234	693,864	804,964	3,351,656
Total Inflows	962,167	897,004	1,224,684	1,252,124	1,291,017	1,442,392	6,107,222
Total Financing Requirements (Outflows)							
Operating Expenditure	354.377	383,694	407,776	440,398	475,630	513,680	2,221,178
Capital Expenditure:							
NWSC contributions to Other CAPEX	11,800	12,980	14,927	17,166	19,741	22,703	87,518
NWSC contributions to Major Projects	45,000	72,650	134,759	86,300	75,672	62,250	431,631
GoU	85,949	92,520	86,664	86,664	86,664	86,664	439,176
Development Partners	436,782	325,548	566,862	599,570	607,200	718,300	2,817,480
Loan Repayment (Ushs.95Billion)		12,000	24,000	24,000	24,000	24,000	108,000
Total Capital Expenditure	579,531	515,698	827,212	813,700	813,277	913,917	3,883,805
Total Outflows	933,909	899,392	1,234,988	1,254,099	1,288,907	1,427,597	6,104,983
Net Cash flows	28,259	-2,388	-10,304	-1,974	2,110	14,795	2,238
B/F	507	28,766	26,377	16,073	14,099	16,209	
C/F	28,766	26,377	16,073	14,099	16,209	31,004	

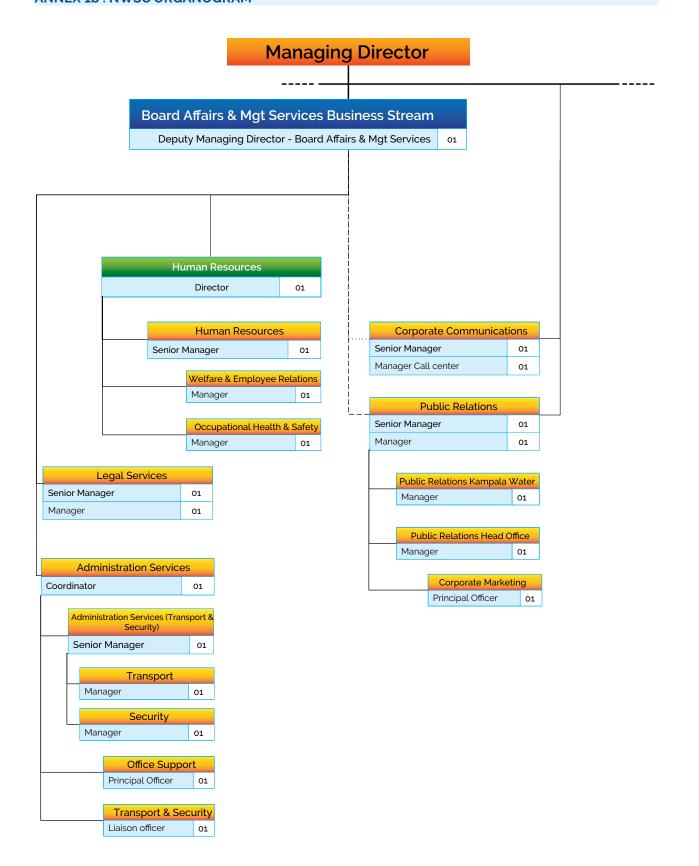




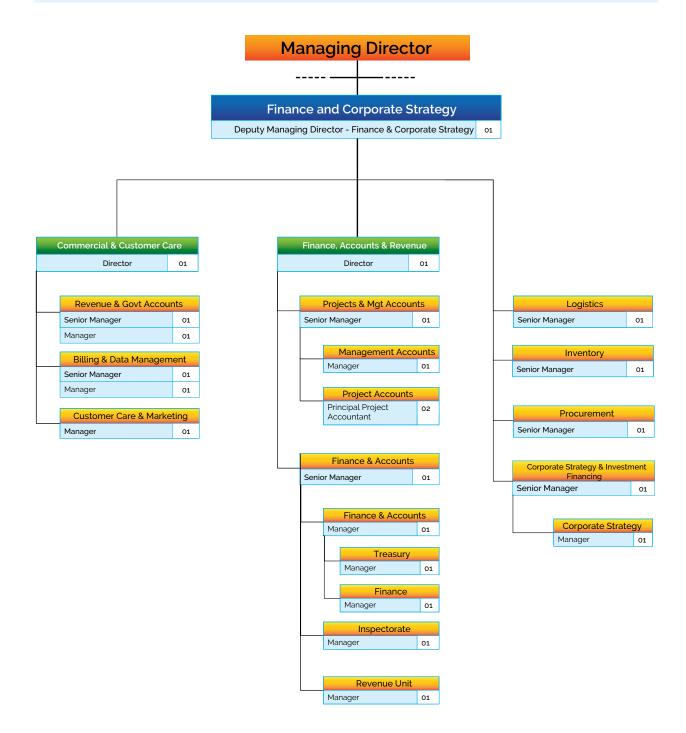


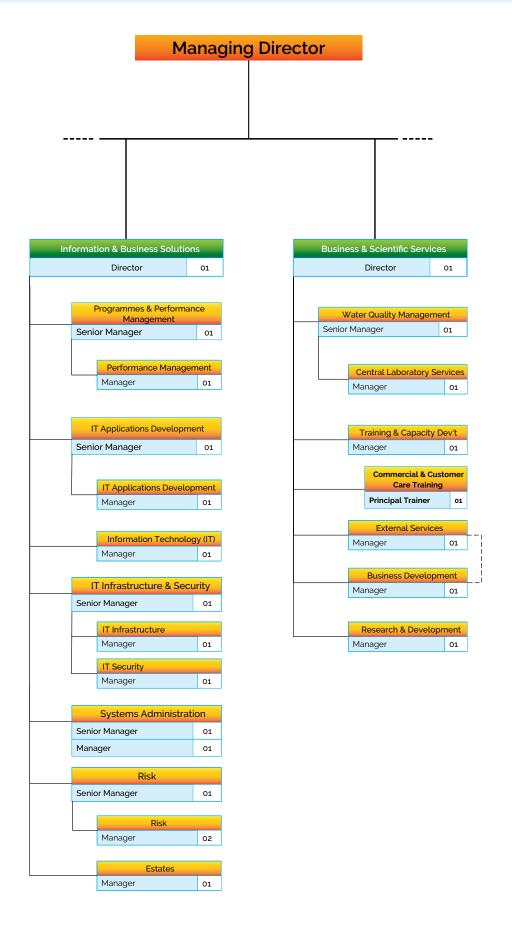


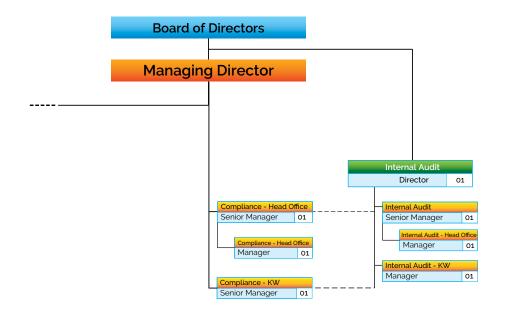




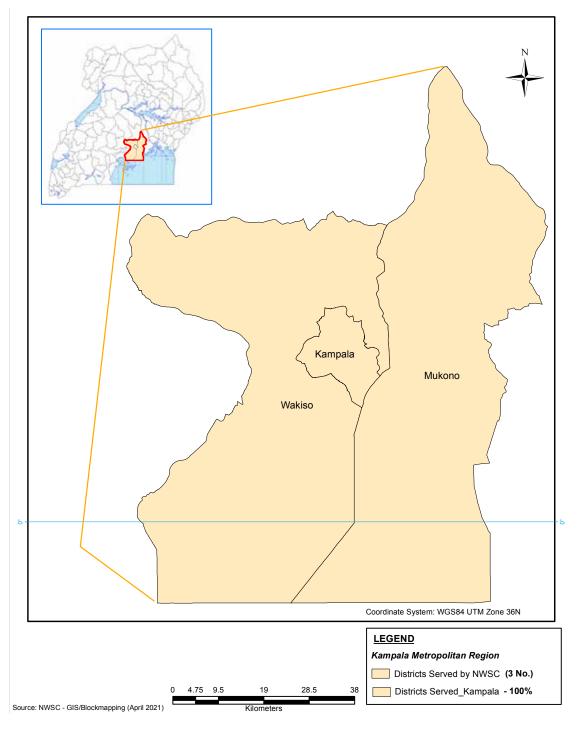
ANNEX 1c: NWSC ORGANOGRAM





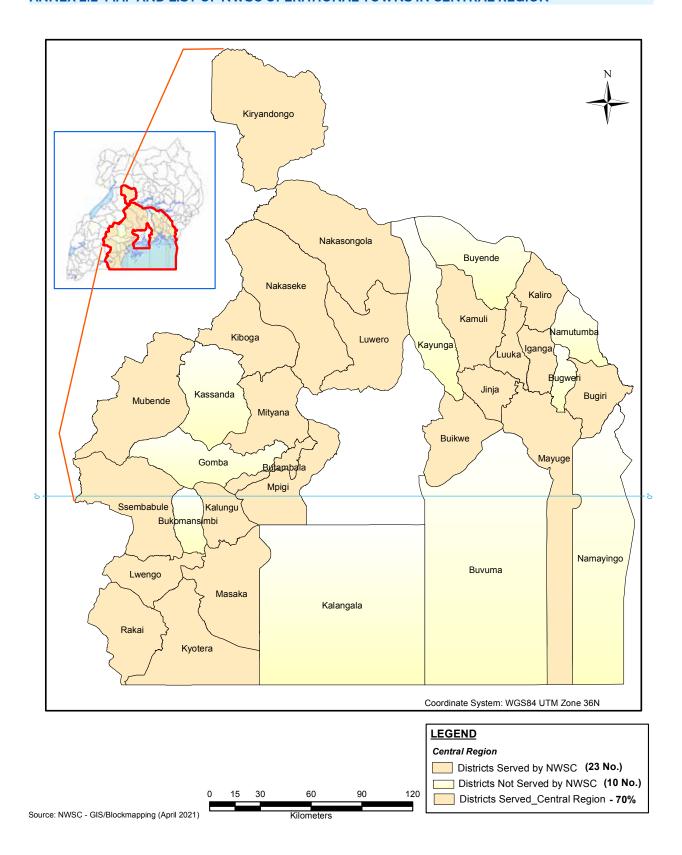


ANNEX 2.1: MAP AND LIST OF NWSC OPERATIONAL TOWNS IN KAMPALA METROPOLITAN AREA



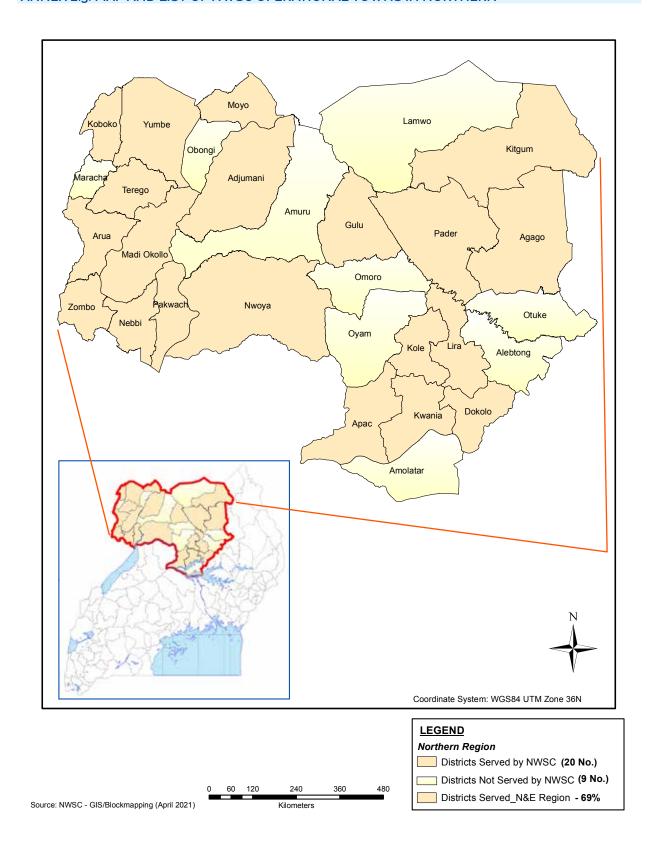
	Administrative Area	Town/Urban Centers	#
1	Kampala Water	Kampala City	1
		Mukono Municipality	2
		Kira Municipality	3
		Nansana TC	4
		Wakiso TC,Buloba	5
		Kakiri	6

ANNEX 2.2 MAP AND LIST OF NWSC OPERATIONAL TOWNS IN CENTRAL REGION

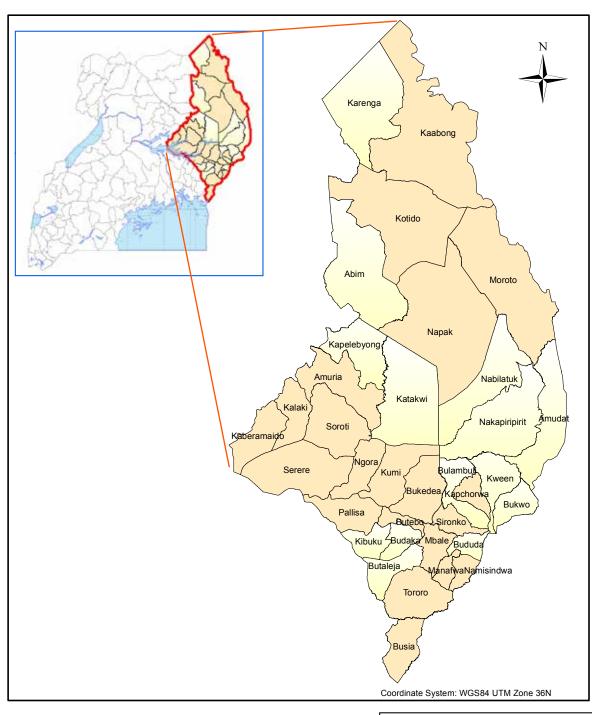


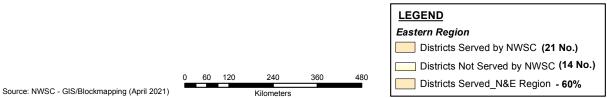
Adı	ministrative Area (Clusters)	Urban Centers/Service Areas	#
1	Entebbe	Entebbe	1
-	2.110000	Kajjansi	2
2	Jinja	Jinja	3
		Kagoma	4
		Buwenge	5
	Lugazi	Njeru Lugazi	<u>6</u> 7
3	Lugazi	Nkonkonjeru Nkonkonjeru	8
		Buikwe	9
		Najjembe	10
4	Iganga	Iganga	11
7	igariga	Busembatya	12
		Mayuge	13
		Kaliro	14
		Luuka	15
5	Bugiri	Bugiri	16
		Naluwerere	17
6	Mityana	Buwuni Mityana	18
7	Masaka	Kalungu	19 20
,		Lukaya	21
		Suunga	22
		Masaka	23
		Mukungwe	24
_		Bukakata	25
8	Sembabule	Sembabule	26
		Lutuuku Kyambi	27 28
		Mabirizi	29
		Mateete	30
		Mitete	31
		Ntuusi	32
		Rwebitakuli	33
	Mpigi	Lugushuru Mpigi	34 35
9	Milipigi	Buwama	36
		Kayabwe	37
		Kyabadaza	38
		Gombe	39
10	Luweero	Luweero	40
		Wobulenzi	41
		Bombo	42
		Zirobwe Nakaseke	43
11	Nakasongola	Nakasongola	44 45
12	Kapeeka	Kapeeka	46
		Semuto	47
		Bukomero	48
13	Mubende	Mubende	49
	Vigunaha	Kiganda	50
14 15	Kigumba Bweyale	Kigumba Bweyale	51 52
-5	Dweyale	Kiryandongo	53
16	Kamuli	Kamuli	54
		Kisozi	55
		Mbulambuti	56
17	Kyotera	Kyotera	57
		Mutukula	58
		Kalisizo	59
		Sanje Kakuuto	60
		Rakai	62
18	Lwengo	Lwengo	63
10		Kyazanga	64
		Kinoni-Lwengo	65

ANNEX 2.3: MAP AND LIST OF NWSC OPERATIONAL TOWNS IN NORTHERN

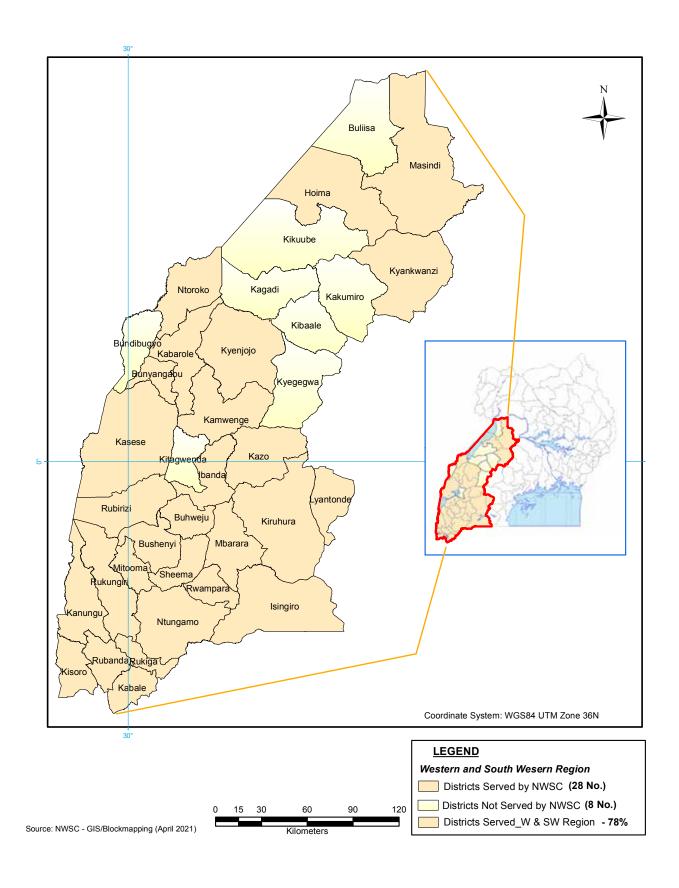


Adr	ministrative Area (Clusters)	Urban Centers/Service Areas	#
1	Apac	Apac	1
		Aduku	2
		Ibuje	3
		Kayei Landing Site	4
2	Arua	Arua	5
		Wandi	6
		Omugo	7
		Kubala	8
		Okpkotani	9
3	Gulu	Gulu	10
		Unyama	11
		Anaka	12
4	Lira	Lira	13
		Amach	14
		Dokolo	15
5	Kitgum	Kitgum	16
6	Pader	Pader	17
		Pajule	18
		Patongo	19
		Kalongo	20
7	Nebbi	Nebbi	21
		Paidha	22
		Nyapea	23
		Okollo	24
8	Pakwach	Pakwach	25
9	Adjumani	Adjumani	26
10	Koboko	Koboko	27
		Yumbe	28
11	Moyo	Моуо	29





Adm	inistrative Area (Clusters)	Urban Centers/Service Areas	#
1	Mbale	Mbale	1
1 Mbale	Budadiri	2	
		Sironko	3
		Butebo	4
		Bukedea	5
		Kachumbala	6
2	Tororo	Tororo	7
		Malaaba	8
		Nagongera	9
		Bubuto SC	10
		Bunanbwana SC	11
		Sisuni SC	12
		Butiru TB	13
		Manafwa	14
		Lirima	15
		Lwakhakha	16
		Bumbo SC	17
		Buwoni SC	18
		Kwapa SC	19
		Mella SC	20
		Busia	21
		Magale	22
		Osukuru SC	23
3	Soroti	Soroti	24
		Kaberamaido	25
		Atiriri	26
		Kalaki	27
		Otuboi	28
		Amuria	29
		Serere	30
4	Kumi	Pallisa	31
		Ngora - Nyero	32
		Kumi MC	33
5	Kapchorwa	Kapchorwa	34
		sipi	35
6	Moroto	Matany	36
		Moroto	37
		Kangole	38
7	Kotido	Kotido	39
		Kaabong	40



Adm	inistrative Area (Cluster)	Urban Centres/Service Areas	#
1	Hoima	Hoima	1
		Bukwiri	2
		Banda	3
		Kasambya	4
		Misango	5
2	Kyankwanzi	Kyankwanzi	6
3	Bushenyi	Buhweju/Nsiika	7
		Bushenyi	8
		Ishaka	9
		Kyabugimbi	10
		Kabira	11
		Kashenshero	12
		Mitooma	13
		Rutookye	14
		Mayanga-Omuribiri	15
		Bitereko-Iraramira	16
		Kati-Rwempungu	17
		Kanyabwanga- Omukabanda	18
		Kisiizi-Kengyera	19
		Itendero	20
		Kitagata	21
		Bugongi	22
		Sheema	23
		Kabwohe	24
		Kyangyenyi	25
4	Rubirizi	Ryeru	26
		Magambo	27
		Irembezi	28
		Katerera	29
		Rubirizi	30
5	Kisoro	Kisoro	31
6	Mbarara	Mbarara	32
		Kinoni	33
		Rubindi	34
		Bwizibwera	35
		Kashaka	36
		Biharwe	37
		Kagongi	38
		Nyeihanga	39
		Kaberebere	40
7	Fort Portal	Fort Portal	41
		Kichwamba	42
		Kasunga-nyanja	43
		Rubona	44

Adm	inistrative Area (Cluster)	Urban Centres/Service Areas	#
		Katebwa	45
		Kicucu	46
		Kiko	47
		Kabale-Kabarole	48
		Mugusu	49
		Kijura	50
		Kibiito	51
		Kyenjojo	52
8	Kasese	Kasese	53
		Hima	54
		Rugendabara	55
		Rwimi	56
9	Masindi	Masindi	57
10	Kabale	Kabale	58
		Kamwezi	59
		Muhanga	60
11	Rukungiri	Rukungiri	61
		Kebisoni	62
		Buyanja	63
		Nyakagyeme-Rwerere	64
12	Kanungu	Kanungu	65
		Kihihi	66
		Kambuga	67
		Butogota	68
		Kanyampanga	69
		Kanyantorogo	70
		Nyamirama	71
		Kateete	72
		Nyakinoni	73
		Nyanga	74
		Kirima	75
13	Ibanda	Ibanda	76
		Rwenkobwa	77
14	Kamwenge	Kamwenge	78
		Ishongorero	79
		Bisozi	80
		Kahunge	81
		Bigodi	82
		Katalyeba	83
		Kabuga	84
		Rukooko	85
15	Lyantonde	Lyantonde	86
		Kasagama	87
		Kaliro	88
		Kinoni	89

Adm	iinistrative Area (Cluster)	Urban Centres/Service Areas	#
		Katovu	90
		Kinuka	91
16	Ntungamo	Ntungamo	92
		Omungyenyi	93
		Rubare	94
		Kagarama	95
		Rwentobo	96
		Rweshemeire	97
		Kyempene-Rugarama	98
		Nyabihoko	99
		Nyamunuka	100
		Itojo	101
		Kiziba	102
17	Rushere	Rushere	103
		Kiruhura	104
		Sanga	105
		Kanyareru	106
		Kikatsi	107
		Kazo	108
18	Mpondwe	Mpondwe - Ihubiriha	109
		Katwe - Kabatooro	110
		Harukungu	111
19	Ruhama-Kitwe	Ruhama	112
		Kitwe	113
		Mirama Hills	114
		Kikagati	115
		Rukoni	116
20	Ntoroko	Ntoroko	117
		Rwebisengo-Kanara	118

ANNEX 3: PERFORMANCE FACTSHEET 2015-2021

REGION	FY 2015/16	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21 (P*)
OUR PRODUCT:						(P /
WATER PRODUCED (Million n	n³):				,	
Kampala Metropolitan	66.3	77.2	79.0	82.8	85.1	86.6
Central Region	18.3	19.6	20.3	22.1	22.8	23.0
N&E Region	9.5	10.8	12.3	14.0	15.4	15.0
W&SW Region	11.9	13.2	14.6	16.1	16.3	17.0
Total	106.0	120.7	126.2	134.9	139.7	141.6
WATER SUPPLIED (Million m ³):					
Kampala Metropolitan	66.3	75.8	76.5	79.8	81.3	86.5
Central Region	16.6	18.1	18.9	20.5	21.2	22.0
N&E Region	8.8	10.1	11.5	12.9	14.2	13.4
W&SW Region	11.1	12.2	13.2	14.7	15.0	14.8
Total	102.8	116.2	120.1	127.8	131.6	136.7
WATER SOLD (Million m³):						
Kampala Metropolitan	45.2	47.7	48.8	52.2	49.2	50.0
Central Region	12.9	14.6	14.8	16.1	15.8	16.2
N&E Region	7.1	8.4	9.2	10.6	10.8	9.9
W&SW Region	8.7	9.6	10.1	11.7	11.7	11.3
Total	74.0	80.3	82.9	90.5	87.5	87.4
NON-REVENUE WATER (NRV						
Kampala Metropolitan	31.8	37.1	36.2	34.6	39.5	42.2
Central Region	22.0	19.1	21.8	21.7	25.5	26.4
N&E Region	18.7	17.2	19.5	18	23.4	26.1
W&SW Region	22.0	21.4	21.9	20.4	22.0	23.6
Total	28.0	30.9	31.0	29.2	33.5	36.0
OUR CUSTOMERS:						
NEW CONNECTIONS (No.)						
Kampala Metropolitan	18,951	20,577	25,147	32,130	28,720	29,296
Central Region	8,253	8,330	9,883	13,959	11,389	12,028
N&E Region	4,796	5,271	6,215	10,387	8,978	8,326
W&SW Region	6,836	6,534	9,096	12,739	12,434	11,722
Total	38,836	40,712	50,341	69,215	61,521	61,372
CUSTOMER BASE (No.)						
Kampala Metropolitan	235,785	255,203	283,740	315,897	341,618	370,576
Central Region	98,350	109,309	119,534	133,446	146,411	158,822
N&E Region	61,083	75,152	86,393	98,237	109,519	118,803
W&SW Region	76,975	84,993	98,196	111,577	126,458	137,177
Total	472,193	524,657	587,863	659,157	724,006	785,378
FINANCIAL:						
BILLINGS (UGX.BILLION) - (VA						
Kampala Metropolitan	181.8	210.2	234.3	259.2	245.3	247.9
Central Region	49.9	62.1	69.3	76.9	75.7	77.4
N&E Region	28.2	36.0	42.8	49.6	51.1	44.1
W&SW Region	32.4	38.6	43.8	51.8	51.7	49.6
Total	292.3	346.8	390.2	437.4	423.7	418.9
COLLECTIONS						
Kampala Metropolitan	181.8	207.6	234.0	258.7	238.7	258.3
Central Region	46.1	52.2	69.8	76.9	68.2	80.7
N&E Region	26.3	29.1	39.4	50.95	40.5	52.6
W&SW Region	29.9	33.9	41.5	50.42	43.8	54.1
Total	284.1 ne 2021	322.7	384.7	437.0	391.1	445.8

ANNEX 4: GLOBAL CORPORATE ANNUAL TARGETS (2021 - 2024)

#	INDICATORS	Baseline FY 2020/2021 (P*)	FY 2021/22	FY 2022/23	FY 2023/24	FY 2024/25	FY 2025/26
	OUR PRODUCT						
1	Water production (million m³)	141.6	181.5	186.1	190.8	210.3	213.7
2	Practical Capacity per annum (million m³)	169.8	299.9	302.9	319.2	348.9	394.4
3	Water supplied (million m³)	136.7	172.3	176.7	181.1	199.6	202.7
4	Water sales (million m³)	87.4	108.9	113.0	117.1	131.4	135.7
5	NRW (%)	36%	37%	36%	35%	34%	33%
5.1	NRW (m³/Km/d)	3.6	4.4	4.2	4.0	4.0	3.7
5.2	NRW (m³/No/d)	0.077	0.092	0.086	0.081	0.080	0.074
	CUSTOMER SERVICES						
	Water Services						
6	Number of Towns(No.)	258	263	268	273	278	283
7	Water Service Coverage (%)	75%	78%	81%	84%	84%	86%
8	New Water Connections (No.)	61,372	63,100	64,800	79,200	100,800	115,200
9	Total Connections (No.)	785,378	848,477	913,277	992,477	1,093,277	1,208,477
10	Active Accounts (No.)	688,328	752,819	819,110	886,726	955,695	1,026,043
11	New PSPs/Kiosks (No.)	3,998	3,600	3,600	4,000	4,400	3,500
12	Total PSPs/Kiosks (No.)	25,598	29,198	32,798	36,798	41,198	44,698
13	New water mains extensions (km)	538.72	1,000	1,200	1,400	1,600	1,800
14	Total water mains Length (km)	20,513	21,513	22,713	24,113	25,713	27,513
	Sewerage Services						
15	New Sewer Connections (No.)	112	200	250	300	300	300
16	Total Sewer Connections (No.)	24,026	24,226	24,476	24,776	25,076	25,376
17	New Sewer Extensions(km)	21	25	30	35	40	45
18	Total Sewer length (Km)	714	739	769	804	844	889
	COMPLIANCE						
19	Customer Satisfaction Index (%)	70%	86%	87%	88%	89%	90%
20	Staff Engagement Index (%)	50%	54%	58%	62%	66%	70%
21	Water Quality %	98%	98%	98%	98%	98%	98%
22	Sewerage Effluent %	61.20%	50.00%	50.00%	50.00%	50.00%	50.00%
	FINANCIAL						
23	Annual Turnover (UGX Billion)	456.6	533.9	570.2	608.5	648.8	691.5
24	Expenditure (UGX Billion)	353	436	465	492	520	552
25	Net Profit After Depr. UGX. Billion (Before interest)	23.1	38.2	44.1	54.8	61.8	74.1
26	Total Asset Base (Ushs.Billion)	3,771	4,451	4,531	4,611	5,711	6,061
27	Billings (UGX Billion) (VAT Incl .)	418.9	523.4	559	596.5	636.1	677.9
28	Collections (UGX Billion)	445.8	464.5	499.5	541.5	591.5	631.5
29	Arrears (UGX Billion)	99.3	158.2	217.7	272.6	317.2	363.6
P*- F	Projected Performance June 2021						

ANNEX 4.1: KAMPALA METROPOLITAN AREA ANNUAL TARGETS (2021 - 2026)

#	INDICATORS	Baseline FY	FY 2021/22	FY 2022/23	FY 2023/24	FY 2024/25	FY 2025/26		
		(P*)							
	OUR PRODUCT								
1	Water Production (million m³)	86.6	124.8	127.2	129.6	140.8	142.0		
3	Water supplied (million m³)	86.5	120.1	122.4	124.7	135.4	136.6		
4	Water sales (million m³)	50.0	69.5	71.4	73.4	81.1	83.1		
5	NRW (%)	42%	42%	42%	41%	40%	39%		
5.1	NRW (m3/Km/d)	14.84	20.41	20.33	20.21	21.12	20.44		
5.2	NRW (m3/No/d)	0.12	0.16	0.15	0.14	0.14	0.13		
	CUSTOMER SERVICES								
	Water Services								
6	New Water Connections (No.)	29,296	30,121	30,932	37,806	48,117	54,991		
7	Total Connections (No.)	370,576	400,349	430,925	468,295	515,857	570,213		
8	Active Accounts (No.)	326,943	357,575	389,062	421,178	453,937	487,351		
9	New PSPs/Kiosks (No.)	1,548	1,101	1,101	1,224	1,346	1,071		
10	Total PSPs/Kiosks (No.)	6,924	8,025	9,127	10,351	11,697	12,767		
11	New water mains extensions (km)	54	34	41	48	55	62		
12	Total water mains Length (km)	3,702	3,736	3,778	3,826	3,881	3,943		
	Sewerage services								
13	New Sewer Connections (No.)	78	139	174	209	209	209		
14	Total Sewer Connections (No.)	11,324	11,463	11,637	11,846	12,055	12,264		
15	New Sewer Extensions (km)	4	5	6	7	8	8		
16	Total Sewer length (Km)	291	296	301	308	316	324		
	COMPLIANCE								
17	Water Quality %	98%	98%	98%	98%	98%	98%		
18	Sewerage Effluent %	61%	50%	50%	50%	50%	50%		
	FINANCIAL								
19	Billings (UGX Billion) (VAT Incl .)	247.9	339.0	360.4	383.0	406.9	432.0		
20	Collections (UGX Billion)	258.3	300.9	322.1	347.7	378.3	402.4		
21	Collection Efficiency (%)	104%	89%	89%	91%	93%	93%		
22	Average debt age (Months)	1.7	2.6	3.7	4.6	5.1	5.7		
21	Arrears (UGX Billion)	34.2	72.4	110.7	146.1	174.6	204.2		
P*- F	*- Projected Performance June 2021								

ANNEX 4.2: CENTRAL REGION ANNUAL TARGETS (2021 -2026)

#	INDICATORS	Baseline FY	FY	FY	FY	FY	FY
		2020/2021 (P*)	2021/22	2022/23	2023/24	2024/25	2025/26
	OUR PRODUCT						
1	Production(million m³)	23.0	24.4	25.2	26.0	28.7	29.5
3	Water supplied (million m³)	22.0	22.8	23.5	24.3	26.8	27.5
4	Water sales (million m³)	16.2	17.0	17.8	18.6	20.8	21.6
5	NRW (%)	26%	25%	24%	23%	22%	21%
5.1	NRW (m³/Km)	1.70	1.61	1.52	1.42	1.41	1.30
5.2	NRW (m³/No)	0.05	0.04	0.04	0.04	0.04	0.03
	CUSTOMER SERVICES						
	Water Services						
6	New Water Connections (No.)	12,028	12,367	12,700	15,522	19,755	22,577
7	Total Connections (No.)	158,822	171,582	184,686	200,702	221,087	244,383
8	Active Accounts (No.)	136,845	149,666	162,845	176,288	190,000	203,985
9	New PSPs/Kiosks (No.)	464	503	503	559	615	489
10	Total PSPs/Kiosks (No.)	4.773	5,276	5,779	6,338	6,953	7,442
11	New water mains extensions (km)	181	242	290	339	387	435
12	Total water mains Length (km)	5,154	5,396	5,686	6,025	6,412	6,847
	Sewerage services						
13	New Sewer Connections (No.)	22	39	49	59	59	59
14	Total Sewer Connections (No.)	5,463	5,502	5,551	5,610	5,669	5,728
15	New Sewer Extensions(km)	3	3	4	5	5	6
16	Total Sewer length (Km)	186	190	194	198	203	209
	COMPLIANCE						
17	Water Quality %	98%	98%	98%	98%	98%	98%
18	Sewerage Effluent %	61%	50%	50%	50%	50%	50%
	FINANCIAL						
19	Billings (UGX Billion) (VAT Incl .)	77.4	83.1	89.1	95.5	102.1	109.2
20	Collections (UGX Billion)	80.7	73.8	79.6	86.6	95.0	101.7
21	Collection Efficiency (%)	104%	89%	89%	91%	93%	93%
22	Average debt age (Months)	4.1	5.2	6.1	6.8	7.2	7.6
21	Arrears (UGX Billion)	26.5	35.8	45.3	54.1	61.3	68.8
P*- Pr	P*- Projected Performance June 2021						

ANNEX 4.3: NORTHERN REGION ANNUAL TARGETS (2021 -2026)

#	INDICATORS	Baseline FY 2020/2021 (P*)	FY 2021/22	FY 2022/23	FY 2023/24	FY 2024/25	FY 2025/26		
	OUR PRODUCT								
1	Water Production (million m³)	8.4	8.5	8.8	9.2	10.5	10.8		
3	Water supplied (million m³)	7.6	7.9	7.9	8.5	9.7	10.0		
4	Water sales (million m³)	5.6	5.9	5.9	7.6	7.6	6.1		
5	NRW (%)	26%	25%	25%	11%	22%	39%		
5.1	NRW (m³/Km/d)	1.26	1.19	1.12	0.50	1.31	2.27		
5.2	NRW (m³/No/d)	0.04	0.04	0.03	0.01	0.03	0.05		
	CUSTOMER SERVICES								
	Water Services								
6	New Water Connections (No.)	4,856	4,993	5,127	6,267	7,976	9,115		
7	Total Connections (No.)	60,756	65,637	70,650	76,777	84,575	93,487		
8	Active Accounts (No.)	51,530	56,358	61,320	66,382	71,545	76,812		
9	New PSPs/Kiosks (No.)	200	334	334	371	408	480		
10	Total PSPs/Kiosks (No.)	2,805	3,139	3,472	3,843	4,251	5,485		
11	New water mains extensions (km)	69	140	168	196	104	117		
12	Total water mains Length (km)	2,399	2,539	2,708	2,904	2,501	2,618		
	Sewerage services				I				
13	New Sewer Connections (No.)	2	4	4	5	5	5		
14	Total Sewer Connections (No.)	1,434	1,438	1,442	1,447	1,453	1,453		
15	New Sewer Extensions(km)	2	3	3	4	4	5		
16	Total Sewer length (Km)	70	72	75	79	83	87		
	COMPLIANCE				l				
17	Water Quality %	98%	98%	98%	98%	98%	98%		
18	Sewerage Effluent %	61%	50%	50%	50%	50%	50%		
	FINANCIAL				l				
19	Billings (UGX Billion) (VAT Incl .)	24	26.3	28.3	30.4	32.7	35.0		
20	Collections (UGX Billion)	26.2	21.0	24.2	26.5	29.1	31.3		
21	Collection Efficiency (%)	108%	80%	86%	87%	89%	89%		
22	Average debt age (Months)	5.1	7.1	8.3	9.3	10.0	10.6		
21	Arrears (UGX Billion)	10.3	15.6	19.6	23.6	27.2	30.9		
P*- P	P*- Projected Performance June 2021								

ANNEX 4.4: EASTERN REGION ANNUAL TARGETS (2021 -2026)

#	INDICATORS	Baseline FY 2020/2021 (P*)	FY 2021/22	FY	FY	FY 2024 (25	FY
	OUR PRODUCT	2020/2021 (P)		2022/23	2023/24	2024/25	2025/26
1	Production(million m³)	23.0	24.4	25.2	26.0	28.7	29.5
3	Water supplied (million m³)	22.0	22.8	23.5	24.3	26.8	27.5
4	Water sales (million m³)	16.2	17.0	17.8	18.6	20.8	21.6
5	NRW (%)	26%	25%	24%	23%	22%	21%
5.1	NRW (m³/Km)	1.70	1.61	1.52	1.42	1.41	1.30
5.2	NRW (m³/No)	0.05	0.04	0.04	0.04	0.04	0.03
	CUSTOMER SERVICES				'	,	
	Water Services						
6	New Water Connections (No.)	3,470	3,568	3,664	4,478	5,699	6,513
7	Total Connections (No.)	58,047	62,710	67,500	73,353	80,803	89,318
8	Active Accounts (No.)	46,576	50,940	55,426	60,001	64,668	69,428
9	New PSPs/Kiosks (No.)	464	503	503	559	615	489
10	Total PSPs/Kiosks (No.)	4,773	5,276	5,779	6,338	6,953	7,442
11	New water mains extensions (km)	181	242	290	339	387	435
12	Total water mains Length (km)	5,154	5,396	5,686	6,025	6,412	6,847
	Sewerage Services						
13	New Sewer Connections (No.)	22	39	49	59	59	59
14	Total Sewer Connections (No.)	5,463	5,502	5,551	5,610	5,669	5,728
15	New Sewer Extensions(km)	3	3	4	5	5	6
16	Total Sewer length (Km)	186	190	194	198	203	209
	COMPLIANCE						
17	Water Quality %	98%	98%	98%	98%	98%	98%
18	Sewerage Effluent %	61%	50%	50%	50%	50%	50%
	FINANCIAL						
19	Billings (UGX Billion) (VAT Incl .)	77.4	83.1	89.1	95.5	102.1	109.2
20	Collections (UGX Billion)	80.7	73.8	79.6	86.6	95.0	101.7
21	Collection Efficiency (%)	104%	89%	89%	91%	93%	93%
22	Average debt age (Months)	4.1	5.2	6.1	6.8	7.2	7.6
21	21 Arrears (UGX Billion) 26.5 35.8 45.3 54.1 61.3 68						68.8
P*- P	P*- Projected Performance June 2021						

ANNEX 4.5: WEST AND SOUTHWESTERN REGION ANNUAL TARGETS (2021 -2026)

#	INDICATORS	Baseline FY 2020/2021 (P*)	FY 2021/22	FY 2022/23	FY 2023/24	FY 2024/25	FY 2025/26
	OUR PRODUCT						
1	Production(million m³)	17.0	17.1	18.0	18.8	22.1	22.9
3	Water supplied (million m³)	14.8	15.6	16.4	17.1	20.1	20.9
4	Water sales (million m³)	11.3	12.1	12.8	13.6	16.2	17.0
5	NRW (%)	24%	23%	22%	21%	20%	19%
5.1	NRW (m³/Km)	0.74	0.70	0.65	0.59	0.61	0.54
5.2	NRW (m³/No)	0.03	0.03	0.03	0.03	0.03	0.02
	CUSTOMER SERVICES						
	Water Services						
6	New Water Connections (No.)	11,722	12,052	12,377	15,127	19,253	22,003
7	Total Connections (No.)	137,177	148,198	159,516	173,350	190,956	211,077
8	Active Accounts (No.)	126,434	138,280	150,456	162,876	175,545	188,466
9	New PSPs/Kiosks (No.)	1,490	1,168	1,168	1,298	1,428	1,136
10	Total PSPs/Kiosks (No.)	8,231	9,399	10,567	11,865	13,292	14,428
11	New water mains extensions (km)	202	519	622	726	830	933
12	Total water mains Length (km)	7,095	7,614	8,236	8,962	9,791	10,725
	Sewerage Services						
13	New Sewer Connections (No.)	6	11	13	16	16	16
14	Total Sewer Connections (No.)	2,352	2,363	2,376	2,392	2,408	2,424
15	New Sewer Extensions(km)	8	9	11	13	15	17
16	Total Sewer length (Km)	81	91	102	115	130	147
	COMPLIANCE						
17	Water Quality %	98%	98%	98%	98%	98%	98%
18	Sewerage Effluent %	61%	50%	50%	50%	50%	50%
	FINANCIAL						
19	Billings (UGX Billion) (VAT Incl .)	49.6	53.8	58.3	63.0	68.0	73.3
20	Collections (UGX Billion)	54.1	47.7	52.1	57.2	63.3	68.3
21	Collection Efficiency (%)	109%	89%	89%	91%	93%	93%
22	Average debt age (Months)	4.6	5.6	6.4	7.0	7.4	7.6
21	Arrears (UGX Billion)	18.9	24.9	31.1	36.9	41.7	46.7
P*- Pr	P*- Projected Performance June 2021						

ANNEX 5: TARIFF STRUCTURE-STATUTORY INSTRUMENT 2018

1. WATER SUPPLY

Consumer category	Rate (UGX.)
PUBLIC STAND PIPES	
(a) unmetered (estimated consumption:75m3)	79,500 per month
(b) metered	1,060 per cubic meter
(c) service charge	2,000 per month

(2) RESIDENTIAL BUILDINGS	(2) RESIDENTIAL BUILDINGS					
(a) unmetered(assessed at UGX.3,5	16 per cubic meter)					
No. of taps	Estimated consumption per	Billing per month (UGX.)				
	month					
1 tap	6m ³	21,096				
2-4 taps	18m³	63,288				
5-8 taps	30 m³	105,480				
Over 8 taps	45m³	158,220				
(b) metered		3.516 Per cubic meters				
(c) service charges						
12 mm supply ½"		1,500 per month				
20 mm supply 3/4"		2,000 per month				
25 mm supply 1"		5,000 per month				
yard tap		2,000 per month				

(3) INSTITUTIONS AND GOVERNMENT						
(a) unmetered (assessed at UGX.3,558 per cubic meter)						
No. of users	Estimated consumption per	Billing charge per month				
	month	(UGX.)				
1-5	20m³	71,160				
6-15	60m³	213.480				
16-25	100m³	355.800				
26-50	120m³	426,960				
51-100	150m³	533.700				
101-250	300m ³	1,067,400				
More than 250	550m ³	1,956,900				
(b) meteredassessed at UGX.3,558per cubic meter						

ANNEX 5: TARIFF STRUCTURE-STATUTORY INSTRUMENT 2018 cont'd

(c) servi	(c) service charges							
12 mm	Supply	1/2"	UGX. 2,000					
20 mm S	Supply	3/4"	UGX. 3,000					
25 mm 5	Supply	1"	UGX. 5,000					
50 mm	Supply	2"	UGX. 8,000					
75 mm S	Supply	3"	UGX. 10,000					
100 mm S	upply	4"	UGX. 15,000					
150 mm S	upply	6"	UGX. 20,000					

(4)	COMMERCIAL	
(a)	Metered	
Con	sumption	Billing charge per month (UGX)
(b)	First 1500 cu meters per month	(c) 4,220 per cubic meter
(d)	Over 1500 cubic meters per month	(e) 3.373 per cubic meter

(f) unmetered(assessed	at UGX 4,220 per cubic meter)			
No. of users	Estimated consumption per month	Billing charge per month (UGX)		
1-5	20m³	84,400		
6-15	60m³	253,200		
16-25	100m ³	422,000		
26-50	120m³	506,400		
51-100	150m³	633,000		
101-250	300m ³	1,266,000		
exceeding 250	550m3	2,321,000		
(g) service charge				
12 mm Supply ½"		2,000		
20 mm Supply 3/4"		5,000		
25 mm Supply 1"		7.500		
50 mm Supply 2"		10,000		
75 mm Supply 3"		15,000		
100 mm Supply 4"		20,000		
150 mm Supply 6"		30,000		
(5) INDUSTRIAL				
(a) Metered				
Consumption		Billing charged per month (UGX)		
under 1000 cubic meters per month		4,220		
Above 1000 cubic meters per month		2,500		

ANNEX 5: TARIFF STRUCTURE-STATUTORY INSTRUMENT 2018 cont'd

service cha	ge	
12 mm Supply	1/2"	2,000
20 mm Supply	3/4"	5,000
25 mm Supply	1"	7.500
50 mm Supply	2"	10,000
100 mm Supply	3"	15,000
100 mm Supply	4"	20,000
150 mm Supply	6"	30,000

(6) MIXED COMMERCIAL, INDUSTRIAL, INSTITUTIONAL OR DOMESTIC

Where water is supplied on a common connection to mixed commercial, Industrial (<1,000 m³), Institutional and/or Domestic premises, all water will be charged at the highest tariff rate applicable.

(7) CONNECTION FEES

All new connection applicants will not pay new connection fees but will meet the actual costs of new connection materials.

(8) RECONNECTION FEES

After disconnection for non-payment of water charges:

All connections below 2"UGX. 10,00

Connections 2" and aboveUGX. 20,000

(1) PENALTIES

(a) where a consumer makes an Illegal connection, removes or by passes a meter.....UGX. 400,000 plus a charge for water consumed during the last 24 months.

(b) damage of installed water meter:

Meter Size Supply	Rate (UGX.)
1/2"	50,000
3/4"	70,000
1"	115,000
1½"	258,000
2"	287,000
3"	300,000
4"	418,000
6"	485,000

(c) destruction of water meter.....actual cost of replacement

(6) DEPOSITS

The Corporation is empowered to take deposits for water and sewerage services calculated at six months estimated charges.

(7) BULK WATER RATES

The bulk water supply tariff shall be levied on authorized operators who will re-sell the water to consumers through a piped water distribution network. It shall be determined by the National Water and Sewerage Corporation depending on the area of supply but shall not exceed 3,156 shillings per cubic meter.

ANNEX 5: TARIFF STRUCTURE-STATUTORY INSTRUMENT 2018 cont'd

2. SEWERAGE SERVICES

Category	Rate(UGX.)
I. Sewerage charges for all properties connected to sewers-	
(a) domestic	75% of water charge
(b) other categories	100% of water charge
II. Connection fees (excluding domestic)	
Pipe Size	Rate (UGX.)
4"	178,000
6"	225,500
Over 6"	297,260

ANNEX 6: FINANCIAL FORECAST: 2021-2026

INDICATORS	Baseline 2020/2021 (P*)	FY 2021/22	FY 2022/23	FY 2023/24	FY 2024/25	FY 2025/26
FINANCIAL INDICATORS:						
Annual Turnover. Ushs billion	457	534	570	608	649	691
Core Income	366	450	481	513	547	583
Other Income	91	84	89	95	102	108
Working Ratio	78%	78%	78%	78%	77%	77%
Expenditure	353.9	436.4	464.7	491.6	519.6	552.4
Net Profit Before Depr. Ushs. Billion	103	98	105	116	129	139
Depreciation (Shs. Billion)	81	80	78	82	87	84
Net Profit After Depr. Ushs. Billion (Before interest)	22	18	27	34	42	55
Billings (billion Shs)- Overall (VAT Incl .)	419	523	559	597	636	678
Billings (billion Shs)- GoU (VAT incl.)	53	67	71	76	81	86
Billings (billion Shs)- Non-GoU (VAT incl.)	366	457	488	521	555	592
Collections (billion Shs)- Overall	445.8	464.5	499.5	541.5	591.5	631.5
Collections (billion Shs)- GoU	47.9	68.0	74.1	80.6	87.6	95.0
Collections (billion Shs)- Non GoU	397.9	396.5	425.4	460.9	504.0	536.5
Collection Efficiency (%)- Overall	106%	89%	89%	91%	93%	93%
Collection Efficiency (%)- GoU	90%	100%	102%	104%	106%	108%
Collection Efficiency (%)- Non-GoU	109%	87%	87%	88%	91%	91%
Average debt age (Months)-Overall	2.8	3.6	4.7	5.5	6.0	6.4
Average debt age (Months)-GoU	10.3	7.9	7.0	5.8	4.5	3.0
Average debt age (Months)-Non GoU	1.8	3.0	4.3	5.4	6.2	6.9
Arrears. Ushs billion- Overall	99.3	158.2	217.7	272.6	317.2	363.6
Arrears . Ushs billion-GoU	45.5	44.2	41.3	36.6	30.2	21.6
Arrears . Ushs billion-Non GoU	53.8	114.0	176.4	236.0	287.0	342.0
Total number of staff	4,058	4,258	4,458	4,658	4,858	5,058
Staff productivity (staff /1000 connections)	5	5	5	5	5	5
Staff costs as a percentage of total operating costs (%)	45%	40%	42%	42%	42%	42%
Staff Cost (Ushs billion)	158.4	166.4	186.8	198.1	209.8	223.6

ANNEX 6: THE CAPITAL INVESTMENT PLAN (2021-26)

		FY	FY	FY	FY	FY	TOTAL FIVE YEAR CASHFLOWS			
#	PROJECT NAME (AMOUNT IN USHS. '000,000)		2022/23				GoU	Donor	NWSC	Total
1	Kampala Sanitation Project	25,820	31,178	20,098	-	-	74,596	-	2,500	77,096
2	Kampala Water Lake Victoria WatSan Project:	126,242	204,176	66,077	42,388	23,940	46,499	412,652	3,672	462,823
3	Integrated Water Management and Development Project & Improved Project for Improved Living Conditions (Mbale-Ushs.181 Bn, Gulu-Ushs.282 Bn, Arua-Ushs.35Bn and Adjumani-Ushs.75Bn)	129,684	184,680	144,066	30,204	7,662	34,753	450,043	11,500	496,296
4	South Western Cluster - Development of Water and Sanitation Infrastructure for the Mbarara - Masaka Areas (Kagera-Ushs.143Bn,Mbara- ra-Ushs.78Bn,Masaka-Ushs.56Bn)	90,822	160,518	187,121	61,432	3,900	15,080	484,213	4,500	503,793
5	Wakiso West WatSan Project	1,500	5,000	124,000	200,000	200,000	-	528,000	2,500	530,500
6	Expansion and development of sewage treatment system in Gaba and Mukono sub-catchments in the Kampala Metropolitan Area (LVPIII)	-	-	-	-	-	-	-	-	-
7	Compact Waste Water Treatment Plants (Kitgum, Kasese and Masaka)	-	1,300	4,700	7,000	2,050	-	-	15,050	15,050
8	Water Supply Stabilization Projects for Moyo, Kotido and Kabong and Parombo	-	3,400	6,600	10,000	5,200	-	-	25,200	25,200
9	Kasese Water Supply Improvement Project	-	7,110	23,586	3,410	-	-	32,106	2,000	34,106
10	Albertine Graben Area (Hoima, Masindi, Fort Portal)	-	2,600	59,000	50,400	36,000	-	139,500	8,500	148,000
11	Jinja/Njeru Water Supply and Sanitation Project (Euros 35 Million)	-	1,056	4,224	2,640	26,400	-	32,320	2,000	34,320
12	Sanitation Investment Plan	5,000	5,000	5,000	5,000	5,000	-	25,000	-	25,000
13	Training Facilities -Kapchorwa	-	2,000	2,000	-	-	-	-	4,000	4,000
14	100% Service Coverage Acceleration Project (SCAP	100)								
14.1	Minor Water Supply Improvement, Expansions and extensions in the New Towns	100,000	90,124	107,062	107,062	107,062	268,248	-	243,062	511,310
14.2	Improvement in Water supply and Sanitation Services in the New Cities: (Hoima-Ushs.34Bn,Fort Portal-Ushs.28Bn,Lira-Ushs.42Bn,Soroti-Ushs.19Bn, Moroto-Ushs.15Bn and Jinja-Iganga-Ushs.35Bn)	2,310	16,170	4,620				-	23,100	23,100
15	Infrastructure Interventions (Jinja-Iganga Water Supply, Hoima, Lira and Fort Portal Water supply and Sanitation, Updating KSMP and secondary and primary sewer network study, Faecal Sludge Management Study in KMA) and Development of alternative source for Arua City.	-	13,646	-	250,000	450,000	-	713,646	-	713,646
16	Other Projects to benefit from Market Finance (Lyantonde-Ushs.16Bn,Kyankwanzi-Ushs8B- n,Tororo-Ushs.7Bn,Bushenyi-Ushs.10Bn,Kalun- gu-Ushs.16Bn,Kanungu-Ushs.4Bn, Training Facilities for Bushenyi and Lira-Ushs.6Bn and Area Offices-Ushs.3Bn	7,190	50,330	14,380	-	-		-	71,900	71,900
17	Other Capital Expenditure (Mukono-Buik- we-Ushs.3.3Bn and KW Projects-Ushs.9Bn)	2,150	9,997	-	-	-	-	-	12,147	12,147
	TOTAL	490,718	861,062	845,311	842,312	939.990	439,176	2,817,480	431,631	3,688,287

ANNEX 7: FINANCIAL FORECAST (2021-2026)

	- U V						
	Baseline FY 2020/2021	FY	FY	FY	FY	FY	
	(P*)	2021/22	2022/23	2023/24	2024/25	2025/26	Total
Sources Of Financing (Inflows):							
Internal Sources							
Collections (Water and Sewerage)	434.521	464,521	499,521	541,521	591,521	631,521	2,728,606
Collections from other Income (Rental Income, Lab services, Ext Services and IREC							
Income)	4,915	4,915	5,137	5,369	5,632	5,907	26,960
Sub-Total (Internal Sources)	439,436	469,436	504,658	546,890	597,153	637,428	2,755,566
External Sources							
GOU Releases	85,949	92,520	86,664	86,664	86,664	86,664	439,176
Donor Releases	436,782	325,548	566,862	599,570	607,200	718,300	2,817,480
Market Finance		9,500	66,500	19,000			95,000
Sub Total (External Sources)	522,731	427,568	720,026	705,234	693,864	804,964	3,351,656
Total Inflows	962,167	897,004	1,224,684	1,252,124	1,291,017	1,442,392	6,107,222
Total Financing Requirements (Outflows)							
Operating Expenditure	354,377	383,694	407,776	440,398	475,630	513,680	2,221,178
Capital Expenditure:							
NWSC contributions to Other CAPEX	11,800	12,980	14,927	17,166	19,741	22,703	87,518
NWSC contributions to Major Projects	45,000	72,650	134,759	86,300	75,672	62,250	431,631
GoU	85,949	92,520	86,664	86,664	86,664	86,664	439,176
Development Partners	436,782	325,548	566,862	599,570	607,200	718,300	2,817,480
Development Partners Loan Repayment (Ushs.95Billion)	436,782	325,548 12,000	566,862 24,000	599,570 24,000	607,200 24,000	718,300 24,000	2,817,480
· · · · · · · · · · · · · · · · · · ·	436,782 579,531				, .		
Loan Repayment (Ushs.95Billion)		12,000	24,000	24,000	24,000	24,000	108,000
Loan Repayment (Ushs.95Billion) Total Capital Expenditure	579,531	12,000 515,698	24,000 827,212	24,000 813,700	24,000 813,277	24,000 913,917	108,000
Loan Repayment (Ushs.95Billion) Total Capital Expenditure Total Outflows	579,531 933,909	12,000 515,698 899,392	24,000 827,212 1,234,988	24,000 813,700 1,254,099	24,000 813,277 1,288,907	24,000 913,917 1,427,597	108,000 3,883,805 6,104,983



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