



National Water and Sewerage Corporation

Integrated Annual Report 2021/22



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Our Vision

**The Leading Customer Service Oriented
Utility in the World**



Our Mission

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

List of Acronyms and Abbreviations

AFD	French Development Agency
AfDB	African Development Bank
AfWA	African Water Association
BOD	Biological Oxygen Demand
BoU	Bank of Uganda
BSc	Bachelor of Science
CEO	Chief Executive Officer
CRM	Customer Relationship Module
CSR	Corporate Social Responsibility
DANIDA	Danish International Development Agency
DD	Direct Debit
DFCU	Development Finance Company of Uganda
DMA	District Meter Area
EBITDA	Earnings Before Interest, Tax, Depreciation and Amortization
ECL	Expected Credit Losses
EIB	European Investment Bank
EFT	Electronic Funds Transfer
ESAMI	Eastern and Southern Africa Management Institute
ES	External Services
EU	European Union
FSTP	Faecal Sludge Treatment Plant
FY	Financial Year
GIS	Geographic Information System
GIZ	Germany International Corporation
GKMA	Greater Kampala Metropolitan Area
GoU	Government of Uganda
HFB	Housing Finance Bank
IAS	International Accounting Standards
ICT	Information and Communications Technology
IFRS	International Financial Reporting Standards
IPILC	Intergraded Program to Improve the Living Conditions in Gulu
IREC	International Resource Centre
IWMDP	Integrated Water Management Development Program
KCCA	Kampala Capital City Authority
KfW	Kreditanstalt Fur Wiederaufbau
kms	kilometers
KSP	Kampala Sanitation Project
KSWSP	Kampala South Water and Sanitation Project
KW	Kampala Water
LSA	Long Service Award
LVWATSAN	Lake Victoria Water and Sanitation Project
m³	Cubic meters
MD	Managing Director
Mgt	Management

MMP	Mobile Money Payment
MTAC	Management Training and Advisory Centre
MWE	Ministry of Water and Environment
NDP	National Development Plan
NEMA	National Environment Management Authority
NRM	National Resistance Movement
NRW	Non-Revenue Water
NSSF	National Social Security Fund
NWSC	National Water and Sewerage Corporation
PC	Performance Contract
PhD	Doctor of Philosophy
pH	Potential of Hydrogen
PSPs	Public Stand Posts
SC	Sub-county
SCAP	Service Coverage Acceleration Program
SDGs	Sustainable Development Goals
STC	Scientific and Technical Council
SWAS	School Water and Sanitation Clubs
SWC	South Western Cluster Project (Isingiro, Mbarara and Masaka)
TB	Town Board
TC	Town Council / Trading Centre
TSS	Total Suspended Solids
UGX	Uganda Shillings
UIPE	Uganda Institution of Professional Engineers
UK	United Kingdom
URA	Uganda Revenue Authority
UNBS	Uganda National Bureau of Standards
USD	United States Dollar
VAT	Value Added Tax
VEI	Vitens Evides International
VSDF	Vocational Skills Development Facility
WACOCO	Water Community Communication Clubs
WATSAN	Water and Sanitation
WEDC	Water Engineering and Development Centre
WHO	World Health Organization
WESRES	Western and South Western Resources Centre
WSSP	Water Supply Stabilization Program
WMDP	Water Management and Development Project

About NWSC



The Legal Framework

National Water and Sewerage Corporation (NWSC) is a Public Corporation wholly owned by the Government of Uganda, having been established by Decree No. 34 of 1972. The Corporation's legal position was strengthened by the NWSC Statute No.7 of 1995, which was later incorporated into the NWSC Act of 2000. Under the new legal framework, the powers and structure of NWSC were revised to enable the Corporation operate on a sound and financially viable basis.

The principal business as defined in the NWSC Act of 2000 is to operate and provide water and sewerage services in areas entrusted to it on a sound commercial and financially viable basis. NWSC operations have expanded in the 50 years from 3 Towns of Kampala, Jinja and Entebbe in 1972 to 262 towns as at end of June 2022, across the country.



Our Customers

The Corporation served more than 887,073 water and Sewerage customers during the reporting period, of which approximately 28,000 are pro-poor or Public Stand Posts (PSPs), whose tariff is subsidized.



Our Employees

NWSC is endowed with 3,010 male and 1,457 female who are skilled, experienced and established staff; This brings the number of total employees to 4,467.



Our Concern for the Environment

The NWSC business is dependent on the environment and the Corporation is conscious about climate change challenges and its impact on our operations and to the society in which we operate. We have incorporated environmental protection strategies in our business model. Our environmental concern goes beyond mere compliance with laws and regulations, but also includes voluntary measures.



Our Products & Services

The NWSC core business is to provide water and sewerage services in Urban Centers of Uganda that are under its jurisdiction. We provide services to the following consumer categories; Domestic, Commercial/Industrial, Institutions/Government and Public Stand Posts/Kiosks. NWSC also provides Consultancy and Benchmarking Services to other Utilities in the Region and across the World.

● Water

NWSC extracts raw water from various water sources including; lakes, rivers, streams, swamps and deep wells. Our water is treated using various treatment processes to comply with the WHO Quality Standards before it is distributed to our customers.

● Sewerage

The Corporation collects wastewater from its consumers, and ensures that it is treated before being discharged into the environment. Sewerage services include wastewater collection systems that involves a network of pipes, pumping stations, and appurtenances that convey sewage from its points of origin to a point of treatment and disposal.

NWSC operates centralized sewerage systems in 18 towns of; Kampala, Jinja, Entebbe, Masaka, Iganga, Tororo, Mbale, Soroti, Lira, Gulu, Arua, Mbarara, Ntungamo, Fort Portal, Hoima, Masindi, Kabale, and Kisoro. The Corporation also operates faecal sludge treatment facilities in 7 Towns namely; Buwama, Bukakata, Ntungamo, Mayuge and Kampala (Lubigi and Bugolobi).

● Consultancy Services

NWSC provides consultancy and advisory services to other Utilities. These services include; laboratory analyses, GIS surveying & mapping, ICT services, billing & customer care, vocational training, capacity development and international conference facilities. We offer our services to Utilities and Entities in Uganda, and other parts of the World.



A snapshot of our performance



Production Increased by;

14%



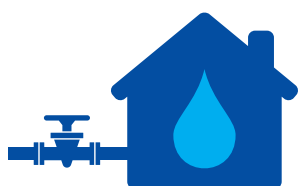
Pipe Network was increased

1,305 km



857,347

Water Subscribers



54,697

New Water Customers



Increased PSPs by

2,141



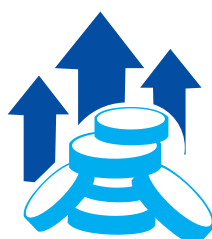
1,305

New Sewer Subscribers



Turnover (UGX Billion)

519 Bn



Profits Before
Depreciation (UGX)

122 Bn



Asset Base (UGX)

4.1 Tn



What we are doing for our customers

"A Customer is the reason we exist" is our slogan. We have therefore put in place a mechanism through which we can engage with customers. We take customer feedback seriously and endeavor to offer timely solutions to their concerns. **Out of the 185,166 complaints registered in the FY 2021/22; 99% (183,296) were addressed.**



● We Listen to Our Customers

The Corporation has designed a Customer Relationship Module (CRM) to receive complaints or comments from all sources. Complaints can be through walk-ins, emails, phone calls and social media platforms. NWSC gives feedback to its customers and also addresses their complaints.

During the FY 2021/22, 185,116 complaints were received and 183,296 were resolved (99% resolution rate). The rest of the complaints were handled at the beginning of the FY 2022/23



● We Engage Our Customers

We engage our stakeholders at various levels of operations including among others our customers, local leaders through regular meetings. During the meetings we show the stakeholders challenges related to our services and what we are doing to address them. We usually make special appeals to the local leadership and communities to support the NWSC ongoing projects in the impacted communities.



● Local Water Committees

Water Committees have been set up in all our Areas of Operations. They consist of the NWSC Area Management, Local Council and Municipal leaders. The Committees assist the Corporation in addressing the key challenges affecting the provision of water and sewerage services in their respective Areas. Through these Committees, NWSC updates local leaders about the upcoming development programs (water extensions and other infrastructure projects) and requests for their active participation and support. The committee leaders also give their feedback on the NWSC services in their respective Areas.



Engaging our Customers-NWSC Water Quality Staff demonstrate the formation of Sanitizer to the Natural resources Committee of Parliament'



● Tariff structure

NWSC has a well-defined tariff structure, approved by the Minister of Water and Environment. The tariff is adjusted periodically whenever there are significant changes in the macro-economic parameters that affect the cost of inputs. Table 1 shows the tariffs for the various consumer categories

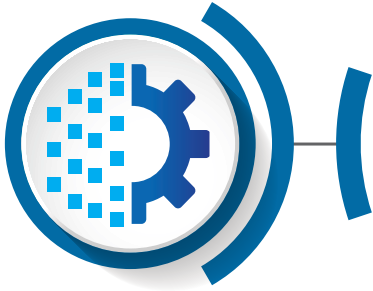
Table 1: NWSC tariff structure as at June 2021 (VAT Inclusive)

Category	Charges per m ³ (UGX)
Public standpipes	1,060
Domestic	3,516
Institutional/Government	3,558
Commercial;	
· First 500 m ³ per month	4,220
· 501 – 1500 m ³ per month	4,220
· Over 1500 m ³ per month	3,373
Industrial	
· Under 1,000 m ³ per month	4,220
· Above 1,000 m ³ per month	2,500
Sewerage Tariff	
For Domestic Category	75% of water charge
For Other Categories	100% of water charge



Taking Services Closer to the People

The Corporation has opened more Branches countrywide, to enable our customers access our services easily. Under Kampala Service Area, we have 28 Branches, Central Region has 61 Branches, Eastern Region has 35 Branches, Northern Region has 25 Branches and Western and South Western Region has 70 Branches. Services provided at the branches include; Installing of new water Connections, extending services through water mains extensions, network maintenance, billing, revenue collections, complaints resolutions or any other inquiries..



Improving Customer Service Through Digital Transformation

NWSC customers have been enjoying NWSC online services for over 20 years. Most of the services are accessed through simply visiting the NWSC website. The services include among others;

● Online payments platforms

This has made it easy for most of our customers to pay their bills at the convenience of their Mobile Phones. Meaning payments can be made anytime and from anywhere at the convenience of the customer. The Corporation has put in place various options to make it convenient and comfortable for our customers to pay for their water bills. The payment options include; Electronic Funds Transfer (EFT), Mobile Banking, Mobile Money Payments (MMP) and Direct Debit (DD).

● Application for our Services on Line (New Water Connection Module)

The new connections module is a recently launched application in Kampala that enables customers to apply for new water connections through the NWSC website, by clicking on the new connections module and following the prompts. All the new connection processes can be completed without the need for the customer to visit our offices.

● The Waterman (Customer service and feedback platforms)

Through our online presence on Twitter, WhatsApp, NWSC website and Facebook, NWSC is able to receive real time customer complaints and provide feedback. The water man is available 24/7.

● Electronic-Medical Treatment Order

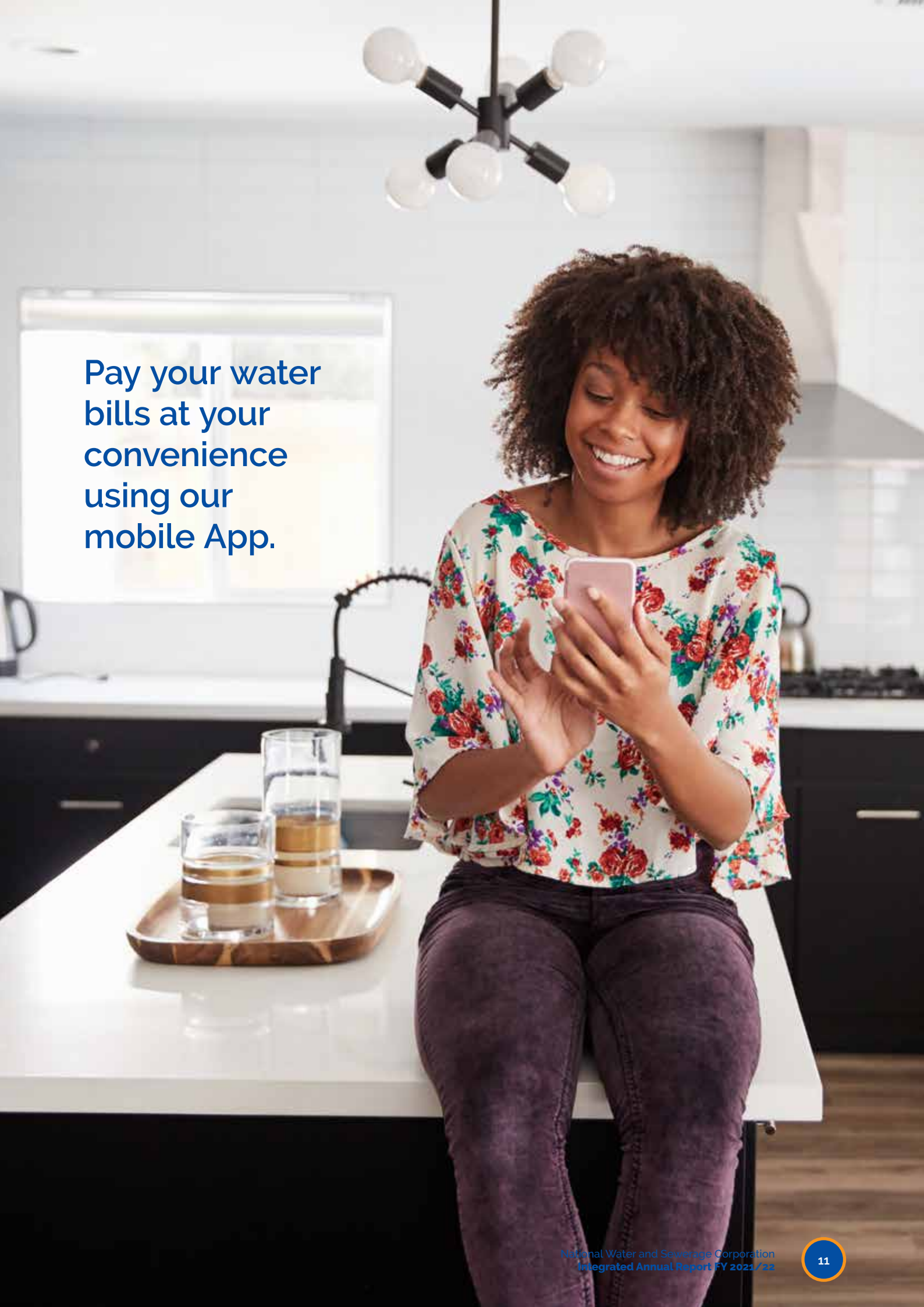
A system designed for internal use to manage staff treatment at selected hospitals and health centers. The system is integrated with the Human Resource System that has all staff records. It provides online application and authorization of treatment of staff and their dependants 24/7.

● NWSC Mobile App

The NWSC Mobile app is a handy tool designed to improve customer experience. it is integrated with the customer database, billing and collections systems. It can be installed on any mobile device and provides customers with their real time balances, bills and any other information relating to their accounts. The app also enables customers to pay their water bills through various online payment platforms. .

● On spot billing

Whenever customers' meters are read, bills are issued to them instantly. This has improved the time it takes for customers to receive their bill and make arrangements for payments; in addition to reduction of customer complaints related to erroneous billings.



Pay your water
bills at your
convenience
using our
mobile App.



Customer Charter

NWSC has developed a Customer Charter that sets out the respective obligations of the Corporation and the Customers relating to our services, as summarized below;

Customer Service Standards: Our promise to our Customers as we deliver water and sewerage services. We strive to apply every reasonable effort to deliver our promise and commitment to our Customers with utmost good faith.

We commit to:

- Provide our customers with safe and reliable water supply that meets user needs
- Respond to leaks and bursts within six hours of awareness
- Notify the public within three days where there is planned supply disruption
- Collect, treat and safely dispose off sewage effluent
- Respond to sewer overflows within 6 hours of reporting
- Connect paid up new connection applicants within 30 working days
- Respond to all customer complaints of commercial nature within one day and technical complaints within three hours of receiving the complaint
- Ensure the meter at the Customer premises is read and billed in a sequence not exceeding 30 days

Reliability of Water Supply: To deliver potable water to our customers where we operate a network of production plants, distribution pipes, boosters and reservoirs.

We commit to:

- Operate and maintain our water pipe network up to the water meter on the Customer's property
- Manage water pressure and flow across our network of pipes
- Implement effective pressure and leakage management techniques to control leaks, conserve water and assist in minimizing pipe failures

Interruption of Water Supply: Whereas we work to ensure reliable water supply, we occasionally need to carry out planned maintenance on assets. Under such circumstances, the Customer Water supply may be interrupted for a short

time. In the event of water supply interruptions occasioned by planned or unplanned works, our priority is to minimize any inconveniences caused to our Customers.

We commit to:

- Put your water supply needs and requirements first
- Provide sufficient notice of planned water service interruptions
- Respond to unplanned interruptions and restore normal supply within the shortest possible time
- Restore supply to the expected quality after any technical works

Water Quality: We employ rigorous treatment and testing techniques to ensure potable water meets international standards as per World Health Organization

We commit to:

- Supply you with water that is safe for human consumption
- Monitor and assess the quality of water supplied
- Publish regular water quality data on our website

Reliability of Sewerage Services: We are committed to collect, treat and safely dispose sewage through our infrastructure without negatively affecting the environment. The efficient operation of our sewerage network depends on the proper use of the Customer's sewerage facilities. Disposing of unsuitable items down the sinks, pipes, toilets and manholes may not only be costly to the Customer, but also leads to sewerage overflow and damages our network:

We commit to:

- Operate and Maintain the sewerage services up to the inspection chamber/ manhole at your premises
- Monitor the quality of our treated sewerage before it returns to the environment
- Respond and rectify sewerage overflows in our network as soon as they are reported

Customer Meter: We understand the importance of ensuring that meter readings are accurate

We commit to:

- Read your meter following a regular schedule to maintain consistence of reading periods
- Where a meter is not accessible or cannot be read, we will estimate a reading based on your previous consumption levels.
- Replace the meter in case it is found to be defective in accordance with our meter replacement policy
- Provide you with a meter service request form detailing the status of the meter and particulars of the remover before it is taken to our meter laboratory.

Billings and Payments:

Provide our customer with regular, clear, accurate and easy to understand bills.

We Commit to:

- We commit to provide and deliver bills to the address provided to us.
- Our Customers can apply to receive their bill via email using our website or visiting our office
- The Customer's bill will include information such as meter readings, consumption, tariff applicable, balances outstanding, location, and consumption period.

Bill Payments: We offer a range of payment options.

Customers can pay their bills:

- By direct debt- where a customer fills forms at our offices authorizing the bank to honour their bills.
- Through partnering banks
- Electronic funds transfer
- Ezee money
- E-banking
- Mobile Money
- Pegasus
- Agency Banking

The Customer account will be updated within 24 hours of making payment.

Over due Payments: All bills are due upon receipt. However:

- We provide customers who are having difficulty in settling their overdue bills in full with flexible payment terms
- Reminder notices may be issued to you in the event that water and sewerage bills are not paid by the due date.

Bills review and adjustments: If the Customer is in dispute of the amount of water and sewerage bill;

- You can formally request for clarification from the nearest office.
- In case of proven erroneous billing, an adjustment will be carried out in line with our approved procedure.

New Connection: We are committed to provide water to all Ugandans where our services exist. All new connection services can be accessed online using our website: www.nwsc.co.ug

We commit to:

- Connect all applicants who meet our standard requirements within 30 working days after payment

New Connection Requirements:

- Filling an application and attaching the following requirements i.e proof of ownership, National ID, Passport size photograph or stamp on the forms for institutions and corporate bodies respectively
- Obtain the authority of the landlord if the applicant is a tenant or a trustee if the applicant is a minor
- Obtain written permission from the owner if the connection pipes are to pass through another person's property

External Services

NWSC operates a consultancy services unit (i.e External Services) which provides a wide range of products including advisory services, technical assistance including laboratory testing services, capacity building and performance enhancement management programmes. Other tailor made training programs include vocational training, staff attachments and benchmarking. For further details, check our website on: nwscexternalservices@nwsc.co.ug

Lab Services (Scientific Analytical Services): We operate a state of the art laboratory, which boasts of an extensive range of technology, equipment, experience and expertise

- The Laboratory offers a wide range of high quality services including chemical, biological and micro biological analyses.
- NWSC laboratories offers accurate and reliable analyses of samples
- The laboratory offers a turnaround time of 3 and 7 days for analysis of water and wastewater respectively
- The NWSC laboratory offers training and consultancy in water and wastewater treatment processes.

Conference Facilities: We have a state of the art International Resource Centre with conference facilities with sitting capacity of 300 pax capable of hosting international conferences.

While at International Resource Centre, We commit to:

- Provide excellent services at all times and immediate/ quick responses to customer requests and go an extra mile in serving
- Keep our word in all our customer engagements as a sign of respect and trust
- Actively listen to our customers' needs and ensure we provide possible solutions to the problems
- Maintain great ambience to the comfort of our customers
- Exhibit excellent time management with regards to all events hosted at IREC



What we do to improve service delivery
and enhance stakeholder trust

Connect to NWSC for safe and quality piped water services

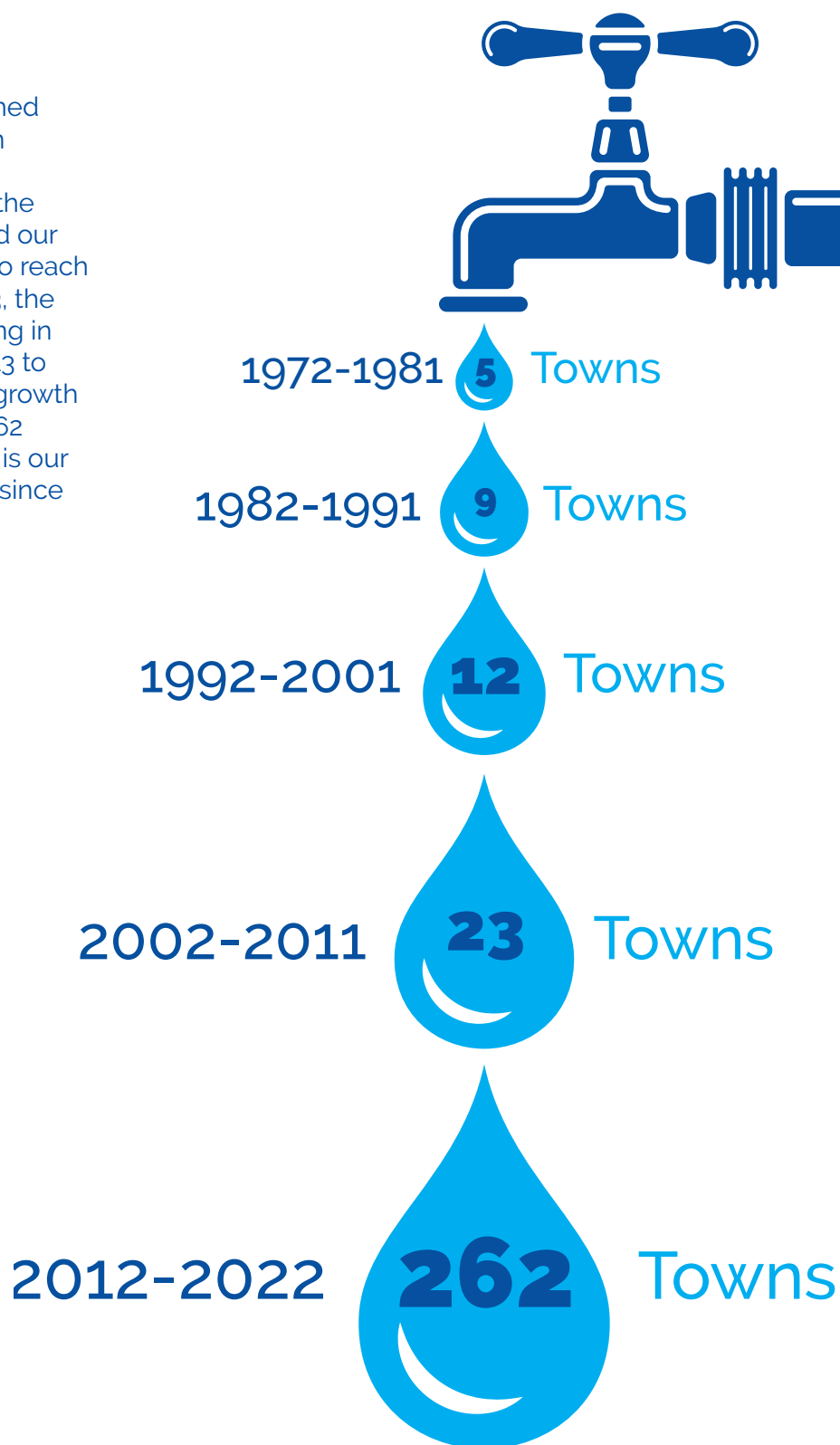


Our Nationwide Footprint



Geographical Evolution of NWSC Since 1972

The NWSC was established in 1972 with operations in the 3 towns of Kampala, Jinja and Entebbe. Over the years, we have expanded our geographical coverage to reach more Ugandans. By 2013, the Corporation was operating in 23 towns. The period 2013 to 2022, witnessed a rapid growth in coverage from 27 to 262 towns. Illustrated below, is our geographical expansion since 1972.



Our Core Values



Professionalism: We focus on developing staff competence, efficiency and effectiveness.



Teamwork: We invest our time and efforts in developing team spirit to achieve our common goals.



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.

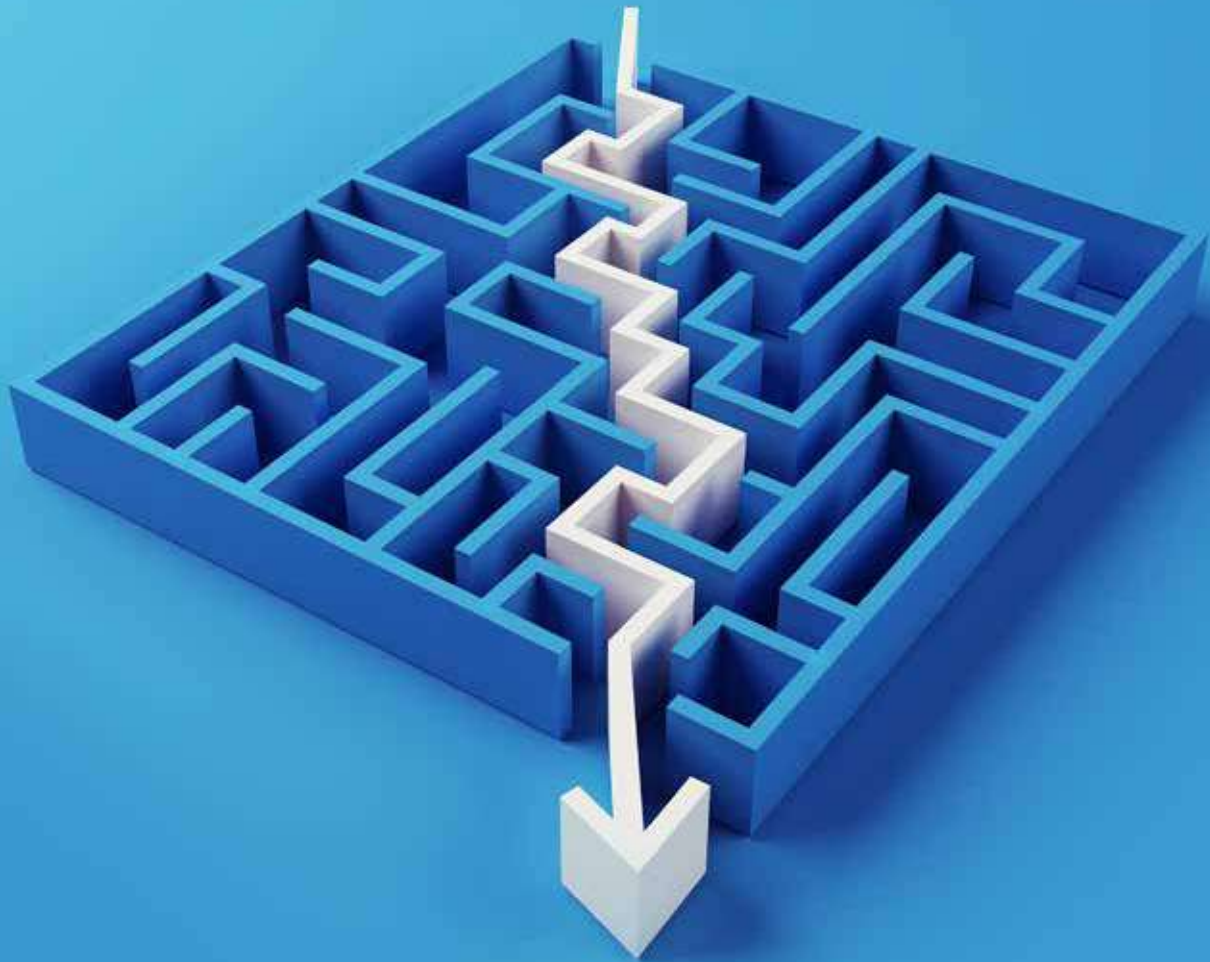


Reliability: We emphasize consistency and timeliness in all aspects of our business.



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

Our Strategy (2021-2024)



Our Strategy is defined by the NWSC Three-Year Corporate Plan with a Five Year Strategic aspirations. It is guided by the Vision and Mission that focus on quality service delivery, environmental sustainability and stakeholder trust. It is anchored to the overall National Strategic Framework with NDPIII, Government Manifesto, Vision 2040 and SDGs as the building blocks.

Our Strategy clearly defines where we are coming from, where we are, and provides a guide of where we want to go. The Board of Directors approved the Corporate Plan (2021-2024) under the theme; **“Transformative, Accountable and Sustainable Service Delivery”**. Therefore, FY 2021/22 marks the first year of implementing the Plan.

Schematic Presentation of the Corporate Plan (2021-2024)

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

THEME (2021-2024)

TRANSFORMATIVE, ACCOUNTABLE, AND SUSTAINABLE SERVICE DELIVERY

STRATEGIC PRIORITY AREAS (SPAS)

STRATEGIC RESULTS (SR)



INDUSTRIALIZATION

Well serviced industrial parks and industries



INFRASTRUCTURE DEVELOPMENT

Increased access to water and sewerage services



SKILLING AND WORKFORCE DEVELOPMENT

Skilled and productive workforce



PRIVATE SECTOR INVOLVEMENT

Increased private sector involvement



ORGANIZATION HEALTH AND SUSTAINABILITY

A healthy organization with delighted customers

Snapshot of Our Planning Process (2021-2024)



NWSC MD gives his Strategic guidance during the Corporate planning process



The Management of Head Office during the Corporate Planning Process



Corporate Planning Workshop



Corporate Planning Workshop



Dr. Rose Kagwa Director Business & Scientific Services; Giving her contribution in the Corporate Planning workshop



Launch of the Corporate Plan (2021-2024) by the Hon. Ministers of Water & Environment (Hon. Sam Chiptoris-Centre)

Our Journey for the Past Five Years

Our Five-Year Journey has been characterized by systematic performance improvement, the outbreak of COVID19 Pandemic notwithstanding. The key indicators gauge and guide our performance tracking taking into account our strategic outlook buttressed by the NWSC Corporate Plan and implemented through our annual budget. The following matrix is a clear manifestation of our commitment to continual improvement through quality and sustainable service delivery to the delight of our customers.

Table 2: Key Performance Indicators (KPIs)

Key Performance Indicator	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21	FY 2021/22
Water Services					
Number of Towns (Nos.)	236	253	258	258	262
Water Service Coverage (%)	83.7	83.7	84	84	84
Water Production (Million m ³)	126.2	134.9	140	144	164
Water supply (Million m ³)	120.1	127.8	132	137	158
Water Sales (Million m ³)	82.9	90.5	87	90	102
Non-Revenue Water (NRW, %)	31	29	34	35	35
New Water Connections (Nos.)	50,341	69,215	61,521	51,788	54,697
Connections taken over with New Towns	12,865	2,079	3,328	-	26856
Total Water Connections (Nos.)	582,863	659,157	724,006	775,794	857,347
New Public Stand Pipes (Nos.)	3,342	3,550	4,429	3,267	2,141
Total Public Stand Pipes (Nos.)	12,305	17,186	21,600	24,867	28,858
New water mains extensions (km)	2,021	2,727	2,135	439	1,305
Extensions taken over in New Towns (km)	700	430	216	77	0
Total water pipe network (km)	14,466	17,556	19,974	20,495	21,794
Sewerage Services					
Sewerage Service coverage (%)	21.5	21.5	23	23	23
New Sewer Connection (Nos.)	272	368	280	277	576
Total Sewer Connections (Nos.)	21,616	22,606	23,914	25,180	28,007
New Sewer extensions (km)	24.0	59	30	23	36
Financial Performance					
Turnover (Billion) - (UGX) (Net VAT)	388	442	463	461	519
Billing (Billion) - (UGX) -VAT Inc.	390	437	424	430	487
Collections (Billion) - (UGX) - VAT Inc.	384	437	391	435	469
Collection Efficiency (%)	99	100	92	101	96
Debt Age (Months)	2.9	2.3	3.6	3.3	3.0
EBITDA (Billion) - (UGX)	92	96	103	106	122
Staff Number (Nos.)	3,443	3,778	4,082	4,244	4,476
Staff Productivity (Nos.)	6	6	6	6	5

NB. The total water connections and total water pipe network include takeovers in the towns handed over to the Corporation by MWE.

Our Golden Indicators

We take broader focus of our service delivery by tracking critical performance parameters within our monitoring framework. We have therefore defined our Golden indicators that have a far –reaching impact to sustainability and quality service delivery to our customers

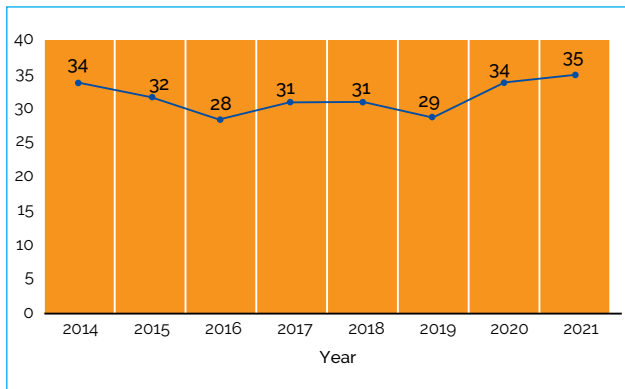


Fig 1 : Non-Revenue Water

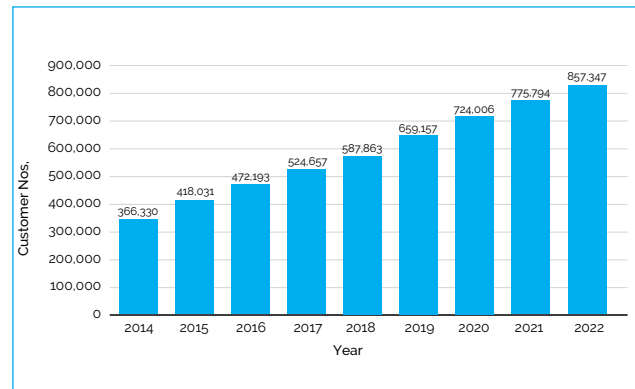


Fig 2 : Growth in customer base

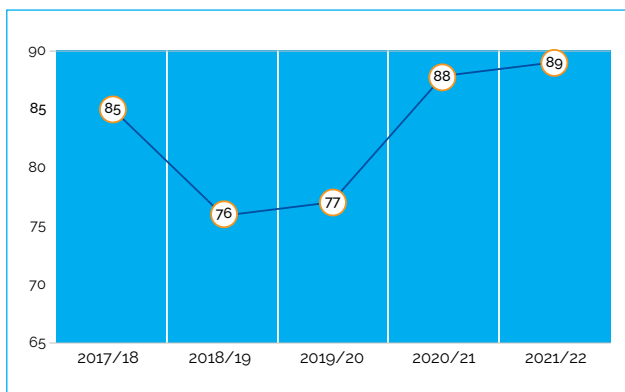


Fig 3 : Increase in Customer Satisfaction Index (%)

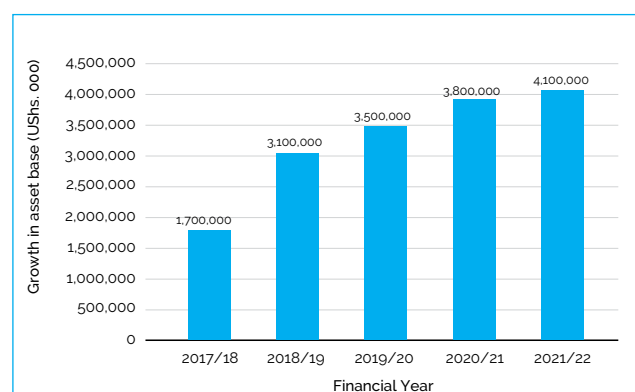


Fig 4: Growth in Asset base (UGX.000)

Employee Engagement Score (%)

Results and Insights

An average general employee engagement score of 76% was registered which indicates that the employees are engaged in and generally satisfied with their work and also aligned to the goal of the Corporation (Figure 5). Core competencies for the NWSC vision and mission assessed by; Engagement (89%), Retention (78%), Alignment (91%), and Agility (79%) showed that staff incorporate the organizational goals in their work. 82% of NWSC staff are proud to associate with the brand and 92% would willingly be a brand ambassador everywhere they went.

The survey results also suggest that the current levels of engagement and satisfaction are not sustainable in the long term without targeted changes to; growth & career development (68%), Employee Total Rewards (48%) and HR performance (65%).

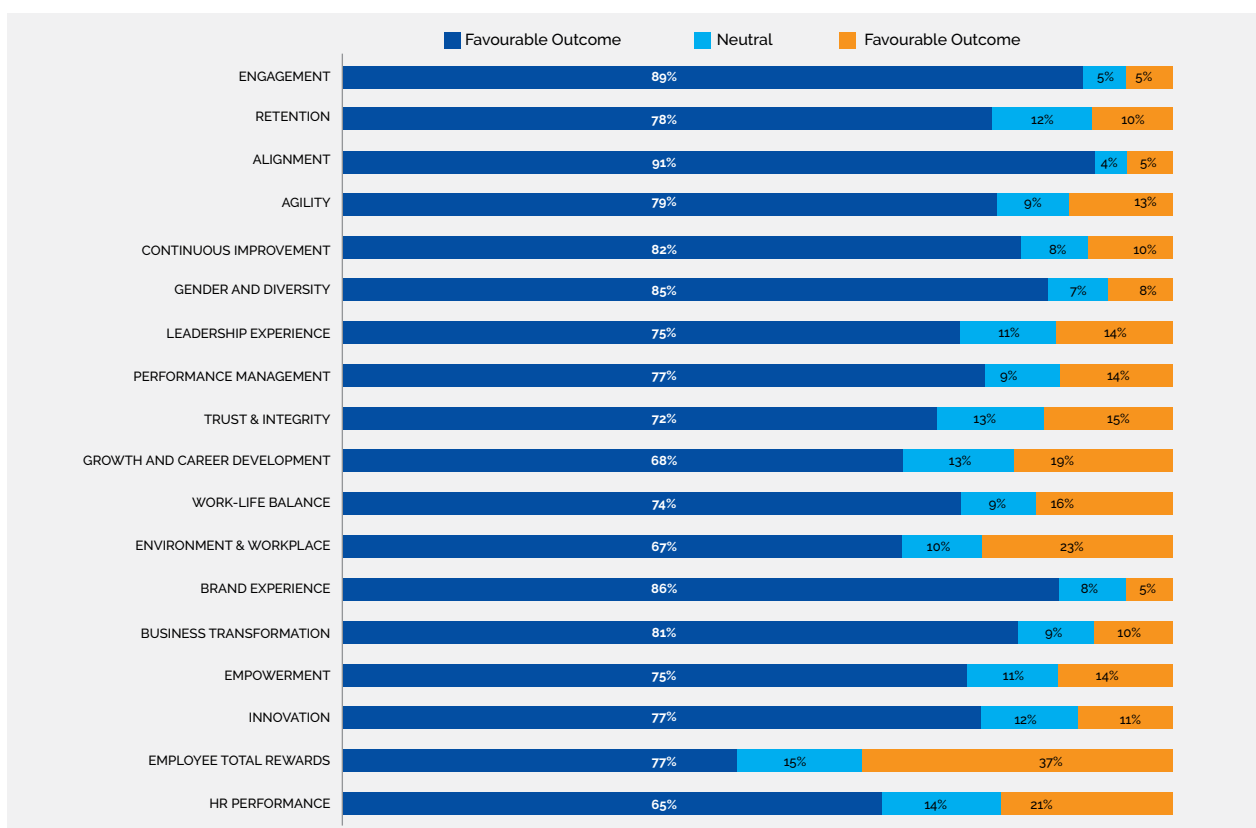


Figure 5: Employee Engagement Score (%)

Awards and Recognitions (2017-2022)

NWSC is a customer-centered Organization. Over the years we have invested heavily to improve and expand the infrastructure. We have continuously re-engineered our processes to strategically fit within the changing environment and ensure the quality of our services is not compromised. Our efforts have earned us recognition and awards from several local and international bodies over the years.

Table 3: Awards & Recognition 2017-2022

Award	Awarding Body/Event
Distinguished excellence in utility management	World Confederation of Businesses, St. Thomas in USA
Best Government Agency on Social media and Best Customer Service	Digital Impact Awards, 2017
Intellectual development of today's society	International Socrates Award of Intellectual Development (Paris, France)
Water Leaders Award 2017	World CSR Congress in Mauritius.
Utility Water Leader Award	Global Water Awards, UK
Bizz 2017 Award	World Confederation of Business Awards, USA
Outstanding business results, best practices, quality awareness and achievements in regional and global markets	European Society for Quality Research Award (London, UK)
Financial Reporting Award, 2017	Fire Awards, Kampala
Best Utilities' Services Brand on Social Media and Best Digital Customer Experience Brand	Digital Impact Awards, 2018
Utility Distinction Water Leader	Global Water Awards 2019 ceremony
Service Delivery Excellence Award, 2019	
Glory Award, 2019	World Confederation of Businesses, San Francisco, California
Visionary Leader Extraordinary Award, to the Board Chairman, Eng. Christopher Ebal, 2019	
IDRICA Circular Economy Water Project of the year 2020.	WEX global conference in Valencia, Spain
African Public Leadership Excellence Award	African Business Leadership Awards, Sandton South Africa
Best users of the Sri Global GIS System	Global Special Achievement in GIS (SAG) Awards, December 2021
Outstanding Brand in Sustainability Reporting	
2 nd runner up in the Public Sector Category	Integrated Financial Reporting (FiRe) Awards, 2021.



H.E. The President of the Republic of Uganda - Y. K. T. Museveni and NWSC MD - Dr. Eng. Silver Mugisha inspect a NWSC cadet Staff Parade during the NWSC@50 Celebrations



The President of the Republic of Uganda - Y.K.T. Museveni at the celebrations of NWSC@50 Years (1972-2022) .

About the Annual Report for 2021/22

This report is presented in accordance with the Global Reporting Initiatives 4 (GRI4) Guidelines on reporting. It is prepared in line with applicable Accounting Standards, the National Water and Sewerage Corporation Act 1995, Cap. 317, Laws of Uganda; the Water Act 1997, Cap. 152, Laws of Uganda and the Public Finance Management Act, 2015.

The report covers both financial and non-financial performance and provides information that gives an integrated view of NWSC business operations.

The first Section contains a message from the Board Chairman; a message from the Managing Director and insights into the governance and leadership of the Corporation. It also contains the Sustainability Report, which measures, discloses and gives accountability about our commitment to meet our present obligations, without compromising the ability of the future generations to meet their own needs.

We have also highlighted in this Section, our various stakeholders and role of the Board in balancing their competing needs. The Section further highlights the key Areas of focus for the Board over the planning period 2021-2024, which include: Supporting Industrialization, developing a strong Infrastructure base, Skilling and workforce development, Promoting the participation of the Private Sector and Strengthening the Corporation's financial base to ensure long term sustainability. The section ends with an overview of the Operational Performance in line with the key indicators.

The second Section provides financial information with financial statements prepared in accordance with the International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standard Board ("IASB"). They include the Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity, Statement of Cash Flows and the Notes to the Financial Statements. The key accounting policies that have been adopted and applied are also explained.



Addressing Challenges & Mitigating Risks

The Corporation has registered significant progress over the last five years. The services have improved, more customers are being served and the infrastructure base has been revamped and expanded across the Country. The achievements notwithstanding, a number of challenges related to Non-Revenue Water, environmental degradation and climate change, limited financing and low sewerage coverage still affect delivery of services to our esteemed customers.

● Non-Revenue Water (NRW)

NWSC is faced with a problem of water losses that currently stand at about 35% of water supplied. The problem is more acute in Kampala Water, where NRW stands at about 41%. The water losses are mainly attributed to; old water networks that are prone to leaks and bursts, illegal water use by some customers and old water meters which under register consumption. The measures that Management is undertaking to address the NRW challenges have been explained on Page 92 of this Report.

● Environment

Our business is dependent on the environment. The impact of climate change adversely affects our water supply. Dry spells have been felt across the Country over the past 5 years especially in Mbarara, Arua, Gulu, Mbale, Mityana and Mpigi Areas. Floods have also ravaged many parts of the Country and disrupted water production at our plants in Manafwa, Tororo, Entebbe, Kasese, Mpondwe and Lira.

The quality of the raw water continues to decline due to unregulated human activities in the water catchment areas, which has resulted into increased costs of water treatment. We are sinking production wells to provide alternative water sources in the Towns which are prone to drought. We are also implementing a number of initiatives to address the environmental concerns. Some of the initiatives include; source protection, tree planting, community engagement and involving school children in water and sanitation issues. Our detailed approach to addressing environment issues is on Page 66 of this Report.

● Funding Gaps for Investment

We put a lot of emphasis on infrastructure growth and development. This is intended to meet the growing demand for water and sanitation services. The funds for Capital Investment are mainly provided by the Government of Uganda and the Development Partners. The Corporation also sets aside part of the internally generated resources to finance minor Capital Investments.

Addressing the challenge
of Funding Gap



Due to competing priorities, the financing gap for investment in Water and Sanitation infrastructure has continuously grown. This is exacerbated by the economic melancholy arising from the external factors as well as the effect of the COVID19 pandemic. Our tariff is not a full cost recovery and this impinges our capacity to finance investments using internally generated resources. As a result, many planned Projects have not taken off. To address this challenge, the Corporation is taking the following measures;

- Continuous engagement with Government and the Development Partners for their support to the water sector.
- Opt for medium- term commercial financing from the Local Banks to finance quick win and critical infrastructure needs. During the FY 2019/20, the Corporation secured a medium-term commercial loan facility to immediate water supply challenges in eleven (11) Towns and during the FY 2021/22 an additional commercial loan facility amounting to UGX.95 billion was secured to bridge the Capital Investment financing gap. The Board will continue to strategically pursue this option to augment efforts by Government and Development Partners.
- The Corporation is exploring the possibility of raising long-term infrastructure financing by issuing Bonds through the Capital Market.
- The Board is exploring the possibility of entering into Public Private Partnership (PPP) arrangements for financing future projects.

● Sewerage Coverage

The sewerage coverage in towns where we operate still stands at 23% compared to 85% for water. This is still below the desired levels and this is on account of the high cost of investment in sewerage infrastructure. The Corporation continues to make deliberate efforts to increase sewerage coverage to 30% by 2024. The measures which are being taken to improve and increase sewerage coverage are elaborated on pages 101-103.

● Unreliable Power Supply in Some Towns

The Corporation relies heavily on electricity from the National Grid for Water Production and treatment of sewage. Unfortunately, the power supply is unreliable at many of our installations especially in the Up Country Areas. The Corporation is therefore forced to rely on generators whenever power is not available from the National Grid. The cost of electricity is another serious challenge, which consumes approximately 40% of our revenues. The Corporation is investing in power generators and solar systems to provide alternative energy sources for water production.

● The Spillover of COVID-19 Pandemic: Impact on the overall Business

The outbreak of COVID 19 Pandemic had a sizable damaging impact on the global economic activity. The Pandemic significantly and negatively impacted on the overall consumption patterns of our services. The dwindling water consumption negatively affected our revenue trends. The Global crisis notwithstanding, the Corporation is being more cautious and has taken preventive measures against the spillover effects on the financial health of the Corporation. The measures include;

- a) The Operational and Capital Expenditure Budgets have been revised to give priority to provision of un interrupted services to our customers.
- b) Infrastructure Projects that were affected by the pandemic have been shifted to FY 2022/23. The Corporation secured a second market finance facility of UGX.95 Billion to bridge the Capital Investment Financing gap created by COVID-19.
- c) We adopted and mainstreamed Cost Optimization measures across all our areas of operation.
- d) We have strengthened the use of the online platforms (e-payments, e-new connection applications and Customer Relationship Model for addressing complaints) as a means of providing services to the consumers.



Innovation on metre Re-assembling to adress the water loss challenges caused by faulty metres

A close-up photograph of a blue plastic pipe installed in a trench. At a joint near the top, water is spraying out in multiple directions, creating a large, misty cloud. The pipe continues horizontally to the right and then vertically downwards. The surrounding soil is dark brown and appears moist. The background is out of focus, showing more of the trench and some debris.

Pipe leaks and bursts one of the causes of water losses or NRW

Message of the Year From Chair of the Board



Eng. Dr. Badru M. Kiggundu
Chairman, NWSC Board of Directors

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 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.

National Water and Sewerage Corporation has had another good year, regardless of the prevailing circumstances in the economy and globally. On behalf of the NWSC Board of Directors, it gives me great pleasure to present to you the NWSC Integrated Annual Report for the FY 2021/22.

The year was marked with significant milestones that improved water and sewerage service delivery.

The Corporation works together with stakeholders and building stronger relationships with them is a priority for us. In the past year, we continued our journey as the Board and we focused on our stewardship and oversight roles and I am therefore pleased to inform

UGX 519 bn
Total Income generated

Asset base at
UGX 4.1 bn

Operating Profit increased by
UGX 17 bn

our Stakeholders that the Corporation registered a number of achievements during the FY 2021/22.

The Total Income during the FY 2021/22 amounted to **UGX.519 billion**, an increase of **13%** from **UGX.461 billion** in the FY 2020/21. This is a great achievement compared to the decline of 0.5% registered last FY 2020/21. The Operating Profit during the review period increased by **UGX.17 billion** compared to only an increase of UGX.3 billion that was registered during the FY 2020/21.

Water production increased by **20.5 million m³** (14%), from **144.1 million m³** in the FY 2020/21, to **164.5 million m³**, a reflection of the investments made in revamping the water facilities across the Country. The water and sewer networks were extended by **1,305 km** and **36 km** respectively, in a bid to serve more Ugandans. We connected **54,697** new consumers, bringing the total number of consumers to **857,347** in **262** towns.

Developing a strong Infrastructure base is the cornerstone of our Strategic Plan; In this regard the Board made the following achievements;

- i. The Board approved a loan of UGX.95 Billion to enable the Corporation carry out priority water supply improvement interventions especially in Cities/towns of Hoima, Soroti, Tororo and Kalungu among others.
- ii. Approved the following projects;
 - Design, supply, construction and commission of 100 cm³, elevated

break weight steel tank at Mukula in Kumi and Chegete in Apac Areas.

- Construction works for Lyantonde Water Supply Project.
- Raising of Contract, ceiling for the Katosi-Kampala Water Transmission mains works contract.
- Works contract for the rehabilitation of the water production capacity optimization of Ggaba Water Treatment.
- Works contract for KW-LV WATSAN Package 5B project.
- Environmental and Social Impact Assessment and resettlement Action Plan for Adjumani Water Supply and Sanitation Project.

The Board is also aware of the need for equity in the provision of Water and Sanitation services. We are therefore giving considerable attention to developing Public Stand Posts, extending water to the urban poor population, geographical expansion across the Country and maintaining a pro-poor tariff equivalent to UGX.50 per 20 liter jerrican of water. 28,858 public standpipes during the financial year under review were installed across the Country to increase access to water by the under privileged Ugandans.

The FY 2021/22 also marked the end of Year 1 of the Corporate Plan, 2021-2024. The Corporation is therefore proud of the achievements registered during the year in line with the aspirations of the Plan despite the challenges encountered.

During the year, the Board amended the Corporate Plan (2021-2024) among others due to the versatile economic conditions caused by changes in fuel prices and

foreign inflation. This in turn brought in the need to index our tariff effective July 2022.

On behalf of the Board of Directors, I take this opportunity to thank 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.

Special tribute goes to the Management and Staff of the Corporation for the commendable work done in the financial year and for the continued efforts, dedication, and commitment in serving our customers.

On behalf of the Board, I pledge our support to the Corporation's Management and Staff in fulfilling our mandate and aspirations of the the Corporate Plan (2021-2024).

For God and my Country.



Eng. Dr. Badru M. Kiggundu
Chairman, NWSC Board of Directors

Water production grew by
14% to 164.5 million m³

Water and sewer networks
were extended by
1,305 km & 36 km
respectively

54,697
new consumers connected

Laying of Transmission Main for the Katosi Water Treatment Plant.





Message of the Year From the Managing Director to all Stakeholders



Dr. Eng. Silver Mugisha
Managing Director

We put safety above all, implementing measures to protect our employees and customers from effects of covid-19 and the drawbacks brought about by doubled fuel prices. We continued our journey to become a more inclusive and diverse organization amidst a year of increasing expenses due to increased fuel prices.

In 2022 we invested UGX.362 Billion in Projects a big portion of it was related to our core business of increasing production and supply of water. We balanced that investment through O&M Efficiency achievements. We added 54,697 customers across all our service Areas in the country. The expertise

commitment and determination of our employees played a key role in enabling the NWSC to rise and meet the challenges of 2022.

● **Operating Safely & Delivering Services Amidst Economic Challenges**

When the Economic situation is tightening globally and in the country; We established priorities; the care and safety of our employees and their families; the safety of our customers and the communities we serve; and the execution of our preparedness plans to deliver essential water and waste water services to our customers across our footprint.

We responded to protect our employees by keeping them in employment and because we put also our customers first we were at the forefront of stopping service disconnections for non-payment and wooing back those who were disconnected from our services. During the year our customer base increased to over 870,000 customers.

● **Financial confidence in the Corporation**

The Corporation was able to secure an additional Market Finance of UGX.95 Billion to complete implementation of some infrastructure Development Projects among others;

- Kapeeka Water Supply Project
- Sembabule Water Supply Project
- Gulu Water Supply Project.

The fund will also be used to implement other projects in priority Cities of Hoima, Fort Portal, Soroti and Moroto Cities. The securing of these funds was due to failure to access funding from the Government of Uganda and the Development Partners due to changed priorities. No Major interventions have been carried out in the above towns for the last 5 years and currently the areas are faced with acute water challenges. Part of the money will also be used to continue with the setting of the Regional Training Facilities and Area Offices.

Our Tariff Structure cannot absorb the huge investment requirements for the organization. There is no doubt therefore, that the Government and the Development Partners will need to continue investing in the major water projects across the country because of the existing infrastructure gap.

● Financial Performance

The continued execution of our strategies and commitments to the Corporation drives proven and predictable financial growth. The NWSC continued to meet or exceed our performance goals. We recorded net income of UGX 519 Billion compared to UGX. 461 Billion recorded in the year 2021, an increase of 13%.

● Investing for the Future

Our commitment to emergency preparedness and its impact on business continuity is significant. That commitment is not just a matter of preparing for emergencies in the near term, but also, designing and constructing infrastructure to mitigate potential threats relative to water

supply and distribution well into the future.

To step up water and improve supply reliability and service coverage, we continued with implementation of the 100% Service Acceleration Project (SCAP100), with focus on mains extensions to the virgin areas, installation of Public Stand Posts (PSPs), commonly known as Public Taps in various villages and strengthening the existing water infrastructure to support the increased water demand. Over 2,000 PSPs were installed in the various locations. The PSPs are relatively affordable given their lower tariff compared to other consumer categories, with the vendor price per jerrican going for UGX 50/-. In addition, 1,305 km of water mains extensions were implemented to reach out to more virgin areas in the various NWSC towns.

The SCAP100 project implementation period is expiring in June 2023, but with good feedback so far received from the various communities where the project has been implemented, we are working with the Board to secure extension of the project implementation period to reach more Ugandans.

In addition to SCAP100, the Corporation made substantial progress in implementation of other Water and Sanitation investment projects, notably the completion of; a) Katosi – Kampala Drinking Water Treatment Plant Project with capacity of 160 million liters per day and a 52 km transmission main from Katosi to Kampala; b) Fort Portal water production improvement and c) Sembabule water supply improvement projects. The completion of these projects has greatly augmented the efforts made under the SCAP100 of ensuring sustainable supply in the project areas. As at 30th June 2022, a number of projects were in progress and at planning stage. We shall continue working closely with the

Government, Development Partners and other stakeholders to ensure that the ongoing projects are fast-tracked and completed on time, and also secure funding and approval for all the projects that are still at the planning stage.

● Our Future Plans

The FY 2021/22 marks the 1st year of the Corporate Plan 2021-2024. The Plan clearly articulates our strategy and plans for our customers and stakeholders. It's a well thought plan that engenders the current challenges related to the impact of COVID 19 pandemic, growth in geographical coverage that has created pressure on the existing infrastructure and the environmental degradation that has greatly affected the water sources. Our strategic intent includes five priority areas;

- a) Support industrialization as a critical driver for economic development and transformation.
- b) Development of Water and Sanitation Infrastructure to accelerate service coverage and to 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.

The Plan has been structured in such a way that it covers a three-year period in line with NWSC Act. However, the Goals, targets, strategies and key deliverables span for five years to effectively align NWSC strategic intent with the overarching National Strategy and Policy Framework of the National

Development Plan (NDP III). On behalf of Management, I pledge our commitment to the successful implementation of the Plan and its aspirations.

● Acknowledgement and Appreciation

Allow me to take this opportunity to extend my gratitude to the Ministries of Water and Environment and that of Finance, Planning and Economic Development for their unwavering support, especially during the financial year ended June 2022. In the same breadth, I wish to thank our development partners who are always willing to augment our resources.

We wish to thank the Parliamentary Committee on natural resources for providing the necessary guidance on complex matters that form part of the water sector. We give absolute assurance that we shall continue upholding the mandate of the Corporation.

We also wish to acknowledge the contribution that we get from members of the public, especially the innumerable stakeholders in the water and sanitation sector. It is through your feedback, partnerships and progressive association that the NWSC continues to make enormous strides in the Sector.

We believe our performance sets the stage for sustained growth over the long-term. On behalf of the Corporation and all the employees of NWSC, I want to thank you for the continued support. We are proud of all we have achieved in 2022 and we are more excited about our bright future.



Dr. Eng. Silver Mugisha
Managing Director







Our Governance and Leadership

● The Board of Directors

The NWSC Board of Directors (the "Board") recognizes the need for high standards of Corporate Governance and are committed to playing a critical role to the success of the Corporation and the enhancement of the value of the Shareholder-Government of Uganda. The Board understands and appreciates that sound governance practices are fundamental in driving the Corporation's sustainability agenda and endeavors to ensure the Corporation meets the standards of Environmental, Social and Governance performance.

We demonstrate and inculcate the spirit of following good governance standards in dealing with our stakeholders that include; Government, customers, suppliers, staff among others.

The Corporation has a Corporate Governance Framework, which includes skilled, diverse and independent Directors that form the Board and Committees including the Audit Committee, the Risk Management Committee, the Human Resources, Legal and Administration Committee, the Finance and Planning Committee and the Technical Services Committee. The framework ensures accountability and effective decision making within the corporation. In an endeavor to apply high standards as expected by our stakeholders, the Corporation is continuously monitoring, adopting and applying best practices of Corporate Governance.

● Structure

The Board of Directors (the "Board"), sits at the top of the governance structure, tasked with oversight of all the Corporation's affairs, risk management and Corporate Governance. The Corporation has a unitary board structure.

The Board's composition is determined in accordance with the following governance principles, the board charter and best Corporate Governance practices:

- The roles of Chairman and Managing Director are separate and distinct.
- The Chairman of the Board is an independent non-executive director.
- The board comprises of no less than six (6) Directors and maintains a majority of independent directors.
- The board comprises of an appropriate range and mix of skills, knowledge, experience and diversity.
- The Audit Committee is chaired by an independent non-executive Director.

The Directors comprehend their responsibility to act in the best interests of the Corporation and appropriately execute their duties independently. The Directors engage and guide Management in the execution of its duties.

● Board Composition

The NWSC Board comprises eight (8) Non-Executive members and one (1) Executive member, the Managing Director. According to the NWSC Act 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 current composition represents an enviable mix of skill, knowledge, experience and diversity which are integral to the successful operation of the Corporation. The Board is accountable to the Minister of Water and Environment.

● Board Skills, Experience, Gender and Age

The Honorable Minister appointed Board Members with various skills, experience and diversity of expertise to enable them discharge their duties and responsibilities effectively, as illustrated in table 4.

Table 4: Board Skills, Experience, Gender and Age

Name	Professional Background	Occupation	Gender	Age Range
Eng. Dr. Badru Kiggundu Malimbo (Board Chairman)	Civil Engineer	Senior Presidential Advisor (Infrastructure and Works), Associate Professor, Dept. of Civil Engineering, Makerere University; former Chairperson of the Electoral Commission of Uganda.	M	>70
Rt. Hon. Daniel Kidega (Board Member)	International Trade Policy and Law	Vice Chairman of the Makerere University Council, Chairman Board of Directors of Horyal Investment Holdings Ltd (Atiak Sugar), former Speaker East African Legislative Assembly.	M	45-50
Ms. Rachel Kiconco Mbabazi (Board Member)	Business Administration	Board Member Rice Association of Uganda, Africa Infrastructure Development, Hong Kong and East African Community Rice Platform.	F	45-50
Col. (Rtd) Stephen Mwesige Basaliza (Board Member)	Military Officer, Lawyer, Teacher	Retired Military Officer	M	60-65
Ms. Onyiru Sarah (Board Member)	Social Worker	Project officer, Civic Education Project with the Centre for Basic Research	F	40-45
Mr. Runge George Muzungyo (Board Member)	Accountant	Tax Manager, Nexia HMS Associates-Certified Public Accountants of Uganda	M	55-60
Josephine Kasya (Board Member)	Teacher	Former District Chairperson – Kanungu District	F	60-65
Eng. Joseph Oriono Eyatu (Board Member)	Civil Engineer	Director, Directorate of Water Development, Ministry of Water and Environment	M	55-60
Dr. Eng. Silver Mugisha (Managing Director)	Civil Engineer	Managing Director, NWSC	M	51-55

● Roles and Responsibilities of the Board

In executing its functions, the main Board role is to provide strategic direction, provide adequate oversight of the institution and ensure strict compliance with the law. Directors are therefore charged to execute the following roles and responsibilities;

- Meet regularly and whenever necessary to effect resolute decisions following intensive debate and probing questions;
- Effect regular reviews to determine the relevance of the Corporation's Mission or Purpose in promoting optimum performance;
- Set the Corporation's Strategy and the appropriate Organization Structure for its execution;
- Access relevant, timely, quality and accurate information to be well informed and fully engaged with all major issues that affect the Corporation;
- Identify risk and ensure that a robust Risk Management Policy and an effective Enterprise Risk Management Framework are in place;
- Facilitate its Committees to function effectively by delegating to them responsibilities and Board powers if necessary and supporting their operations;
- Delegate to Management and support the Managing Director and the Senior Management and review their performance;
- Review and endorse the Corporation's plans (including major contracts) and oversee the allocation of resources and their effective management;
- Determine and monitor the Corporation's products, services and programmes;
- Exercise accountability to the Government, key stakeholders and be responsible to other stakeholders;
- Promote full compliance with the Law, bye-laws and best practice through adequate training, exposure and performance assessment.

NWSC Board of Directors with H.E. The President of the Republic of Uganda-Y.K.T.Museveni



● Powers, Duties and Functions of the Board

i) Powers of the Board

In addition to the powers delegated under the NWSC Act Section 6, and the powers invested by Sections 7, 16 and 17, the Board shall have powers to:

- a) Direct the affairs of the Corporation;
- b) Establish its own committees and determine their terms of reference;
- c) Appoint Heads of Divisions, Directorates and Departments of the Corporation and to determine their terms of service.

ii) Fiduciary Duties

- a) Directors have fiduciary duties that enjoin them individually to act as agents of the Government, which is the Sole Proprietary Stakeholder of the Corporation. They must enjoy unfettered and timely access to all the necessary information and to use it responsibly and discreetly.
- b) As fiduciaries of the Corporation, Members of the Board of Directors shall at all times remain cognizant of the individual liabilities entailed and act in a reasonable manner in exercising their responsibilities to avoid circumstances which might lead to:
 - Exposing the Corporation to unmanageable risk or serious loss;
 - Allowing or causing the Corporation to incur obligations, unless there are reasonable grounds to believe that the Corporation will fulfil the obligations;
 - Allowing or suffering the Corporation to act in a manner that contravenes the National Constitution, the Laws and the byelaws of the Corporation.
- c) Directors owe a fiduciary duty of loyalty to the Corporation to always act in the best interests of the Corporation. Board Members shall therefore avoid putting themselves in situations where personal interests and those of the Corporation are in conflict. They shall always act in good faith with honesty and sincerity in exercising their board responsibilities.
- d) Directors owe a fiduciary duty of skill and care in executing their functions. A Director shall not act negligently while carrying out his or her duties. The duty of skill and care of the Director is considered in relation to:
 - The general knowledge, skill and experience expected of a reasonable person acting under similar circumstances;
 - The general knowledge, skill and expertise of the Director to be able to discuss/decide issues of the Corporation from an informed basis;
- e) Directors owe a fiduciary duty of obedience by bearing the legal responsibility of ensuring that the Corporation complies with the applicable laws and adheres to its mission.

iii) Other Duties of the Directors

In addition to their fiduciary duties, Directors shall:

- a) Provide the Corporation with strategic direction and

- appropriate governing and operational structures;
- b) Govern the Corporation by broad policies and priority goals for implementation by the Managing Director and the Deputy Managing Directors and ensure the Corporation's capacity to deliver products, services and programmes by continually reviewing and overseeing its work;
- c) Ensure the integrity of the Corporation's accounting and financial reporting systems, including an independent audit and that the appropriate systems of control are in place, in particular, systems for risk management, financial and operational control, compliance with the law and relevant standards and codes;
- d) Provide entrepreneurial leadership to the Corporation within a framework of prudent and effective risk management;
- e) Ensure that the necessary financial, human and physical resources are in place for the Corporation to meet its objectives by delivering products, services adequately and in a timely manner;
- f) Monitor and review management performance on a regular basis;
- g) Ensure that the Corporation's obligations to Government are understood and met;
- h) Uphold confidentiality over the affairs and information of the Corporation.

iv) Functions of the Board

The Board is entrusted with the general direction and control of the Corporation and management of its affairs. In particular, the Board shall fulfil the following functions:

- a) Appoint a competent and skilled Chief Executive for the Corporation and ensure his/her continuous development.
- b) Preserve the prosperity of the Corporation by exercising leadership, counsel, enterprise, integrity and judgment in directing its affairs;
- c) Clarify the Corporation's purpose (mission), values and the vision with the strategies to achieve that vision in order to ensure that its competitive advantage is sustainable;
- d) Ensure that the enshrined core values percolate through the Corporation policies, procedures and practices
- e) Provide oversight over management by monitoring the implementation of strategies, policies, programmes and services;
- f) Develop and maintain a competent Board by articulating, assessing and maintaining requisite skills set, orienting new members and periodically and comprehensively evaluating Board performance using well-defined performance benchmarks and criteria;
- g) Ensure legal and ethical integrity by setting the tone at the top by exuding exemplary principles while ensuring that the Corporation complies with Laws and Regulations of Government and observes ethical standards;
- h) Ensure adequate financial resources for the Corporation to fulfil its mission and that it is financially sound and managed in a proper and sound manner so as to protect and enhance the interests of the Corporation and the Government;
- i) Identify the Corporation's stakeholders, formulate and from time to time review an appropriate Stakeholder Policy;

- j) Act promptly and constructively in crisis situations;
- k) Assess the Board's performance and effectiveness as a team and that of the Chairperson, individual Directors, its Committees, the Managing Director and the Board Secretary;
- l) Enhance the Corporation's reputation by being its ambassadors, promoting its mission and values and garnering the support of the public, Government, like-minded organisations, donors and other stakeholders.

● The Managing Director

It is the Board's responsibility to appoint a competent person having the qualities stipulated under section 16(2) of the NWSC Act to the top management position of Managing Director. The Managing Director is responsible for providing executive decision-making leadership in the strategic, financial, administrative public policy and compliance responsibility ambits by managing the overall operations and resources of the Corporation according to contemporary laws and regulations. The Managing Director is also charged with the following responsibilities:

- a) Serve on the Water Policy Committee as stipulated by section 9 of the Water Act cap.152;
- b) Be the public face of the Corporation maintaining a close but arm's length working relationship with the Chairperson;
- c) Act as the principal line of communication between the Board and the operations of the Corporation;
- d) Oversee the development of policies and plans and their submission for consideration by the Board;
- e) Deal with high-level strategic decisions and steer the Corporation's growth;
- f) Oversee the development, marketing and provision, delivery and quality of products, services and programmes of the Corporation;
- g) Effectively oversee the human capital management in accordance with the Human Resource Policies and Procedures approved by the Board;
- h) Oversee the Corporation's financial, fiscal, risk, facilities management, continuity planning and its general administration;
- i) Maintain sound community and public relations by promoting the Corporation's mission, products, services and programmes in a manner that consistently presents a positive image to its stakeholders;
- j) Oversee the Corporation's Corporate Social Responsibility policies and best practice;
- k) Oversee funds mobilization planning and implementation by establishing resource requirements, identifying credible funding sources, crafting access strategies, managing relations with funders and ensuring high quality of funding reports and documentation;
- l) Fulfil other responsibilities as may be delegated by the Board from time to time.

● Board Committees and Responsibilities

The Board has constituted five different Committees to enable it discharge its mandate in a more efficient and timely manner. As far as possible, the committees provide full coverage of all activities of the Board. The recommendations of the Board Committees are presented to the full Board for review and final approval. The Board Committees in place include;

Audit Committee:

Oversight and integrity of the Financial Statements and Performance Reports.

i) Review and update the Internal Audit Charter as necessary;

- a) Review all significant financial and other reporting and disclosure matters and judgements that are made in connection with the Corporation's compliance requirements, which Management is duty bound to prepare and submit to it in complete and accurate state and on timely basis;
- b) Consider significant accounting policies used to prepare financial statements and any changes thereof, and any significant estimates or judgements on which the statements have been based;
- c) Review information from Management on the methods used to account for significant or unusual transactions, where the accounting practices are open to diverse approaches;
- d) Determine whether Management has adopted appropriate accounting -policies and made appropriate estimates and judgements, taking the external auditors' views into consideration;
- e) Scrutinize the Corporation's management processes and controls in all areas including but not limited to risk management, human resource management, administration, and technical management governance effectiveness pertaining to executive succession planning.
- f) Review management practices to ensure that any insider transactions that may have a material effect on the stability, solvency or reputation of the Corporation are identified and speedily reported and dealt with.
- g) Meet at least once a year, in the absence of Management, the External and Internal auditors, to discuss matters relating to its responsibilities and issues arising from the Auditor's report.

ii) Responsibility for Internal Audit:

- a) Monitors the effectiveness of the Corporation's internal audit function;
- b) Appraises the performance of the Director Internal Audit and the Audit Department annually;
- c) Reviews the Quarterly Audit Report of the Director Internal Audit;
- d) Reviews the Internal Audit functions and procedures that are in place by:
 - Ascertaining the integrity of internal controls and management information systems;

- Reviewing the annual audited financial statements of the Corporation and recommending them to the Board for approval.

iii) Responsibilities with regard to the External Auditors:

- Monitor and ensure the independence of the External Auditors, whereby in the relationship between the External Auditors and the Corporation, the Auditors are able to exercise their independent professional judgement and where their judgement will not be influenced by the provision of contemporaneous audit and non-audit services to the Corporation;
- On an annual basis, institute procedures that ensure and strengthen the independence and objectivity of the external auditors, among others, through:
 - Seeking re-assurance that the auditors and their staff have no family, financial, employment, investment or business relationship with the Corporation;
 - Seeking from the External Auditors on an annual basis information about the firm's policies, and processes for maintaining independence and monitoring compliance with relevant requirements including, among others, rotation of audit partners and staff;
 - Formulating for Board's approval monitoring, objective and transparent policies on the employment of former employees of the external Audit firm;
 - Developing and recommending to the Board a Corporation policy prohibiting the provision of parallel non-audit services by the external auditors during the currency of the audit mandate to preserve the independence and objectivity of the External Auditors.

iv) Responsibilities with regard to the Audit Review:

The Audit Committee shall review and duly report to the Board on:

- The Audit Representation Letters from Management before they are signed and satisfy itself that the information provided is complete and accurate based on the available facts to the Committee;
- The Auditors' Management Letter and Management's Response to the Auditors' findings and recommendations

Composition: Eng. Dr. Badru M. Kiggundu, Col. (Rtd) Stephen Basaliza, Mr. Runge George Muzungyo, Rt. Hon. Daniel F. Kidega, Ms. Rachel Ciconco Mbabazi, Eng. Joseph Oriono Eyatu and Dr. Eng. Silver Mugisha

Four (4) meetings were held in the FY 2021/22. The attendance of Audit Committee meetings in the FY 2021/22 was as follows:

Table 5: Audit Committee Meeting and attendance

	Name	Dates			
		15 th Sept 2021	1 st Dec 2021	2 nd Mar 2022	16 th June 2022
1	Eng. Dr. Badru M. Kiggundu	✓	✓	✓	✓
2	Col. (Rtd) Stephen Basaliza	✓	✓	✓	✓
3	Mr. Runge George Muzungyo	✓	✓	✓	✓
4	Rt. Hon. Daniel F. Kidega	✓	✓	✓	✓
5	Ms. Rachel Ciconco Mbabazi	✓		✓	
6	Eng. Joseph Oriono Eyatu	✓	✓	A	✓
7	Dr. Silver Mugisha	R	R	R	R

✓ : Attendance, A: Apology, R: Represented

Risk Management Committee

Overseeing the identification, classification and management of risks. The Committee is responsible for strengthening the Board's ability to protect and enhance stakeholder value by enabling the Board to set risk appetite for the Corporation and providing oversight for the risk management function. The specific responsibilities are to:

- Create an enabling environment for the Corporation to institute an Enterprise Risk Management (ERM) Framework that enables it to develop a robust holistic view of the Corporation-wide risks;
- Review guidelines and policies governing the Corporation's processes of risk assessment and management and ensure that the Board is fully apprised of these risks on regular basis;
- Seek best practices and relevant training so as to fulfil the Committee's role in overseeing Management's risk procedures;
- Review and endorse for Board's approval of key risk policies, risk authorities and risk tolerances;
- Evaluate Management's infrastructure including human resource capacities, technologies and communication to

- ensure that the information the Committee receives enables the appropriate top-down enterprise view of risk;
- f) Ensure that the ERM Framework produces appropriate insights that enable a better-informed Board in its strategic oversight to keep abreast of events.

Composition: Eng. Dr. Badru M. Kiggundu, Ms. Onyiru Sarah, Ms. Kasya Josephine, Eng. Joseph Oriono Eyatu, Ms. Rachel Ciconco Mbabazi, and Dr. Silver Mugisha

Four 4) meetings were held in the FY 2021/22. The attendance of Audit Committee meetings in the FY 2021/22 was as follows;

Table 6: Risk Management Committee Meeting and attendance

	Name	Dates			
		5 th Oct 2021	2 nd Dec 2021	17 th Mar 2022	22 nd June 2022
1	Eng. Dr. Badru M. Kiggundu	✓	✓	✓	✓
2	Ms. Onyiru Sarah	✓	✓	✓	✓
3	Ms. Kasya Josephine	✓	✓	✓	✓
4	Eng. Joseph Oriono Eyatu	✓	A	✓	A
5	Ms. Rachel Ciconco Mbabazi	✓	✓	✓	✓
6	Dr. Silver Mugisha	✓	✓	✓	✓

✓ : Attendance, A: Apology, R: Represented

Human Resources, Legal and Administration Committee

Oversight of the human resource policies, health and safety, corporate structure, recruitments, retention, exit and legal affairs.

Human Resource Responsibilities are to:

- Review retention, succession and business continuity plans for the Corporation;
- Monitor international, national and local employment laws and practices and interpret their implications on the Corporation's strategies and operations;
- Monitor international, national and local employment, management, health and safety regulations, standards and practices and monitor the Corporation's compliance thereof;
- Review opportunities and challenges; and strategies and assess the Corporation's capacities to exploit them favourably.

i. Responsibility for Disciplinary Matters:

- Recommend to the Board in liaison with Management disciplinary action against wrongdoing amongst employees.
- Handle appeals of employees arising from disciplinary actions taken by Management.

ii Responsibility for Welfare Issues:

Review and recommend to the Board welfare policies including but not limited to:

- Housing;
- Occupational benefits;
- Payment of allowances and bonuses;
- Staff Medical Scheme;
- Retirement Benefit Scheme;
- Occupational Safety Standards and Regulations.

iii Responsibility for Industrial Relations:

The Committee shall oversee all issues relating to the Uganda Public Employees Union through the Joint Negotiating Committee. The Chairperson of HRLAC shall be the Co-Chair of the Joint Negotiation Committee.

iv Responsibility for Human Capital Development:

The Committee shall review and recommend to the Board policies relating to staff requirements, gender, disability, training and development.

V Responsibility for Administrative Matters:

- Recommend to the Board administrative policies and oversee their implementation under the relevant manuals;
- Oversee planning for administrative matters including but not limited to staff wellbeing, physical space requirements, office administration, maintenance and general cleanliness of Corporation premises and the environs.

vi Responsibility for Legal Matters:

- Recommend to the Board policies relating to and oversee handling of civil and legal matters for the Corporation;
- Review compliances with laws, regulation, Board directives and bylaws of the Corporation, point out discrepancies and recommend actions;
- Oversee and review from time to time:
 - The Code of Conduct;
 - The Health and Safety Policy;
 - The Environmental Policy;
 - The Communications Policy;
 - Sexual Harassment Policy;
 - The Corporate Social Responsibility;
 - The Charitable Donations Policy;
 - The Insurance of Corporation Assets.

vii Responsibility for Board Development:

The Committee shall, among other responsibilities, handle all matters relating to the Board such as Corporate Governance, Board Development and Corporate Social Responsibility.

viii Responsibility for Public Relations:

The Committee shall handle and review public relations policy and matters related to the public image of the Corporation through media relations or relations with public offices.

ix Responsibility for Security:

The Committee shall oversee the security matters of the Corporation.

Composition: Eng. Dr. Badru M. Kiggundu, Ms. Onyiru Sarah, Col. (Rtd) Stephen Basaliza, Canon Kasya Josephine, Mr. Runge George Muzungyo and Dr. Silver Mugisha

Four (4) meetings were held in the FY 2021/22. The attendance of Human Resource & Legal Advisory Committee meetings in the FY 2021/22 was as follows:

Table 7: Human Resource and Legal Advisory Committee Meeting and attendance

	Name	Dates			
		2 nd Sept 2021	17 th Nov 2021	25 th Feb 2022	17 th May 2022
1	Eng. Dr. Badru M. Kiggundu	✓	✓	✓	✓
2	Ms. Onyiru Sarah	✓	✓	✓	✓
3	Col. (Rtd) Stephen Basaliza	✓	✓	✓	✓
4	Canon Kasya Josephine	✓	✓	✓	✓
5	Mr. Runge George Muzungyo	✓	✓	✓	✓
6	Dr. Silver Mugisha	✓	✓	R	R

✓: Attendance, A: Apology, N/A: Not yet appointed, X: Resigned, R: Represented

Finance and Planning Committee

Oversight of resource mobilization and allocation, Annual Budgets, Corporate Plans and Financial Reporting.

Responsibilities of the Finance Committee:

To provide financial oversight including budgeting, financial planning and reporting, creation as well as monitoring the internal controls and accountability policies. These responsibilities extend to:

- Reviewing the Corporation's accounting policies and principles and assessing the appropriateness of those

- policies to ensure that they conform with the Internationally Accepted Accounting and Reporting Standards;
- b) Considering budget estimates, budget implementation and budget performance reports of the Corporation and ensuring consistency of the Budget with NWSC's Operating Plans;
- c) Reviewing Guidelines for Asset Management of the Corporation and ensuring updates as necessary;
- d) Considering and recommending to the Board the NWSC Corporate Plan;
- e) Consider and recommend to the Board evaluation reports on capital works whose threshold falls within Board's authority, including donor-funded projects;
- f) Monitoring the Performance Contract with the Government and keeping the Board duly informed;
- g) Safeguarding NWSC real tariff;
- h) Performing such other functions as shall be determined by the Board from time to time.

Composition: Eng. Dr. Badru M. Kiggundu, Ms. Onyiru Sarah, Col. (Rtd) Stephen Basaliza, Canon Kasya Josephine, Rt. Hon. Daniel F. Kidega and Dr. Silver Mugisha

Six (6) meetings were held in the FY 2021/22. The attendance of Finance Committee meetings in the FY 2021/22 was as follows;

Table 8: Finance Committee Meeting and attendance

	Name	Dates					
		12 th Aug 2021	7 th Oct 2021	27 th Oct 2021	13 th Jan 2022	14 th Apr 2022	21 st June 2022
1	Eng. Dr. Badru M. Kiggundu	✓	✓	✓	✓	✓	✓
2	Ms. Onyiru Sarah	✓	✓	✓	✓	✓	✓
3	Col. (Rtd) Stephen Basaliza	✓	✓	✓	✓	✓	✓
4	Canon Kasya Josephine	✓	✓	✓	✓	✓	A
5	Rt. Hon. Daniel F. Kidega	✓	A	✓	✓	✓	A
6	Dr. Silver Mugisha	✓	✓	✓	R	R	✓

✓ : Attendance, A: Apology, R: Represented

Technical Services Committee:

Oversight on infrastructure planning, development and operational efficiency

Responsibilities of the Technical Committee:

- a) Consider and recommend policy proposals to the Board on all technical matters concerning the operations of the plants and the related water works in all areas under NWSC's authority;
- b) Evaluate quarterly the Corporation's Technical Performance Reports in conjunction with the Finance Committee;
- c) Examine and evaluate quarterly performance reports for the Public Stand Pipes (PSP) Management Contracts and recommend improvement measures to the Board;
- d) Consider and recommend to the Board the Technical aspects of the Corporate Plan and the Performance Contract with the Government of Uganda;
- e) Consider for approval the Asset Management Policy and the Annual Implementation Plans for approval by the Board;
- f) Perform any other functions as shall be determined by the Board from time to time.

Composition: Eng. Dr. Badru M. Kiggundu, Mr. Runge George Muzungyo, Eng. Joseph Oriono Eyatu, Rt. Hon. Daniel F. Kidega, Ms. Rachel Ciconco Mbabazi and Dr. Silver Mugisha:

Four (4) meetings were held in the FY 2021/22. The attendance of Technical Committee meetings in the FY 2021/22 was as follows;

Table 9: Technical Committee Meeting and attendance

	Name	Dates			
		26 th Aug 2021	4 th Nov 2021	8 th Feb 2022	4 th May 2022
1	Eng. Dr. Badru M. Kiggundu	✓	A	✓	✓
2	Mr. Runge George Muzungyo	✓	✓	✓	✓
3	Eng. Joseph Oriono Eyatu	✓	A	✓	✓
4	Rt. Hon. Daniel F. Kidega	✓	✓	A	✓
5	Ms. Rachel Ciconco Mbabazi	✓	A	✓	A
6	Dr. Silver Mugisha	✓	✓	R	✓

✓ : Attendance, A: Apology, R: Represented

● General and Special Board Meetings

The Board held 4 full Board meetings, 6 Special meetings and the details of the committee meetings held is summarized in the tables below.

Table 10: General Board Meetings and attendance

	Name	Dates			
		8 th July 2021	13 th Oct 2021	15 th Dec 2021	7 th Apr 2022
1	Eng. Dr. Badru M. Kiggundu	✓	✓	✓	✓
2	Ms. Onyiru Sarah	✓	✓	✓	✓
3	Col. (Rtd) Stephen Basaliza	✓	✓	✓	✓
4	Canon Kasya Josephine	✓	✓	✓	✓
5	Mr. Runge George Muzungyo	✓	✓	✓	✓
6	Eng. Joseph Oriono Eyatu	✓		✓	✓
7	Rt. Hon. Daniel F. Kidega	✓	✓	✓	
8	Ms. Rachel Ciconco Mbabazi	✓	✓	✓	✓
9	Dr. Silver Mugisha	✓	✓	✓	✓

Table 11: Special Board Meeting and attendance

	Name	Dates					
		3 rd Aug 2021	11 th Oct 2021	10 th Feb 2022	15 th Mar 2022	23 rd May 2022	24 th June 2022
1	Eng. Dr. Badru M. Kiggundu	✓	✓	✓	✓	✓	✓
2	Ms. Onyiru Sarah	✓	✓	✓	✓	R	✓
3	Col. (Rtd) Stephen Basaliza	✓	✓	✓	✓	R	✓
4	Canon Kasya Josephine	✓	✓	✓	✓	✓	✓
5	Mr. Runge George Muzungyo	✓	✓	✓	✓	✓	✓
6	Eng. Joseph Oriono Eyatu	✓	✓	✓	✓	✓	✓
7	Rt. Hon. Daniel F. Kidega	✓		✓	✓		✓
8	Ms. Rachel Ciconco Mbabazi	✓	✓		✓	✓	✓
9	Dr. Silver Mugisha	✓	✓	✓	✓		✓



NWSC Board of Directors: 3rd from left is NWSC Board Chairman, Eng. Dr. Badru M. Kiggundu & 2nd from right is Dr. Eng. Silver Mugisha - MD

● Board Induction and Training

Board Induction

Members of the Board once appointed undergo a comprehensive induction process and other trainings which include;

- a) Induction on basic principles of Corporate Governance including clarification of the legal and ethical responsibilities, and liabilities of Board members.
- b) Induction by the key executives of the Corporation on its organizational structure and the nature and operation of the Corporation's business, including a review of the current business plan, and visits to key business locations in order to acquaint them with the Corporation's business activities.
- c) Review of the Board culture including the roles of the Board and the Board Committees; clarification on the Board functions including performance assessment process; Board meeting practices, right of access to accurate, relevant and timely information; Board structure, Board meeting materials and other elements that are relevant to Board effectiveness.
- d) Discussion with individual Directors on the contribution they are expected to make, particularly the commitment of time, energy and competences expected of the Directors.
- e) Access to the relevant legislation, legal, governance, policy, Corporate Strategy and Corporate Plan, and other documents applicable to the Corporation.
- f) Exchange of appropriate information as discussed with the Chairperson, given the new Director's previous experience as a member of the other Boards of Directors or otherwise and the Director's responsibilities, both at the Board and Committee levels.
- g) Exposure to the Corporation's business through tours on NWSC facilities.

Board Training

The Chairperson takes reasonable steps to ensure that the Board Members have access to training, information and enablement on an ongoing basis pertaining but not limited to the following;

- a) Board effectiveness and the best practices associated with the Boards that are the most successful at adding value for their owners;
- b) Briefings as required on factors or emerging trends that may be relevant to the Corporation's current or future Business Strategy.
- c) Other materials as deemed appropriate by the Chairperson or suggested by other Board Members or Management,
- d) Study tours of water and Sanitation facilities abroad and attendance of water and sewerage conventions.

The Corporation Secretary and the Managing Director coordinate the induction process and training of the Directors. During the Financial Year ended 30th June 2022, the following trainings were conducted to develop and enhance governance skills and knowledge of the Board.

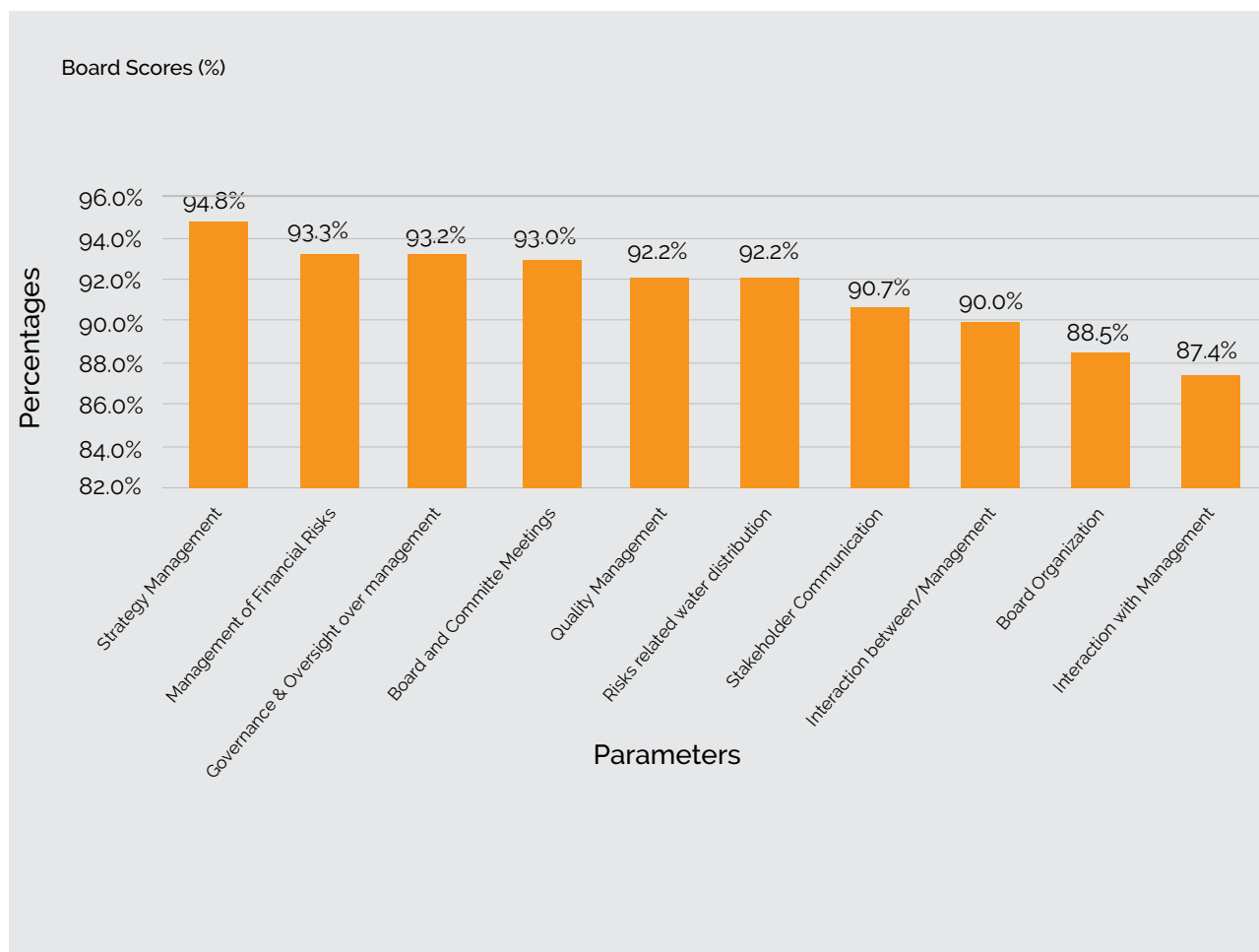
- a. Training in Corporate Governance in South Africa on 9th -12th November 2021.
- b. Training on Corporate & Board Governance in Dubai on the 6th -9th Dec 2021.
- c. Training in Delivering Long-term Company Sustainability and Performance. The training was held in Istanbul Turkey on the 21st -24th March 2022.

● Board Evaluation

The Board is committed to continually assessing and improving its effectiveness. In accordance with the Board Charter, the Board conducts an annual self-review and includes the recommendations from the evaluation in their work plan. The last evaluation was conducted on the 27th Jan 2022 and Key players in the evaluation included the Chairman, Managing Director, Corporation Secretary and the Individual directors (Under a peer review assessment). The exercise was facilitated by an external Consultancy firm using the Corporation's modified Evaluation tool in the Board Charter.

The objective of the evaluation was to discover skill gaps, focusing the Board on its key goals and objectives and enhancing the efficacy and effectiveness of the Board in guiding the affairs of the Corporation.

The Actual Results of the Board Evaluation in the Best Performed Areas is as summarized in the following figure.



● Recommendations from Board Evaluations

The following were the recommendations made in regard to the Board Evaluation;

- Agree on the scope of evaluation covering new challenges
- Make evaluation mandatory and results should be acted upon in a period of four months.
- A reward/ Sanction regime to be developed and formally adopted

● Board and Management Engagement

The Top Management Team and the Board interact regularly both at Board and Committee meetings and whenever called upon. Directors are at liberty to engage with members of Senior Management directly on matters of interest or concern while maintaining a clear distinction between governance and operational matters.

● Access to information

The Directors receive sufficient relevant information on financial, business and corporate issues to enable them take informed

decisions at the Board meetings. In addition, quarterly financial and operational reports are shared to keep the Directors abreast of the business operations. The Board also where necessary, relies on independent expert advice to make informed decisions at the expense of the Corporation.

● Independence

The Board is aware that though various principles and factors are considered in determining the independence of its Directors, criteria for independence is also determined by having regard to applicable circumstances.

The Board has considered the contractual relationships and positions of all its Non-Executive Directors for the reporting period and is of the opinion that majority of the Board was independent of management and free of any interests that could affect their judgment during the reporting period

● Declaration of Interests

All Directors are required to disclose their interests in any company matter, contract or engagement and if such a conflict exists, the relevant director is excused from consideration of the matter.

The Company Secretary is required to ensure that directors' contracts have no conflicts of interest. All existing conflicts during the year have been considered by the Board which has satisfied itself that the independence of the directors has not been compromised.

● Delegation of Authority

The Board maintains a clear delegation of authority framework to ensure that the operations of the Corporation run smoothly but within an acceptable control framework.

To ensure efficiency within the governance structure, the Board has delegated some of its functions to Committees with clear terms of reference and reporting requirements. Each Committee's terms of reference set out its responsibilities, scope of authority, composition and procedures to be followed.

● Board Remuneration and Facilitation

The terms of remuneration for Board members are set out in their respective letters of appointment issued by the Minister. Generally, Board members are entitled to a monthly retainer fee and travel and subsistence allowances while on official duty within and outside Uganda.

The retainer allowance is payable monthly in advance. Travel and subsistence allowance are payable in advance of the event for which it is required. Mileage allowances are payable in advance of travel at a rate approved by the Minister. Each member is obliged to declare particulars of the place of origin and vehicle used to attend Board meetings for purposes of computation of the applicable mileage allowances. The total remuneration paid to the Board of Directors during the Financial Year ending June 2022 is summarized in Table 12.

Table 12: Directors Remuneration ('000 UGX)

Directors	2022	2021
Managing Director	569,208	561,848
Non-Executive Directors	292,243	204,900
Total	861,451	766,748

The Managing Director is an Executive Director and full time staff who is entitled to monthly salaries and allowances. All other Directors are Non-Executive Directors and receive only retainer fees and allowances.

● Key Board Achievements for the FY 2021/22

The Board registered the following achievements during the year;

- iii. The Board approved a loan of UGX.95 Billion to enable the Corporation carry out priority water supply improvement interventions especially in towns of Hoima, Soroti, Tororo and Kalungu among others.
- iv. Approved the following projects;

- Design, supply, construction and commission of 100 cm³, elevated break weight steel tank at Mukula in Kumi and Chegete in Apac Areas.
- Construction works for Lyantonde Water Supply Project.
- Raising of Contract, ceiling for the Katosi-Kampala Water Transmission mains works contract.
- Works contract for the rehabilitation of the water production capacity optimization of Ggaba Water Treatment.
- Works contract for KW-LV WATSAN Package 5B project.
- Environmental and Social Impact Assessment and resettlement Action Plan for Adjumani Water Supply and Sanitation Project.
- v. The Board also approved the new Tariff for the FY 2022-23 to address the negative impact resulting from change in the macro-economic indicators like; inflation.
- vi. Approved the Amendment of the Corporate Plan 2021-2024

● Key priority Areas for the Board going forward

NWSC developed a Three Year Corporate Plan (2021-2024) in line with the National Strategic Framework, Vision 2040, NDP III, and the Government Manifesto. The Board's oversight function will be executed with focus on fast -tracking the implementation of the Corporate Plan key undertakings and deliverables as well as the sustainable Development Goals (SDG's). Special attention will be given to the Five Golden indicators to broaden the scope of service delivery and accountability. These include;

- i. Reduce NRW from 37% to 33% in the next five years. Currently NRW stands at 35%
- ii. Increase the Customer Satisfaction Index from 86% to 90%, which currently stands at 75%
- iii. Increase the Staff Engagement Index from 50% to 70% in the next five years, which currently stands at 76%
- iv. Growth the Asset Base from UGX 3.8 trillion to UGX 6 trillion. The Asset Base current stands at UGX 4.1 trillion
- v. Growth in Customer Base from 800,000 to over 1,200, 000 connections', which currently stands at 857,000 connections

The Board will further focus on the transformation initiatives enlisted in the Corporate Plan (2021-2024). These are 12 new transformational ideas, whose implementation will bring about a paradigm shift in NWSC business and have been synchronized within the Five Strategic Priority Areas of the Corporate Plan (2021-2024). They include the following: -

- Competency-Based Career Development
- Strengthened NRW accountability framework
- Meter testing and maintenance labs
- Innovation and Incubation Center
- NWSC Captive Insurance Company
- NWSC Captive Construction Company
- African Water and Sanitation Academy
- Digitalization and improved workflow processes for an agile

work environment

- SMART Utility Model
- Resilient Utility
- Green Technology adoption and Decentralized Wastewater Management Systems
- In-house Medical Facility and E-Health



From left; Board Members; Ms. Sarah Onyiru; Ms. Racheal M. Kiconco & Director Planning & Capital Development-Mr. Paddy Twesigye at the Inspection of Katosi Water Treatment Plant.



Front Row: Board of Directors Participated in the AfWA Conference 2020



H.E the President Y.K. Museveni with - from right to left - NWSC Board Chairman Eng. Dr. Badru M. Kiggundu, Dr.Eng.Silver Mugisha and Eng. Joseph Oriono Eyatu - Director DWD.



Board Chairman Eng. Dr. Badru M. Kiggundu listening to Contractors & Engineers Explanation during their Visit at the Katosi Water Treatment Plant

Our Board of Directors



Eng. Dr. Badru M. Kiggundu
Chairman Board of Directors

Eng. Kiggundu holds a PhD in Geotechnical/Bituminous Materials from the University of New Mexico (USA), Masters in Civil Engineering and a BSc. Civil Engineering, both from Carnegie-Mellon University (USA).

He is a registered civil engineer and a fellow of the Uganda Institution of Professional Engineers with over 50 years' experience in the field of Civil Engineering. He is formally affiliated with the American Society of Civil Engineers, Association of Asphalt Paving Technologies (AAPT). He is currently a Senior Presidential Advisor (Infrastructure and Works), An Associate Professor, Dept. of Civil Engineering, Makerere University and the Chairperson, Projects Steering Committee for the Karuma and Isimba Projects under the Ministry of Energy and Minerals Development, among others. He previously served as the Chairperson of the Electoral Commission of Uganda (2002-2016) and Dean, Faculty of Technology, Makerere University (1999-2002).



Rt. Hon. Daniel F. Kidega
Board Member

Rt. Hon. Kidega holds Masters of Science and post graduate Diploma in International Trade Policy and Law, Lund University, Sweden in collaboration with Eastern and South Africa Management Institute (ESAMI), Arusha and a Bachelor of Business Administration (Marketing) from Uganda Christian University.

He is currently the Vice Chairman of the Makerere University Council and the Chairman Board of Directors of Horyal Investment Holdings Ltd (Atiak Sugar). He previously served as a Member and Speaker of the East African Legislative Assembly (EALA, 2014-2017) and a Youth Member of Parliament (North) in the Uganda National Parliament (2006-2011), among others.



Ms. Rachel Mbabazi Ciconco
Board Member

Ms. Mbabazi holds a Bachelor of Science in Business Administration from Strayer University, Washington, DC, USA. She has vast experience in Management and sits on several Boards of various companies in the Country, including but not limited to; Rice Association of Uganda (Chairperson), Africa Infrastructure Development, Hong Kong and East African Community Rice Platform.

Our Board of Directors cont'd



Col.(Rtd) Stephen Mwesige Basaliza
Board Member

Col. Basaliza holds a Masters of Arts in Human Rights and a Bachelor's degree in Social Sciences, both from Makerere University. He also holds a Bachelors of Law degree from Uganda Pentecostal University and a Diploma in Education, Business Studies from Makerere University. Col. Basaliza is a graduate of the prestigious Senior and Command Staff College, Kimaka where he attained the award of Passed Staff College, PSC(U).

Col. Basaliza has vast Management experience having previously represented the people of Burahya County in the Uganda National Parliament (2001-2006), served as the Commissioner Uganda Human Rights Commission (2012-2018) and served in Uganda Revenue Authority under the Anti-Smuggling Unit, among other key Management positions.



Ms. Sarah Onyiru
Board Member

Ms. Onyiru holds a Master of Arts in Development Studies from Uganda Martyrs University, Nkozi, a post graduate Diploma in Project Planning and Management from Uganda Management Institute and Bachelors of Arts degree in Social Sciences from Makerere University.

Ms. Onyiru is an experienced Manager having served on different Boards, namely; Board of Directors, Arua Diocese Media Centre (2014-2017) and Community Resource Enterprise Activity Management (CREAM), (2015-2019).

She has previously served as a Presidential Advisor on West Nile region under the Office of the President and a Project Officer, Civic Education Project with the Centre for Basic Research, among others.



Mr. George Runge Muzungyo
Board Member

Mr. Muzungyo is a Chartered Certified Accountant with over 15 years' experience in Tax and Revenue Administration at both Technical and Management levels. He is a fellow of the Association of Chartered Certified Accountants (ACCA), UK. He holds a Bachelor of Science degree of Economics/Geography and a post graduate diploma in Tax and Revenue Administration. He is also a member of the Institute of the Certified Public Accountants of Uganda (ICPAU).

He currently works as a Revenue Advisory consultant for the Oxford Policy Management (OPM). He previously worked as a Manager Audits, Uganda Revenue Authority.

Our Board of Directors cont'd



Eng. Joseph Oriono Eyatu
Board Member

Eng. Eyatu holds a Master's in Business Administration specializing in Strategic Planning from Herriot-Watt University, Edinburgh, Scotland, UK, Masters in Urban Engineering from Loughborough University, UK and a BSc. Civil Engineering from Makerere University. He is a registered Civil Engineer and a member of the Uganda Institute of Professional Engineers (UIPE).

He currently serves as the Ag. Director, Directorate of Water Development. He is also the Commissioner, Rural Water Supply and Sanitation Department. Eng. Eyatu also serves as a member of the Engineers Registration Board (ERB). He previously served as a chairman Regional Project Steering Committee Member for Uganda (2006-2013).



Ms. Josephine Kasya
Board Member

Ms. Kasya is a teacher by profession, with a Grade 3 Certificate in Education, who has been involved in local governance for over three decades, with a strong bias in community development and gender equality.

She possesses a Certificate in good governance, Certificate in Information and Communication Technology 2021 from Ifrane, Morocco and a Certificate in Women Leadership 2008, from Dares Salaam, Tanzania.

She previously served as the District Chairperson (July 2001- July 2021) where she was awarded as the first woman Local Government Chairperson in Uganda. Prior to that she had served as the Vice Chairperson for Rukungiri District (1998-2001). She is passionate about empowering rural women to achieve their potential.



Dr. Eng. Silver Mugisha
Managing Director

Dr. Mugisha holds a PhD. in Engineering and Economics of Makerere University, Uganda. His PhD research, which was carried out in collaboration with PURC University of Florida, USA, focused on areas of performance monitoring, incentive design and productivity analysis. Dr Mugisha who is currently the Managing Director of NWSC, was previously a Chief Manager in charge of Institutional Development and External Services, at the National Water and Sewerage Corporation (NWSC).

Dr. Mugisha has been with NWSC since 1994 and has risen through the ranks of the Corporation. He has worked on external consultancies, in various organizations in Uganda, Kenya, Tanzania, Zambia, Nigeria, Ethiopia, Rwanda, India, Trinidad and Tobago among others. He has been a Board Member of the International Water Association (IWA) since 2014 and later become the Vice President of IWA. He is also the Vice President of the African Water Association (AfWA). He is a Fellow of the International Water Association and Sense Research School of the Netherland

Girigiri Reservoir
Tank in Arua



Our Executive Management



Dr. Eng. Silver Mugisha
Managing Director



Eng. Johnson Amayo
Deputy Managing Director Technical
Services



Mrs. Sylvia A. Tumuheirwe
Deputy Managing Director Finance
and Corporate Strategy



Ms. Edith Kateete
Deputy Managing Director Board
Affairs and Management



Eng. Alex Gisagara
Senior Director Engineering Services



Mrs. Prossy A. Lubowa
Director Internal Audit



Mr. George E. Okol
Director Commercial and Customer
Services



Mr. Paddy Twesigye
Director Planning and Capital
Development



Mr. Francis Owot
Director Finance, Accounts and
Revenue.



Dr. Rose Christine Kaggwa
Director Business and Scientific
Services



Ms. Christine Amucu
Director Human Resources.



Eng. Jude Mwoga
Director Information and Business
Solutions

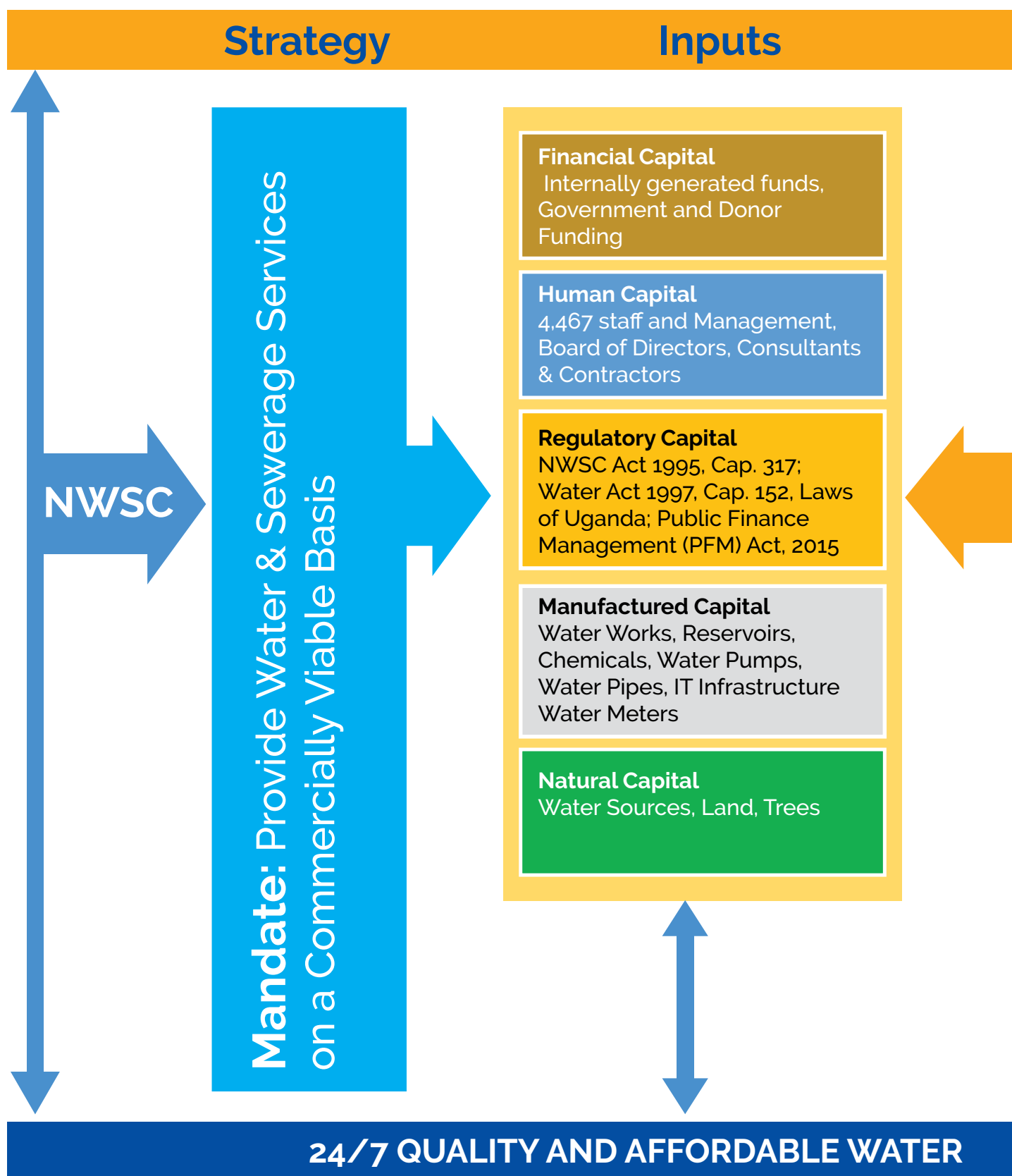


Eng. Mahmood Lutaaya
General Manager Kampala Water

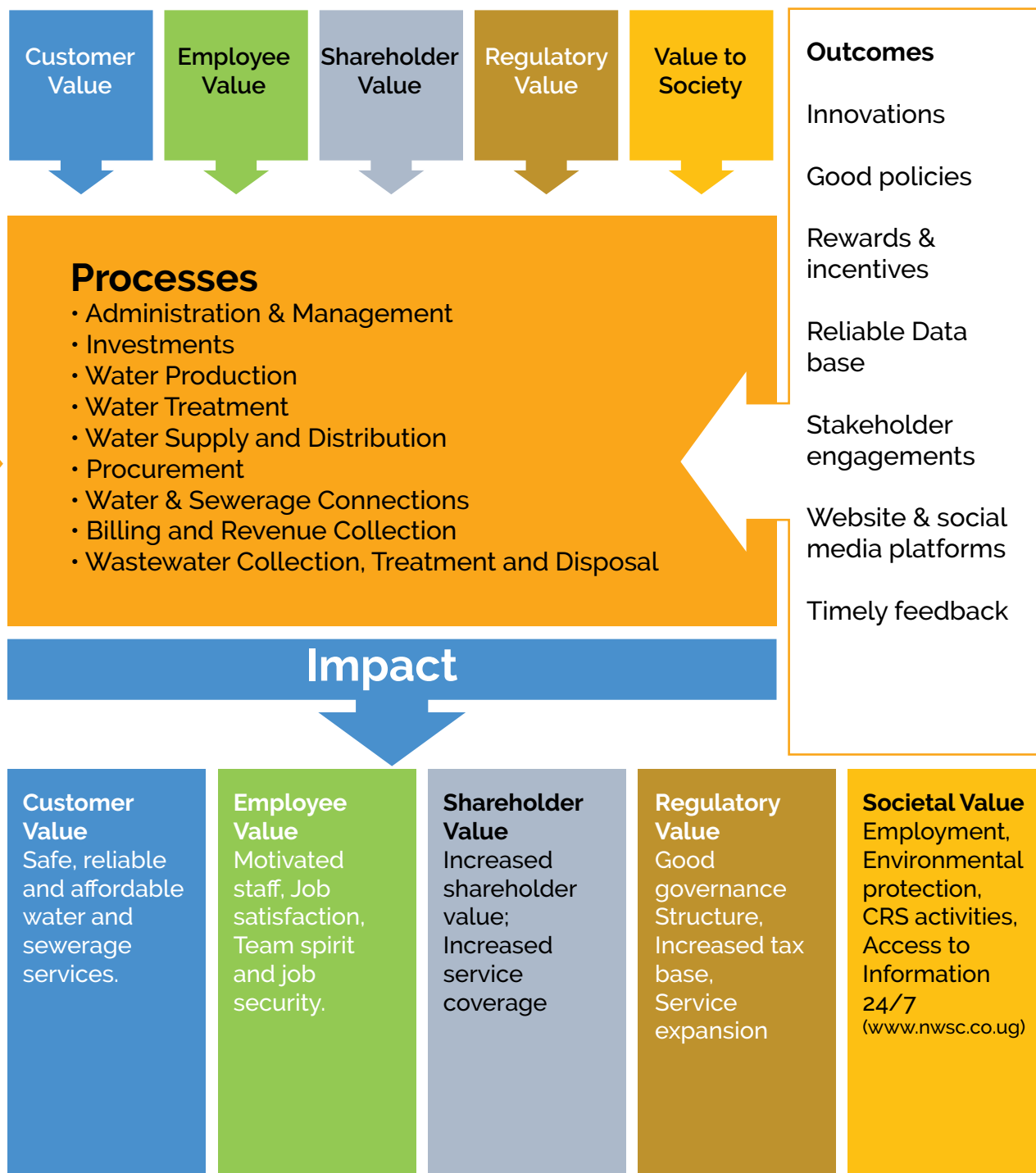


Eng. Edmond Okaranon
Director Regional Operations

Our Value Creation Model



Outcomes and Impact



AND SEWERAGE SERVICES



Our Sustainability

When you open a tap of water, you know there is clean and safe quality water for you and inside every Tap, there is also a story to be told—a story of the journey we are taking to make sure a very Ugandan has access to our safe piped water.

The governance framework in place ensures that the business sustainability and going concern assessments are evaluated time and again. Our framework is driven by the view that the real-time creation of value for shareholders and community enhances the long-term viability of the Corporation. This Framework has been designed to ensure that in fulfilling our core mandate, NWSC conducts itself in a way that respects the social contract it has with society and creates long-term value. The framework features a core set of policies and procedures supported by a governance structure designed to ensure we address the most material issues to our key stakeholders and wider society.

The Managing Director together with the Management committee take the overall day-to-day responsibility for sustainability, with the Board having a strategic setting, oversight and monitoring of implementation responsibility. The Risk Management Department is charged with monitoring and reporting on the status of compliance with the sustainability framework.

The global outbreak of Covid-19 pandemic posed new challenges to our total business operations. Our strategy was revised targeting crucial services and targeting the vulnerable pockets of society, while not compromising the survival of the Corporation. The focus during the FY 2021/22 was on securing systematic and sustainable recovery from the negative effects of the pandemic on our business, staff, customers and all stakeholders at large.

Our Sustainability approach is anchored on our Mission "To sustainably and equitably provide cost effective quality Water and Sewerage services while conserving the Environment and Enhancing Stakeholder Trust".

At NWSC, we take account of the need to meet our present development needs without compromising the ability of future generations to meet their own needs. In our business, we are conscious of the fact that there is interdependence of economic, social and environmental factors. The interests of the poor and other special interest groups are always

provided for in our planning. Therefore, in addressing sustainability issues, we go beyond the legal requirements and industry standards.

We measure our success as a derivative of the quality and range of products and services we offer and how we impact on the environment and the communities in which we operate.

This report measures, discloses and gives accountability to our stakeholders on the Corporation's performance towards sustainable development in line with the guidelines issued by the Global Reporting Council. We are also guided

by the United Nations Sustainable Development Goals (SDGs), Agenda 2030 on Social and Economic Development, especially on clean water and sanitation, achieving food security, eradication of poverty, good health, social justice and minimizing the negative impact of climate change on the environment.

The report provides a balanced presentation of the sustainability performance, results and outcomes of NWSC for the FY 2021/22 and they are summarized under Economic, Environmental and Social Sustainability.



Achieving good health & social justice through NWSC football club



2nd Left DMD-F & CS Mrs. Sylvia A. Tumuheirwe Patron SWAS Clubs

● Financial and Economic Sustainability

Our aim is to use, safeguard and sustain resources to create long-term sustainable values. We therefore, take keen interest in supporting private sector and industries to foster economic growth of the Country.

Financial Sustainability of the Corporation

The NWSC Act 1995, requires the Corporation to operate on a sound commercial and viable basis with a reasonable return on investment. In line with this requirement, the Corporation made the following progress during the FY 2021/22;

Our turnover has been growing by an average of 9% annually over the last five years. This is as a result of the steps taken to extend the water networks, stabilize water supply in the existing towns and growth in the number of towns from 218 to 262.

Our primary source of revenue is derived from the provision of water and sewerage services. However, we have diversified our income sources to include revenues from Consultancy Services, hire of Training facilities and provision of laboratory services in a bid to strengthen our Balance Sheet. Over the past 5 years, UGX.32 billion, (approximately USD. 8.5 million) has been generated from consultancy services. NWSC continues to emphasize cost optimization to improve on the efficiency in providing services.

The Operating Profits increased by an average of 6 percent per annum for the past 5 years. All the profits made by the Corporation have been reinvested in the refurbishment and expansion of the infrastructure. The total funds invested in the expansion of infrastructure over the last six years, amount to approximately UGX. 362 billion (approximately USD. 94.8 million).

Our Contribution to the National Coffers

The Corporation made a contribution of UGX 234 million in taxes to the National Treasury in the past 5 Years. NWSC was recognized as one of the most compliant taxpayers in 2017, 2018, 2019 and 2020.

NWSC Supporting Industrialization and Economic Growth

The industrial sector is a key priority sector in the Ugandan Economy and occupies an integral part of the Governments Social and Economic Development Plan, "Vision 2040". NWSC is mindful of this, and commits to continuous improvement in service delivery to the sector.

Our business directly impacts industrialization and economic development of our Country. We provide water and sewerage services to several small, medium and large enterprises which are engaged in business, agriculture, manufacturing, tourism and hospitality.

The tourism industry is the leading foreign exchange earner, and relies heavily on NWSC water and sewerage services for the comfort of their guests. Agriculture is the backbone of the Ugandan economy but it faces the challenge of unreliable rainfall patterns. The Corporation is embarking on developing affordable water schemes which will provide water for human consumption and also support agricultural production in the Country side.

Reliable and sufficient water supply is critical for the steady growth of the manufacturing sector. The Corporation is therefore implementing a number of interventions, which directly benefit the industrial sector.

- a) **Provision of Water and Sewerage Services in Industrial Parks.** NWSC has been working closely with the Uganda Investment Authority (UIA), to extend water to the twelve (12) established Industrial and Business Parks in Kampala, Kapeeka, Jinja, Mbale, Soroti, Karamoja, Kasese, Mbarara and Nshara.
- b) **Creation of an industrial tariff.** NWSC reduced the unit price of industrial grade water from commercial rate to a much lower rate ("the Industrial Water Tariff Rate") to UGX 2,500/- per cubic meter to subsidize industrialists consuming large volumes (of at least 1000 m³ per month). Today, the industrial tariff is 46% less than the commercial tariff. This is meant to support industrial development. Whereas the tariff for other consumer categories were indexed upwards by 6% during the FY 2021/22, the industrial and PSP tariffs were not affected. This is in the spirit of promoting industrial growth and ensure increased access by the less privileged members of the community respectively.
- c) **Supporting Local Businesses.** The Corporation traded with over 450 suppliers providing various inputs sourced from within and from outside Uganda. We fully embrace the Government Policy on "Buy Uganda and Build Uganda". Most of the water pipes and fittings we use for water and sewerage business are sourced from the Local Industries.
- d) **Employment Opportunities;** The Corporation currently employs a total of 5,440 staff, of which 4,681 are established staff and 746 staff are temporary. In addition, the Corporation engages 678 casual laborers and 660 local guards. Therefore, 6,765 people are directly engaged with the Corporation for livelihood, and with an average of 6 people per family; the Corporation is responsible for the welfare of about 40,590 people. NWSC also provides indirect employment through engagement of the private sector for delivery of works and services

● Social Sustainability

The Corporation has a social obligation to both the internal and external stakeholders. We seek to balance the competing interests of all our stakeholders. NWSC goes beyond its legal mandate and obligations to extend her outreach through Corporate Social Responsibility.

Looking after the Interests of Our Staff

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 on the basis of tribe, religion, gender, disability or political views. During the year under review, 193 staff were recruited bringing the total number of employees to 4,467 staff (both temporary and established staff) as at June 2022.

Gender Composition

The Corporation is an equal opportunities employer employing staff of diverse backgrounds. Table 13 below shows the gender composition in the Corporation.

Table 13: Gender Composition of Staff and Board of Directors

Category	Female	Male	Total
Board of Directors	3	6	9
Employees			
Executive Management	5	8	13
Other Staff	1,452	3,002	4,454
Total Number of Staff	1,457	3,010	4,467

Staff Welfare and Reward

In addition to salaries and other direct staff remunerations, the Corporation has in place 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. We have activities for sports and recreation for staff including Water Football Club. The Corporation caters fully for the funeral arrangements and expenses for the fallen employees and their immediate family members.

The staff remuneration schemes is competitive and staff are paid monthly salaries, annual gratuities and incentives based on performance. During the FY 2021/22, staff costs amount to UGX.167 billion compared to UGX 150 billion in FY2020/21.

Thinking about the Welfare of Our Staff in Retirement

The Corporation promptly remits staff contribution to NSSF which is 15% of their Salaries (10% by the Corporation and 5% by the staff). These funds accumulate to take care of the staff welfare at retirement. In addition to NSSF, the Corporation has set up a Provident Fund whereby staff and the Corporation, each contributes 5% towards the fund with effect from 1st October 2019. The Contributions to NSSF and the Staff Provident Fund are aimed at ensuring that the Corporation continues to attract and retain a committed workforce and that adequate provisions are made towards their retirement. During the FY 2021/22, the total contribution to NSSF and the Provident Fund amounted to UGX.11.7 billion and UGX 6.7 billion respectively.





Ensuring Safety of Our Staff-Internally Made Sanitizer by the NWSC Chemists

Health and Safety at work and the Community we serve

The health and safety of our employees, customers and the general 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 fire fighting equipment. Staff are entitled to annual leave of up to 40 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 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 issued by the Government at all our premises across the Country.

Long Service Award

We have a policy of 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. During the FY 2021/22, UGX 421 million was spent on long service awards compared to UGX 32 million for the FY 2020/21.

Trade Unions

NWSC allows freedom of association for its staff. Regular discussions are held with the unions to negotiate terms of employment and other issues affecting staff which has led to harmonious industrial relations and increased productivity over the years.

Giving Opportunities to the Senior Citizens

The Corporation increased the retirement age of staff from 55 to 60 years to ensure that it does not lose the benefit of experience and skills that senior citizens possess. This extension is also meant to give reassurance to employees that they will continue to enjoy full salary and employment benefits for the additional five years, thereby giving them more time and resources to prepare for their retirement.

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. NWSC continued embarking on the journey of re-skilling and re-tooling technicians and artisan staff, through Vocational Skills Training and Development. A fully-fledged Vocational Skills Development Facility (VSDF) was constructed at Gaba with support from the German International Cooperation.

The Gaba VSDF school offers courses for Industrial Plumbers, Electro-Mechanical Technicians, Industrial Welders, Water Quality Technicians, Sewerage Services Technicians, Photo Voltaic and Solar Energy Technicians, Customer Service Advisors, Vocational Training Instructors and Heavy Equipment Operators.

In addition, a property was secured in Bushenyi (Western Uganda), that was converted into a Regional Training Center. Another training facility will be constructed in Lira City to serve our staff in the North and Eastern Regions.

The onset of Covid-19 greatly affected the implementation of the NWSC training plans. This new reality has compelled the Corporation to rethink and refocus on how best learning could be conducted, by coming up with new innovative ways of delivering training using digital tools like zoom, skype and other online technologies.

Customer Engagement

The Corporation serves diverse range of consumers categorized under; Domestic, Commercial, Institutional and Public Stand Posts. NWSC values every consumer and takes it as an obligation to supply all of them with clean and reliable water and sewerage services.

We carry out regular tests to ensure that water supplied to our consumers is safe for human consumption and meets the WHO standards. We have invested heavily in programmes aimed at taking services including mains extensions, water infrastructure projects and geographical coverage expansion.

NWSC aims at making water affordable to all. The Corporation has deliberately kept the tariff for the PSPs at UGX. 21 per 20-litre Jerrican for over 5 years to enable access to clean water by the urban poor and rural population, benefiting more than 5.5 million PSP consumers across the Country.

We have set up many avenues for customers to communicate with us, including a toll free telephone line, social media platforms, NWSC website and annual customer satisfaction surveys. We make every effort to ensure that all customer complaints are promptly addressed and feedback given.

Findings from an independent Customer Satisfaction Survey carried out during the year by an independent consultant indicated that overall satisfaction with NWSC stood at 75%.

The most satisfied customer category were the large customers at 81%, followed by PSP customers at 79%, followed by institutional at 76%, and the least satisfied were domestic and industrial customers at 74%. Comparing by the NWSC regions,

Western region had the most satisfied customers at 77% followed by Eastern, northern and central at 76% each. The least satisfied customers were from KW at 74%.

Engagement with Government

We are proud of the contribution that the Government is making in the water sector. The Government objective is to ensure 100% access to water by every Ugandan. The Corporation is committed to making a positive contribution towards that goal. The Government and the Corporation are implementing the SCAP 100 Project (100% Service Coverage Acceleration Project) targeting all villages under NWS jurisdiction. The Government is also responsible for providing counterpart funding for Major Capital Infrastructure. The total co-financing to NWSC projects received from Government of Uganda during the FY 2021/22 amounted to UGX. 65,713 billion.

Engagement with Development Partners

The Corporation has over the years been supported by Development Partners, especially with the Infrastructure Financing. The key Development Partners include; KfW, AfDB, AFD, the World Bank, EU, EIB and the Royal Danish Embassy. We have developed good working relationships with the Development Partners and we take keen interest in ensuring that donor funds are handled with the highest level of transparency and accountability and that the funds are fully absorbed. In the FY 2021/22, UGX. 188 billion was released by the Development Partners to finance implementation of the ongoing projects

Table 14: GoU and Donor Releases 2017-2022

Source	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21	FY 2021/22
GoU	92,000,000,000	60,000,000,000	87,000,000,000	78,305,109,538	65,713,411,943
Donor	182,000,000,000	398,000,000,000	246,000,000,000	55,658,112,911	122,534,255,880
Total	274,000,000,000	458,000,000,000	333,000,000,000	133,963,222,449	188,247,667,823

Corporate Social Responsibility (CSR)

The Corporations' core mandate is to provide water and sewerage services in Areas entrusted to it by Government. Over and above that mandate, we believe that we have a duty to make our Country a better place to live in. We also extend a helping hand to those who are underprivileged in the society.

NWSC has developed a Corporate Social Responsibility Agenda which aims at supporting religious institutions, those who are terminally ill, the youth, women groups, disabled and urban poor.

During the Financial Year, UGX 1 billion was spent on Corporate Social Responsibility compared to UGX1.5 billion the year before. In addition, our staff physically participated in activities like cleaning public places, re-painting zebra crossings, blood donations and Tree planting.



The Young Water Professionals at the International Water Association (IWA) Conference 2022



● Environmental Sustainability

The prolonged droughts, flooding and encroachment on the catchment areas have presented enormous challenges to our operations. NWSC works closely with NEMA to ensure full compliance with the environmental laws. The Corporation is implementing a number of programs which are aimed at protecting the environment and they include; catchment protection measures, involving school children in water and sanitation activities and tree planting campaigns. These measures go beyond the requirement to comply with environmental laws to include voluntary measures.

Adherence to the Permit System

The NWSC adheres to the permit system as spelt out in the Water Abstraction and Wastewater Discharge Regulations, 1998. Water abstraction and discharge permits are obtained from the Ministry of Water and Environment to make sure that the use of water resources is environmentally friendly and encourages sustainable development. These controls also ensure that water is not treated as a free good but as a good with a value to be paid for.

Catchment Protection Measures

The Corporation has deep commitment to protecting our water sources and restoring the degraded water catchment areas to ensure that the quality and quantity of raw water is guaranteed for the future generations. The measures that the Corporation has put in place include; Involving the local population in catchment protection activities and incorporating catchment protection measures in all future projects.

Sensitization of communities and local leaders

Through our Area and Branch offices throughout the Country, we sensitize the local communities and their leadership about the dangers of damaging the water catchment areas, through activities like; farming, human settlement, industrial establishments, sand mining, logging. Local Source Protection Committees have been set up to coordinate the source protection activities in all the Areas. Sensitization activities are carried out through meetings, local radios, televisions, places of worship, public address systems and local markets..

Supporting Income generating activities for local communities

The Corporation realizes that the people who derive their livelihood from the catchment area tend to lose out due to regulation of activities there. We therefore involve the local people in the catchment restoration works like planting of trees, papyrus and other grasses. The Corporation also gives financial support to the communities to engage in economic activities

Table 15 (a): Summary of Area Compliance to Abstraction Permit Requirements as of June 2022

Area	Capacity (m ³ /day)	Water Production (m ³ /day)	Capacity Utilisation (%)	Total Permit Requirement	Valid Permits	Permits for Application	% Compliance
Kampala Metropolitan	396,500	276,506	70%	21	5	16	24%
Central Region	109,470	75,295	69%	143	88	55	62%
Northern Region	51,542	25,214	49%	81	35	46	43%
Eastern Region	43,783	22,215	51%	68	32	36	47%
Western and Southwestern Region	91,831	51,315	56%	154	92	62	60%
Overall Total	693,126	450,544	65%	467	252	215	54%

that do not negatively impact the catchment areas for example fishing and other regulated farming activities.

Incorporating catchment protection measures in all future projects

The Corporation has made it a policy to include catchment protection in all the major water projects that will be undertaken. We have already implemented this policy under the KW LV WATSAN Project (Katosi), Protection of Water Catchment in Gulu, Arua and Bushenyi.

The following activities have already been undertaken;

- A buffer protection through tree planting within the Katosi and Ggaba catchment areas has been set up.
- NFA donated forty-two (42) hectares of land near the Katosi Water Treatment Plant, on which NWSC has already planted 18,000 trees, for the restoration of the biodiversity lost and to maintain the catchment as a restricted area.
- 10,000 trees were distributed to local communities and have been planted in the catchment area in Arua and Bushenyi during the implementation of the water projects there.

In addition, the Corporation is implementing catchment protection measures as a fully-fledged project component under the Integrated Water Management Development Project (IWMDP) in areas of Arua, Mbale, Gulu and Bushenyi.

The corporation will ensure that all water projects have components for catchment protection and restoration.

School Water and Sanitation (SWAS)

The Corporation launched the School Water & Sanitation (SWAS) Clubs in October 2014. This was after NWSC realized that School children are a critical segment of our society and need to be

involved in water, sanitation and environmental issues at an early age, to ensure sustainability of our business. They are the future leaders and decision makers for the Country.

SWAS started off with over 50 schools in the FY 2014/15 and currently has over 293 schools participating. The membership of the Clubs is drawn from urban and rural schools from all the four regions of the Country as per the table below;

Table 15(b): NWSC SWAS Club regional membership

Region	FY 2020/21	FY 2021/22
Central Region	114	114
Eastern Region	28	28
Northern Region	50	50
Western Region	101	101
Total	293	293

The number of SWAS clubs did not increase from the previous year due to increased financial obligations.

The main activities of the Clubs include; tree planting, debating, essay and poem competitions relating to water, sanitation and environmental issues and Public exhibitions. These activities are financed by the Corporation through the Annual Budgets.

In the period 2014/15 to FY2021/22, over 1.5 million trees were planted by the SWAS clubs across the Country. Water wells and drainages were cleaned by the clubs in the many parts of the Country. The SWAS activities were launched in Fort portal on 8th May 2021, at St Leos College, Kyegobe by the NWSC SWAS Patron, Mrs. Sylvia A. Tumuheirwe. Two schools participated in the launch, St Leos College, Kyegobe and Buhinga Primary School. 6,000 trees were planted in Fort portal by the two Schools since the launch..

The Tree Planting Campaign

The main activities of the Clubs include; tree planting, debating, essay and poem competitions relating to water, sanitation and environmental issues and Public exhibitions. These activities are financed by the Corporation through the Annual Budgets.

SWAS Club of Mpondwe Primary School during the 1 Million Tree Planting Campaign



Table 16: Summary of NWSC Sustainability Performance

Category	FY 2021/22	FY 2020/21	FY 2019/20
Economic Sustainability			
Turnover (UGX '000)	519,000,000	461,000,000	463,000,000
Operating Expenditure (UGX '000)	397,000,000	355,000,000	360,000,000
Operating Profits (UGX '000)	122,000,000	106,000,000	103,000,000
Investment made (UGX '000)	362,000,000	365,000,000	365,000,000
Asset base (UGX '000)	4,102,000,000	3,800,000,000	3,500,000,000
Number of Towns	262	258	258
Environmental & Ecological Sustainability			
Number of Towns using Solar Pumps (Nos)	33	28	28
Number of towns using electrolysis instead of Chlorination	25	25	25
Volume of Sewerage treated and Discharged (Million litres)	1,384	877	955
Expenditure on Energy (In UGX Billions)	74	70	70
Social Sustainability			
Domestic Customers served	684,418	584,236	584,236
Commercial/ Industrial customers served	120,365	98,787	98,787
Institutional/Government customers served	23,706	19,383	19,383
PSP consumers served	28,858	24,867	21,600
Total number of consumers served	857,347	775,794	724,006
Water Mains Extension (kms)	1,305	444	2,135
Sewer Mains Extension (kms)	36	23	30
Number of customer complaints received	185,166	199,746	166,942
Number of Customer complaint handled	183,296	196,220	164,017
Resolution rate (%age of complaints resolved)	99%	98%	98%
Number of Staff employed	4,467	4,244	4,082
Payment to staff (employee costs) UGX '000	167,612,885	151,164,016	151,164,016
New Water Connections	54,697	51,788	61,521
New Sewer Connections	576	277	280
Corporate Social Responsibility			
Amount spent on donations (UGX '000)	1,489,080	1,376,341	1,376,341
Amount paid in taxes (UGX '000)	61,000,000	40,600,000	40,600,000
Human Resource Sustainability			
Number of Staff recruited	192	304	304
Number of Employees over 55 Years	212	86	86
Total number of staff + Board	4,476	4,089	4,089
Gender Composition (Staff + Board)	Female - 33% Male - 67%	Female - 25% Male - 75%	Female - 25% Male - 75%
Amount spent in long time awards (UGX '000)		32,000	45,000
Amount spent on research and training (UGX '000)		368,044,000	1,675,546
Number of interns Trained		0	800



Water Tanks Donated by NWSC.
Extreme right is NWSC MD-Dr. Silver
Mugisha with one of the beneficiaries

Stakeholder Engagement Materiality

The Corporation has a diverse range of stakeholders who include; **Consumers, Government, Development Partners, Suppliers, Employees and the Community**. While focusing on supplying of water and providing 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. Our main stakeholders and the importance attached to them are summarized in the table below;

Table 17: Stakeholder Analysis

Stakeholders	Importance	How We Engage With Them
Consumers	• Pay their bills • Consume our services • Give us feedback. • Market our services. • Support our growth.	• Monthly meter readings and issuing of bills. • Prompt communication on service interruptions. • Annual update of customer charter. • Annual customer satisfaction surveys (CSS). • Social media platforms for customer interactions and engagements which includes; NWSC website, twitter, WhatsApp, Facebook, YouTube and Instagram. • 24-hour toll free call Centre. • Various payment options that are convenient to our customers. These include Bank counters, direct debit, mobile money and NWSC App. • 215 branch offices spread to various parts of the Country. • E-Branch where customers can access various services like new connections.
Government	• Sole equity owner. • Commitment to support the provision of universal access to water. • Providing investment financing. • Providing Policy and Regulatory framework.	• Present Budgets, work plans and strategies for approval. • Make quarterly and annual reports to Government. • Participate in Parliamentary Committee meetings to present our plans, achievements and challenges. • Working closely with other Departments in the implementation of Government programs. • Payment of taxes which supports Government programs.
Development Partners	• Contribute funding to our capital development projects. • Support capacity development programmes	• Provide work plans and reports on a quarterly basis. • Participate in Donor Conferences to understand their changing priorities. • Participate in project review meetings with the Development Partners.
Employees	• They run the business. • They interface with all other stakeholders. • Possess key skills required in our business.	• Clear working terms and conditions of services • Written Work instructions, health and safety guidelines. • Regular meetings between Staff and Management. • Laid down procedures for resolving conflicts. • Staff social activities like sports and training workshops. • Bi-Annual Performance Appraisals and Reviews. • Whistle Blower Policy to encourage staff report wrong doings. • Coaching and mentoring with the Management teams. • Regular visits to branch offices by Management and Board. • Regular staff engagement surveys.

Stakeholders	Importance	How We Engage With Them
Suppliers	• Provide in-puts required to our business. • Provide working capital (Credit sales) • Provides services/ works that support our business.	• Advise the suppliers on the in-puts required. • Regular negotiation and review of business terms • Prompt payments of the amount owed to suppliers. • Provision of Semi-Annual Accounts. • Regular meetings with individual suppliers to resolve any trade conflicts. • Direct calls • Comfort letters to facilitate access to credit. • Confirmation of supplier balances to their auditors.
Community	• Gives us feedback • They are affected by our actions. • Keep an eye on our assets and infrastructure. • Assist in implementation of our projects.	• Set up Water Community Communication Clubs (WACOCO) to sensitize communities about our services. • Visiting public places to market our services. • Public talk shows and sensitization programs. • School Water & Sanitation Clubs (SWAS) to create awareness about water, sanitation and environment among children and youth. • Press releases to educate the general masses about our plans, programs and challenges. • Participate in programs/seminars/workshops geared towards creating community awareness and inclusion in planning/implementation of programmes.

Hon. MP's of the Natural Resources Committee were engaged in Tree Planting Exercise



Stakeholder Engagement Pictorial



AfWA Conference 2020, that involved Regional & International stakeholders in the Water & Sanitation Sector.



NWSC Staff Engaging with a Customer



Engaging the Young children in NWSC Activities under the SWAS Clubs



Stakeholder meeting with French Ambassador



IWA-Development Partners



Staff Engagement

Operational Performance



NWSC stands out as a model utility in the African Region and beyond because of its exemplary achievements. Over the years, the Corporation has continued to register significant performance improvements in the Key Performance Indicators as highlighted in the following Section.

● Water Production

Water production is the core of the Corporation's business activities. It is in light of this that all efforts are taken to ensure that production keeps in tandem with the demand for services. During the FY 2021/22, water production increased by 20.4 million cubic meters (14.2%), from 144.1 million cubic meters in the FY 2020/21, to 164.6 million cubic meters. The increase in water production was mainly attributed to increase in demand for water services, infrastructure upgrades and expansion arising from the implementation of Capital Development Projects. The increase in production is majorly attributed to the commissioning of Katosi Water Production plant in Kampala Area, with production capacity of 160,000m³/day. Suffice to say, out of 20.4 million m³ increase in annual water production, 63%, equivalent to 13 million cubic meters was in Kampala Water. Table 18, provides a summary of the regional production trends in the last five years, and figure 7 is a graphical presentation of the NWSC total performance trends in water production over the same period.

Table 18: Regional Water Production (million m³) for the period (2017-2022)

Region	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21	FY 2021/22	
					Actual	Growth
Kampala	79.0	82.8	85.1	88.0	100.9	14.7%
Central	20.4	22.3	23.1	23.8	27.2	14.5%
Eastern	5.7	6.5	7.2	7.2	8.1	13.2%
Northern	6.6	7.5	8.2	8.4	9.2	9.1%
Western & South Western	14.4	15.8	13.9	16.7	19.1	14.5%
NWSC Total	126.2	134.9	137.6	144.1	164.6	14.2%

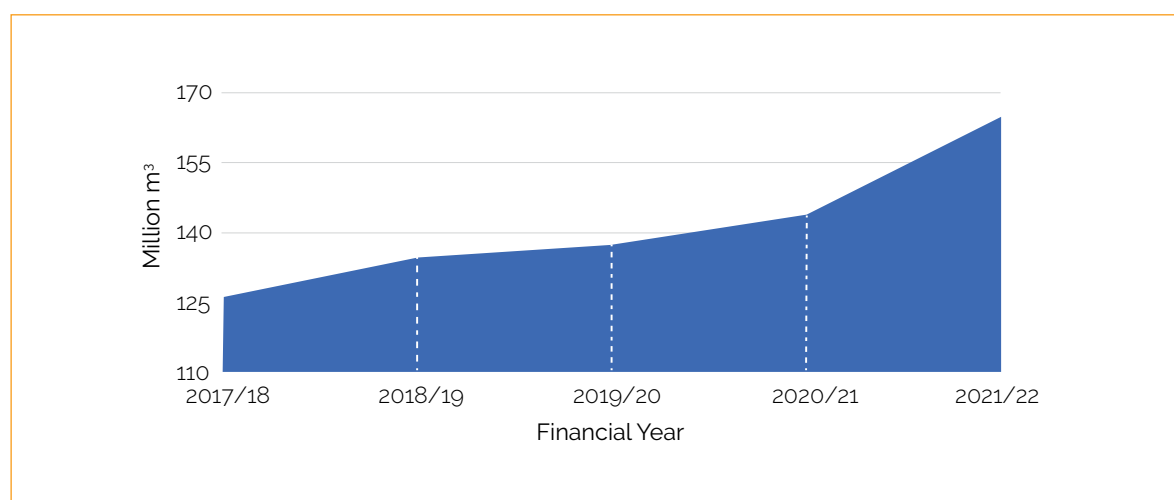


Figure 7: Annual Trend of Water Production (million m³) from the FY 2017/18 - FY 2021/22

● Capacity Utilization

As at 30th June 2022, the Corporation operates 70 water treatment plants with a total practical capacity of 702,563 cubic meters per day. During the FY 2021/22, the Corporation implemented a number of infrastructure developments and Water Supply Stabilization Plans in the various regions, which increased the Corporation's practical capacity by 30%, from 554,394 cubic meters per day in the FY 2020/21 to 702,563 cubic meters per day.

As at June 2022, the Corporation's average daily production stood at 451,679 cubic meters, which represents a capacity utilization of 64% compared to 71% in the FY 2020/21. The growth in practical capacity is mainly attributed to the infrastructure upgrade and expansion carried out in various NWSC areas of operation during the financial year under review. This is a clear manifestation of our commitment towards meeting the needs of our customers. Details of the infrastructure projects implemented during the review period are highlighted in pages (92-108).

Table 19: Regional Practical Capacity Utilization FY 2020/21 and FY 2021/22

Region	Practical Capacity (m ³ /day)			Daily Production (m ³ /day)		Capacity Utilization	
	FY 2020/21	FY 2021/22	Growth	FY 2020/21	FY 2021/22	FY 2020/21	FY 2021/22
Kampala	278,500	402,000	42%	241,134	276,506	87%	69%
Central	94,032	107,024	7%	65,185	74,644	69%	70%
Eastern	57,866	49,762	-6%	19,620	22,215	34%	45%
Northern	43,444	58,690	26%	23,105	25,214	52%	43%
Western & South Western	80,552	85,076	42%	45,765	53,100	57%	62%
NWSC Global	554,394	702,563	30%	394,809	451,679	71%	64%

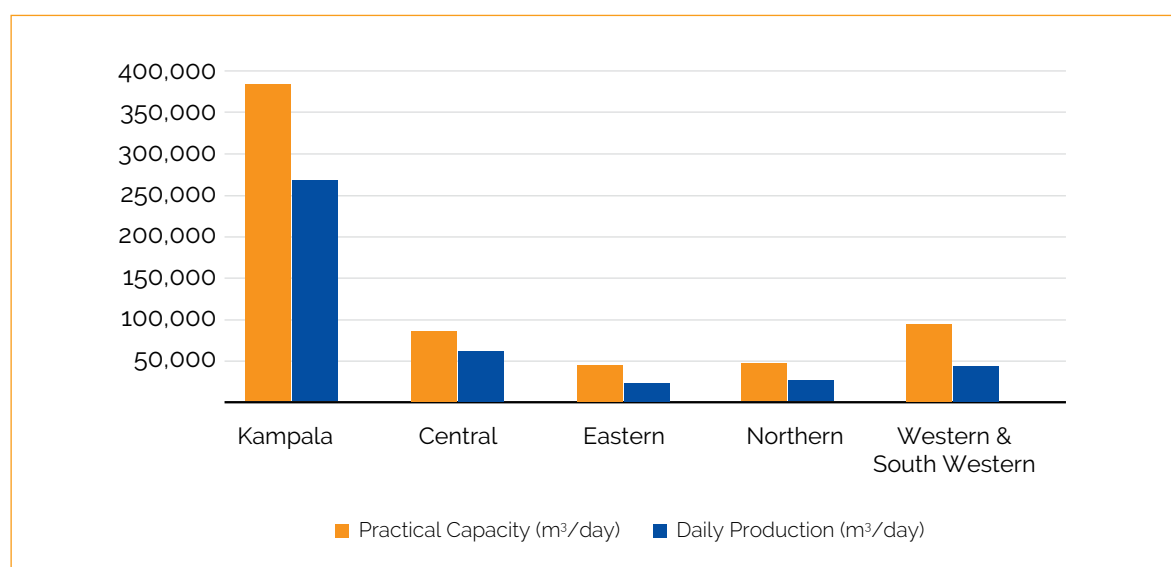


Figure 8: Regional Capacity Utilization Vis-à-vis Daily Water Production as at June 2022

● Water Supply Volumes

Water Supply is an indication of the volume of water delivered into the distribution system for customer consumption. During the FY 2021/22, we registered a growth of 15% in the volume of water supplied, from 137.2 million cubic meters in the FY 2020/21 to 157.9 million cubic meters during the Financial Year under review. The growth is attributed to quick-win investments implemented under the Water Supply Stabilization Programme (WSSP) aimed at improving supply reliability. The WSSP is one of the components implemented under the Service Coverage Acceleration Project (SCAP100) jointly financed by both Government of Uganda and NWSC. Table 20 provides a summary of the regional performance over the five-year period.

Table 20: Regional Water Supply (million m³) for the period (2017-2022)

Region	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21	FY 2021/22 Actual	Growth
Kampala	76.5	79.7	85.1	85.5	99.0	16%
Central	19.1	20.7	21.4	22.6	25.4	13%
Eastern	5.7	6.2	6.8	6.6	7.6	15%
Northern	5.8	6.7	7.3	7.7	8.4	9%
Western & South Western	13.1	14.5	14.7	14.9	17.6	18%
NWSC Global	120.1	127.8	135.5	137.2	157.9	15%

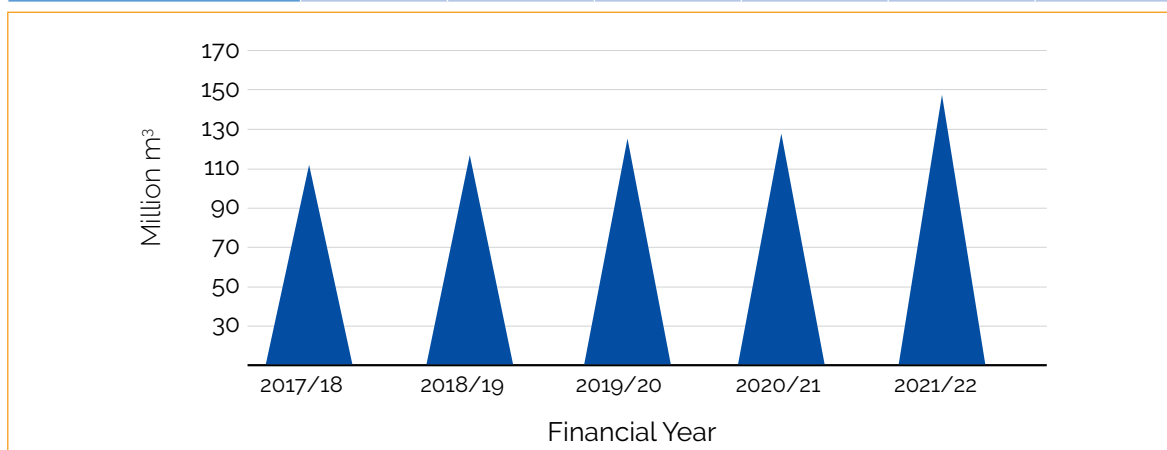


Figure 9: Annual Water Supply (million m³) trends - 2017-2022

Water Sales Volumes

Water Sales denotes the volume of water that actually reaches the customer premises and is billed. The customer categories we have include; Domestic, Institutional/ Government, Commercial, Industrial and Public Stand Posts (PSPs). During the financial year under review, we registered a growth of 13% in the volume of water sales up from 89.8 million cubic meters in the FY 2020/21 to 102 million cubic meters. The growth is mainly attributed to increased reach out to more customers through implementation of the SCAP100 project across all our Areas of operation, coupled with innovative customer engagement strategies and sensitizations aimed at encouraging the use of NWSC potable water as opposed to other unsafe water sources..

Table 21: Regional Annual Water Sales (million m³) for the period (2017-2022)

Region	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21	FY 2021/22 Actual	Growth
Kampala	48.8	52.2	49.2	50.8	58.1	14%
Central	14.9	16.2	16.0	16.7	19.2	15%
Eastern	4.8	5.2	5.3	4.9	5.6	14%
Northern	4.4	5.3	5.5	5.7	6.3	11%
Western & South Western	9.9	11.6	11.5	11.6	12.6	9%
NWSC Global	82.9	90.5	87.5	89.8	101.9	13%

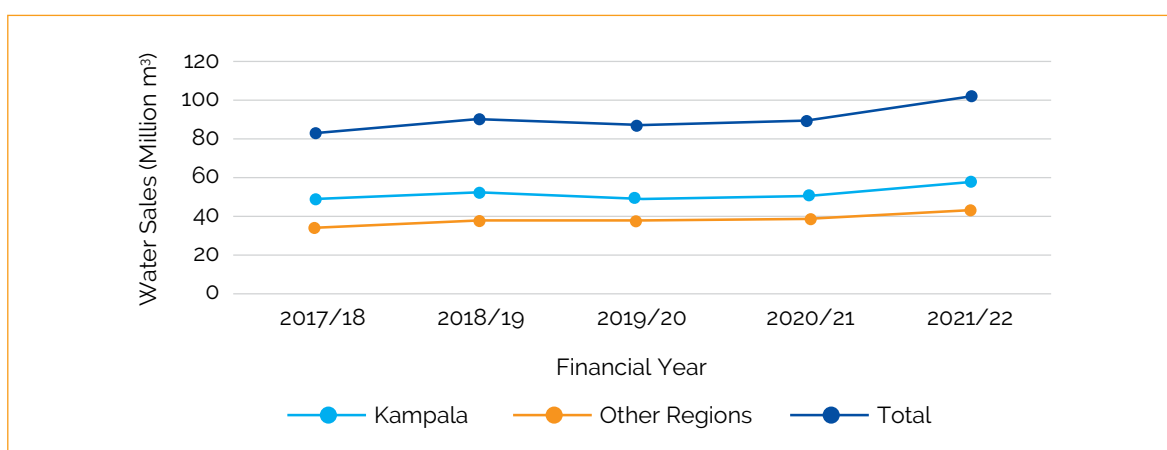


Figure 10: Water Sales Trend (2017-2022)

● Water Sales by Customer Category

A comparative analysis of the market share shows that the biggest segment based on the volumes of water consumption are the domestic customers who account for 47% (47,690,987 cubic meters) of the total volume consumed

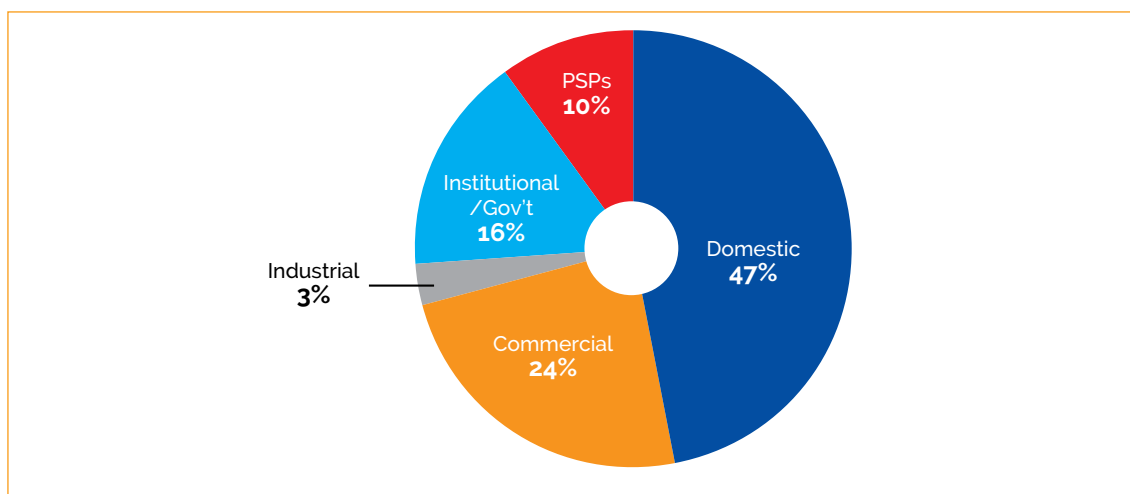


Figure 11: Volume of Water Sold Per Customer Category as at June 2022

● Non-Revenue Water (NRW)

Non-Revenue Water is one of the key challenges faced by the Corporation. This is water lost in the distribution system and not billed. Some of the factors responsible for these losses include;

- Damages to the pipe network arising from road works
- Aged pipe network which is prone to leaks and bursts and requires replacement
- Under registering of some meters mainly due to old age
- Water theft through illegal connections and meter bypasses.

As at end of the FY 2021/22, water losses accounted for 35% of the volume supplied. The performance is in sync with our three-year target in the Corporate Plan (2021-2024), which is to reduce Non-Revenue Water to 33% by 2026. A cocktail of measures is being implemented in our various Areas of operation to reduce water losses to optimal levels. These include:

- A meter replacement programme is under way targeting 100,000 meters to be serviced and replace at least 10,000 faulty meters per quarter.
- We are also continuously strengthening the Water Loss and Prevention Unit to ensure efficiency in dealing with cases relating to water theft.
- Incorporate Community Engagements within our stakeholder agenda to effectively report illegal use cases and we ensure the culprits are prosecuted
- Continuous training of our staff in all Areas to ensure timely response to reported pipe bursts and leakages.
- We have secured financing for network restructuring and rehabilitation under Kampala Water Lake Victoria Water and Sanitation (KW LVWATSAN) Project. The project targets Kampala Water Area with the highest level of NRW.

Table 22: Regional Non-Revenue Water (2017-2022)

REGION	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21	FY 2021/22	
					Actual	Increase/Decrease
Kampala	36.2%	34.6%	42.3%	40.6%	41.3%	1%
Central	21.9%	21.8%	25.6%	26.0%	24.3%	-2%
Eastern	15.4%	15.1%	22.2%	25.2%	26.4%	1%
Northern	23.5%	20.5%	24.6%	25.5%	24.4%	-1%
Western & South Western	23.9%	20.3%	21.8%	22.2%	28.0%	6%
NWSC Global	31.0%	29.2%	35.4%	34.6%	35.4%	1%

● Service Coverage Acceleration Project (SCAP 100)

The SCAP 100 Project was launched in July 2017 to fast-track access to potable water supply by all the population in areas under NWSC jurisdiction. The project is jointly financed by NWSC and the Government of Uganda with the primary objective of achieving universal and equitable access to safe water by every Ugandan. The key project components include; a) Mains Extensions, b) New Connections c) Installation of Public Stand Pipes. d) Water supply stabilization that entails 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.

(a) Water Mains Extensions

During the FY 2021/22, we registered a growth in our water network of 6%, with 1,305 km being laid across the country in the various Areas under our jurisdiction. The growth in new water mains was 198% compared to 439 km (See Table 23) laid during the FY 2020/21. The total pipe network stood at 21,794 km of water mains at the financial year end June 2022.

Table 23: Regional Trends in Water Mains extensions for the period (2017-2022)

Region	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21	FY 2021/22	
					Actual	Growth
Kampala	358	216	73	21	171	703%
Central	443	652	569	129	387	201%
Eastern	215	485	229	34	178	420%
Northern	203	300	209	75	189	152%
Western & Southwestern	802	1,075	1,055	179	379	112%
Total New Mains Extensions	2,021	2,727	2,135	439	1,305	198%
Total Pipe Network	14,466	17,623	19,974	20,490	21,794	6%

The total pipe network includes extensions taken over with new towns handed over to NWSC by MWE.

(b) Water Connections

Over the last five years, we have registered significant growth in customer base. This stems from the innovative programmes aimed at increasing our outreach, and the quality service delivery to the customers.

During the FY 2021/22, we registered a growth of 11% in our customer base, from 775,794 connections in the FY 2020/21 to 857,347 connections. The new water connections installed were 54,697 connections, a growth 6% compared to 51,788 connections installed in the FY 2020/21. (Details in table 24).

The growth in connections is attributed to the NWSC deliberate efforts to expand the water network, twinned with implementation of water supply stabilization programmes targeting the virgin areas especially in the newly taken over towns.

Table 24: Trend in Water Connections for the period 2017-2022

Region	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21	FY 2021/22	
					Actual	Growth
New Water Connections						
Kampala	25,147	32,130	28,720	23,248	25,174	8%
Central	10,004	14,259	11,698	10,599	11,132	5%
Eastern	3,160	5,302	3,981	3,297	3,452	5%
Northern	3,055	5,085	4,997	4,360	4,597	5%
Western & South Western	8,975	12,439	12,125	10,284	10,342	1%
Total New Water Connections	50,341	69,215	61,521	51,788	54,697	6%
Total Customer Base	587,863	659,157	724,006	775,794	857,347	11%

The total Customer Base includes connections taken over with new towns handed over to NWSC by MWE.

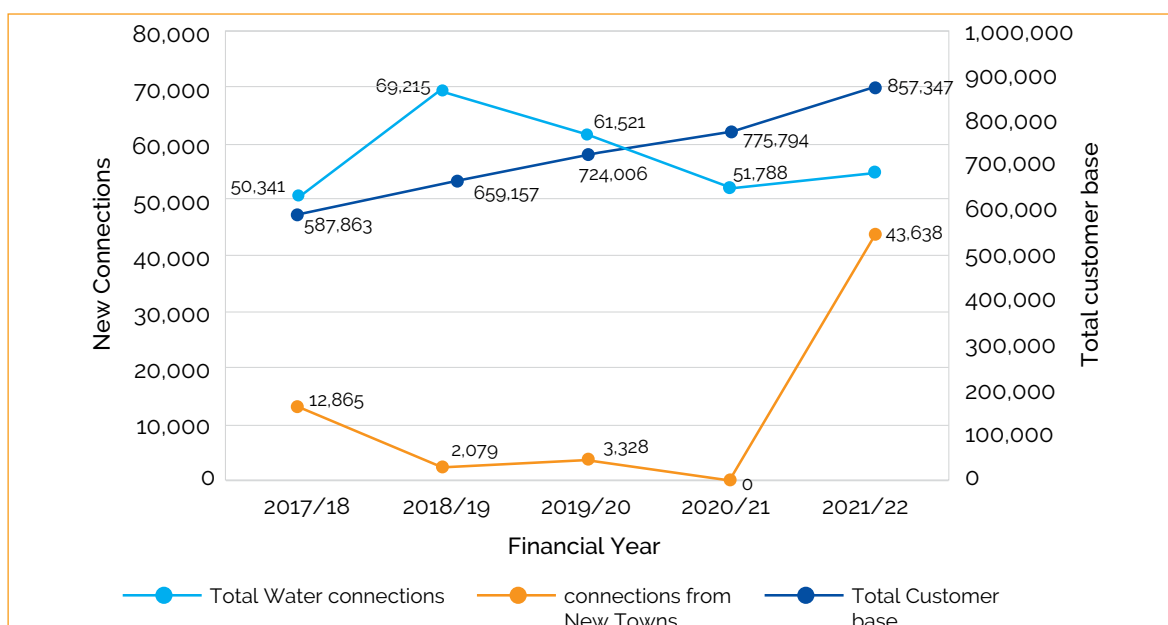


Figure 13: Trend in connections over the period (2017-2022)

(c) Public Stand Pipes (Kiosks)

The Corporation's mandate is to provide water to all people in Areas entrusted to it. We are well aware of the high number of people who cannot afford water connections to their homes. Public Stand Pipes (PSPs) are a convenient way through which the economically disadvantaged members of the community can access clean and affordable water. Our target is to ensure that every 200 people in a cell/village have access to a public standpipe. The tariff at the public stand pipes is subsidized to UGX.21 per 20 liter jerrycan compared to the domestic tariff of UGX.70.

During the Financial Year 2021/22, we registered a growth of 16% in the customer base under the PSP consumer category, with 2,141 new PSPs being installed. The total number of connections under this category as at end of June 2022 was 28,858 PSPs. (See Table 25).

Table 25: Regional Annual Installation of PSPs for the period 2017-2022

Region	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21	FY 2021/22	
					Actual	Growth
Kampala	130	74	1,355	1,643	404	-75%
Central	1016	1,004	652	461	429	-7%
Eastern	510	583	495	260	249	-4%
Northern	663	483	523	199	224	13%
Western & South Western	1,023	1,406	1,404	1,230	835	-32%
Total New Psp	3,342	3,550	4,429	3,793	2,141	-44%
Total No. of PSPs	12,305	17,186	21,600	24,867	28,858	16%

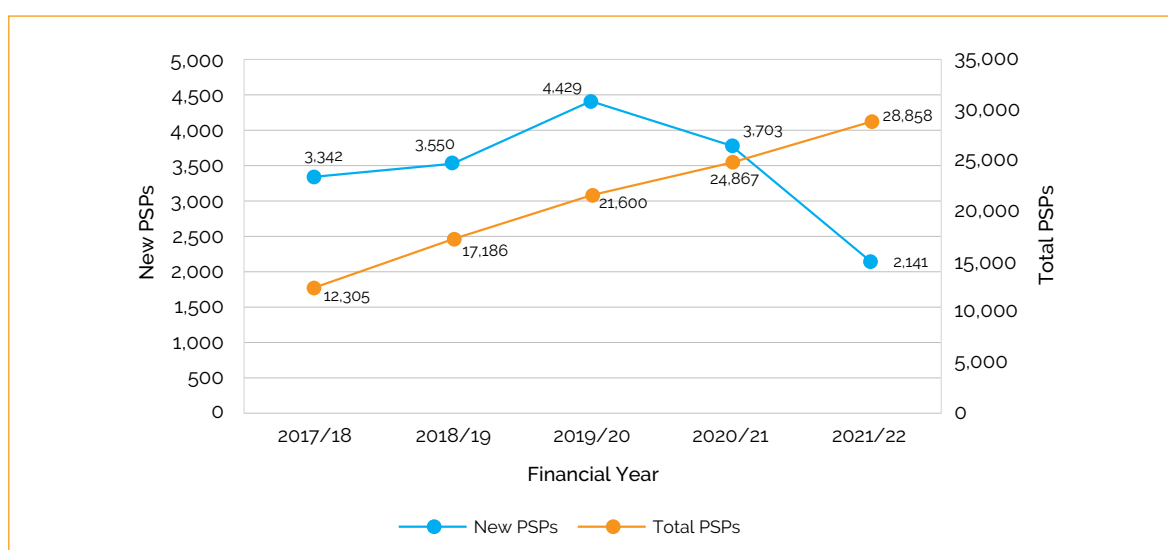


Figure 14: Regional Progress on the Installation of New PSPs under SCAP 100 for the period (2017-2022)



Adressing the Challenges of the Urban Poor under SCAP 100 Project

(d) Villages coverage

We believe that access to clean and safe water is a human right that must be enjoyed by all. While safe water coverage is at 85% in the urban areas, only 30% of fellow citizens in the rural areas have access to safe and clean water. It is therefore our duty to expand the distribution network to all the villages under NWSC jurisdiction and ensure stable water supply in all areas served by our network. As at June 2022, 10,425 out of 16,500 villages had access to safe water supply. This translates into a service coverage of 78%, (approximately 16 million people out of a population of 23 million people). A proportion of the population remains unserved (22%), hence there is still need for continued financing from Government and other partners to reach out to all Ugandans through refurbishment, expansion and development of our Infrastructure.

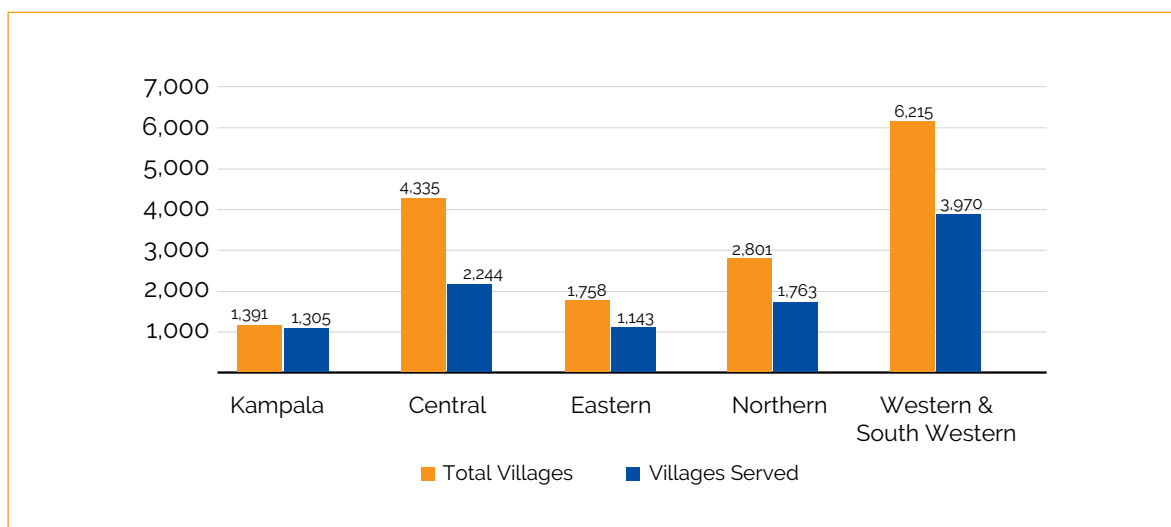


Figure 15: Village coverage as at June 2022

Sewerage Services

NWSC operates centralized sewerage systems of collecting, treating and discharging effluent in 18 out of the 262 towns. The Corporation also operates faecal sludge treatment facilities in Buwama, Bukakata, Ntungamo, Mayuge, Palisa, Apac and Kampala (Lubigi and Ntinda).

As at June 2022, the total sewer network stood at 744 km, registering a growth of 4%, with 36 kms new sewer lines being extended during the review period. On the other hand, the total customer's base at the financial year end June 2022 was 28,007 connections, registering a growth of 11%, with 575 new sewer customers being connected during the financial year. The total customer bases comprised of 17,569 domestic connections, 9,252 commercials, 27 industrial and 1,159 Institution/Government. Table 26 provides a summary of the connection trends and connection status during the financial under review.

Table 26: Sewer Connections and Mains extension status (2021-2022)

Region	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21	FY 2021/22	
					Actual	Growth
New Connections:	272	368	277	214	576	169%
Kampala	114	152	161	178	477	168%
Central	71	34	85	20	24	15%
Eastern	39	19	7	6	43	617%
Northern	32	135	14	3	9	200%
Western & South Western	16	28	10	7	23	229%
Total Sewer Connections	21,616	22,606	23,914	25,180	28,007	11%
Sewer Extensions:						
New Sewer Extensions (km)	24	59	30	23	36	58%
Total Sewer Extensions (km)	602	661	693	715	744	4%

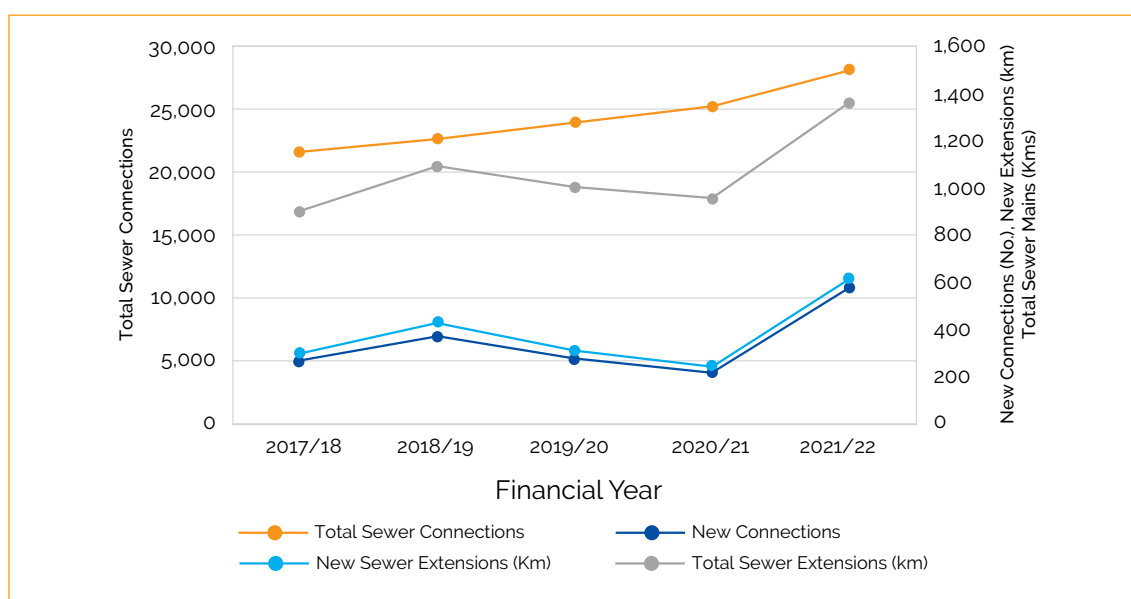


Figure 16: Sewer mains and connection trends (2017-2022)

It should be noted that the sewerage coverage has some time stagnated due to high cost of investment in sewer and the preference of onsite sanitation facilities such as septic tanks and latrines by customers. However, we have continuously made strides geared towards improving sewerage management by mainstreaming sewerage in all the WatSan investments being implemented in the various regions. Some of the Key Projects include;

- Kampala Water Lake Victoria Water and Sanitation Project, with a component on Water and Sanitation in the informal Settlements including establishment of the Nalukolongo Faecal Sludge Treatment Plant (FSTP)
- Kampala Sanitation Project comprising sewage Treatment Plant, Kinawataka Sewage Pretreatment Plant and Back-bone sewage lines

- Southwestern Cluster Project (Isingiro, Masaka and Mbarara Area)
- Gulu Project (phase II)
- Mbale Sanitation Project (IWMDP)
- Adjuman Sanitation Project (IWMDP)

The Corporation has also developed the Sanitation Investment Plan (SIP) aimed at improving Sanitation in all our Areas of operation. However, we are still sourcing for funds to implement the Project.



Financial Performance



● Turnover

During the financial year under review, our financial performance continued to grow, with a total turnover of UGX 519 billion, registering a growth of 13% compared to UGX 460 billion registered in the FY 2020/21. The growth in income points to the efficacy of the programmes implemented by the Corporation to recover from the effects of COVID19 Pandemic and restore the pre-pandemic performance path.

A number of cost containment measures were implemented during the year that culminated into an operating margin before depreciation of UGX. 122 billion, compared to UGX 106 billion in the FY 2020/21. Table 27 and figure 17 provide a summary of the financial performance trend over the last five years.

Table 27: Annual Financial Performance '000 (2017-2022)

	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21	FY 2021/22
Operating Revenue	387,798	442,082	463,168	460,817	519,275
Operating Costs	295,524	345,857	359,845	354,377	396,538
Operating Profit Before Depreciation	92,267	96,225	103,324	106,439	122,744
Depreciation	33,378	40,979	82,593	87,764	124,072
Operating Profit Before Fin. Costs	58,889	55,246	20,730	18,676	1,328
Working Ratio	76%	78%	78%	77%	76%

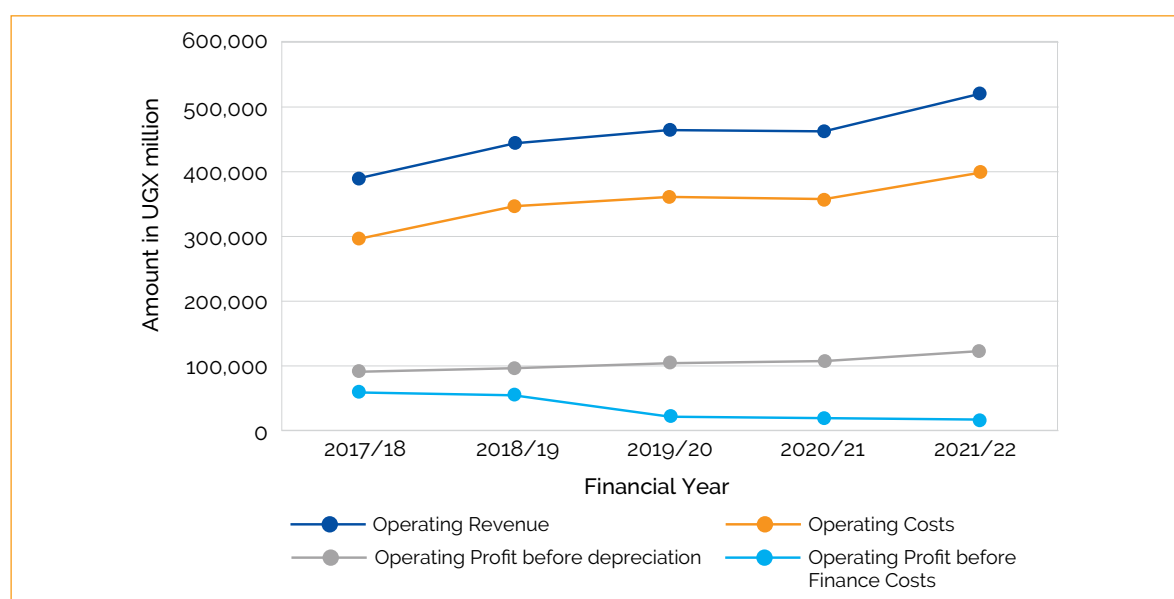


Figure 17: Financial Performance Trend (2017-2022)

● Billing (VAT Inclusive)

Billings are the primary indicator of our financial performance and key determinant of the Corporation income. During the financial year, billings registered a growth of 13%, from UGX. 430 billion in FY2020/21 to UGX. 487 billion in the FY 2021/22. The growth in billing is attributed to increase in business volume manifested in growth in Customer base and increased production volumes to meet the growing demand. (See table 28)

Table 28: Annual Billings (UGX. billion): 2017-2022

Category	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21	FY 2021/22	
					Actual	Growth
Government	44	53	54	51	61	19%
Non-Government	347	385	370	379	426	13%
NWSC Global	390	437	424	430	487	13%

● Collections (VAT Inclusive)

The Collections on the other hand registered a growth of 20%, from UGX. 435 billion in the FY 2020/21 to UGX. 469 billion in the FY 2021/22. This translates into a Collection Billing Ratio of 96%.

Table 29: Annual Collections (UGX. billion): 2017-2022

Category	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21	FY 2021/22	
					Actual	Growth
Government	45	64	42	58	47	13%
Non-Government	340	373	349	377	422	21%
NWSC Total	385	437	391	435	469	20%

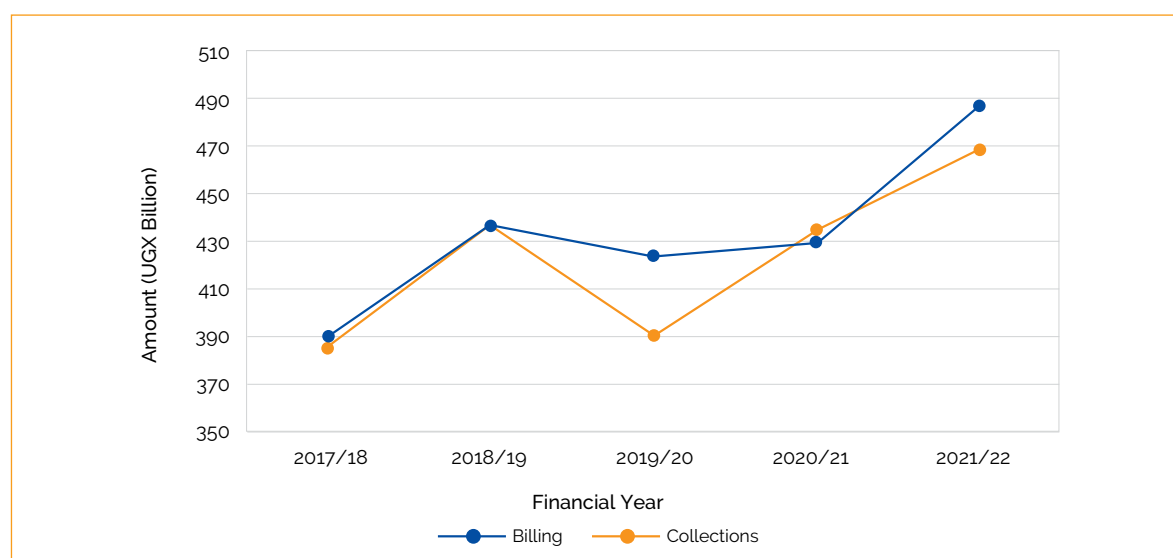


Fig 18: Annual Collections vs Billings: 2017-2021

● Arrears and Debt age

Arrears continue to be one of the major challenges affecting service delivery in most of the Areas. This challenge was exacerbated by the outbreak of the COVID19 Pandemic, which negatively impacted on the ability to pay by consumers. The demand for potable water went up during the pandemic, which was not backed up by the ability to pay therefore leading to accumulation of arrears.

During the review period, total arrears increased by 15%, from UGX. 119 billion in FY 2020/21 to UGX. 137 billion in FY 2021/22. Government arrears increased by UGX. 15 billion (43%), while Non-Government arrears increased by UGX. 3 billion (3%). In same vein, the Debt Age increased by 1%, from 3.3 months in FY 2020/21 to 3.4 months in FY2021/22.

We have embarked on a massive sensitization campaign of masses using various platforms on the need to timely clear bills and avoid stifling service delivery. This is coupled with continuous reminders to our customers of their monthly bills using SMS and other appropriate avenues.

Table 30: Summary of Arrears (Billion Shillings) and Debt age as at 30th June 2022

CATEGORY	Arrears			Debt age (Months)		
	FY 2020/21	FY 2021/22	Growth	FY 2020/21	FY 2021/22	Growth
Government	33	48	43%	7.9	9.4	-20%
Non-Government	86	89	3%	2.7	2.5	8%
NWSC Total	119	137	15%	3.3	3.4	-1%

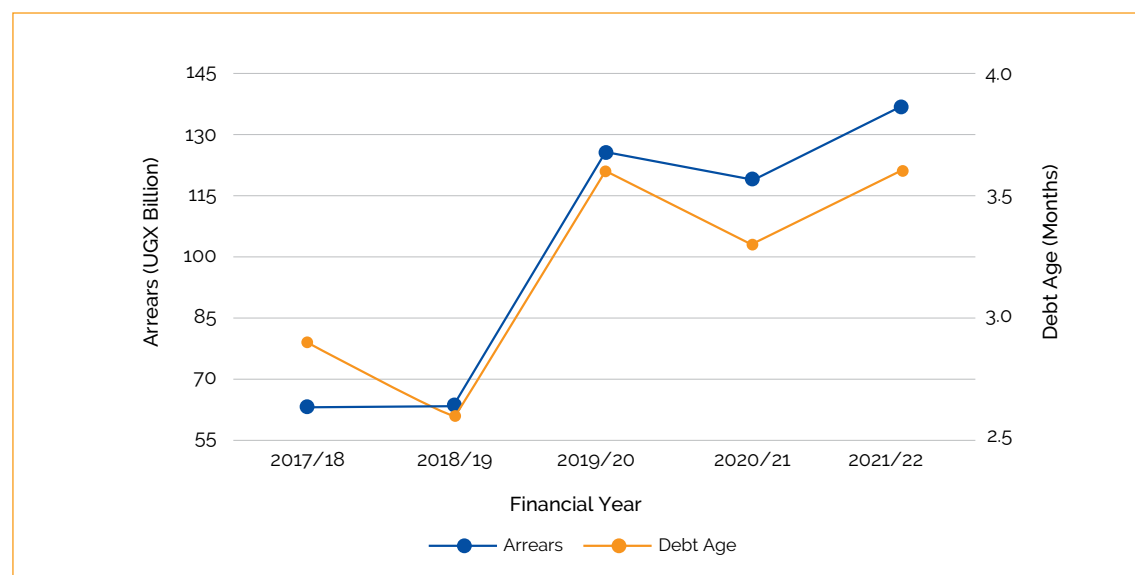


Figure 19: Annual Trend of Arrears for the FY 2017/18 to FY 2021/22



Quality Assurance

It is our mandate to supply clean and potable water to our customers. It is in this regard that the water is treated to ensure it is safe for human consumption in compliance with National and International Standards. We also ensure that the quality of wastewater effluent discharged into the environment meets the National Standards. We have a team of water chemists and microbiologists who monitor the quality of the water supplied and wastewater discharged on a regular basis. In addition, the Corporation offers laboratory services to the public.



● The Water Treatment Process

The Corporation collects water from rivers, streams, lakes, dams, wells and under-ground sources. Environmental degradation and pollution continues to affect the quality of water from the above sources, thus making it unsafe for immediate human consumption.

It is our responsibility to ensure that the drinking water delivered to the consumers is free from contaminants, which are harmful to human health. We do this by subjecting the raw water to various tests and treatment processes, which include; screening, coagulation, sedimentation, filtration and disinfection as illustrated in figure 20 below:

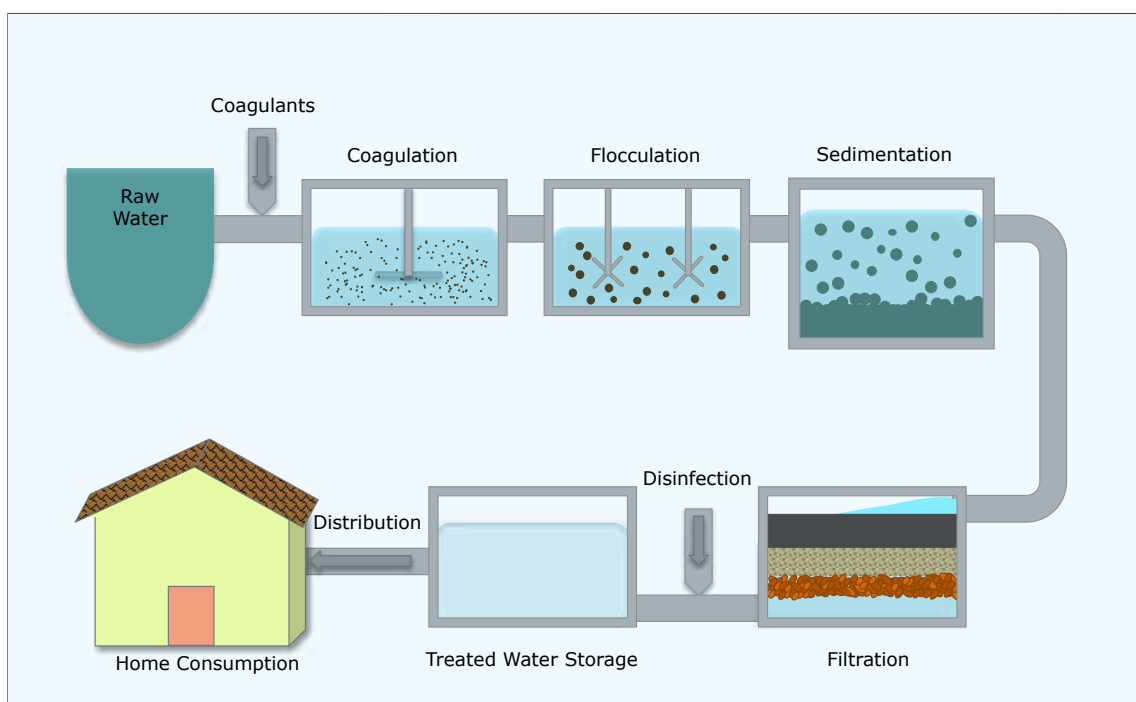


Figure 20: NWSC Water Treatment Process

Screening: Raw water is screened to remove large suspended particles and aquatic plants.

Aeration: This may be incorporated to remove elements like iron and Manganese and bad smell due to dissolved gasses if present in raw water.

Coagulation and Flocculation: Smaller lighter particulates are removed through this process. Here a coagulant is added to cause these particles to agglomerate and form bigger particles which can easily settle out.

Clarification/Sedimentation: water is left in a tank/basin for some time to allow particles to settle at the bottom. This process removes all particles that are heavy enough to settle in the given time e.g. sediments, oils, natural organic matter

Filtration: water is sent through filters packed with sand media which sieve out any remaining particles.

Disinfection: The water is disinfected with acceptable amounts of chlorine to kill any present pathogens.

pH correction: Water whose pH is outside the favourable conditions is brought to a pH between 6.5 to 8.5 which is

within the national standards for treated potable water. After this water is fit for human consumption.

● Water Quality Assurance

We closely monitor the water quality all the way from the source, through the treatment processes and distribution network, right up to when it reaches the customers taps. We take over 11,000 samples from our supply network for testing on a monthly basis.

● Independent Quality Checks

The Corporation conducts its activities according to standard operating procedures and protocols and further participates in proficiency testing with international accredited laboratories. Additionally, joint water quality monitoring is conducted together with Kampala Capital City Authority (KCCA), Uganda National Bureau of standards (UNBS) and the Ministry of Water and Environment.

Table 31 below outlines the compliance of NWSC water and wastewater to the National Standards for the parameters that are frequently monitored.

Table 31: Water and Wastewater Quality Compliance as at June 2022

Water Quality	Ingredients	Indicator	Actual Perf.
Compliance with National Standards for Drinking (potable) Water 2008	(No. of Samples passing National Standards/ Total samples tested) X 100	Bacteriological Quality (%)	99.9
		Colour (%)	85.7
		Turbidity (%)	96.7
		Chlorine residual (%)	99.1
		pH (%)	99.3
		Electrical Conductivity (%)	100
		Alkalinity Total (%)	99.9
		Hardness Total (%)	99.6
		Average (%)	98.0
Sewage Quality			
Compliance with all 54 Effluent discharge Parameters	(No. of Samples passing National Discharge Standards/ Total Samples tested) X 100	BOD (%)	73.7
		Total Suspended Solids (%)	75.7
		Average (%)	74.7

During the FY 2021/22, 98% of the water samples from all Areas complied with the National standards (98%) for potable water and WHO standard of 97%. With regard to wastewater, the systems achieved an overall compliance of 75%, which is over and above the national target of 50%.

● Water Quality Laboratories

The Corporation has a fully-fledged Water Quality Management Department with over 72 laboratories spread across the country. These include the Central Laboratory in Kampala which offers water testing services to external clients and the Regional laboratories in Gulu, Mbarara and Mbale. Parameters tested include Physical-chemical, bacteriological heavy metals and pesticides.

● Laboratory Services to the General Public

The Corporation extends water and wastewater testing services to other private institutions and the public for a small fee.

● Challenges

The deteriorating raw water quality resulting from source pollution from unregulated discharge of domestic wastewater, industrial effluent and bad farming practices. This leads to the usage of higher quantities of water treatment chemicals to treat the same volume of water.



NWSC Staff analyzing the quality of Water before being released to the final consumers.



One of the NWSC Labs in Bugolobi- Kampala.

Our Experience with the World through the External Services Unit

The NWSC established the External Services Unit (ESU) in January 2005 after effective implementation of reforms that resulted in rapid expansion of the customer base, reduction of Non-Revenue Water (NRW), improvement of staff productivity, quadrupling of the annual turnover, a change of staff behavior and attitude, and sustained corporate profit to mention but a few.

The Vision of the External Services Unit is "To Provide world- class high impact innovative solutions" and the mission is 'To provide professional, innovative and customer-focused performance enhancement solutions in an efficient and cost effective manner'.

The Core Business of the ESU includes:

- i) Advisory Services in Utility Management, Performance Planning and Management, and modernization of utilities
- ii) Technical Assistance in: -
 - Water Quality Testing/Monitoring
 - GIS Surveying and Mapping
 - ICT Service
 - Billing and Customer Care Management
- iii) Water Utility Capacity development including tailor-made training programs, Staff Attachments, on-the-job training and vocational training
- iv) Provision of Conferencing and Training facilities at the NWSC International Resource Centre (IREC) and Western & South Western Resource Centre (WESREC).

Our External Service (ES) capitalizes on NWSC's unique experiences, expertise and home-grown solutions in Utility turnaround. It creates synergies within utility providers that result in improved service delivery and sustainable utility operations in the long-term. The NWSC is therefore key in fostering both South-South and North-South Cooperation amongst utilities in the region.

With the strong motivated professional experts drawn from our own staff pool, and with strategic partners,

the NWSC ES since inception has been able to partner with several water and electricity utilities in Bangladesh, Benin, Burkina Faso, Ethiopia, Ghana, India, Kenya, Liberia, Malawi, Mali, Mozambique, Nigeria, Rwanda, Sierra Leone, South Sudan, Tanzania, Trinidad and Tobago, Tanzania, Uganda, Zimbabwe and Zambia.

In the FY 2021/22, the External Services unit was able to raise an income of UGX 2.7 Billion. Two (2) contracts were successfully completed bringing the total number of contracts completed since inception to Eighty-nine (89).

The following ES projects were implemented during the FY 2021/22;

- **Sustainable Water Fund (FDW)** in Northern Uganda for increasing access to safe drinking water and sanitation in 6 districts;
- **WATERWORX (WWX):** Utility Support to Capacity Development for Sustainable Water Services within Uganda (CaDeSWas), a Water Operator's Partnership with Vitens Evides International (VEI), Netherlands geared at building capacity of the NWSC in Asset Management and Pro-poor services;
- **BULAWAYO:** Consultancy Services for Development of Customer Relations Management Software and its integration to GIS and BIQ Systems for City of Bulawayo in Zimbabwe
- **KW Metropolitan Area Faecal Sludge Management Project (D2B FSM project).**



Director Business & Scientific Services (Dr. Rose Christine Kaggwa) at the AfWA International Conference 2020.



Infrastructure Development For Better Service Delivery

The Government of Uganda's Third National Development Plan (NDP-III) (2020-2025) identifies the provision of adequate water supply and improved sanitation as one of the key priority areas for promoting inclusive growth and wealth creation. This is also in line with the second pillar of the Parish Development Model, which relates to infrastructure and Economic Services

However, the current stock of infrastructure cannot meet the ever-increasing needs of the growing population. In addition, the financing to infrastructure development is continuously dwindling which frustrates the capacity to bridge the service delivery gaps.

However, with blended financing sources, we are committed to revamping, expanding and developing new water and sewerage infrastructure across the Country to meet the current and future

demand for water and sanitation services. We are grateful to the Government of Uganda (GoU) and Development Partners who have committed substantial resources for rehabilitation and development of water and sewerage systems. This has improved access to clean, affordable and economically viable water supply and sewerage services, and this has a ripple effect on the economic transformation of the people of Uganda.

During the FY 2021/22, we continued expanding our investment portfolio using both internally generated resources and external funding from GoU and Development Partners. The total funds invested in various infrastructure projects during the year amounted to UGX 362 billion compared to UGX 189 billion in the FY 2020/21. The progress made on the key internally and externally funded projects is summarized in the following paragraphs;

NWSC MD-Dr.Eng. Silver Mugisha inspecting the Compact Sewerage Treatment Plant in Fort Portal



Water supply projects implemented across the Country

Externally Funded Projects

The Greater Kampala Metropolitan Area (KM) has been experiencing water challenges for over 10 years due to rapid urbanization, industrial growth, and expansion of the Service Area, which now covers Kampala, Mukono and Wakiso Districts. The problem has been worsened by the deterioration in raw water quality arising from human activities such as agriculture, industrialization and urbanization among others.

Following a study which was carried out by the Corporation, the Kampala Water Supply Master Plan (KWSMP) was published in 2015, which made recommendations for addressing water supply crisis in the short, medium and long term. Water demand was predicted to increase from 250,000 m³/day to over 530,000 m³/day by the year 2040. However, the existing infrastructure could not meet this demand. The Corporation therefore developed the Kampala Water Lake Victoria Water and Sanitation (KW-LVWATSAN) Project for addressing the water challenges in Kampala.

i) The Kampala Water Lake Victoria Water and Sanitation (KW-LVWATSAN) Project

The KW-LVWATSAN Project aims at improving the capacity of the Corporation to provide adequate and good quality water supply to the Greater Kampala Metropolitan Area. The project was launched in 2011 with the following components.

- Rehabilitation and upgrading of Ggaba I and II Water Treatment Plants.
- Construction of the Katosi Water Treatment Plant.
- Construction of the Katosi-Kampala Drinking Water Transmission main.
- Water Supply and Sanitation to the Informal Settlements of Kampala
- Network Restructuring & Rehabilitation
- Project Management Assistance

The estimated project cost is Euros 372 million, being funded by GoU (Euros 34 million), KfW (Euros 30 million Grant), AfD (Euros 225 million loan), EIB (Euros 75 million loan) and EU-ITF (Euros 8 million Grant).

a) Rehabilitation and upgrading of Gaba I & II Water Treatment Plants:

This component aimed at addressing water supply challenges in greater Kampala Metropolitan Area up to the year 2035. It involved upgrading and rehabilitation of Ggaba I & II Water Treatment Plants, construction of a new 8,000m³ Reservoir at Namasuba, laying a 9.6 km of transmission Main from Gaba

to Namasuba, rehabilitation of the Muyenga Reservoirs and Reinforcing the Gaba-Naguru Transmission Line. This Project component was completed in July 2018.

b) Construction of the Katosi Water Treatment Plant, East of Kampala

This component involved construction of;

- Intake Plant of 240 million litres/day capacity
- New Water Treatment Plant of 160 million litres/day capacity
- 10 km 1200 mm DI pumping main to Nsumba Hill
- 4 Reservoirs each of 10,000 liters at Nsuba Hill

The project was substantially completed in the FY 2020/21, and during the FY 2021/22, it was undergoing system performance monitoring and attending to any snags. The system performance was acceptable and all the identified snags were handled during the financial year under review.

c) The Katosi Water- Kampala Transmission Mains

This component involved construction of;

- 38.2 km of the Gravity main (from Nsumba Hill to Namugongo via Ssonde Hill) of size 1,400 mm.
- 10.2 km of Pumping main (from Namugongo to Naguru Hill) of size 600 mm
- 1.5 km offtake to Seeta Reservoir of size 600 mm
- 0.8 km offtake to Mukono Reservoir of size 500 mm
- Reservoir of 15,000 m³ at Ssonde Hill
- Booster station at Namugongo

The project was substantially completed in the FY 2020/21, and during the FY 2021/22, it was undergoing system performance monitoring. The system performance was acceptable and project final closure is scheduled to be achieved during the FY 2022/23

d) Water Supply and Sanitation improvement in the Informal Settlements

This component involves;

- Construction of Nalukolongo faecal sludge Treatment Plant (400m³/d)
- Construction of 240 toilet stances in 17 Government schools
- Construction of 85 toilet stances in Kampala.
- Promotion of Hygiene and sanitation in 16 informal settlements and 7 KCCA Public toilets in Kampala.

At the financial year end June 2022, the works contract had been signed and the contractor had started mobilizing to commence works.



Aerial View of Katosi Water Treatment Plant; Before completion.

e) Network Restructuring & Rehabilitation.

This component involves the following;

- Laying of Transmission (60 km), Secondary (66 km) and tertiary (216 km) mains.
- Construction of 4 Booster Pumping stations
- Construction of 3 Reservoirs of volume 600-1500 m³
- Installation of 41 District Metering Areas (DMAs) and DMA feeding points
- Implementation of a SCADA system for network monitoring at 8 critical stations in the distribution network and linking to the main station at Gaba water works.
- Rehabilitation of existing 1,000 m³ mutungo reservoir.

The detailed designs were finalized, with geotechnical investigation report and topographical surveys for mains extensions completed. Evaluation of land bids for Kanyanya reservoir and Buwaate Booster Station was ongoing.

ii. South Western Cluster Project (Isingiro, Mbarara and Masaka)

The SWC project targets Isingiro area, and the cities of Mbarara and Masaka. With the elevation of Mbarara and Masaka to city status, the existing infrastructure cannot cope with the rapid growth in demand. The existing water source for Mbarara City, River Rwizi is degraded due to human activities, and is prone to floods during the rainy season, and almost dries up during the dry season.

Isingiro District is water stressed and has no reliable source of water for domestic use and production. In 2017, Isingiro District suffered the worst drought, which led to adverse famine and death of animals. In an effort to address the above situation, the

Government secured a grant from the French Development Agency (AfD) to conduct a feasibility study for the development of water and sanitation infrastructure in the South Western Cluster Towns. The study established the baseline conditions of the towns, infrastructure requirements and financial needs for the project.

Therefore, the implementation of the South-Western Cluster Project will go a long way in upgrading, expansion and development of water infrastructure and improve water supply in Mbarara Water Supply Area, the en-route towns and rural growth centres in Isingiro District.

Packages 1 and 2 which will be implemented in the Western part of Uganda include; Kagera and Mbarara components respectively. The Kagera project Component involves the construction of a New Water Intake of capacity 680,000 m³ on River Kagera at Nshungyezi, and construction of a new Water Treatment Plant and associated infrastructure. On the other hand, Mbarara Component involves Rehabilitation and expansion of the existing water supply infrastructure in Mbarara City and surrounding areas

As at June 2022, detailed designs and tender documents for Kagera and mbarara had been completed. Contract for Kagera had been signed and all project sites secured

Package 3; The Masaka water and sanitation project constitutes package 3 of the South Western Cluster Project. The project component entails rehabilitation and expansion of the existing water supply infrastructure in Masaka City and settlements on the corridors leading from Masaka Service Area to Lukaya, Kyamulibwa, Kalisizo and Mbirizi. It also includes the towns of Kyotera, Sanje, Kakuto, Mutukula, Rakai, Lyantonde, Rushere, Kazo, Kyazanga, Katovu and Sanga.

As at end of June 2022, detailed designs and evaluation of bids for contractors were complete. Implementation of project works is expected to commence during the FY 2022/23.

iii) Wakiso West WatSan Project

The Overall Objective of the project is to improve the health, living standards and productivity of the population in the project areas of the South and West of Greater Kampala, regardless of their social status or income, through equitable provision of adequate and good quality water supply and improved sanitation services at acceptable cost and on a sustainable basis.

The first phase of the project covered feasibility studies for the development of the new WTP, 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. The project entails the following interventions;

- Construction of a Water Treatment Plant (62,500m³/day) at Bwerenga
- Construction of 6 reservoirs and WTP reservoir of varying capacities in Kagga, Nsangi, Nanzinga, Bukasa, Buloba, Mpigi and at the WTP
- Laying of Primary transmission mains of 75.7 km, Secondary mains of 49.7 km and Tertiary network targeting 139,494 household connections in new areas and 71,418 households in areas with an existing network
- Installation of 8 pumping stations: (i) Kaga to Kaga PS, (ii) Sentema Junction to Lukwanga PS (iii) Bukasa to Bukasa PS (iv) Nsangi to Katende PS, (v) Nanziga to Maya PS, (vi) Nakirebe to Sekiwunga PS (vii) Buloba PS (viii) Entebbe transfer PS at WTP
- Construction of Faecal Sludge Treatment Plant (400 m³/day) –in Kajansi (Sekiwung)
- Installation of 1,500 Public Stand Pipes in informal settlements

As at end of the FY 2021/22, the project was undergoing procurement of consultancy contract for detailed design & supervision.

IV) Service Coverage Acceleration Project (SCAP 100)

In line with the Government Strategic Aspiration of 100% service coverage, NWSC has been implementing a Project code named, "100% Service Coverage Acceleration Project (SCAP100)" since 2017, with the aim of ensuring universal and equitable access to safe water supply by the population in all villages under NWSC jurisdiction.

The SCAP 100 Projects includes the following activities;

- Water 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.

Project Financing

The total financing requirement for SCAP100 over the five-year period 2017-2022 was UGX 392 billion. The Corporation committed to finance 58% (an average of UGX.41 billion per year) of the funds, with GoU financing 42% of the budget, (an average of UGX.30 billion per annum).

During the FY 2021/22, Government of Uganda released UGX 41.8 billion out of the budgeted UGX 48 billion (95%). The total amount of funds allocated and spent on SCAP100 activities during the period June 2017- June 2022 is summarized in table 32 below;

Table 32: SCAP 100 Project Financing for the period July 2017-June 2022

Financing Period	2017-2021		FY 2021/22		2017-2022	
Financing Source	NWSC	GoU	NWSC	GoU	NWSC	GoU
Commitment/Budget	152,000	140,000	52,000	48,000	204,000	188,000
Actual Expenditure						
Pipes	66,614	161,230	29,963	41,828	96,577	203,058
Fittings	21,450	-	224	-	21,674	-
Reservoirs, Boosters, Production Wells, Pumps, Generators, Land Acquisition	40,090	-	10,907	-	50,997	-
Labour For Civil Works	20,734	-	-	-	20,734	-
Total Expenditure	148,888	161,230	41,094	41,828	189,982	203,058
Over Commitment/ Under Commitment	3,112	-21,230	10,906	6,172	14,018	- 15,058

Project Performance

During the period July 2021-June 2022, the Corporation laid 1,305 km of water mains extensions, against a target of 1,000 km, representing 136% target achievement. The Corporation has expanded its water network by 9,585 km since project inception.

54,697 new customers were added only in this financial year to the NWSC grid, against a target of 62,599 new consumers. This represents a target achievement of 87%. A total of 328,498 new water consumers have been connected to the NWSC grid since inception of the SCAP 100 Project.

The Corporation also installed 2,141 public stand pipes in the reporting period, against a target of 3,600 Public Stand Pipes (59%). The total number of pro-poor Public Stand pipes installed since project inception is 18,419 covering 10,425 villages.

A number of water supply stabilization interventions were undertaken aimed at supporting the expansion, refurbishment and rehabilitation of water supply systems.

Table 33(a) below shows a summary of the SCAP 100 project performance for the FY 2021/22.

The Corporation continues to put emphasis and focus on upgrading, rehabilitating, refurbishing and strengthening the backbone infrastructure to stabilize water production and supply. This is largely aimed at meeting the ever increasing demand for Water services in the various NWSC Operational Areas.

v) The Gulu Water Supply Improvement Project Phase 2

The project is among the components implemented under the framework of the Integrated Water Management and Development Project (IWMDP) financed by World Bank, KfW and GoU and targeting the towns of Gulu, Mbale and Adjuman including support to refugees and refugee hosting communities. The IWMDP project will support GoU through the Ministry of Water and Environment (MWE) and National Water and Sewerage Corporation (NWSC) in achieving the United Nation's Sustainable Development Goals (SDGs), especially Goal No. 6, and ensure availability and sustainable management of water

and sanitation for all. It is aligned to Vision 2040, which aims at transforming Uganda into a modern and prosperous country. In addition, it will support the fulfilment of the Second National Development Plan (NDPII) goals and priority actions.

The design of the Project was informed by lessons learned from the implementation of World Bank funded project codenamed the Water Management and Development Project (WMDP). The project objective is to improve access to water supply and sanitation services, capacity for integrated water resources management and the operational performance of service providers in Project areas.

The Gulu Project Component phase 2

Phase 2, aims at bridging the gap left open by the Water Management and Development Project (WMDP) and the Integrated Program to Improve Living Conditions in Gulu Phase 1. It involves construction of a water treatment plant at Karuma, laying bulk water mains from Karuma to Gulu, construction of reservoir in Gulu, and supply to six small towns along Gulu highway. The six towns include; Karuma, Kamdini, Minakulu, Bobi, Palenga and Koro Abili.

The project will be implemented in two packages;

Package 1 funded by KfW

This includes construction of an intake structure of capacity 30,000 m³/day, which was synchronized with the Karuma dam construction and the civil works of the project was complete. It also includes construction of a Water treatment plant with an initial design capacity of 10,000 m³/day, construction of a storage reservoir reinforced concrete tank of capacity 5,000 m³/day and Water supply to six small towns enroute Gulu including towns of Karuma, Kamdini, Minakulu, Bobi, Palenga and Koro Abili.

Package 2 funded by World Bank

The project entails installation of a transmission pipeline of length 70.5 km from Karuma to Gulu.

By close of the financial year ending June 2022, contracts for the two project components had been signed with the Contractor and mobilizing to start works had commenced.

Table 33 (a): Summary of SCAP 100 Project Performance for FY2021/22

Region	New Water Mains Installed(km)	New Water Connections (Nos.)	New Public Stand Pipes (Nos)	Villages Served (Nos)
Kampala	171.4	25,174	404	195
Central	387.0	11,132	429	356
Eastern	189.2	3,452	249	450
Northern	177.9	4,597	224	500
Western & Southwestern	379.1	10,342	835	113
Total	1,304.6	54,697	2,141	1,614

Table 33 (b): Water Supply Stabilization Plans (WSSPs)

Category	Sub category	FY 2021/22
Water production improvement	Chemical Dosers	15
	Boreholes	20
	Pump	9
	Raw Water Pump	4
	High Lift Pumps	4
	Submersible High lift Pump	13
	System Upgrades/Interconnections	1
Boosters	Booster Pumps	23
	Booster sumps	1
Reservoirs	Break Pressure Tank	1
	Reservoirs	10
Power supply	Generator	7
	Transformers	7
	Grid power connection	0
	Power Extensions	1
	Solar Power Back up	0
Total		116

vi) Mbale Water Supply and Sanitation Project

This is another project component implemented under the Integrated Water Management. The existing water system in Mbale was constructed around 1939 and relies on Bungokho and Manafwa Water Treatment Plants with a total production capacity of 9,000 m³/day. The system was originally constructed for a population of around 45,000 people but currently the population has more than doubled to about 100,000 people. This has placed immense pressure on the capacity of NWSC to effectively deliver water and sewerage services.

A number of interventions have been undertaken in the production systems but little has been done in the distribution network and the expansion of sanitation services. The Ministry of Water and Environment (MWE) together with National Water and Sewerage Corporation (NWSC) jointly prepared a feasibility study report, detailed design and tender documentation for Mbale Water Supply and Sanitation Project to boost the capacity of the Corporation to meet the needs of the population. This was funded by a loan from the World Bank to the Government of Uganda and it yielded the Integrated Water Management and Development Project (IWMDP) – Mbale which entails the following:

- Rehabilitation and expansion of the Bungokho Water Treatment Plant and its abstraction points at Nabijjo and Nabiyonga.
- Construction of a new intake at Namatala.
- Upgrading of the Manafwa Water Works.
- Catchment Protection for the Manafwa and Bungokho water sources.

- Rehabilitation, upgrading and expansion of the Distribution Systems in Mbale City
- Laying of new water supply mains to Butaleja, Busolwe, Budaka, Kadama, Tirinyi and Kibuku.

The Project will benefit more than 646,000 Ugandans in the Areas of Mbale City, Butaleja, Busolwe, Budaka, Kadama, Tirinyi and Kibuku up to 2040. It will also address the problem of access to water in the informal settlements in Mbale Municipality where 43 New Public Stand Posts will be installed to serve about 74,000 people.

As at June 2022, the design review had been completed and procurement process for works contractor had commenced.

vii) Adjuman Project

The project is also being implemented under the Integrated Water Management and Development Project (IWMDP) and aims at improving water supply and sanitation in Adjumani urban area, including support to refugees and refugee hosting communities.

The project entails construction of a new water system which includes an intake, Water Treatment Plant, Transmission Pipeline, Reservoir, and Distribution System, to supply approximately 5,000 m³ per day. This project will be funded using a loan of USD 17 million from the World Bank and the GoU.

As at end of the FY 2021/22, the project detailed designs had been completed with draft tender documents prepared.

Internally Financed Projects

i) Tororo Water Supply Project

The project is aimed at improving the water supply services and water production capacity of Tororo from 5,000 m³/day to 10,000 m³/day. The project involves upgrading of the intake infrastructure, laying of a new raw water pipeline, construction of clarifiers and filters, and upgrade of electromechanical equipment and pumping mains.

As at June 2022, draft detailed designs and tender documents had been completed and implementation of works is expected to commence during the FY 2022/23.

ii) Lira Water Supply Improvement Project

The project is aimed at improving the Lira water production capacity from 5,000m³/day to 10,000m³/day, to improve water supply services within Lira district. The project works comprise of; rehabilitation of the intake infrastructure, laying of a new raw water pipeline, construction of clarifiers and filters, and upgrade of electromechanical equipment & pumping mains. By end of the FY 2021/22, draft detailed designs and tender documents had been completed with works tender expected during the FY 2022/23.

iii) Hoima Water Supply Improvement Project

Hoima city is experiencing increasing population growth caused by rural-urban migration which has put pressure on the existing services especially water supply and sanitation. National water and Sewerage Corporation (NWSC) is mandated to supply water and sewerage services to areas entrusted to it.

NWSC took over operations of Hoima area in 2012, since the takeover, a number of interventions have been implemented to improve water supply services in the area. Key among them include re-drilling four (4) of the production wells (boreholes) to replace collapsed casings and increase their yields, replacement, extension and construction of the existing and new pipe network respectively, and construction of new reservoirs and boreholes.

Despite these interventions, Hoima area is still grappling with inadequate water supply due to the limited capacity of the current water production system to meet the demand. This has resulted in dry zones like Kasengo district headquarters, Kihukia, Busisi, etc, in addition to the intermittent water supply within the city and surrounding areas of Budaka, Kiduma, Kalongo, Kyesiga among others.

Furthermore, the current systems experience frequent bursts and leakages hence interrupting water supply services. The area cannot therefore extend water supply services to the neighboring towns. In light of the above, NWSC has initiated a

project for the improvement of water supply services in Hoima city and surrounding areas. This is in line with the Government of Uganda Vision 2040 country and consequently the SDG target 6.1.

The project is aimed at improving water supply reliability in Hoima City through rehabilitation of the water supply systems in Hoima. As at June 2022, 85% of the civil works had been achieved, with pipeline works completed and 65% of the staff housing units achieved.

iv) Bushenyi Water Supply Augmented Project

The project is aimed at supplementing the current water supply services through construction of an additional water treatment plant of capacity 2,000m³/day, a storage reservoir of 600 m³ and associated pumping and distribution mains. As at June 2022, the project was undergoing procurement of works contractor, with implementation expected to commence during the FY 2022/23

v) Kyankwanzi Water Supply Project

The project is aimed at improving water supply services in Kyankwanzi town through construction of a 3,000m³/day water treatment plant on R. Mayanja and the associated distribution network. As at June 2022, the project was undergoing procurement of works contractor, with implementation expected to commence during the FY 2022/23.

vi) Lyantonde Water supply Project

The project is aimed at improving water supply reliability in Lyantonde town and the surrounding Areas including Rushara Industrial Park. The works comprise of;

- An intake of capacity 500 m³/day
- An offshore pipeline of DN 300 mm, 100 m into Lake Kakyera
- A raw water pumping main of DN 300 mm, for a length of about 1 km
- A water treatment plant of capacity 500m³/day
- A DN 300mm treating water pumping main of length 12km
- A 1500 m³ RC reservoir
- 10 km distribution pipe main of DN 300mm

As at June 2022, pipe laying and reservoir constructions had commenced, civil works stood at over 80% with Staff Houses and laboratory store at 85% complete. Sites for Reservoirs had been acquired pending signature of MOUs.

vii) Soroti water Supply project.

The project is aimed at improving the water production capacity of Soroti water supply system from 5,000 m³/day to 10,000 m³/day with the objective of increasing water supply services within Soroti. The project works comprise of upgrading the intake infrastructure, laying of a new raw water pipeline, construction

of clarifiers and filters, and upgrading of electromechanical equipment and pumping mains.

As at June 2022, draft detailed designs and tender documents had been completed, with implementation of project works expected to commence during the FY 2022/23.

viii) The Kapeeka Water Supply Project

The Project was initiated in 2016 with the objective of developing a new supply system for Kapeeka Industrial Park, Kapeeka Town Council and the neighboring settlements such as Kakoola Township, Kyelerezi Township, Singo Army Barracks, Semuto and Bukomero Towns.

The Project was implemented in two phases:

Phase 1 was completed in September 2017, leading to significant improvement in water supply. The project phase was fully financed by the Corporation using internally generated funds and it entailed the following:

- Construction of a raw water intake at River Mayanja and a conventional water treatment plant (capacity 2,500m³/day) at kakoola.
- Construction of a reservoir and water supply network

Phase 2 was funded by the Government of Uganda and it was intended to address the existing water supply challenges for the Kapeeka community and industrial park. This project phase entailed upgrading of the Kapeeka water supply system from 2,500 m³/day to 7,000 m³/day through the modification of the water Intake, expansion of the water treatment plant, construction of new reservoir, laying of bulk transfer main to the Industrial Park and development of borehole system.

The second phase was substantially completed in December 2021 and the financial year under review entailed monitoring system performance and snag handling. As at end of the FY 2021/22, system performance had improved with respect to water quality and all identified snags fixed.

ix) The Sembabule Water Project

The Sembabule Water Supply project was implemented using Market Finance with the objective of increasing water production from 300 m³/day to 3000 m³/day. The Project entailed; construction of a new intake and water treatment line including; a flocculator, coagulator, clarifier, filter and ancillary works, upgrading entire distribution network, and extension to surrounding towns of 100 km length,

The FY 2021/22 entailed monitoring system performance and snags handling. As at the end of June 2022, all identified defects had been handled and system performance was acceptable.

x) Kalungu Water Supply Project

The project is aimed at improving water supply services in Kalungu town through Construction of a 4,000 m³/day water treatment plant on R. Katonga and the associated distribution network. The project is currently under procurement of works contract.

Kapeeka Water Treatment Plant.



Water Supply Projects at the Planning Stage

i) Kanungu Water Supply Project

The project is aimed at improving water supply reliability within Kanungu town and the works will comprise of;

- Source acquisition, source protection and fencing;
- Three-Phase Power line extension – 600 m
- Construction of sump of about 80 m³
- Generator and Generator House
- Transmission main of 6"-8" of 14 km
- Additional Storage and balancing tank/reservoir – 300m³
- Distribution main of 4"-6" 4 km to supply Kabuga-Kihihi Tank
- Distribution mains of 28 km of 2"-4" 15 km for network rationalization
- Electromechanical component

Detailed designs and works tender are expected to commence during the FY 2022/23.

ii) Moroto Water Supply Project

The project is aimed at improving water supply reliability within Moroto district. The project entails reinforcement of the concrete intake structure on River Nadiket, construction of a 3,000m³/day conventional water treatment plant, comprising of; coagulator, flocculator, clarifier, filters, backwash tank, clear water well, and associated electromechanical installations. It also involves construction of service structures like a pump

house, dosing structures, staff houses, office/laboratory, and store house, as well as laying of a 6 km treated water pumping main from the water treatment plant to the main reservoir, with associated fittings.

Detailed designs and works tender are expected to commence during the FY 2022/23.

iii) Bushenyi Water Supply Augmentation Project

The Bushenyi Water Production Improvement Project is aimed at expanding the water supply system in Bushenyi Area to meet the growing demand. This will be achieved through; the construction of an additional water treatment plant of capacity 2,000 m³/day, a storage reservoir of 600 m³ and associated pumping and distribution mains. The Project is at Procurement level.

Katosi Water Works



Sanitation Projects Across The Country

Externally Financed Projects

The main draw back in the implementation of sanitation projects is the heavy investment required. Nevertheless, the Corporation has embarked on refurbishing and building infrastructure projects in Kampala and across the Country. This has been achieved with support from Development Partners and Government of Uganda, which is very crucial for the successful implementation of our sewer projects.

i) Lake Victoria Protection Project Phase I & II, Kampala Sanitation Programme Phase I

The Kampala Sanitation Program Phase I (KSPI) is a multi-donor funded initiative. The program is 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. 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 Overall Implementation concept for KSP1 embodies a two-staged approach namely; Lake Victoria Protection Project Phase I (LVPI) and Lake Victoria Protection Project Phase II (LVPII). LVP1 was jointly funded by KfW, EU-Water Facility and the Government of Uganda at a cost of Euro 15.3 million. It was completed and commissioned in 2014, and is fully operational.

LVPII involved the following key components;

- Laying 30 km of sewer pipes within the Central Business District of Kampala and the surrounding city suburbs of Ntinda, Nakawa, Banda, Kyambogo, Mbuya, Mutungo & Butabika.
- Construction of a Pre-treatment station in the Kinawataka with capacity of 9,000m³/day to carry out preliminary treatment of the wastewater from Nakawa, Ntinda, Banda, Kyambogo, Butabika, Mutungo, Mbuya and Bukoto, before pumping it to the Nakivubo WWTP for full treatment.

Components (a) and (b) were substantially completed in June 2020.

Kinawataka Pre-treatment Plant



- c) Construction of the Nakivubo Wastewater Treatment Plant at Bugolobi with the capacity of 45,000m³/day. This component consists of an inlet pump station, screens & Aerated grit chambers, primary sedimentation tank, aerated trickling filter unit, clarifiers, sludge storage tank, digesters, biogas-holding tanks, bio-filters, and all the associated fittings and electro-mechanicals. During the FY 2021/22, the project component was undergoing performance guarantee testing of section B part of the facilities and performance monitoring of the entire system. As at June 2022, system performance for the entire plant was acceptable

The Corporation is currently working on the Lake Victoria Protection III, which will benefit approximately 1.5 million people and will entail the following key components;

- Developing a sewage treatment system in Mukono and Gaba sub- catchments to reduce discharge of untreated effluents into Lake Victoria.
- Expanding the tertiary and secondary sewer networks to have more people connected onto the centralized sewer system.

ii) The South Western Cluster Water Project

NWSC is implementing the Water and Sanitation Infrastructure Development Project in the towns of Masaka and Mbarara. The project is being financed by GoU (Euro 6 million) and AFD (Euro 120 million) and is aimed at improving the water supply and sanitation infrastructure in the towns of Masaka, Mbarara and some of the surrounding areas.

Specific to Sanitation, the Project entails the rehabilitation and expansion of the existing sanitation infrastructure in Mbarara and Masaka. As at June 2022, detailed designs were completed and evaluation of bids for contractor was ongoing.

iii) Mbale Sanitation Project

The Corporation is procuring a contractor for the Mbale WATSAN project under the Integrated Water Management and Development Project (IWMDP). The Namatala and Doko Wastewater Treatment Ponds will be rehabilitated under the Project.

iv) Adjumani Sanitation Project

This is another project under the IWMDP funding. It has a component for improving the sanitation infrastructure in Adjumani-Pakele and the neighboring towns. The Corporation is currently procuring a contractor to undertake the works under the project.

Table 34: Status of Public Toilets Constructed as at June 2022

Region / Area	Financial Years					Target 2021/22	Target Perf.
	2017/18	2018/19	2019/20	202/21	2021/22		
New Public Toilets Constructed	0	0	0	5	11	140	8%
Total Number of Public Toilets Constructed	141	141	141	146	167	281	59%

v) Sanitation Investment Plan (SIP)

The Corporation is working on a Sanitation Investment Plan, which will cover all the towns under its jurisdiction. The SIP will focus on addressing the sanitation challenges across the Country by collaborating with the private sector. The estimated cost of implementing the Project is approximately UGX 88 billion. It will focus on sewer expansions and extensions, improvements on sewage treatment facilities, construction of communal and public toilets, development of faecal sludge systems, and deployment of cesspool emptier trucks. The Project has not yet taken off because the Corporation is still sourcing for funds.

v) Emptier trucks

The Corporation has 9 emptier trucks, which are mainly used for servicing the Corporation's sewerage wastewater treatment ponds to ensure continuous maintenance of the ponds.

vi) Construction of Public Toilets

As part of its Corporate Social Responsibility undertakings, the Corporation has constructed 21 new public toilets in the FY 2021/22 in the Areas of Mpigi, Pader, Ibuje, Bushenyi and Rukungiri. The total number of Public Toilets constructed by NWSC as at June 2022 stood at 167. (See table for details)

vii) Water Supply and Sanitation to the Informal Settlements

This component involves;

- Construction of Nalukolongo faecal sludge Treatment Plant (400 m³/d)
- Construction of 240 toilet stances in 17 Government schools
- Construction of 85 toilet stances in Kampala.
- Promotion of Hygiene and sanitation in 16 informal settlements in Kampala.

At the financial year end June 2022, the works contract had been signed and the contractor had started mobilizing to commence works.

viii) Compact Sewerage Treatment for Kiruddu

The Project is aimed at providing a lasting solution to the wastewater collection and disposal challenges of Kiruddu Referral Hospital through the design and construction of an appropriate wastewater collection, treatment, and disposal system. The design and implementation of the Project was spearheaded by NWSC. The project was completed and is currently under defects liability period.



Completed Water Supply Projects using Market Financing

NWSC's strategic focus is to ensure water for all for the socio-economic growth and transformation of Uganda. The existing infrastructure however is inadequate to meet the current population needs and the available resources are insufficient for infrastructure expansions. Confronted with these challenges, the Corporation explored the possibility of market financing using commercial loans to implement a number of critical projects in different parts of the country, with support from the Government.

In 2020, the Corporation was able to acquire its first commercial loan of UGX 50 billion from Equity Bank, which enabled it cover the investment gap at the time and a number of Capital Projects were implemented using the acquired fund. These included:

1) The Kapchorwa Water Supply Project

The project is aimed at solving the water supply challenges in Kapchorwa town mainly related to intermittent supply, poor quality of raw water and inadequate water quantities to meet the existing demand.

The Project entailed; construction of a new water treatment plant of 3,000 m³/day at Kapenguria to augment the existing supply, laying of a 4 km bulk water transfer main from the plant to the kaptebum reservoir and rehabilitation of the chebukat water treatment plant and cheseber intake.

The project was completed in March 2020 at a cost of UGX 10 billion. The water production consequently increased from 1,000 m³/day to 28,000 m³/day and over 120,000 people in Kapchorwa town are benefiting from the project.

2) Fort Portal Water Production Improvement Project

The project was implemented to increase the water production capacity of the existing plant in order to match the growing demand of the town. The key project milestones included; construction of an additional water treatment line with a capacity of 3,000 m³/day which included; construction of a coagulator, flocculator unit, a chemical dosing structure (for alum and chlorine dosing), a hopper bottom clarifier with lamella plates, rapid sand filters and filter media and refurbishment of the existing water treatment plant.

The project was completed in June 2021 at a cost of UGX 2.7 billion. There are no major snags reported and the volume of water produced has increased by 3,000m³/day.

3) Sembabule Water Supply Project

The project aimed at eliminating the water supply challenges in Sembabule town characterized by intermittent supply, frequent system failures, high levels of pipe bursts and leakages and limited access.



The Project entailed:

- Rehabilitation and expansion of the water treatment plant in Kikoma from 300 to 3,000 m³/day.
- Upgrading of the 4.1 km raw water pumping main at Kyogya intake and 8.6 km Water Transmission Mains from 4 to 8 inches.
- Expansion of the water storage reservoir from 110 m³ to 1,000 m³, extension of a 42 km distribution main from Sembabule Town Centre to Lugusulu.
- Construction of a booster station at Mbuye
- Construction of a 100 m³ reservoir at Lusheshe Hill and another at Kyabi.

The Project has been implemented at a cost of UGX 14 Billion (approximately USD 3.8 million) and was substantially completed at 31st August 2021. The system is now operational, serving approximately 300,000 people in Sembabule Town and the surrounding Areas.

4) Jinja-Iganga Water Supply Improvement Project

The Jinja water supply system was set up in 1939, and was extended to Iganga in 2005. The system was however faced with a number of challenges including; intermittent water supply, inadequate supply to satisfy the existing demand, and low pressure in some Areas.

The Corporation implemented a number of interventions including; installation of a new 4 km transmission mains from the water treatment plant to Rubaga hill reservoir, 4 No. higher capacity high lift pumps and a 1,000 KVA transformer, overhaul of 6 Filters, drilling of 7 new production boreholes in Iganga, Mayuge, Jinja and Njeru, and construction of 2 new 100 m³ steel tanks in Jinja and Njeru.

The Project was implemented at a cost of UGX 5.6 billion, and has increased water supply by 6,000 m³/day. The system serves an additional 300,000 people in over 200 Villages in Jinja, Iganga, Mayuge, Kayunga and Buikwe.

5) Parombo Water Supply Project

In 2018, His Excellency the President of the Republic of Uganda visited Parombo Town Council. He noted that this township with a total population of about 28,000 people is fast growing but lacked adequate water supply. He therefore, directed NWSC to extend water to Parombo Town. However, the Corporation did not have the funds to implement this Project and GoU had not budgeted for the Project.

The NWSC Board allocated UGX 3 billion, out of the Market Finance Facility to fast track the development of the Parombo Water Scheme. The project entailed:

- Developing two production wells
- Construction of a 162 m³ capacity water storage tank on Acana hill and a 60 m³ capacity sump.
- Laying of 4.3 km of transmission mains and 10.3 km of distribution mains.

The Parombo Water Supply Scheme was commissioned in August 2021 and is serving over 20,000 people.

6) Kisoro - Nkanka Water Supply project

The Kisoro-Nkanka Water Supply Project was constructed from 2017-2019 with a capacity of 3,120 cubic meters per day. However, this capacity was unable to meet the existing demand in the Area.

The Board allocated UGX 1.5 Billion (approximately USD 0.4 million) to address the above challenges. The project components included;

- Upgrading of the Water Treatment Plant from 3,120 to 5,760 cubic meters per day.
- Laying of a pumping main to supply Bunanagana Town Council, Muramba and Nyarusinza.
- Construction of a 270 cubic meter reservoir at Gishegera Hill.

The Project has been completed and is fully operational.

Intake for Masindi Water Supply Project



Additional Market Financing of UGX 95 Billion

Despite the above interventions, there is still need for substantial investments in other towns. Given the limited resources the Corporation is unable to implement all the infrastructure requirements at once. The Corporation therefore undertakes the infrastructure developments in a phased manner depending on the urgency.

Currently, the Corporation has secured another UGX.95 billion from the Uganda Development Bank and Housing Finance Bank for the rehabilitation and development of water systems for the Areas of Lyantonde, Hoima, Kyankwanzi, Tororo, Soroti, Bushenyi and Moroto Areas among others which require immediate attention. The cash flows of the Corporation cannot support the immediate financing needs of the Projects. In addition, the Corporation has not been able to secure funding from either GoU or the Development Partners.

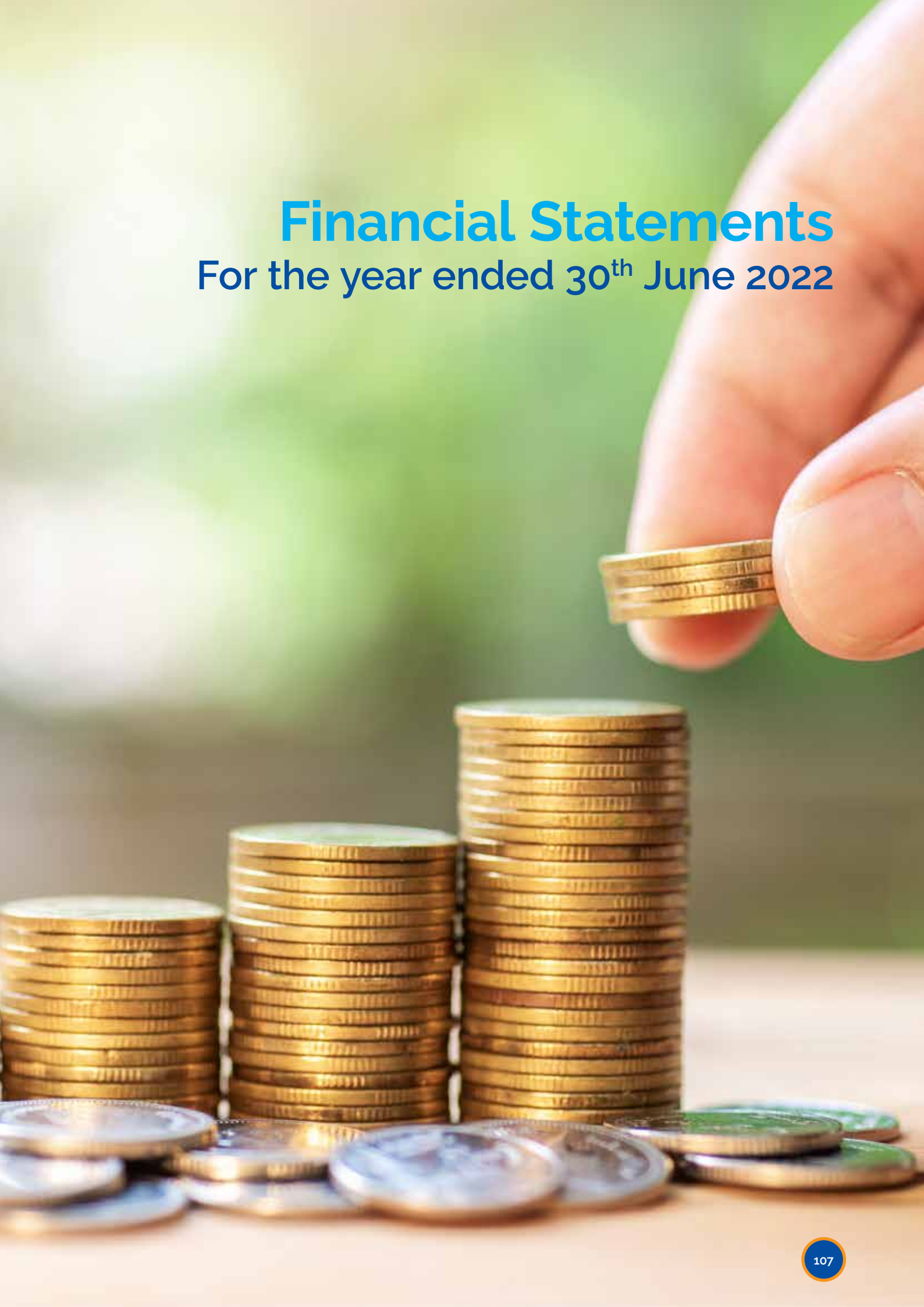
Table 35: Allocation of the Market Finance (UGX. 95 Billion).

#	Area/Town/City	Project	Cost Estimate (UGX)	Duration
	Lyantonde	Lyantonde Water Supply Project	15,800,000,000	12 months
	Hoima	Hoima Water Production Improvement Project	5,900,000,000	9 months
	Kyankwanzi	Kyankwanzi Water Supply Project	7,700,000,000	12 months
	Tororo	Tororo Water Production Improvement Project	7,400,000,000	12 months
	Soroti	Soroti Water Production Improvement Project	6,000,000,000	12 months
	Moroto	Moroto Water Supply Project	7,200,000,000	12 months
	Bushenyi	Bushenyi Water Supply Augmentation Project	10,000,000,000	12 months
	Kalungu	Kalungu Water Supply Project	16,000,000,000	12 months
	Kanungu	Kanungu Water Supply Improvement Project	4,000,000,000	12 months
	Training Facilities (New)	Kachung in Lira Area	8,000,000,000	12 months
	Training Facilities (rehabilitation)	Bushenyi – Ishaka	2,000,000,000	12 months
	Area Offices (Completion)	Lira, Kasese, Bushenyi, Rukungiri and Arua	2,000,000,000	12 months
	Area Offices (New Offices)	Fort Portal, Kanungu, Busia, Kalungu	3,000,000,000	12 months
Total Cost Estimate			95,000,000,000	



Financial Statements

For the year ended 30th June 2022



Report of the Directors

The Directors hereby submit their report together with the Financial Statements for the National Water and Sewerage Corporation for the year ended 30th June 2022.

Activities

The NWSC Act 1995 mandates the Corporation to provide water and sewerage services in areas entrusted to it on a commercially viable basis.

Results

The financial performance of the Corporation during the reporting period is summarized below:

	2022 UGX'000	2021 UGX'000
Income	519,282,447	460,816,731
Profit Before Depreciation and Amortisation	122,743,958	106,439,432
Depreciation and Amortisation	(124,072,013)	(87,763,893)
Finance cost	(9,746,170)	(6,954,959)
Taxation Credit/(Charge)	(27,791,920)	36,068,585
Profit/(Loss) for the year	(38,866,146)	47,789,165

Income

Total Income increased from UGX 461 billion in FY 2020/21 to UGX 519 billion in the reporting period, an increase of 13%. Water and Sewerage Income increased by 13%, while Other Incomes registered a reduction of 63%. Investment Income registered an increase of 79%. Deferred Income increased by 22%.

i) Water and Sewerage Income

This is the main source of revenue to the Corporation. Water and Sewerage Income increased by 13% from UGX 376 billion in the year ending 30 June 2021 to UGX 424 billion in 2022.

Additional water from the Katosi Water Treatment Plant (WTP), the reopening of the economy and extension of water services (SCAP 100) contributed to the growth in water and sewerage income.

ii) Other Income

This includes revenues from External Services contracts, Sale of Tender documents and provision of Laboratory services. During the reporting period, UGX 3.5 billion was realized from Other Incomes compared to UGX 9.3 billion in the previous year. In FY 2020/21, the Corporation received a tax refund from URA amounting to UGX 4.2 billion. This is the main reason for the reduction in other incomes by 63% in the reporting period.

iii) Investment Income

The Income from Investments increased from UGX 80 million in FY 2020/21 to UGX 143 million in the reporting period, an increase of 79%.

iv) Deferred Income

The Corporation receives grants from GoU and Development Partners for implementing Major Capital Projects. For completed projects, the Grant provided is recognized as income over the expected useful life of the projects. The grants from GoU in relation to the SCAP 100 and Subvention Projects are treated as income in the period in which it is received.

During the reporting period, Deferred Income of UGX 92 billion was released to the Statement of Profit or Loss compared to UGX 75 billion in the previous year

Operating Costs

Staff Costs

Staff costs increased by 12% from UGX 150 billion in FY 2020/21 to UGX 168 billion in the current year. New staff were appointed to manage the new Katosi WTP. In addition, more staff joined the NWSC Provident Fund Scheme during the reporting period, leading to increased employer's contributions.

Administrative Costs

Administrative expenses increased by 42% from UGX 47 billion in FY 2020/21 to UGX 67 billion in FY 2021/22. The increase is attributable mainly to expenditure on training, subsistence allowances, meetings and travels following the re-opening of the economy after COVID-19. Additional expenditure was also incurred on security for the new water installations.

Static Plant and Pipe Network Maintenance

Static plant and pipe network maintenance costs increased by 8% from UGX 100 billion in the previous year to UGX 109 billion in FY 2021/22. The increase was mainly on electricity for production since additional Plants were commissioned at Katosi WTP and Sembabule. There was also increased cost for fuel and lubricants, which increased expenditure on generators for stand by water production. Expenditure on maintenance of the pipe network also increased due to the growth in network coverage and the need to replace the old pipe networks.

Supplies and Services

Supplies and services costs increased by 3% from UGX 31 billion in FY2020/21 to UGX 32 billion in FY 2021/22, mainly due to increased expenditure on printing, publications and chemicals as a result of increased water production at Katosi WTP.

Premises Maintenance Costs

Premises maintenance costs reduced by 12% from UGX 11 billion in FY 2020/21 to UGX 10 billion in FY 2021/22.

Transport expenses

Transport costs reduced by 21% from UGX 15 billion in FY2020/21 to UGX 12 billion in FY2021/22.

Finance Costs

Finance costs increased by 40% from UGX 7 billion in FY2020/21 to UGX 10 billion in FY 2021/22. This was due to the fact that the Equity Loan Facility was fully disbursed by the beginning of the year. In addition, the Corporation made a partial draw down on the second loan facility from Housing Finance Bank in syndication with the Uganda Development Bank.

Operating Profit

The Corporation reported an increase of 15% in the Operating Profit Before Depreciation from UGX 106 billion in the FY 2020/21 to UGX 123 billion in the current Financial Year.

Dividends

The Directors do not propose any dividend payment for the FY 2021/22. Profits generated will be reinvested to expand the infrastructure and increase access to water and sewerage services.

Total Assets

The Total Asset base increased by 8% from UGX 3.8 trillion in the FY 2020/21 to UGX 4.1 trillion in the FY 2021/22.

Non-Revenue Water (NRW)

The Corporation recorded Global NRW of 35.4% in the FY 2021/22, compared to 34.6% in the FY 2020/21. Kampala Water registered NRW of 41.3%, Central Region (24.3%), Eastern Region (26.4%), Northern Region (24.2%) and Western & South Western (28.0%). The Board has approved a number of measures that the Corporation will undertake to address the Non-Revenue Water challenge.

Land

Over the past five years, the Corporation took over additional towns from Government which had no titles. The process of acquiring the titles for all our properties is continuing.

Our Auditors

In accordance with section 15 of the Public Enterprise Reform and Divestiture Act, the Financial Statements of the Corporation shall be audited once every year by the Auditor General or an Auditor appointed by him to act on his behalf.

During the Financial Year 2021/22, the Auditor General appointed Sejjaaka, Kaawaase and Company Certified Public Accountants to carry out the audit of the Corporation on his behalf and report directly and solely to him.

By order of the Board,



Edith Katete
Corporation Secretary
Date: 14th December 2022

Corporate Governance Report

The Board and Management

The National Water and Sewerage Corporation's Board and Management are committed to ensuring the best principles of Corporate Governance. These principles are applied throughout all the operations of the Corporation.

The Board

The Board of Directors is the policy making body of the Corporation and it makes the policies on behalf of the Government of Uganda. The Board of Directors' functions and responsibilities are set out in the National Water and Sewerage Corporation Act Cap 317 (Laws of Uganda, 2000) and these include: -

- a) Developing policies and strategies to be followed by the Corporation in achieving its objectives and carrying out its functions.
- b) Ensuring that Management performs its functions and exercises its powers in a proper, efficient and economical manner in accordance with policies and strategies established by the Board.
- c) While Management remains responsible for the day to day running of the affairs of the Corporation, there are specific decisions that have to be referred to the Board for approval.

Board Constitution

The Board comprises of nine Government appointed Directors plus the Managing Director of the Corporation. One of the Directors heads the Directorate of Water Development.

In appointing the Directors, the Hon. Minister of Water and Environment appoints persons having qualifications in the following fields;

- a) Knowledge and Experience in the Water Sector.
- b) Public Finance, Banking or Economics.
- c) Business Management.
- d) Commerce and Industry.
- e) Environmental Management.
- f) Public Health.

Meetings of the Board

The Board meets at least once every three months. Board Committee meetings take place every quarter or as and when there is business. The Board operates through five committees which have been mentioned under Governance and Leadership.

Statement of Directors Responsibilities

The National Water and Sewerage Corporation Act Cap 317 (Laws of Uganda 2000), requires the Directors to prepare Financial Statements for each Financial Year which give a true and fair view of the state of affairs of the Corporation as at the end of the Financial Year and of the operating results for that year. The Directors are also required to ensure that the Corporation keeps proper accounting records which disclose with reasonable accuracy at any time the financial position of the Corporation. They are also responsible for safeguarding the assets of the Corporation.

The Directors are responsible for the preparation and fair presentation of these Financial Statements in accordance with International Financial Reporting Standards and in the manner required by the National Water and Sewerage Corporation Act (Laws of Uganda 2000). This responsibility includes: designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of Financial Statements that are free from material misstatement, whether due to fraud or error, selecting and applying appropriate accounting policies, and making accounting estimates that are reasonable in the circumstances.

The Directors accept responsibility for the Annual Financial Statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgments and estimates, in conformity with International Financial Reporting Standards and in the manner required by the National Water and Sewerage Corporation Act (Laws of Uganda 2000). The Directors are of the opinion that the Financial Statements give a true and fair view of the state of the financial affairs of the Corporation and of its operating results. The Directors further accept responsibility for the maintenance of accounting records which may be relied upon in the preparation of Financial Statements, as well as adequate systems of internal financial control.

Nothing has come to the attention of the Directors to indicate that the Corporation will not remain a going concern for at least the next twelve months from the date of this statement.



Board Chairman



Managing Director



Director

Report of the Auditor General on the Financial Statements of National Water and Sewerage Corporation for the Year Ended 30th June 2022

THE RT. HON. SPEAKER OF PARLIAMENT

Report on the Audit of the Financial Statements

Opinion

I have audited the accompanying financial statements of National Water and Sewerage Corporation for the year ended 30th June 2022. These financial statements comprise the Statement of Financial Position as at 30th June 2022, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory notes as set out on pages 13 to 40.

In my opinion, the accompanying financial statements, give a true and fair view of the financial position of the Corporation as at 30th June 2022, and of the financial performance and cash flows for the year then ended in accordance with the International Financial Reporting Standards and the National Water and Sewerage Act, Cap 317, Laws of Uganda.

Basis of Opinion

I conducted my audit in accordance with International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am independent of the audited entity in accordance with the Constitution of the Republic of Uganda (1995) as amended, the National Audit Act, 2008, the International Organization of Supreme Audit Institutions (INTOSAI) Code of Ethics, the International Ethics Standards Board for Accountants (IESBA) Code of Ethics for Professional Accountants (Parts A and B), and other independence requirements applicable to performing audits of Financial Statements in Uganda. I have fulfilled my other ethical responsibilities in accordance with the IESBA Code, and in accordance with other ethical requirements applicable to performing audits in Uganda. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key Audit Matters

Key audit matters are those matters that, in my professional judgment, were of most significance in my audit of the financial statements of the current period. These matters were addressed in the context of my audit of the financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

Report of the Auditor General on the Financial Statements of National Water and Sewerage Corporation for the Year Ended 30th June 2022 cont'd

Key Audit Matter	How our audit addressed the KAM
1) Implementation of IFRS 9, Financial Instruments (Financial Asset Receivable)	
IFRS 9 requires all Financial Instruments classified and measured at amortized cost to be subjected to a prudential Expected Credit Loss assessment even when there are clearly no risks of default at the very inception. The financial statements under Note 28 include a Financial Asset in form of Trade Receivables. Management has estimated the fair value of the net financial asset receivable to be UGX 159.8 billion as at 30th June 2022. Due to the significance of the above, we considered Impairment of Trade Receivables to be a Key Audit Matter.	My procedures in relation to management's valuation of financial asset receivable included: • Examining the requirements of IFRS 9 • Obtaining and reviewing the impairment model adopted by management • Reviewing management's computations to confirm that they are in line with the model while assessing the appropriateness of the key assumptions made based on our knowledge of the accounting requirements, against the requirements of the respective standards.
	I report that: - • The Trade Receivables was subjected to the "Expected Credit Loss test" using simple provision matrix or calculations as required by IFRS 9. • The necessary disclosures have been made in the financial statements. • While IFRS 9 requires corporate periodic assessment and documentation of the risk and parameters leading to the expected credit loss, a report to that effect was not provided for my review. I have advised management to carry out periodic assessment and documentation of the risk and parameters leading to the Expected Credit Loss as required by IFRS 9.
2. Implementation of New IFRS 16 Leasing and subsequent amendment on Rent Concessions(2020) due to COVID-19	
The date for compulsory full adoption of IFRS 16, <i>Leasing</i>, was 1st January 2019 and the amendments due to COVID-19, was 1st June 2020. IFRS 16 requires that all lease contracts whose terms are more than 12 months and whose values are in excess of USD 5,000 (Five thousand United States Dollars) to be accounted for using a single lease model by the Lessee. That is, the lessee shall recognize a fair value of the leased assets (Right of Use of leased Assets) with its associated	My procedures in relation to management's reporting of Right of Use of Assets and related liabilities included: • Examining the requirements of IFRS 16, • Obtaining and reviewing the IFRS16 models leading to the fair values of Rights of Use of Assets and present value of the lease obligations adopted by management, • Assessing management's computations in

Report of the Auditor General on the Financial Statements of National Water and Sewerage Corporation for the Year Ended 30th June 2022 cont'd

depreciation, the present value of the lease obligations with its associated amortized expenses using the effective interest rate. Similarly, COVID-19 effects, that would trigger rental concessions by Lessor, would allow Lessee, an election, as a practical expedient, not to vary the amounts of Operating Leased Assets and Liabilities in its Present Value Computation. The variation would reduce the annual Operating Lease Liabilities only.	line with the model and the appropriateness of the key assumptions based on our knowledge of the accounting requirements, against the requirements of the respective standards and provisions NWSC elected to 'grand-father' the existing lease contract and applied IFRS 16 prospectively from 1st July 2020 as per IFRS 16 requirements.
I noted that NWSC leased vehicles, offices and land under operating lease contracts whose terms were more than twelve (12) months. In above regard, under note 26, NWSC recognized on Operating Lease, Right to Use Non-Current Asset, of UGX 5.7b and Operating Lease Liabilities of UGX 4.09b. Under note 15 is UGX 124 for value of Right of Use asset amortization. Due to its significance and technical requirement above, I considered modelling of operating lease assets (Right of Use Assets) in order to determine; the fair value of right to use assets, related amortization of Right Use of assets, the present value of the operating obligations, as well as the Amortized expenses relating to the lease obligation, a Key Audit Matter	- NWSC recognized "Right to Use" Asset and related Operating Lease Liabilities with necessary, measurements (per IFRS 16 Modular), presentation and disclosures. - NWSC had no rental concession offer from Lessor during the on- going COVID-19 period, to the effect that it was not necessary to have an election of the practical expedient treatment in respect to IFRS 16- as amended on COVID-19, I have advised Management to conduct annually comprehensive and authorized IFRS 16 models to enable determination of specific amounts for recognition in the financial statements and disclosure thereto.
3. Land Matters	
Included in the Financial statements under Notes 23.and 26 are UGX 180.4b (Freehold land) and UGX 4.03b. (Leasehold land) respectively. I noted the following matters with regard to land: - Land with expired leases. - Some land titles were yet to be transferred in the names of NWSC - Land hosting NWSC infrastructures still owned by other Government sister agencies without vesting Memorandums of Understanding (MOU) - Land and water infrastructures	My audit procedures in relation to management's reporting on land and related disputes included: - Examining the required land ownership documents which included titles, agreements and land registers of NWSC. - Reviewing related litigation files and transactions therein. - Examining project files and progressive projects' reports. - Reviewing assets (Land) verification reports - Obtained written representations from

Report of the Auditor General on the Financial Statements of National Water and Sewerage Corporation for the Year Ended 30th June 2022 cont'd

transferred to NWSC with ownership contestations and some encroached upon. Due to nature of NWSC investments that require land resources as a major factor; and given the continued delay to resolve the challenges with land titles and escalating costs of providing water services, I considered land and related challenges a Key Audit Matter.	NWSC legal department and their lawyers. These findings are key concerns that affect service delivery and impact implementation of the approved investments of NWSC. I advised management to ensure that expired leases are renewed; titles obtained; MoUs signed with other government institutions on land holding NWSC , but without titles; and solve any land issues of encroachment and contestations.
4. Financial Data Incident	
During the year under audit on 18th day of August, 2022 the company became aware of an incident affecting the ICT servers used to maintain financial records and other critical systems. The incident resulted into loss of all financial data to the date of the incident. There was no up-to-date backup system. The internal investigation report to establish the cause of the incident has not yet been issued. Management contracted an accounting systems Consultant to work with the organization's IT team to reconstruct the data based on available information before the data loss and back-up up to 30th April 2022. Ie have focused on this area because the incident affected the principal ICT financial system used to prepare the financial statements of the company and hence affected the total integrity of the financial reports.	I became aware of the data loss incident at the start of the audit. I interacted with the data rebuilding team on site to appreciate the magnitude of the problem and to establish the procedures being followed to recover the lost data. I was availed an initial trial-balance as at 30th June, 2022 which had been extracted prior to the incident. I was also availed subsequent trial balances post data recovery, but as at 30th June 2022. I later reconciled these respective trial balances with the one of the same date extracted for the same date but before data recovery. I noted and raised variances for each of the trial balances availed with the pre-data trial balance, which I brought to management's attention to verify, explain and reconcile. With the input of my embedded ICT experts I tested for completeness and accuracy of the data as recovered probing for segregation of duties /roles, duplicated transactions, missing transaction/entries and completion of the accounting cycle. I reported the identified flaws in ICT management environment and advised on the necessary closure steps.
	I probed for any differences between the final reconstructed data base and the consolidated trial balance. I identified exceptions attributed to systems error resulting from the data recovery exercise and advised management to effect the corrections and to implement online real time off-site backups. I obtained the internal audit report on the reconstructed trial balances to conform that they are a true representation of the operations and financial position of NWSC as at 30th June 2022. The steps taken by management and the

Report of the Auditor General on the Financial Statements of National Water and Sewerage Corporation for the Year Ended 30th June 2022 cont'd

	reconciliations carried out thereafter my observations, and those of the internal audit indicate nothing significant to make me doubt the correctness of the reconstructed information. I have nothing further significant to report on this matter.
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Other Information

The Directors are responsible for the other information. The other information comprises the Director's report, but does not include the financial statements and my auditor's report thereon.

My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or in my knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this other information; I am required to report that fact.

I have nothing to report in this regard.

Responsibilities of Directors for the Financial Statements

The Directors are responsible for the preparation of the financial statements that give a true and fair view in accordance with International Financial Reporting Standards and the requirements of the National Water and Sewerage Act, Cap 317, Laws of Uganda, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Corporation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor General's responsibilities for the audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement, when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users, taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:-

Report of the Auditor General on the Financial Statements of National Water and Sewerage Corporation for the Year Ended 30th June 2022 cont'd

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide the Directors with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

From the matters communicated with the Directors, I determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Reporting Responsibilities

As required by the National Water and Sewerage Act, Cap 317, Laws of Uganda, I report to you, based on my audit, that:

- I have obtained all the information and explanations which to the best of my knowledge and belief were necessary for the purposes of my audit;
- In my opinion proper books of account have been kept by the Corporation, so far as appears from my examination of those books;

Report of the Auditor General on the Financial Statements of National Water and Sewerage Corporation for the Year Ended 30th June 2022 cont'd

- The Corporation's Statement of Financial Position and Statement of Comprehensive Income are in agreement with the books of account.

Report on the audit of Compliance with legislation

In accordance with sections 13 and 19(1) of the National Audit Act, 2008, I have a responsibility to report material findings on the compliance of National Water and Sewerage Corporation with specific matters in key legislations. I performed procedures to identify findings but not to gather evidence to express assurance.

There were no material finding(s) in respect of the compliance criteria for the applicable subject matter.



John F.S. Muwanga
AUDITOR GENERAL

27th December, 2022

Statement of Profit or Loss and Other Comprehensive Income for the period ended 30th June 2022

		30-Jun 2022	30-Jun 2021
	Note	UGX '000	UGX '000
Income			
Water and sewerage income	5	424,100,369	376,170,941
Other incomes	6	3,467,075	9,268,693
Investment income	7	143,307	79,849
Deferred income	22	91,571,697	75,297,248
Total Income		519,282,447	460,816,731
Expenditure			
Employee Benefit expenses	8	167,572,661	150,048,611
Administrative Cost	9	66,676,643	46,975,959
Static Plant and Pipe Network	10	108,845,453	100,428,234
Supplies and Services	11	32,223,996	31,336,176
Premises Maintenance	12	9,617,582	10,916,970
Transport & Mobile Plant	13	11,602,154	14,671,349
Total expenditure before Depreciation		396,538,489	354,377,299
Operating Profit Before Depreciation		122,743,958	106,439,432
Depreciation and amortisation	15	(124,072,013)	(87,763,893)
Operating profits before finance costs		(1,328,055)	18,675,539
Net financial cost	14	(9,746,170)	(6,954,959)
Net (Loss) Profit Before Tax		(11,074,226)	11,720,580
Tax Credit/ (Charge)	16 (a)	(27,791,920)	36,068,585
Profit (Loss) for the year		(38,866,146)	47,789,165

The Accounting policies and notes on pages 124 to 147 form an integral part of these Financial Statements

Statement of Financial Position as at 30th June 2022

	Note	As at 30-Jun 2022 UGX '000	As at 30-Jun 2021 UGX '000
EQUITY			
Equity and reserves			
Government funding	17	410,889,416	317,233,669
Revaluation reserves		620,956,262	630,782,617
Retained earnings		360,697,936	389,737,727
Total Equity		1,392,543,614	1,337,754,013
Non-current liabilities			
Borrowings	18	44,897,521	49,113,316
Terminal Benefits	20	3,579,493	4,137,395
Deferred tax liabilities	21	324,797,926	297,042,135
Lease Obligations	26(c)	2,221,102	4,685,083
Deferred Income	22	2,002,059,507	1,783,825,057
Total Non- Current liabilities		2,377,555,549	2,138,802,986
Total Equity and Non- Current liabilities		3,770,099,162	3,476,556,998
Represented By			
Non-current Assets			
Property plant and equipment	23	3,356,860,186	2,549,199,070
Capital Works- in-Progress	24	167,879,895	810,703,143
Intangible Assets	25	1,583,272	64,619
Right of Use Assets	26	9,764,058	12,385,111
Investment in NWSC Insurance Co.	34	171,816	60,000
Total Non-current Assets		3,536,259,227	3,372,411,943
Current assets			
Tax recoverable	16 (b)	2,177,717	2,027,969
Inventories	27	38,155,099	31,839,826
Trade and other receivables	28	212,509,937	168,128,852
Short term Bank deposits	29	1,643,487	11,178
Cash and bank balances	30 (a)	296,884,905	197,411,145
Total current assets		551,371,146	399,418,970
Total Assets		4,087,630,373	3,771,830,913
Current liabilities			
Borrowings	18	8,921,631	3,063,553
Annual Terminal Benefits	19	15,440,355	12,084,383
Deferred income	22	48,914,452	75,297,248
Lease Obligations	26	1,874,960	3,682,150
Trade and other payables	31	242,379,813	201,146,580
Total current liabilities		317,531,210	295,273,914
Net Current Assets		233,839,936	104,145,056
Net Assets		3,770,099,162	3,476,556,998

The Financial Statements and their notes set out on pages 124 to 147 were approved by the Board of Directors on 14th December 2022 and were signed on its behalf by:



Board Chairman



Managing Director



Director

Statement of changes in Equity for the period ended 30th June 2022

	Government Funding UGX 000	Revaluation Reserve UGX 000	Retained Earnings UGX 000	Total Equity UGX 000
At 1 st July 2020	317,204,458	640,811,367	332,122,207	1,290,138,032
Exchange rate translation loss	-	(202,395)	-	(202,395)
Net profit (loss) for the year	-	-	47,789,165	47,789,165
Assets Taken over	29,211	-	-	29,211
Transfer of excess depreciation	-	(9,826,355)	9,826,355	-
At 30 th June 2021	317,233,669	630,782,617	389,737,727	1,337,754,013
As at 1 st July 2021	317,233,669	630,782,617	389,737,727	1,337,754,013
Net profit (loss) for the year	-	-	(38,866,146)	(38,866,146)
Assets Taken over	93,655,747	-	-	93,655,747
Transfer of excess depreciation	-	(9,826,355)	9,826,355	-
At 30 th June 2022	410,889,416	620,956,262	360,697,936	1,392,543,614

The Accounting policies and notes on pages 124 to 147 form an integral part of these Financial Statements

Statement of Cash Flows for the period ended 30th June 2022

	Note	30 June 2022 Ushs '000	Totals Ushs '000	30 June 2021 Ushs '000	Totals Ushs '000
Cash Flows from Operating Activities					
Net profit from Operations		(1,328,055)		11,720,580	
Deferred income	22	(91,571,697)		(75,297,248)	
Depreciation & Amortisation	15	124,072,013		87,763,893	
Decrease in provision for obsolete stock		(27,067)		(9,820)	
Stock losses (Stock write down)		13,391		53,410	
Stock write down		286		-	
Bad debts - water services written off		1,678,148		1,463,728	
Exchange rate loss		115,251		75,304	
Interest Expense		-		6,879,655	
Interest Income Accrued		(143,307)		(79,849)	
		32,808,963		32,569,653	
Increase in Inventories		(6,315,273)		5,160,916	
Reduction in Annual Terminal Benefits (Ring-Fenced)		(557,902)		(992,563)	
Increase in Trade & other receivables		(44,381,085)		54,478,862	
Increase in Annual terminal benefits		3,355,972		(5,670,436)	
Increase in Trade and other Payables		<u>41,233,233</u>		<u>(37,973,009)</u>	
		(6,665,056)		15,003,770	
Tax Paid		(32,916)		(32,707)	
Interest Paid					
Equity Bank		(7,130,644)		-	
HFB/UDB		-		-	
Bank of Africa		<u>(292,640)</u>		<u>-</u>	
Net Cash Flow from Operating Activities		(7,456,200)	18,687,707	(32,707)	47,540,716
Cash Flows from Investing Activities					
Purchase of Property plant and equipment	23	(834,800,704)		(129,161,997)	
Capital Work in Progress	24	642,823,248		(255,379,807)	
Acquisition of Intangible assets		(1,518,653)		-	
Decrease in right of use assets					
Investment in NWSC Insurance Company		(111,816)		(60,000)	
Interest Income received		<u>143,307</u>		<u>79,849</u>	
Net Cash Flow from Investing Activities			(193,464,619)		(384,521,955)
Cash Flows from Financing Activities					
Increase in Borrowings	18	8,588,503		12,123,055	
Loan redemption	18	(6,946,221)		(7,169,915)	
Decrease in Lease Obligations		(6,131,714)		(138,520)	
Proceeds from Grants	22	<u>283,424,589</u>		<u>387,800,714</u>	
Net Cash Flow from Financing Activities			278,935,157		392,615,334
Net Increase in Cash & Cash Equivalents			104,158,246		55,634,095
Movement in Cash and Cash Equivalents					
At start of the year			194,358,771		138,724,676
Increase/Decrease			104,158,246		55,634,095
At Year End			298,517,017		194,358,771

The Corporation arranged a syndicate loan of Ushs.95 billion with Housing Finance Bank and Uganda Development Bank during the reporting period. As at 30th June 2022, Ushs. 8,588,503,000 had been disbursed and utilized, leaving an undrawn amount of Ushs. 86,411,497,000 as at that date.

The facility is available for the rehabilitation, expansion and construction of water projects in Lyantonde, Hoima, Kyankwanzi, Tororo, Soroti, Moroto, Bushenyi, Kalungu, Kanungu and construction of Area Offices and Training Centers. The funds are expected to be fully utilized within 24 months from the date of Statement of Financial Position.

The Accounting policies and notes on pages 124 to 147 form an integral part of these Financial Statements

Notes to the Financial Statements

1 Summary of Significant Accounting Policies

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS). The principal accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented, unless otherwise stated.

(a) Basis of Preparation

The financial statements have been prepared under the historical cost convention, except where the assets have been revalued. The historical cost convention is generally based on the fair value of the consideration given in exchange of assets. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or liability, the Corporation takes into account the characteristics of the asset or liability if market participants would take those characteristics into when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for measurements that have some similarities to fair value but are not fair value, such as net realisable value in IAS 2 or value in use in IAS 36.

Going concern

The financial performance of the Corporation is set out in the Director's report and in the statement of profit or loss and the other comprehensive income. The financial position of the Corporation is set out in the statement of financial position.

The NWSC is a Statutory Public Corporation empowered under the NWSC Act CAP 317 Laws of Uganda 2000 as a body corporate, to enter into such Contracts and act as a Water Supply and Sewerage Authority in Uganda.

The Ministry of Water and Environment is mandated under the Water Act CAP 152, Laws of Uganda 2000 to enter into Performance Contracts with Water and/or Sewerage Authorities appointed in accordance with Section 46 of this Act, to provide water supply and sewerage services to the people of Uganda efficiently and economically and it is understood that the areas specified on page 11 are already declared Water and Sewerage Supply Areas, and National Water and Sewerage Corporation (NWSC) has been appointed as such the Water and Sewerage Authority.

The Performance Contract (PC 6) which is the main instrument for regulating water supply and sewerage services provided and managed by NWSC was renewed and is deemed to take effect on and from the 1st day of July 2018 and for a period of three (3) years or until it is terminated in accordance with the provisions of this agreement or any other governing law in Uganda. Accordingly, the directors are of the opinion that the Corporation is well placed to continue in business for the foreseeable future and as a result the financial statements are prepared on a going concern basis.

These financial statements comply with the requirements of the National Water and Sewerage Corporation Act, 1995, Cap. 317, Laws of Uganda. The statement of comprehensive income represent the Statement of financial transactions during the year referred to in the Act. The statement of financial position is as referred to in the Act.

New and amended standards adopted by the Corporation

A number of new and revised Standards and Interpretations have been adopted in the current year. Their adoption has had no material impact on the amounts reported in these financial statements.

Notes to the Financial Statements continued ►

New standards, amendments and interpretations issued

International Financial Reporting Standards 9 (IFRS 9): Financial Instruments

IFRS 9 requires all financial assets to be measured at fair value on initial recognition and subsequently at amortised cost or fair value (through profit or loss or through other comprehensive income), depending on their classification by reference to the business model within which they are held and their contractual cash flow characteristics.

For financial liabilities, the most significant effect of IFRS 9 relates to cases where the fair value option is taken: the amount of change in fair value of a financial liability designated as at fair value through profit or loss that is attributable to changes in the credit risk of that liability is recognised in other comprehensive income (rather than in profit or loss), unless this creates an accounting mismatch.

For the impairment of financial assets, IFRS 9 introduced an "expected credit loss" (ECL) model based on the concept of providing for expected losses at the inception of a contract; this requires judgement in quantifying the impact of forecast economic factors. For financial assets for which there has not been a significant increase in credit risk since initial recognition, the loss allowance should represent ECLs that would result from probable default events within 12 months from the reporting date (12-month ECLs). For financial assets for which there has been a significant increase in credit risk, the loss allowance should represent lifetime ECLs. A simplified approach is allowed for trade receivables and lease receivables, whereby lifetime ECLs can be recognised from inception.

The Corporation has adopted IFRS 9 as issued by the IASB in July 2014 with a date of transition of 1 January 2018, which resulted in changes in accounting policies and adjustments to the amounts recognised in the financial statements. The Corporation adopted IFRS 9 in the financial year 2018/19.

The adoption of IFRS 9 has resulted in changes in the accounting policies for recognition, classification and measurement of financial assets and financial liabilities and impairment of financial assets. IFRS 9 also significantly amends other standards dealing with financial instruments such as IFRS 7 'Financial Instruments'.

IFRS 15: Revenue from contracts with customers

Under IFRS 15, revenue from sale of goods is recognised when the customer obtains control of the goods. Revenue from sales of services is recognised over time provided the consumption of the service by the customer is simultaneous with the performance of the service by the Company. The application of the standard, retrospectively, in the current year has not had a material impact on the financial position or financial performance of the company, and a prior period adjustment has, therefore, not been required. However, minor changes in presentation have been necessary, including the separate presentation of contract assets and contract liabilities, which were previously presented net as 'work-in-progress'.

Amendments to IAS 12 'Income Taxes' effective for annual periods beginning on or after 1 January 2019 clarifying on the recognition of income tax consequences of dividends. Amendments to IAS 19 'Employee Benefits' effective for annual periods beginning on or after 1 January 2019 clarifying the effects of a retirement benefit plan amendment, curtailment or settlement.

b) Critical accounting estimates and judgement

In the application of the accounting policies, the directors are required to make the judgments, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other relevant factors. Such estimates and assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

The directors have made the following assumptions that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Notes to the Financial Statements continued ►

b) Critical accounting estimates and judgement continued

Measurement of expected credit losses (ECL)

The measurement of the expected credit loss allowance for financial assets measured at amortised cost and FVTOCI is an area that requires the use of complex models and significant assumption about future economic conditions and credit behaviour. A number of significant judgements are also required in applying the accounting requirements for measuring ECL, such as:

- Determining criteria for significant increase in credit risk;
- Choosing appropriate models and assumptions for the measurement of ECL;
- Establishing the number and relative weightings of forward-looking scenarios for each type of product/market and associated ECL; and
- Establishing groups of similar financial assets for the purposes of measuring ECL.

ECLs are measured as the probability-weighted present value of expected cash shortfalls over the remaining expected life of the financial instrument.

The measurement of ECLs is based primarily on the product of the instrument's Probability of Default (PD), Loss Given Default (LGD), and Exposure at Default (EAD).

The ECL model applied for financial assets other than trade receivables and contains a three-stage approach that is based on the change in the credit quality of assets since initial recognition.

Stage 1 - If, at the reporting date, the credit risk of non-impaired financial instruments has not increased significantly since initial recognition, these financial instruments are classified in Stage 1, and a loss allowance that is measured, at each reporting date, at an amount equal to 12-month expected credit losses is recorded.

Stage 2 - When there is a significant increase in credit risk since initial recognition, these non-impaired financial instruments are migrated to Stage 2, and a loss allowance that is measured, at each reporting date, at an amount equal to lifetime expected credit losses is recorded. In subsequent reporting periods, if the credit risk of the financial instrument improves such that there is no longer a significant increase in credit risk since initial recognition, the ECL model requires reverting to recognition of 12-month expected credit losses.

When one or more events that have a detrimental impact on the estimated future cash flows of a financial asset have occurred, the financial asset is considered credit-impaired and is migrated to Stage 3, and an allowance equal to lifetime expected losses continues to be recorded or the financial asset is written off.

Assessment of significant increase in credit risk

The determination of a significant increase in credit risk takes into account many different factors including a comparison of a financial instruments credit risk or PD at the reporting date and the credit or PD at the date of initial recognition. IFRS 9 however includes rebuttable presumptions that contractual payments are overdue by more than 30 days will represent a significant increase in credit risk (stage 2) and contractual payments that are more than 90 days overdue will represent credit impairment (stage 3). The group uses these guidelines in determining the staging of its assets unless there is persuasive evidence available to rebut these presumptions. For trade receivables, the group has applied the simplified model under IFRS 9 where lifetime expected credit loss allowance is recognised on the basis of a provisioning matrix.

Useful lives of property and equipment

Management reviews the useful lives and residual values of the items of property and equipment on a regular basis. During the financial year, a revaluation of property, plant and equipment was undertaken, the result of which are reported under Note 23.

Notes to the Financial Statements continued ►

b) Critical accounting estimates and judgement continued

Impairment of receivables

The directors review the portfolio of trade receivables on an annual basis. In determining whether receivables are impaired, the directors make judgment as to whether there is any evidence indicating that there is a measurable decrease in the estimated future cash flows expected.

c) Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for sale of services, in the ordinary course of business and is stated net of Value Added Tax (VAT).

The Corporation recognizes revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the Corporation and when specific criteria have been met for each of the Corporation's activities as described below. The amount of revenue is not considered to be reliably measured until all contingencies relating to the sale have been resolved. The Corporation bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

The Corporation recognizes all revenues at the time of billing. Should the Corporation consider that the criteria for revenue recognition are not met for a transaction, revenue recognition would be delayed until such a time as the transaction becomes fully earned.

- (i) Sale of water is recognized based on periodic meter readings or estimates thereof when readings cannot be taken;
- (ii) Sewerage income is recognised based on the water billing for the month multiplied by the rate applicable to the client's classification/category;
- (iii) Sale of goods is recognised upon delivery of products and customer acceptance;;
- (iv) Interest income is accrued by reference to time in relation to the principal outstanding and the effective;
- (v) Interest rate applicable;

d) Insurance Contracts

Transactions in foreign currencies during the year are converted into Uganda Shillings (the functional currency), at the rates ruling at the transaction dates. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. The resulting differences from translation are dealt with in the statement of Profit or loss in the year in which they arise.

(e) Property, plant and equipment

All property, plant and equipment are initially recorded at cost and therefore stated at historical cost less depreciation. Historical cost comprises expenditure initially incurred to bring the asset to its location and condition ready for its intended use.

Freehold and leasehold land, buildings and plant and machinery are subsequently shown at market value, based on periodic valuations and is not less subsequent amortisation for leasehold land. Freehold land is not depreciated.

Revaluations are performed with sufficient regularity such that the carrying amounts do not differ materially from those that would be determined using fair values at the end of each reporting period. Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset, and the net amount is restated to the revalued amount of the asset.

Notes to the Financial Statements continued ►

(e) Property, plant and equipment continued

Increases in the carrying amount arising on revaluation are credited to other comprehensive income except to the extent that it reverses a revaluation decrease for the same asset previously recognised in profit or loss, in which case the increase is credited to profit or loss to the extent of the decrease previously expensed. Decreases that offset previous increases of the same asset are charged to other comprehensive income; all other decreases are charged to profit or loss. Each year the difference between depreciation based on the revalued carrying amount of the asset (the depreciation charged to profit or loss) and depreciation based on the asset's original cost is transferred from the retained earnings to revaluation reserve.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Corporation and the cost of the item can be reliably measured. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to profit or loss in the year which they are incurred.

Depreciation on other assets is calculated using the straight-line method to write down the cost of each asset, to its residual value over the estimated useful life using the following annual rates:

	Rate%
Civil structures and buildings	1%
Technical Structures	3%
Pipe works	3%
Electro-mechanical equipment	3%
IT and office equipment	20%
Office furniture and fittings	20%
Mobile plant	20%

The assets residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposal of property and equipment are determined by comparing the proceeds with the carrying amount and are taken into account in determining operating profit.

(f) Intangible assets

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimates being accounted for on a prospective basis.

Computer software

Computer software licences are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortised over their estimated useful lives which are estimated to be 5 years. Intangible assets comprise the accounting, billing and audit software.

Costs associated with developing or maintaining computer software programmes are recognised as an expense as incurred. Costs that are directly associated with the production of identifiable and unique software products controlled by the Corporation, and that will probably generate economic benefits exceeding costs beyond one year, are recognised as intangible assets. Direct costs include software development staff costs and an appropriate portion of relevant overheads.

Notes to the Financial Statements continued ►

(g) Leases

IFRS 16 'Leases' (issued in January 2016) effective for annual periods beginning on or after 1 January 2019, replaces IAS 17 'Leases', IFRIC 4 'Determining whether an Arrangement Contains a Lease' and their interpretations (SIC-15 and SIC-27). IFRS 16 establishes principles for the recognition, measurement, presentation and disclosure of leases, with the objective of ensuring that lessees and lessors provide relevant information that faithfully represents those transactions

(h) Inventories

Inventories are stated at the lower of cost and net realizable value. Cost is determined by the weighted average cost basis less provisions for impairment. The cost of finished goods and work-in-progress comprises raw materials, direct labour and other direct costs. Net realizable value is the estimated selling price in the ordinary course of business, less the costs of completion and applicable variable selling expenses.

(i) Capital and revenue grants

Grants are recognized at their fair value where there is reasonable assurance that the grant will be received and all attaching conditions will be complied with.

When the grant relates to an expense item, (revenue grant) it is recognised as income over the periods necessary to match the grant on a systematic basis to the costs that it is intended to compensate.

Where the grant relates to an asset, (capital grant) it is recognised in the profit and loss account on a systematic basis over the expected useful life of the relevant asset.

(j) Government funding

Government contribution to the activities of the Corporation in form of assets transferred and long term debt capitalized into equity are classified as government funding within equity.

(k) Cash and Cash Equivalents

For the purpose of the cash flow statement, Cash and cash equivalents comprises cash in hand, deposits held at call with banks, and financial assets with maturities of less than 91 days, net of bank overdrafts and money market lines.

In the statement of financial position, bank overdrafts are included within borrowings in current liabilities.

(l) Retirement benefit obligations

The Corporation and its employees contribute to the National Social Security Fund (NSSF), a statutory defined contribution scheme registered under the NSSF Act. The company's contributions to the defined contribution scheme are charged to profit or loss in the year to which they relate.

(m) Annual Terminal Benefits

The Corporation operates an annual contract gratuity scheme. Under the scheme, the Corporation's employees are paid their contract gratuity at the end of each year of service. All the Corporations employees have renewable contracts that run for three years.

Notes to the Financial Statements continued ►

(m) annual terminal benefits continued

The Corporation recognizes a liability and an expense for bonuses based on prior year performance. The Corporation recognizes a provision where contractually obliged or where there is past practice that has created a constructive obligation.

The estimated monetary liability for employees' accrued annual leave entitlement at the reporting date is recognized as an expense.

(n) Financial instruments

Financial instruments are recognised when, and only when, the Corporation becomes party to the contractual provisions of the instrument. All financial assets are recognised initially using the trade date accounting which is the date the Corporation commits itself to the purchase or sale.

Financial assets

The corporation classifies its financial assets in accordance to amortised cost.

Amortised cost

Financial assets that are held within a business model whose objective is to hold assets in order to collect contractual cash flows, and for which the contractual terms of the financial asset give rise on specified dates to cash flows that are Solely Payments of Principal and Interest (SPPI) on the principal amount outstanding and are not designated at Fair Value Through Profit or Loss (FVTPL), are classified and measured at amortised cost. The carrying amount of these assets is adjusted by any expected credit loss allowance recognised and measured.

At initial recognition of a financial asset, the Corporation determines whether newly recognised financial assets are part of an existing business model or whether they reflect the commencement of a new business model. The Corporation reassess its business models each reporting period to determine whether the business models have changed since the preceding period. For the current and prior reporting period the Corporation has not identified a change in its business models.

Derecognition/write off

Financial assets are derecognised when the rights to receive cash flows from the financial asset have expired, when the Corporation has transferred substantially all risks and rewards of ownership, or when the Corporation has no reasonable expectations of recovering the asset.

Financial instruments that are subsequently measured at amortised cost are subject to impairment.

Impairment

The Corporation recognises loss allowances for Expected Credit Losses (ECLs) on the following financial instruments that are measured at amortised cost:

- Cash and cash equivalents
- Trade and other receivables
- Short term deposits

The loss allowance is measured at an amount equal to the lifetime expected credit losses for trade receivables and for financial instruments for which:

- the credit risk has increased significantly since initial recognition; or
- there is observable evidence of impairment (a credit-impaired financial asset).

If, at the reporting date, the credit risk on a financial asset other than a trade receivable has not increased

Notes to the Financial Statements continued ►

Financial assets continued

significantly since initial recognition, the loss allowance is measured for that financial instrument at an amount equal to 12-month expected credit losses. All changes in the loss allowance are recognised in profit or loss as impairment gains or losses.

Lifetime expected credit losses represent the expected credit losses that result from all possible default events over the expected life of a financial instrument. 12-month expected credit losses represent the portion of lifetime expected credit losses that result from default events on a financial asset that are possible within 12 months after the reporting date.

Expected credit losses are measured in a way that reflects an unbiased and probability-weighted amount determined by evaluating a range of possible outcomes, the time value of money, and reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

All financial assets are classified as non-current except those that are held for trading, those with maturities of less than 12 months from the balance sheet date, those which management has the express intention of holding for less than 12 months from the reporting date or those that are required to be sold to raise operating capital, in which case they are classified as current assets.

Financial liabilities

Financial liabilities that are held for trading (including derivatives), financial guarantee contracts, or commitments to provide a loan at a below-market interest rate are classified and measured at fair value through profit or loss. The Corporation may also, on initial recognition, irrevocably designate a financial liability as at fair value through profit or loss if doing so eliminates or significantly reduces a measurement or recognition inconsistency.

All other financial liabilities are classified and measured at amortised cost.

2 Provisions

Provisions for environmental restoration, restructuring costs and legal claims are recognised when the company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount has been reliably estimated. Restructuring provisions comprise lease termination penalties and employee termination payments. Provisions for future operating losses are not recognised.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligation may be small. The amount recognised as a provision is the best estimate of the present value of expenditures expected to be incurred to settle the obligation using a pre-tax rate that reflects the current market assessments of time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense in profit or loss under finance costs.

3 Taxation

The tax expense for the period comprises current and deferred income tax. Tax is recognized in the profit and loss account except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case the tax is also recognized in other comprehensive income or directly in equity respectively.

Notes to the Financial Statements continued ►

3 Taxation continued

Current tax

Current income tax is the amount of income tax payable on the taxable profit for the year determined in accordance with the relevant tax legislation.

Deferred Income Tax

Deferred tax is provided using the liability method for all temporary differences arising between the tax bases of assets and liabilities and their carrying values for financial reporting purposes. Currently enacted tax rates are used to determine deferred tax. Deferred tax assets are recognised only to the extent that it is probable that future taxable profits will be available against which temporary timing differences can be utilised.

Deferred income tax assets are recognized only to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilized.

4 Comparatives

Where necessary, comparative figures have been adjusted to conform with changes in presentation in the current year.

Notes to the Financial Statements continued ►

5 Water and sewerage income

	30-Jun 2022 UGX'000	30-Jun 2021 UGX'000
Consumption charges water	342,225,142	301,516,320
Consumption charges sewer	54,417,076	47,337,884
Service charges	14,968,743	14,246,720
Connection fees	8,118,733	8,427,739
Reconnection fees	174,515	171,590
Septic tank emptying	305,258	339,718
Sale of composite/sludge	37,909	23,123
Building water sales	304	2,446
Discharging into sewers	57,329	39,184
Water tanker sales	427,149	489,715
Meter separation	1,451,581	2,157,238
Income from rechargeable works	-	354,500
Fines	1,892,135	1,064,764
Tokens Issued	24,494	33,857
	424,100,369	376,204,798

6 Other income

Decrease in provision for obsolete stock	-	9,820
Sale of obsolete stock/scrap	252,744	139,249
Sale of tender documents	61,500	231,844
Sale of I.D cards	407	165
Rental income	116,832	109,888
Insurance claims	193,463	21,380
Income from external services	2,031,044	3,065,620
Miscellaneous income	292,593	5,215,929
Laboratory services income	432,067	410,282
International resource centre	86,125	10,165
Sale of stock	300	19,986
Sale of assets	53,991	508
Total other Income	3,467,075	9,234,836

7 Investment income

Interest receivable on bank deposits	143,307	79,849
Total Investment Income	143,307	79,849

Notes to the Financial Statements continued ►

8 Employee Benefit Expenses

The following items are included within the employee expenses:-

	30-Jun 2022 UGX'000	30-Jun 2021 UGX'000
Basic pay	76,591,901	68,235,471
Housing expense	17,500,073	16,195,758
Medical expense	10,040,589	8,322,001
National Social Security Fund contributions	11,727,591	10,550,785
Lunch and transport allowance	7,061,862	6,741,585
Car and cycle allowance	8,865,288	7,801,663
Performance/attendance bonus and overtime	3,512,004	3,247,091
Work bonus	1,886,177	706,090
Leave transport and allowance	2,544,353	2,212,299
Annual Terminal Benefits (Note 19)	23,497,564	21,895,430
Shift allowance	490,117	456,941
Terminal benefits interest	144,866	133,616
Provident Fund	3,404,627	2,737,676
Workmen's compensation	10,900	509,531
Funeral expenses	294,748	302,674
Total employee expenses	167,572,661	150,048,611

9 Administrative expenses

	30-Jun 2022 UGX'000	30-Jun 2021 UGX'000
Board expenses	2,563,975	1,258,381
Meeting expenses	3,921,332	1,938,417
Local travels	13,450,303	9,512,914
Foreign travels	723,941	93,645
Publicity	12,575,536	12,478,769
Entertainment	2,439	6,187
General insurance	58,340	95,903
Legal and professional expenses	1,048,230	2,560,830
Training expenses and allowances	4,037,519	368,044
Donations and subscriptions	1,685,670	966,333
Lunch and transport	16,286,923	9,107,596
Contribution to staff sports	217,314	183,844
Process bench marking	6,096	-
Security	5,563,604	4,350,634
Bad debts - water services written off	1,678,148	1,463,728
Stock losses	13,391	53,410
Staff transfer	378,223	308,910
Other professional charges	1,866,607	1,693,766
Bank charges	375,499	320,930
Research Expense	-	2,560
Performance Review Expenses	4,019	605
Audit fees payable	191,651	210,553
Courier	355	-
Stock write down	286	-
Depreciation Provision	175	-
Increase in Provision for obsolete stock	27,067	-
Total Administrative expenses	66,676,643	46,975,959

Notes to the Financial Statements continued ►

	30-Jun 2022 UGX'000	30-Jun 2021 UGX'000
10 Static plant and pipe network expenses		
Electricity	73,739,894	70,349,225
Plant repairs & maintenance	7,177,326	6,511,267
Pipe network repairs & maintenance	21,855,586	18,186,500
Fuel and lubricants	5,308,539	4,391,467
Insurance	2,787	311,056
Sand	217,973	182,674
Disludging Sewerage Ponds	126,027	110,995
Water abstraction permits	257,364	306,518
Catchment Restoration	159,956	78,532
Total Static plant and pipe network maintenance	108,845,453	100,428,234
11 Supplies and services expenses		
Water treatment chemicals	22,176,589	21,106,461
Equipment repairs and minor purchase	375,826	292,511
Printing, stationery and publications	3,449,871	544,702
Tools and light plant	382,954	1,068,599
Uniforms and protective wear	1,135,172	500,601
Computer license	661,016	3,214,671
Lease of data communication links	879,407	1,071,495
Office supplies	2,801,741	3,351,128
Laboratory equipment and reagents	321,954	186,008
Laboratory equipment	39,466	-
Total Supplies and services expenses	32,223,996	31,336,176
12 Premises expenses		
Repairs and maintenance	4,807,514	6,083,499
Cleaning materials	1,017,008	1,248,694
Electricity	693,524	494,751
Water	229,244	286,031
Fixtures and fittings	368,082	199,213
Rent, rates and telephone	2,502,210	2,604,782
Insurance	-	-
Total Premises expenses	9,617,582	10,916,970
13 Transport and mobile plant costs		
Fuel and lubricants	9,685,415	7,409,385
Repairs and maintenance	1,470,193	1,542,956
Hire of transport	311,401	5,573,805
Insurance	13,966	11,848
License, road toll and taxes	121,178	133,355
Total Transport and mobile plant expenses	11,602,154	14,671,349

Notes to the Financial Statements continued ►

14 Finance costs

	30-Jun 2022 UGX'000	30-Jun 2021 UGX'000
Exchange loss	115,251	75,304
Interest on Long term loan	8,361,428	6,879,655
Interest on Right of Use	1,269,492	-
Total Finance Costs	9,746,170	6,954,959

15 Depreciation and amortisation

Depreciation (Note 23)	120,795,335	87,641,401
Amortization of intangibles (Note 25)	460,437	34,679
Amortization of right of use assets (Note 26)	2,816,241	87,813
Total depreciation & amortisation	124,072,013	87,763,893

16 Income tax expense

Current income tax	36,129	32,966
Deferred tax credit to profit or loss (Note 21a)	27,755,791	(36,101,551)
Income tax expense	27,791,920	(36,068,585)

The tax on the Corporation's profit before income tax differs from the theoretical amount that would arise using the statutory income tax rate as follows:

	30-Jun 2022 UGX'000	30-Jun 2021 UGX'000
Profit before income tax	(11,074,226)	11,720,580
Tax calculated at the statutory income tax rate of 30% (2021, 2020 - 30%)	(3,322,268)	3,516,174
Tax effects of:		
Income not subject to tax Note 22	(25,773,628)	(22,589,174)
Expenses not deductible for tax purposes	29,095,895	19,073,000
Rental Tax	(116,832)	32,966
Income tax expense	(116,832)	32,966

The movement in current Income tax recoverable for the year is as follows:

	2022 Shs'000	2021 Shs'000
At start of year	2,027,969	3,585,302
Rental tax charge	116,832	(32,966)
Tax Recovered		(1,557,074)
	2,144,801	1,995,262
Income tax paid	32,916	32,707
16 (b) At end of year	2,177,717	2,027,969

Notes to the Financial Statements continued ►

17 Government funding

	30-Jun 2022 UGX'000	30-Jun 2021 UGX'000
At the start of the year	317,233,669	317,204,458
Assets taken over during the year	93,655,747	29,211
As at 30th June	410,889,416	317,233,669

Government funding represents a build-up of capital contributions to the Corporation from GoJ overtime. The contributions in the year ended 30th June 2021 consisted of verified stock which were handed over by Ministry of Water and Environment to Kumi and Ntoroko Areas following the completion of the Water Projects in those Towns. The assets which were taken over in 92 Towns were valued at UGX 93.7 billion (Gross) as at 1st July 2021.

The revaluation surplus represents the surplus on the revaluation of all assets net of deferred income tax and is non-distributable. In 2008, the Corporation revalued all its assets. The exercise was carried out by an external valuation firm (Bellar Consult), as at 31 January 2008.

18 Borrowings

As at 1st July 2021

	30-Jun 2022 UGX'000	30-Jun 2021 UGX'000
Equity Bank	49,113,316	36,700,000
Bank of Africa	3,063,553	3,353,814
Additions		
Equity Bank		12,123,055
HFBU/UDB mid term	8,588,503	-
Interest charge		
Equity Bank	7,945,544	6,050,892
Bank of Africa	292,640	414,381
HFBU/UDB mid term	123,244	
Payments		
Equity Bank	(12,074,735)	(5,760,631)
Bank of Africa	(3,232,913)	(704,642)
	53,819,152	49,113,316
Short Term Loan (Bank of Africa)	0	3,063,553
Total borrowings	53,819,152	52,176,869
Due within one year	8,921,631	3,063,553
Due after one year	44,897,521	49,113,316
Total borrowings	53,819,152	52,176,869

In the FY 2019/20, Government authorized NWSC to obtain a medium term loan of UGX. 50 billion to address the urgent water challenges around the Country. This facility is with Equity Bank and has been fully disbursed. Government also authorised additional borrowing of UGX.95 billion in medium term financing during the current Financial Year. The second facility is with Housing Finance Bank (HFB) in syndication with Uganda Development Bank (UDB). UGX. 53,699,144 which appears under Liabilities is the outstanding amount due for both Equity and HFB/UDB facilities. The outstanding facilities are repayable on a quarterly basis until 2027, when they will be fully amortised

Notes to the Financial Statements continued ►

19 Annual terminal benefits

	30-Jun 2022 UGX'000	30-Jun 2021 UGX'000
At start of year	12,084,383	17,754,819
Charge for the year	23,497,564	21,895,431
Payments during year	(20,141,592)	(27,565,867)
At end of year	15,440,355	12,084,383

20 Terminal benefits (Ring-fenced)

At start of year	4,137,395	5,129,958
Accrued interest on terminal benefits	144,866	133,616
Provision/Adjustment		(442,850)
Payments during the year	(702,768)	(683,329)
At end of year	3,579,493	4,137,395
Due within one year	-	-
Due after one year	3,579,493	4,137,395
Total terminal benefits (Ring-fenced)	3,579,493	4,137,395

During the year 2006/2007 the terminal benefits scheme was abolished and replaced with the annual terminal benefits scheme. The accumulated balance relating to the terminal benefits was ring-fenced. Payments out of the ring-fenced balance are being made to employees upon retirement or resignation. Interest is payable on the unpaid terminal benefits (ring fenced).

21 Deferred Income tax

Deferred income tax is calculated using the enacted income tax rate of 30% (2021: 30%). The movement on the deferred income tax account is as follows:

	30-Jun 2022 Shs'000	30-Jun 2021 Shs'000
At start of year	297,042,135	333,143,686
Credit to statement of profit or loss (Note 16)	27,755,791	(36,101,551)
At end of year	324,797,926	297,042,135

Notes to the Financial Statements continued ►

Deferred income tax assets and liabilities, deferred tax charge in the Statement of Profit or Loss and Other Comprehensive Income, and deferred tax charge in equity are attributable to the following items:

Year ended 30 June 2022

Deferred income tax liabilities	01 July 2021 Shs'000	Charged to Profit or Loss Shs'000	30 June 2022 Shs'000
Property, plant and equipment:			
- on historical cost basis	307,306,859	54,241,173	361,548,032
- on revaluation surpluses	189,462,106	(3,175,227)	186,286,879
- On Excess depreciation	-	-	-
Deferred income tax assets	-	-	-
Retirement benefit obligations	-	-	-
Tax losses carried forward	(198,329,679)	(22,088,998)	(220,418,677)
Other Temporary Differences	-	-	-
Provision for bad debts	(1,326,847)	(1,213,649)	(2,540,496)
Provision for obsolete stock	(70,304)	(7,508)	(77,812)
Leave Pay Provision	-	-	-
Net Deferred Income Tax liability	297,042,135	27,755,791	324,797,926

Notes to the Financial Statements continued ►

22 Deferred Income

Projects	Deferred Income Liability as at 30th June 2022			Income for FY2021/22		Additions during the Year		Balance as at 30/6/2021
	Due after a Year	Due within a Year	Total Balance as at 30/6/2022	Revenue grant	Capital Grant Amortised During the Year	Donor	GoU	
Kampala Sanitation Project (KFW/AFD)	492,233,493	14,161,079	506,394,572	0	(14,161,079)	0	8,461,416	512,094,235
AFD Donor Fund LVWATSAN	405,196,768	-	405,196,768	0	-	100,063,406	-	305,133,363
WATSAN PROJECT AFD/KFW/EU	662,254,292	25,667,320	687,921,611	0	(25,667,320)	1,823,360	426,509	711,339,062
Water Management Development Project (IDA)	163,694,437	4,137,155	167,831,591	0	(4,137,155)	0	12,337,262	159,631,484
Intergrated Program to improve Living conditions (KFW/IDA)	36,626,566	688,116	37,314,682	0	(688,116)	0	3,646,382	34,356,415
Integrated Water Management Development Project (IDA/KFW)	30,207,621	-	30,207,621	0	-	0	-	30,207,621
Kampala South Water and Sanitation Project (DANIDA)	2,118,440	-	2,118,440	0	-	-	-	2,118,440
South Western Cluster Water and Sanitation Project (AFD)	130,703,359	-	130,703,359	0	-	114,009,009	-	16,694,351
Water for Virunga	5,289,982	-	5,289,982	0	-	0	-	5,289,982
Donor Grant Funds GTZ	444,656	12,019	456,674	-	(12,019)	0	0	468,693
Donor Grant Funds SIG	32,370,081	2,000,715	34,370,797	-	(2,000,715)	0	0	36,371,512
Donor Funds	6,064,575	417,395	6,481,970	-	(417,395)	0	0	6,899,364
Donor Funds	3,164,401	154,892	3,319,293	-	(154,892)	0	0	3,474,185
DONOR Funds EDF	4,367,322	264,192	4,631,514	-	(264,192)	0	0	4,895,705
donor grant spencen	17,506,612	974,889	18,481,501	-	(974,889)	0	0	19,456,391
Donor Fund - Urban Poor	4,793,371	189,212	4,982,583	-	(189,212)	0	0	5,171,795
Donor Grants AFD	4,603,548	230,177	4,833,725	-	(230,177)	0	0	5,063,902
DONOR Grants IDA-LVEP	-	-	-	-	-	0	0	-
Donor Funds IDA-STW/SP	195,984	17,293	213,277	-	(17,293)	0	0	230,569
OBA Project Grant A/c	0	-	0	-	-	0	0	0
LVWATSAN II	-	-	-	-	-	0	0	-
GOU Contribution to Prits(includes SCAP 100)	144,528	-	144,528	(42,736,714)	-	0	42,657,245	223,997
Total	2,002,059,507	48,914,452	2,050,973,959	(42,657,245)	(48,914,452)	215,895,774	67,528,814	1,859,121,068

Notes to the Financial Statements continued ►

23. Property, Plant and Equipment

	Civil Structures	Land Freehold	Pipe Works	Technical Structures	Electromech Equipment	Office Furniture and Equipment	IT and Office Equipment	Transport Heavy	Transport Light	Total
	UGX '000	UGX '000	UGX '000	UGX '000	UGX '000	UGX '000	UGX '000	UGX '000	UGX '000	UGX '000
COST OR VALUATION										
At 1 July 2021	510,306,722	176,510,954	1,624,873,348	236,584,422	204,820,776	16,754,800	7,118,091	4,831,499	5,332,553	2,787,133,165
Accumulated Depreciation	(32,897,274)	-	(142,553,683)	(18,570,094)	(24,337,656)	(9,181,168)	(3,818,033)	(4,625,175)	(1,951,012)	(237,934,095)
Net Book Value 30 June 2021	477,409,448	176,510,954	1,482,319,665	218,014,328	180,483,120	7,573,632	3,300,058	206,324	3,381,541	2,549,199,070
As at 1 July 2021	510,306,722	176,510,954	1,624,873,348	236,584,422	204,820,776	16,754,800	7,118,091	4,831,499	5,332,553	2,787,133,165
Additions	38,415,605	3,970,312	-	1,856,687	14,058,168	3,795,747	1,362,739	-	512	63,459,771
Reclassification from WIP	136,756,350	-	501,018,861	80,177,328	140,103,037	2,669,592	2,328,783	1,045,146	897,583	864,996,680
Balance as at 30th June 2022	685,478,677	180,481,266	2,125,892,209	318,618,437	358,981,981	23,220,139	10,809,613	5,876,645	6,230,648	3,715,589,616
DEPRECIATION										
1st July 2021	(32,897,274)	-	(142,553,683)	(18,570,094)	(24,337,656)	(9,181,168)	(3,818,033)	(4,625,175)	(1,951,012)	(237,934,095)
Charge for the year	(17,333,806)	-	(62,722,048)	(11,773,280)	(18,202,322)	(5,358,195)	(2,564,464)	(852,366)	(1,988,855)	(120,795,335)
As at 30th June 2022	(50,231,080)	-	(205,275,731)	(30,343,374)	(42,539,978)	(14,539,363)	(6,382,497)	(5,477,541)	(3,939,867)	(358,729,430)
Net Book Value 30th June 2022	635,247,597	180,481,266	1,920,616,479	288,275,063	316,442,003	8,680,777	4,427,116	399,104	2,290,782	3,356,860,186

During the current Financial Year, NWSC internally valued the Assets in 92 Towns, which were handed over to the Corporation by Government. The gross asset values were UGX 93.7 billion as at 1st July 2021. Depreciation amounting to UGX 2.8 billion was charged on these assets, and the Net Book Value as at 30th June 2022 was UGX 90.9 billion. All the net current assets of the Corporation will be revalued by External Valuation Firms in accordance with the revaluation policy

Internal Asset Valuation in 92 Towns (UGX'000)

REGION	Civil Structures	Technical Structures	Electromechanical	Pipeworks	Land	Total	Depreciation	NBV at 30th June 2022
Central	2,859,170	107,045	1,495,911	9,049,381	2,123,562	15,635,070	455,660	15,179,410
Eastern	3,176,181	135,187	579,968	5,534,578	151,833	9,577,745	312,043	9,265,702
Northern	4,932,598	84,801	4,296,810	10,580,954	528,389	20,423,552	576,991	19,846,561
Western & South Western	8,134,009	1,037,361	3,016,088	34,797,451	1,034,470	48,019,380	1,415,740	46,603,640
Total	19,101,958	1,364,393	9,388,777	59,962,365	3,838,253	93,655,747	2,760,434	90,895,313

Notes to the Financial Statements continued ►

24 Capital work in progress

	30-Jun 2022 UGX'000	30-Jun 2021 UGX'000
Work in Progress	41,678,405	42,595,101
Gulu - IPILC	9,151,905	8,613,620
Albertine Graben Hoima	2,675,165	2,675,165
Water Management Development Programme	2,899,692	3,360,723
Dev't of Water and Sanitation in Mbarara	28,356,245	17,711,035
Fort portal Water production	2,428,669	2,428,669
Kampala WS & SP	2,528,378	2,528,981
Kampala Sanitation Project	445,293	42,369
Kapeeka upgrade	7,348,491	5,145,176
Sembabule Water Project	12,130,120	11,577,289
IWMDP	3,405,192	2,028,397
KW-LV WATSAN Project	51,317,231	711,996,618
Hoima Water Production improvement.	1,318,696	-
Lyantonde Water Supply Project	2,196,415	-
	167,879,895	810,703,143

25 Intangible assets

Intangible Assets 1 st July	980,436	980,436
Additions	1,979,090	-
Total	2,959,526	980,436
Amortisation 1 July	915,817	(881,138)
Charge for the year	460,437	(34,679)
Accumulated Amortisation at 30th June	1,376,254	(915,817)
NBV as at 30th June 2022	1,583,272	64,619

	Car Tracking system	Scada	Total
Gross B/F	980,436	-	980,436
Additions	-	1,979,090	1,979,090
Accumulated Amortisation B/F	(915,817)	-	(915,817)
Amortisation for the Year	(64,619)	(395,818)	(460,437)
NBV as at 30th June 2022	-	1,583,272	1,583,272

Notes to the Financial Statements continued ►

26 Right of use assets (Operating Lease Contracts)

	Leasehold Property UGX '000	Lease of Vehicles UGX '000	Rental Agreements UGX '000	Total UGX '000
At 1 July 2021	4,349,420	7,351,303	1,015,930	12,716,653
Accumulated Amortisation	331,542	-	-	331,542
Net Book Value 30 June 2021	4,017,878	7,351,303	1,015,930	12,385,111
As at 1 July 2021	4,349,420	7,351,303	1,015,930	12,716,653
Additions	99,142	-	96,046	195,188
Balance as at 30th June 2022	4,448,562	7,351,303	1,111,976	12,911,841
Amortisation				
1st July 2021	(331,542)	-	-	(331,542)
Charge for the year	(87,813)	(2,450,435)	(277,994)	(2,816,241)
Accumulated amortisation	(419,355)	(2,450,435)	(277,994)	(3,147,783)
Net Book Value 30th June 2022	4,029,207	4,900,868	833,982	9,764,058

b) Lease Obligations

	30-Jun 2022 UGX'000	30-Jun 2021 UGX'000
Lease of Vehicles	3,379,288	7,351,303
Rental Agreements	716,773	1,015,930
	4,096,061	8,367,233
Due Within one year	1,874,960	3,682,150
Due After one year	2,221,102	4,685,083
	4,096,061	8,367,233

On 30th June 2021, the Corporation adopted IFRS 16-Leases. Contracts for use of Vehicles and rental properties have been subjected to this Standard. All vehicle and rental agreements with the remaining periods of more than 12 months were valued. The outstanding payments for the remaining periods were discounted (15%), to derive the Net Book Value on 30th June 2021.

The Assets have been recognized as Right of Use Assets (Non-Current Assets). The corresponding Liabilities have been recognized as Lease Obligations (Liabilities). The Assets and Liabilities were amortized in the current Financial Year, and the remaining balances will be amortized over their remaining useful lives.

The Statement of Profit or Loss was charged with Depreciation and Interest relating to the contracts for leased vehicles and rented property. Contracts which are for a period less than one year were expensed directly to the Profit or Loss Statement

Notes to the Financial Statements continued ►

27 Inventories

	30-Jun 2021 UGX'000	30-Jun 2020 UGX'000
Stationery	507,716	549,747
Chemicals	2,298,049	6,263,416
Pipes and fittings	27,220,564	16,343,477
Pump spares	8,144,816	8,802,150
Fuel & lubricants	191,566	115,384
Provision for slow moving stock	(261,415)	(234,348)
	38,155,099	31,839,826

28 Trade and other receivables

Water and sewerage debtors	159,836,434	140,870,793
Credit Loss adjustments	(8,468,320)	(7,151,757)
Water and sewerage debtors - net	151,368,113	133,719,036
Prepayments	1,344,164	550,907
Other receivables	47,821,581	30,636,948
Value Added Tax		3,221,961
Accrued VAT	11,976,079	
	212,509,937	168,128,852

Movements in the expected credit loss for trade receivables are as follows:

At start of year	7,471,676	6,791,832
Provision in the year	996,644	679,844
Reduction during the year	(292,593)	(0)
Provision no longer required		
At end of Year	8,468,320	7,471,676

29 Short term bank deposits

	30-Jun 2022 UGX'000	30-Jun 2021 UGX'000
DFCU Call Account	1,640,155	7,451
NWSC International Conference	3,332	3,727
	1,643,487	11,178

Notes to the Financial Statements continued ►

30 Cash at bank and in hand

	30-Jun 2022 UGX'000	30-Jun 2021 UGX'000
Cash in hand	9,202	135,017
Cash collection accounts	3,917,737	3,027,097
Equity loan service account	65,237	733,301
KW-WATSAN 1	122,600,545	84,923,088
South Western Cluster water	115,765,734	11,321,970
BOU KW WATSAN 2	15,548,611	61,004,763
WMDP (IWMDP) Project A/c	27,826,541	28,578,478
Other bank balances	11,151,296	7,687,431
	296,884,905	197,411,145

For the purposes of the statement of cash flows, cash and cash equivalents comprise the following:-

	30-Jun 2022 UGX'000	30-Jun 2021 UGX'000
Cash and bank balances as above	296,884,905	197,411,145
Short term bank deposits (Note 29)	1,643,487	11,178
Bank overdraft facility	(0)	(3,063,553)
	298,528,392	194,358,770

31 Trade and other payables

Trade payable	84,527,032	41,206,260
Rechargeable works	2,355,268	2,313,342
Accruals and provision	39,846,503	32,682,700
Projects	56,753,021	63,019,355
Retention Money	24,711,662	39,903,144
Value Added Tax	10,795,985	0
Customer deposits	23,390,342	22,021,779
	242,379,813	201,146,580

Notes to the Financial Statements continued ►

32 Related parties

a) Relationship with Government of Uganda

The Corporation is wholly owned by the Government of Uganda. It provides water and sewerage services to many government institutions that are connected to the network. It also receives grants from Government for investment in infrastructure.

b) Relationship with NWSC Insurance Company

The Corporation set up a wholly owned Company, the NWSC Insurance Company. The new Company commenced business with effect from July 2022. During the reporting period, the Corporation invested UGX 111,816,000 in ordinary shares of the Company.

Investment in the NWSC Captive Insurance Company

	2022 UGX'000	2021 UGX' 000
As at 1st July	60,000	60,000
Additions	111,816	
Total Investment in the NWSC Insurance Company	171,816	60,000

The investment so far made in the subsidiary has been categorized as an investment in the current Financial Statements. The first Financial Statements of the subsidiary will be prepared as at 30th June 2023 and will be consolidated with the Financial Statements of the Corporation as at that date.

c) Key Management Compensation

Key management includes directors (executive and non-executive) and members of senior management. The compensation paid or payable to key management for employee services is shown below:

	30-Jun 2022 UGX'000	30-Jun 2021 UGX'000
i) Deputy Managing Directors and other Directors		
Salaries and other employment benefits	2,664,561	2,656,460
Terminal benefits	651,475	651,475
Bonus	82,086	37,689
Total key management compensation	3,398,122	3,345,624
ii) Board of Directors' remuneration		
Salaries and benefits to the Managing Director	569,208	561,848
Retainer fees and benefits to Non - Executive Directors	328,644	204,900
	897,852	766,748

33 Contingent Liabilities

The Corporation is involved in five major court cases among others, which were not concluded by the end of the Financial Year. These cases were brought up by the Project Affected Persons who rejected the compensation recommended by the Chief Government Valuer and demanded higher sums. The Projects have however been fully implemented. The Corporation is not certain of when the legal cases will be resolved and what will be the final outcomes..

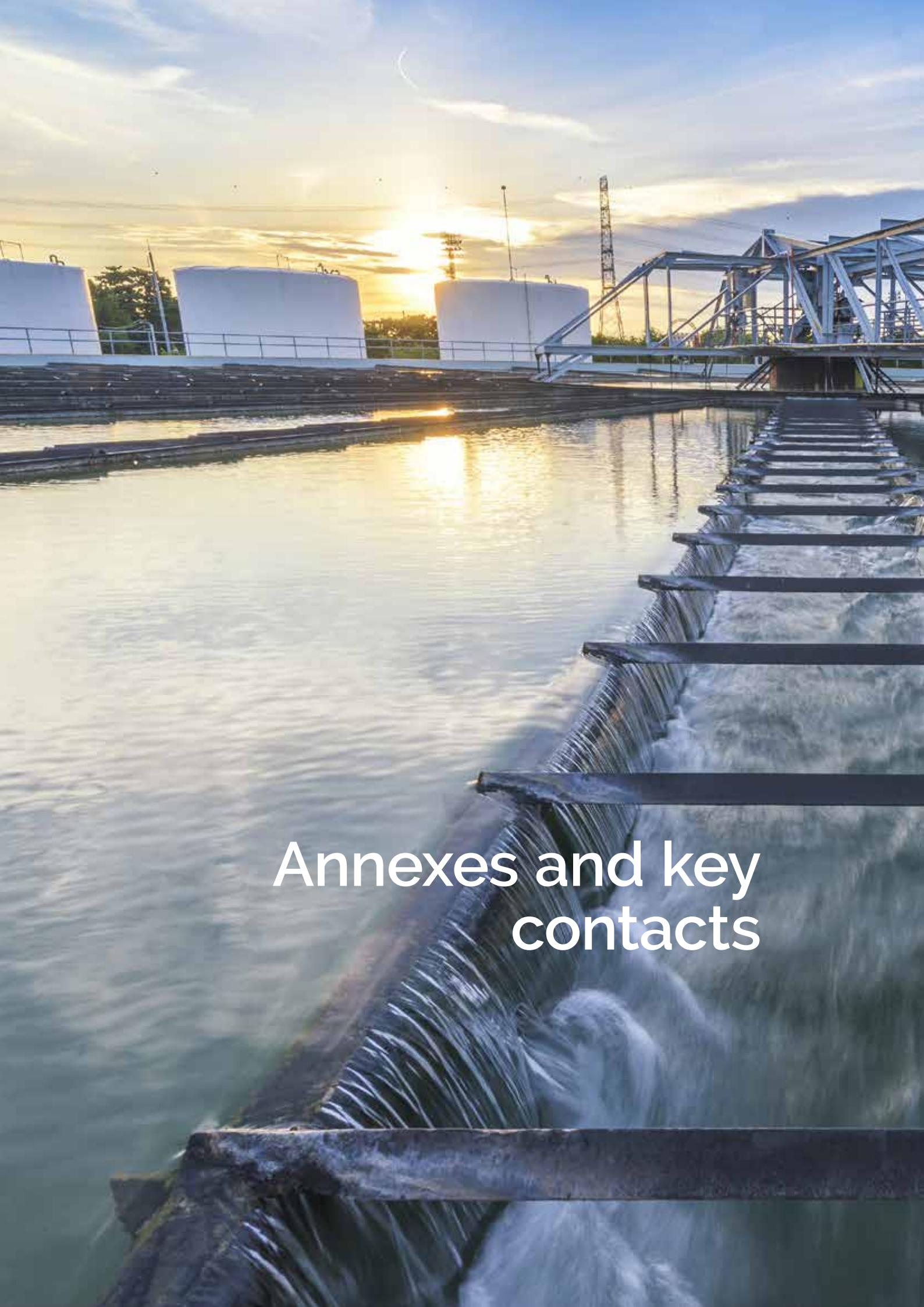
- a) **NWSC vs. Asimwe Ambrose HCCS 325 of 2020** - A suit was instituted by NWSC with the aim of obtaining relief from court authorising NWSC to access part of Mr. Asimwe's land comprised in Kyadondo Block 221 Plots 938,942 and 941 for the purpose of executing the KW-LV Watsan Project. Mr. Asimwe also filed a counter claim for recovery together with other reliefs. The matter is still before court.
- b) **Meera Investments Ltd v NWSC HCCS No.195 of 2015** – Meera Investments instituted a suit against NWSC claiming trespass on their land comprised in LRV 4184 Folio 6 Plots M800 and M880 at Industrial Area in Kampala. The matter is still before court.
- c) **Meera Investment Ltd v NWSC and Sogea Satom HCCS No.518 of 2016** – Meera Investments instituted a suit claiming for a declaration that NWSC had trespassed on its land situate at Plot 6 Hill Crescent and Plots 30-35 at Makubuya Close Banda. The matter is still before court.
- d) **David Mugalya & 3 Ors v NWSC & 2 Ors HCCS No. 139 of 2018** – The plaintiff's claim that the activities of NWSC in the construction of the Nakivubo – Kinawataka Sewer lines affected the use of their properties and occasioned damage thereon. The matter is still before court.
- e) **Hilary Kirya v NWSC HCCS No.109 of 2019** – The plaintiff instituted a suit claiming trespass by NWSC and contesting the valuation of the CGV. The matter is still before court

34 Events after the Reporting Period

a) Disruptions in IT operations

On 18th August 2022, the NWSC IT systems malfunctioned. 90% of the servers and critical systems (billing system, payments system, accounting system, human resource system, procurement system, email, GIS and the website) were affected. Our customers could not access the online services for about 72 hours. However, most of the critical systems for the Corporation's operations were restored as at 30th November 2022. The Corporation has also put in place additional security measures to avoid system disruptions in future. There is no material financial implication of this event.





Annexes and key contacts

ANNEX 1: Water Production (m³) and Capacity Utilization (%) for the FY 2021/22

Area	Practical Capacity m ³ /day	Total Water Produced	Average Production m ³ /day	Capacity Utilization (%)
Kampala	402,000	100,924,750	276,506	69%
Central Region				
Bugiri	1,188	98,158	269	23%
Bweyale	928	236,291	647	70%
Entebbe	30,919	9,122,825	24,994	81%
Iganga	1,296	199,577	547	42%
Jinja	30,600	8,933,293	24,475	80%
Kalungu	1,105	248,227	680	62%
Kamuli	733	197,711	542	74%
Kapeeka	2,966	638,478	1,749	59%
Kigumba	983	157,122	430	44%
Kyotera	2,640	682,668	1,870	71%
Lugazi	2,170	478,471	1,311	60%
Luweero	4,932	718,927	1,970	40%
Lwengo	936	280,373	768	82%
Masaka	9,000	2,756,998	7,553	84%
Mityana	4,800	910,073	2,493	52%
Mpigi	3,200	493,030	1,351	42%
Mubende	3,015	724,734	1,986	66%
Nakasongola	1,944	0	0	0%
Sembabule	3,729	368,093	1,008	27%
Sub Total	107,084	27,245,049	74,644	70%
Eastern Region				
Kapchorwa	5,500	504,431	1,382	25%
Kotido	803	172,712	473	59%
Kumi	3,000	501,059	1,373	46%
Manafwa	5,000	247,148	677	14%
Mbale	10,688	2,758,210	7,557	71%
Moroto	1,056	323,995	887	84%
Soroti	9,060	1,853,155	5,077	56%
Tororo	12,983	1,561,718	4,279	33%
Kaberaido	1,000	94,219	258	26%
Bukedea	672	91,685	251	37%
Sub Total	49,762	8,108,332	22,215	45%
Northern Region				
Adjumani	2,819	437,644	1,199	43%
Apac	2,970	270,253	740	25%
Arua	18,480	1,622,989	4,447	24%
Gulu	8,520	1,959,273	5,368	63%
Kitgum	5,352	405,200	1,110	21%
Koboko	2,246	362,840	994	44%
Lira	8,944	2,521,317	6,908	77%
Moyo	1,130	221,887	607	54%
Nebbi	4,622	792,024	2,170	47%
Pader	2,440	263,267	721	30%
Pakwach	1,167	346,239	949	81%
Sub Total	58,690	9,202,933	25,214	43%
Western & Southwestern				
Bushenyi	4,612	1,479,274	4,053	88%
Bunyangabu	1,800	352,292	1,661	92%
Fort Portal	4,783	1,586,237	4,346	91%
Hoima	3,000	692,496	1,897	63%
Ibanda	1,770	400,243	1,097	62%
Kabale	9,200	823,351	2,256	25%
Kamwenge	2,616	570,893	1,564	60%
Kanungu	2,490	566,763	1,553	62%
Kasese	3,400	1,396,848	3,827	113%
Kisoro	4,580	525,206	1,439	31%
Kyankwanzi	232	54,601	150	64%
Lyantonde	4,200	711,538	1,949	46%
Masindi	4,000	1,121,815	3,073	77%
Mbarara	20,000	6,411,768	17,566	88%
Mpondwe	2,544	525,592	1,440	57%
Ntoroko	3,600	142,066	389	11%
Ntungamo	2,120	521,488	1,429	67%
Rubirizi	1,695	277,264	760	45%
Ruhama	1,250	190,030	520	42%
Rukungiri	989	250,287	686	69%
Rushere	1,503	144,151	395	26%
Sheema	4,642	383,225	1,050	23%
Sub Total	85,026	19,127,428	53,100	62%
TOTAL	702,563	164,608,492	451,679	64%

ANNEX 2: Volume of Water Supplied (m³) and Water Sold (m³) for the FY 2021/22

Area	Water Supplied m ³	Water Sold m ³	Billing Efficiency (%)	NRW (%)
Kampala	98,952,912	58,132,498	59%	41%
Central Region				
Bugiri	99,056	87,290	88%	12%
Bweyale	236,291	206,868	88%	12%
Entebbe	8,583,162	5,979,860	70%	30%
Iganga	919,293	749,150	81%	19%
Jinja	7,179,452	5,880,220	82%	18%
Kalungu	203,032	149,142	73%	27%
Kamuli	166,460	149,744	90%	10%
Kapeeka	578,317	510,220	88%	12%
Kigumba	153,875	144,964	94%	6%
Kyotera	589,011	474,302	81%	19%
Lugazi	478,471	375,445	78%	22%
Luweero	823,266	710,218	86%	14%
Lwengo	306,631	195,346	64%	36%
Masaka	2,580,165	1,769,286	69%	31%
Mityana	870,919	563,269	65%	35%
Mpigi	452,506	372,287	82%	18%
Mubende	702,954	583,771	83%	17%
Nakasongola	98,600	61,166	62%	38%
Sembabule	368,093	266,981	73%	27%
Sub Total	25,389,554	19,229,529	76%	24%
Eastern & Northern Region				
Kapchorwa	350,830	170,028	48%	52%
Kotido	176,997	150,506	85%	15%
Kumi	401,938	315,763	79%	21%
Manafwa	191,817	150,838	79%	21%
Mbale	2,843,948	1,897,569	67%	33%
Moroto	295,848	247,700	84%	16%
Soroti	1,584,258	1,272,436	80%	20%
Tororo	1,561,718	1,229,690	79%	21%
Kaberamaido	83,754	71,990	86%	14%
Bukedea	88,689	71,571	81%	19%
Sub Total	7,579,796	5,578,091	74%	26%
Northern Region				
Adjumani	398,812	298,566	75%	25%
Apac	271,519	224,922	83%	17%
Arua	1,622,989	1,276,446	79%	21%
Gulu	1,790,802	1,298,605	73%	27%
Kitgum	386,449	304,471	79%	21%
Koboko	357,807	286,605	80%	20%
Lira	2,219,116	1,631,931	74%	26%
Moyo	224,390	177,699	79%	21%
Nebbi	587,060	465,170	79%	21%
Pader	233,678	169,262	72%	28%
Pakwach	297,704	211,747	71%	29%
Sub Total	8,390,326	6,345,424	76%	24%
Western & Southwestern Region				
Bushenyi	1,139,650	799,722	70%	30%
Bunyangabu	334,877	251,864	75%	25%
Fort Portal	1,385,573	1,147,080	83%	17%
Hoima	645,395	458,845	71%	29%
Ibanda	385,106	303,668	79%	21%
Kabale	780,994	609,405	78%	22%
Kamwenge	473,499	338,380	71%	29%
Kanungu	566,763	374,459	66%	34%
Kasese	1,232,214	957,069	78%	22%
Kisoro	535,383	403,178	75%	25%
Kyankwanzi	53,910	52,197	97%	3%
Lyantonde	402,093	333,144	83%	17%
Masindi	1,038,132	712,052	69%	31%
Mbarara	6,195,655	3,960,369	64%	36%
Mpondwe	506,369	441,619	87%	13%
Ntoroko	103,080	72,651	70%	30%
Ntungamo	425,968	320,408	75%	25%
Rubirizi	274,644	203,770	74%	26%
Ruhama	193,383	138,391	72%	28%
Rukungiri	250,287	208,103	83%	17%
Rushere	272,605	228,466	84%	16%
Sheema	383,225	334,577	87%	13%
Sub Total	17,578,805	12,649,417	72%	28%
TOTAL NWSC	157,891,393	101,934,959	65%	35%
Total Other Areas	58,938,481	43,802,461	74%	26%

ANNEX 3: Status of NWSC Pipe Network (Km) for the FY 2021/22

Area	Water Mains (Km)		Sewer Mains (km)	
	New Extensions	Total Pipe Network	New Extensions	Total Pipe Network
Kampala	171.4	3840.0	12.0	301.7
Central Region				
Bugiri	6.8	94.2	0.0	0.0
Bweyale	5.4	188.5	0.0	0.0
Entebbe	35.2	513.0	0.4	63.7
Iganga	40.5	384.5	0.1	6.2
Jinja	39.9	844.9	0.5	89.6
Kalungu	34.0	116.9	0.0	0.0
Kamuli	7.0	153.5	0.0	0.0
Kapeeka	26.6	151.6	0.0	0.0
Kigumba	9.0	233.7	0.0	0.0
Kyotera	13.5	231.6	0.0	0.0
Lugazi	23.5	220.9	0.0	0.0
Luweero	13.3	672.3	0.0	0.0
Lwengo	5.9	223.0	0.0	0.0
Masaka	25.7	368.9	0.0	26.4
Mityana	23.5	275.0	0.0	0.0
Mpigi	10.0	229.5	0.0	0.0
Mubende	22.6	290.4	0.0	0.0
Nakasongola	10.2	130.6	0.0	0.0
Sembabule	34.6	356.6	0.0	0.0
Sub Total	387.0	5,679.6	1.0	185.9
Eastern Region				
Kapchorwa	5.0	137.2	0.0	0.0
Kotido	7.5	85.1	0.0	0.0
Kumi	36.2	306.3	0.0	0.0
Manafwa	13.2	233.2	0.0	0.0
Mbale	26.6	613.0	0.8	37.1
Moroto	12.4	109.3	0.0	0.0
Soroti	26.9	297.1	0.0	25.1
Tororo	40.1	489.1	3.7	35.1
Kaberamaido	5.0	169.0	0.0	0.0
Bukedea	5.0	86.0	0.0	0.0
Sub Total	177.9	2,525.1	4.5	97.2
Northern Region				
Adjumani	5.0	143.4	0.0	0.0
Apac	16.2	168.7	0.0	0.0
Arua	33.5	529.9	6.5	32.9
Gulu	28.8	300.2	0.0	17.6
Kitgum	5.0	139.8	0.0	0.0
Koboko	11.5	122.5	0.0	0.0
Lira	23.0	338.8	0.0	23.3
Moyo	5.9	85.4	0.0	0.0
Nebbi	27.0	124.8	0.0	0.0
Pader	18.3	275.3	0.0	0.0
Pakwach	15.0	201.4	0.0	0.0
Sub Total	189.2	2,430.2	6.5	73.8
Western & Southwestern Region				
Bushenyi	48.7	432.4	5.6	5.6
Bunyangabu	4.2	205.2	0.0	0.0
Fort Portal	18.7	474.9	0.0	2.1
Hoima	21.9	275.0	4.0	4.6
Ibanda	21.0	301.1	0.0	0.0
Kabale	13.3	364.4	0.2	18.0
Kamwenge	27.0	497.5	0.0	0.0
Kanungu	11.3	498.2	0.0	0.0
Kasese	4.0	237.5	0.0	0.0
Kisoro	31.7	323.5	0.0	4.5
Kyankwanzi	5.0	26.0	0.0	0.0
Lyantonde	10.1	346.5	0.0	0.0
Masindi	5.0	328.1	2.0	16.2
Mbarara	36.2	819.2	0.0	34.0
Mpondwe	0.0	144.4	0.0	0.0
Ntoroko	6.8	72.7	0.0	0.0
Ntungamo	10.0	366.0	0.0	0.0
Rubirizi	14.7	109.9	0.0	0.0
Ruhama	20.2	280.5	0.0	0.0
Rukungiri	3.5	345.7	0.0	0.0
Rushere	36.9	425.6	0.0	0.0
Sheema	28.9	444.9	0.0	0.0
Sub Total	379.1	7,319.1	11.8	85.0
TOTAL	1,304.6	21,794.4	35.8	743.7

ANNEX 4: Status of Water Connections for the FY 2021/22

Area	New Water Connections	Total Accounts	Active Accounts	Inactive Accounts	Metered Accounts	Inactive Accounts (%)	Metered Accounts
Kampala	25,174	390,707	340,753	49,954	390,704	13%	100%
Central Region							
Bugiri	97	1,755	1,283	472	1,755	27%	100%
Bweyale	205	2,678	2,463	215	2,678	8%	100%
Entebbe	2,885	48,428	37,265	11,163	48,428	23%	100%
Iganga	675	10,967	8,652	2,315	10,967	21%	100%
Jinja	2,048	38,524	28,663	9,861	38,524	26%	100%
Kalungu	158	2,595	2,286	309	2,595	12%	100%
Kamuli	194	3,523	2,958	565	3,523	16%	100%
Kapeeka	337	3,029	2,905	124	3,029	4%	100%
Kigumba	128	2,170	1,817	353	2,170	16%	100%
Kyotera	456	6,458	5,736	722	6,458	11%	100%
Lugazi	361	5,170	4,606	564	5,170	11%	100%
Luweero	800	10,988	9,825	1,163	10,988	11%	100%
Lwengo	176	4,652	4,089	563	4,652	12%	100%
Masaka	771	19,326	14,753	4,573	19,326	24%	100%
Mityana	639	7,151	6,424	727	7,151	10%	100%
Mpigi	382	5,539	5,018	521	5,539	9%	100%
Mubende	318	6,541	5,534	1,007	6,541	15%	100%
Nakasongola	54	791	715	76	791	10%	100%
Sembabule	478	2,539	2,426	113	2,539	4%	100%
Sub Total	11,132	182,824	147,418	35,406	182,824	19%	100%
Eastern Region							
Kapchorwa	249	2,597	2,377	220	2,597	8%	100%
Kotido	90	1,137	845	292	1,137	26%	100%
Kumi	314	3,503	3,153	350	3,503	10%	100%
Manafwa	143	5,745	4,531	1,214	5,745	21%	100%
Mbale	1079	22,406	16,353	6,053	22,406	27%	100%
Moroto	127	1,544	1,229	315	1,544	20%	100%
Soroti	580	11,436	7,425	4,011	11,436	35%	100%
Tororo	760	15,394	10,076	5,318	15,394	35%	100%
Kaberamaido	52	832	668	164	832	20%	100%
Bukedea	58	1,192	915	277	1,192	23%	100%
Sub Total	3,452	65,786	47,572	18,214	65,786	28%	100%
Northern Region							
Adjumani	291	3,505	2,952	553	3,505	16%	100%
Apac	197	2,884	2,741	143	2,884	5%	100%
Arua	694	11,231	8,560	2,671	11,231	24%	100%
Gulu	1201	12,291	10,396	1,895	12,291	15%	100%
Kitgum	245	4,806	4,220	586	4,806	12%	100%
Koboko	134	2,346	2,069	277	2,346	12%	100%
Lira	968	16,895	12,628	4,267	16,895	25%	100%
Moyo	146	2,777	2,555	222	2,777	8%	100%
Nebbi	410	5,809	5,305	504	5,809	9%	100%
Pader	157	3,604	2,949	655	3,604	18%	100%
Pakwach	154	2,123	1,710	413	2,123	19%	100%
Sub Total	4,597	68,271	56,085	12,186	68,271	18%	100%
Western & Southwestern Region							
Bushenyi	948	11,419	10,764	655	11,419	6%	100%
Bunyangabu	157	4,712	4,218	494	4,712	10%	100%
Fort Portal	1230	13,633	12,363	1,270	13,633	9%	100%
Hoima	344	6,756	5,532	1,224	6,756	18%	100%
Ibanda	318	5,904	5,037	867	5,904	15%	100%
Kabale	534	9,204	7,650	1,554	9,204	17%	100%
Kamwenge	318	5,128	4,838	290	5,128	6%	100%
Kanungu	519	6,036	5,396	640	6,036	11%	100%
Kasese	373	9,316	7,708	1,608	9,316	17%	100%
Kisoro	389	4,982	4,565	417	4,982	8%	100%
Kyankwanzi	33	170	167	3	170	2%	100%
Lyantonde	202	3,433	2,695	738	3,433	21%	100%
Masindi	364	7,091	6,085	1,006	7,091	14%	100%
Mbarara	2834	33,745	29,599	4,146	33,745	12%	100%
Mpondwe	213	4,422	3,765	657	4,422	15%	100%
Ntoroko	11	717	624	93	717	13%	100%
Ntungamo	402	5,178	4,436	742	5,178	14%	100%
Rubirizi	134	1,980	1,793	187	1,980	9%	100%
Ruhama	127	2,438	1,743	695	2,438	29%	100%
Rukungiri	207	4,437	3,987	450	4,437	10%	100%
Rushere	178	2,663	2,593	70	2,663	3%	100%
Sheema	507	6,395	5,908	487	6,395	8%	100%
Sub Total	10,342	149,759	131,466	18,293	149,759	12%	100%
TOTAL	54,697	857,347	723,294	134,053	857,344	16%	100%

ANNEX 5: Status of Pro-Poor Connections for the FY 2021/22

Area	New PSPs	Active PSPs	Inactive PSPs	Total PSPs
Kampala	404	4,761	2,438	7,199
Central Region				
Bugiri	3	59	11	70
Bweyale	23	233	11	244
Entebbe	23	410	82	492
Iganga	55	577	28	605
Jinja	109	1264	194	1458
Kalungu	16	88	0	88
Kamuli	7	182	13	195
Kapeeka	20	126	1	127
Kigumba	12	92	3	95
Kyotera	12	219	11	230
Lugazi	21	203	8	211
Luweero	31	256	16	272
Lwengo	0	1179	163	1342
Masaka	24	344	65	409
Mityana	20	347	0	347
Mpigi	14	252	4	256
Mubende	10	238	9	247
Nakasongola	0	29	0	29
Sembabule	29	136	0	136
Sub Total	429	6,234	619	6,853
Eastern Region				
Kapchorwa	20	95	12	107
Kotido	2	49	11	60
Kumi	31	121	8	129
Manafwa	51	264	35	299
Mbale	40	657	358	1015
Moroto	2	73	30	103
Soroti	29	351	133	484
Tororo	65	800	399	1199
Kaberaido	6	43	5	48
Bukedea	3	46	0	46
Sub Total	249	2,499	991	3,490
Northern Region				
Adjumani	3	81	12	93
Apac	11	246	4	250
Arua	10	291	50	341
Gulu	24	242	111	353
Kitgum	9	108	8	116
Koboko	10	134	3	137
Lira	30	664	196	860
Moyo	1	73	12	85
Nebbi	35	396	2	398
Pader	13	139	12	151
Pakwach	78	153	2	155
Sub Total	224	2,527	412	2,939
Western & Southwestern Region				
Bushenyi	240	1135	6	1141
Bunyangabu	6	400	40	440
Fort Portal	36	411	47	458
Hoima	20	164	13	177
Ibanda	22	193	13	206
Kabale	92	461	53	514
Kamwenge	57	633	27	660
Kanungu	89	872	63	935
Kasese	13	199	16	215
Kisoro	36	244	7	251
Kyankwanzi	3	26	0	26
Lyantonde	32	277	52	329
Masindi	13	281	23	304
Mbarara	62	566	74	640
Mpondwe	2	260	9	269
Ntoroko	6	68	4	72
Ntungamo	16	258	40	298
Rubirizi	7	203	29	232
Ruhama	29	210	57	267
Rukungiri	8	334	30	364
Rushere	4	171	1	172
Sheema	42	397	10	407
Sub Total	835	7,763	614	8,377
Total	2,141	23,784	5,074	28,858

ANNEX 6: Status of Sewer Connections for the FY 2021/22

Area	New Sewer Connections	Total Sewer Connections		
		Active	Inactive	Total
Kampala	477	13,045	996	14,041
Central Region				
Bugiri	0	-	-	-
Bweyale	0	-	-	-
Entebbe	6	453	39	492
Iganga	4	180	48	228
Jinja	13	4,138	579	4,717
Kalungu	0	-	-	-
Kamuli	0	-	-	-
Kapeeka	0	-	-	-
Kigumba	0	-	-	-
Kyotera	1	-	-	-
Lugazi	0	-	-	-
Luweero	0	-	-	-
Lwengo	0	-	-	-
Masaka	0	334	131	465
Mityana	0	-	-	-
Mpigi	0	-	-	-
Mubende	0	-	-	-
Nakasongola	0	-	-	-
Sembabule	0	-	-	-
Sub Total	24	5,105	797	5,902
Eastern Region				
Kapchorwa	0	0	0	0
Kotido	0	0	0	0
Kumi	0	0	0	0
Manafwa	0	0	0	0
Mbale	38	2,447	360	2,807
Moroto	0	0	0	0
Soroti	2	412	121	533
Tororo	3	410	137	547
Kaberamaido	0	0	0	0
Bukedea	0	0	0	0
Sub Total	43	3,269	618	3,887
Northern Region				
Adjumani	0	-	-	-
Apac	0	-	-	-
Arua	1	224	15	239
Gulu	3	785	41	826
Kitgum	0	-	-	-
Koboko	0	-	-	-
Lira	5	437	119	556
Moyo	0	-	-	-
Nebbi	0	-	-	-
Pader	0	-	-	-
Pakwach	0	-	-	-
Sub Total	9	1,446	175	1,621
Western & Southwestern Region				
Bushenyi	0	0	0	0
Bunyangabu	0	0	0	0
Fort Portal	7	227	19	246
Hoima	0	88	25	113
Ibanda	0	0	0	0
Kabale	6	688	136	824
Kamwenge	0	0	0	0
Kanungu	0	0	0	0
Kasese	0	0	0	0
Kisoro	1	168	14	182
Kyankwanzi	0	0	0	0
Lyantonde	0	0	0	0
Masindi	2	217	31	248
Mbarara	7	781	162	943
Mpondwe	0	0	0	0
Ntoroko	0	0	0	0
Ntungamo	0	0	0	0
Rubirizi	0	0	0	0
Ruhama	0	0	0	0
Rukungiri	0	0	0	0
Rushere	0	0	0	0
Sheema	0	0	0	0
Sub Total	23	2,169	387	2,556
TOTAL	576	25,034	2,973	28,007

ANNEX 7: Commercial Performance for the FY 2021/22

Area	Billings (UGX)	Collections (UGX)	Arrears (UGX)	C/B Ratio	Debt Age
Kampala	288,838,606,626	280,376,792,026	47,902,045,900	97%	2
Central Region					
Bugiri	365,820,461	364,258,514	143,268,378	100%	5
Bweyale	839,828,951	811,947,557	218,380,699	97%	3
Entebbe	28,798,228,349	27,024,547,866	11,049,331,572	94%	5
Iganga	2,791,130,509	2,659,687,952	866,503,115	95%	4
Jinja	31,194,936,459	30,153,180,015	10,450,222,670	97%	4
Kalungu	601,826,208	597,247,947	238,384,285	99%	5
Kamuli	641,586,872	640,828,289	240,110,152	100%	4
Kapeeka	1,782,286,771	1,586,804,015	1,049,188,110	89%	7
Kigumba	601,510,645	568,601,591	257,384,304	95%	5
Kyotera	2,007,511,614	1,920,277,343	519,794,428	96%	3
Lugazi	1,578,256,903	1,543,359,016	577,012,620	98%	4
Luweero	2,986,769,289	3,014,545,680	902,146,644	101%	4
Lwengo	710,984,152	680,465,522	173,164,245	96%	3
Masaka	9,296,989,474	8,076,055,195	5,515,585,789	87%	7
Mityana	2,123,104,533	2,080,834,310	476,430,149	98%	3
Mpigi	1,462,002,869	1,380,018,299	387,461,188	94%	3
Mubende	2,482,025,086	2,393,115,308	1,289,263,933	96%	6
Nakasongola	251,549,162	247,221,041	109,762,579	98%	5
Sembabule	868,154,312	769,955,792	290,065,822	89%	4
Sub Total	91,384,502,619	86,512,951,251	34,753,460,684	95%	5
Eastern Region					
Kapchorwa	740,048,419	645,049,030	404,192,576	87%	7
Kotido	540,472,530	490,034,708	231,292,370	91%	5
Kumi	1,229,553,427	1,183,243,386	324,477,688	96%	3
Manafwa	655,594,010	483,001,089	590,646,769	74%	11
Mbale	9,296,452,507	9,536,579,902	7,455,614,160	103%	10
Moroto	948,030,151	823,652,054	691,015,019	87%	9
Soroti	5,561,188,859	5,209,301,703	2,357,167,722	94%	5
Tororo	5,383,503,734	4,772,848,178	3,247,490,167	89%	7
Kaberamaido	290,161,209	263,270,764	99,974,694	91%	4
Bukedea	250,981,105	236,369,111	131,359,990	94%	6
Sub Total	24,895,985,951	23,643,349,924	15,533,231,157	95%	7
Northern Region					
Adjumani	1,216,256,665	1,167,647,563	326,117,650	96%	3
Apac	806,762,022	775,021,052	166,521,184	96%	2
Arua	5,735,526,927	5,407,561,449	2,672,028,012	94%	6
Gulu	6,959,309,283	6,062,843,155	4,409,886,932	87%	8
Kitgum	1,310,205,037	1,222,473,460	572,653,520	93%	5
Koboko	1,059,009,546	876,609,879	769,406,105	83%	9
Lira	6,650,696,659	6,384,233,121	2,730,384,167	96%	5
Moyo	726,990,234	671,072,684	173,609,271	92%	3
Nebbi	1,635,621,907	1,465,892,627	1,401,483,006	90%	10
Pader	681,287,625	601,930,069	456,585,845	88%	8
Pakwach	651,615,848	646,048,523	162,549,986	99%	3
Sub Total	27,433,281,753	25,281,333,583	13,841,225,677	92%	6
West & Southwestern Region					
Bunyangabu	896,574,802	849,506,016	642,437,875	95%	5
Bushenyi	3,227,784,222	3,156,609,378	1,007,441,569	98%	4
Fort Portal	5,393,285,494	5,063,872,347	2,206,056,378	94%	5
Hoima	2,103,062,480	2,088,831,780	684,782,583	99%	4
Ibanda	1,322,032,548	1,274,031,615	610,650,076	96%	6
Kabale	3,068,519,382	2,967,412,125	995,019,550	97%	4
Kamwenge	1,272,095,608	1,215,887,577	370,305,605	96%	3
Kanungu	1,329,010,062	1,279,142,569	454,514,667	96%	4
Kasese	3,765,939,485	3,738,001,575	918,040,984	99%	3
Kisoro	1,677,275,824	1,571,524,669	649,334,795	94%	5
Kyankwanzi	166,482,953	121,249,589	123,265,592	73%	9
Lyantonde	1,296,198,493	1,208,397,742	370,624,840	93%	3
Masindi	3,803,227,770	3,320,019,864	3,467,380,164	87%	11
Mbarara	17,761,971,170	18,123,363,757	9,811,215,587	102%	7
Mpondwe	1,408,958,716	1,357,835,767	515,273,579	96%	4
Ntoroko	232,362,447	190,075,681	112,085,053	82%	6
Ntungamo	1,318,554,080	1,298,989,647	451,824,732	99%	4
Rubirizi	679,522,786	658,806,452	226,476,281	97%	4
Ruhama	515,474,443	467,314,175	231,966,789	91%	5
Rukungiri	875,339,843	852,859,886	248,771,336	97%	3
Rushere	993,547,352	948,387,359	309,340,466	95%	4
Sheema	1,342,998,640	1,269,287,780	390,736,297	95%	3
Sub Total	54,450,218,599	53,021,407,351	24,797,544,796	97%	5
Grand Total	487,002,595,548	468,835,834,135	136,827,508,215	96%	3

ANNEX 8: Unit Cost Analysis (UGX.) for the FY 2021/22

Area	Volume of Water Produced m ³		Total Costs (UGX. "000") 2021/22			Cost per m ³ (UGX.)	
	2020/21	2021/22	Operating	Depreciation	Total	2020/21	2021/22
Head Office	-	-	131,992,269	42,049,533	174,041,802	-	-
Kampala	88,013,881	100,924,750	145,204,929	75,461,948	220,666,877	1,650	2,186
External Services	-	-	3,155,550	13,553	3,169,103	-	-
Central Region							
Bugiri	96,697	98,158	669,556	18,183	687,739	6,924	7,006
Bweyale	219,724	236,291	914,553	173,978	1,088,531	4,162	4,607
Entebbe	8,301,177	9,122,825	9,917,372	3,790,934	13,708,306	1,195	1,503
Iganga	177,665	199,577	1,985,477	731,481	2,716,958	11,175	13,614
Jinja	7,337,522	8,933,293	10,169,783	4,080,201	14,249,984	1,386	1,595
Kalungu	-	248,227	1,216,454	1,876	1,218,330	-	4,908
Kamuli	206,723	197,711	1,086,427	157,221	1,243,648	5,255	6,290
Kapeeka	521,713	638,478	1,530,770	54,128	1,584,898	2,934	2,482
Kigumba	154,563	157,122	844,341	96,888	941,229	5,463	5,990
Kyotera	588,781	682,668	2,015,115	454,779	2,469,894	3,423	3,618
Lugazi	477,295	478,471	1,853,770	880,733	2,734,503	3,884	5,715
Luweero	926,939	718,927	2,716,289	701,211	3,417,500	2,930	4,754
Lwengo	287,423	280,373	1,046,309	619,828	1,666,137	3,640	5,943
Masaka	2,296,649	2,756,998	5,517,915	2,208,278	7,726,193	2,403	2,802
Mityana	868,878	910,073	2,387,959	765,978	3,153,937	2,748	3,466
Mpigi	433,523	493,030	2,180,083	1,141,559	3,321,642	5,029	6,737
Mubende	625,984	724,734	2,184,614	1,510,197	3,694,811	3,490	5,098
Nakasongola	-	-	540,761	25	540,786	-	-
Sembabule	271,214	368,093	1,153,562	290,281	1,443,843	4,253	3,922
Sub Total	23,792,470	27,245,049	49,931,110	17,677,758	67,608,868	2,099	2,482
Eastern Region							
Bukedea	-	91,685	378,058	378,195	756,253	-	8,248
Kaberaido	-	94,219	485,685	8,104	493,789	-	5,241
Kapchorwa	360,921	504,431	922,535	587,237	1,509,772	2,556	2,993
Kotido	135,778	172,712	959,233	326,506	1,285,739	7,065	7,444
Kumi	412,547	501,059	1,674,236	252,800	1,927,036	4,058	3,846
Manafwa	-	247,148	802,935	1,557	804,492	-	3,255
Mbale	2,544,092	2,758,210	7,483,116	1,701,941	9,185,057	2,941	3,330
Moroto	291,206	323,995	1,175,257	178,931	1,354,188	4,036	4,180
Soroti	1,938,009	1,853,155	3,979,750	2,264,205	6,243,955	2,054	3,369
Tororo	1,478,853	1,561,718	4,731,785	644,420	5,376,205	3,200	3,442
Sub Total	7,161,406	8,108,332	22,592,590	6,343,896	28,936,486	3,155	3,569
Northern Region							
Adjumani	339,042	437,644	942,714	121,028	1,063,742	2,781	2,431
Apac	220,714	270,253	1,177,112	242,040	1,419,152	5,333	5,251
Arua	1,737,112	1,622,989	3,389,791	3,235,246	6,625,037	1,951	4,082
Gulu	1,839,239	1,959,273	5,093,001	2,929,071	8,022,072	2,769	4,094
Kitgum	362,936	405,200	1,544,503	340,870	1,885,373	4,256	4,653
Koboko	320,958	362,840	1,027,113	332,940	1,360,053	3,200	3,748
Lira	2,269,080	2,521,317	4,866,122	1,459,289	6,325,411	2,145	2,509
Moyo	204,220	221,887	846,155	114,943	961,098	4,143	4,331
Nebbi	623,976	792,024	1,790,113	529,808	2,319,921	2,869	2,929
Pader	261,073	263,267	1,315,958	508,678	1,824,636	5,041	6,931
Pakwach	254,867	346,239	709,889	14,216	724,105	2,785	2,091
Sub Total	8,433,217	9,202,933	22,702,471	9,828,130	32,530,601	2,692	3,535
Western & Southwestern							
Bunyangabu	-	352,292	565,190	5,308	570,498	-	1,619
Bushenyi	1,354,965	1,479,274	3,777,121	3,497,961	7,275,082	2,788	4,918
Fort Portal	1,531,078	1,586,237	3,521,870	688,484	4,210,354	2,300	2,654
Hoima	775,828	692,496	1,903,188	472,979	2,376,167	2,453	3,431
Ibanda	415,130	400,243	1,088,250	229,353	1,317,603	2,621	3,292
Kabale	697,860	823,351	2,067,947	419,053	2,487,000	2,963	3,021
Kamwenge	501,188	570,893	1,663,199	335,321	1,998,520	3,319	3,501
Kanungu	410,978	566,763	1,281,736	396,506	1,678,242	3,119	2,961
Kasese	1,540,861	1,396,848	1,792,054	245,048	2,037,102	1,163	1,458
Kisoro	449,803	525,206	2,120,444	552,097	2,672,541	4,714	5,089
Kyankwanzi	35,141	54,601	386,524	53,844	440,368	10,999	8,065
Lyantonde	692,263	711,538	2,712,541	318,917	3,031,458	3,918	4,260
Masindi	35,141	1,121,815	2,342,879	809,054	3,151,933	66,671	2,810
Mbarara	5,276,333	6,411,768	11,824,372	2,475,316	14,299,688	2,241	2,230
Mpondwe	449,315	525,592	958,989	269,966	1,228,955	2,134	2,338
Ntoroko	154,692	142,066	701,521	7,125	708,646	4,535	4,988
Ntungamo	460,910	521,488	1,437,499	611,008	2,048,507	3,119	3,928
Rubirizi	326,945	277,264	690,075	1,995	692,070	2,111	2,496
Ruhama	167,791	190,030	1,067,075	230,791	1,297,866	6,360	6,830
Rukungiri	241,057	250,287	1,161,157	238,862	1,400,019	4,817	5,594
Rushere	231,140	144,151	1,726,720	298,092	2,024,812	7,470	14,044
Sheema	-	383,225	1,244,338	152,115	1,396,453	-	3,644
Sub Total	15,748,419	19,127,428	46,034,689	12,309,195	58,343,884	2,923	3,050
TOTAL	143,149,393	164,608,492	418,458,058	163,670,461	582,128,519	2,923	3,536

ANNEX 9: Break-even Analysis (UGX.) for the FY 2021/22

Area	Income ("'000")		Operating Costs (UGX. "'000")		Working Ratio	
	2020/21	2021/22	2020/21	2021/22	2020/21	2021/22
Head Office	81,027,640	92,457,448	86,351,464	131,992,269	1.07	1.43
Kampala	220,263,876	250,230,468	131,094,430	145,204,929	0.60	0.58
External Services	-	2,550,061	-	3,169,103	-	1.24
Central Region						
Bugiri	314,000	340,258	692,000	669,556	2.20	1.97
Bweyale	692,000	800,155	810,000	914,553	1.17	1.14
Entebbe	20,703,000	24,925,503	9,440,000	9,917,372	0.46	0.40
Iganga	2,490,000	2,470,966	2,055,000	1,985,477	0.83	0.80
Jinja	23,976,000	26,859,948	9,447,000	10,169,783	0.39	0.38
Kalungu	-	493,582	-	1,216,454	-	2.46
Kamuli	641,000	577,318	890,000	1,086,427	1.39	1.88
Kapeeka	1,227,000	1,625,180	1,664,000	1,530,770	1.36	0.94
Kigumba	520,000	553,412	850,000	844,341	1.63	1.53
Kyotera	1,687,000	1,794,336	2,167,000	2,015,115	1.28	1.12
Lugazi	1,401,000	1,409,870	1,788,000	1,853,770	1.28	1.31
Luweero	2,876,000	2,672,702	2,739,000	2,716,289	0.95	1.02
Lwengo	598,000	639,199	1,098,000	1,046,309	1.84	1.64
Masaka	8,132,000	8,120,084	5,833,000	5,517,915	0.72	0.68
Mityana	1,783,000	1,937,948	2,345,000	2,387,959	1.32	1.23
Mpigi	1,176,000	1,325,698	2,218,000	2,180,083	1.89	1.64
Mubende	1,969,000	2,199,863	1,947,000	2,184,614	0.99	0.99
Nakasongola	32,000	224,977	54,000	540,761	1.69	2.40
Sembabule	601,000	815,293	1,052,000	1,153,562	1.75	1.41
Sub Total	70,818,000	79,786,292	47,089,000	49,931,110	0.66	0.63
Eastern Region						
Bukedea	-	175,369	-	378,058	-	2.16
Kaberaido	-	243,629	-	485,685	-	1.99
Kapchorwa	521,825	670,607	1,008,528	922,535	1.93	1.38
Kotido	377,403	474,055	988,224	959,233	2.62	2.02
Kumi	986,423	1,127,033	1,561,264	1,674,236	1.58	1.49
Manafwa	-	585,655	-	802,935	-	1.37
Mbale	7,688,421	8,160,606	7,429,024	7,483,116	0.97	0.92
Moroto	743,002	830,170	1,342,981	1,175,257	1.81	1.42
Soroti	4,650,637	4,873,649	3,775,847	3,979,750	0.81	0.82
Tororo	4,427,023	4,729,947	5,418,456	4,731,785	1.22	1.00
Sub Total	19,394,734	21,870,720	21,524,324	22,592,590	1.11	1.03
Northern Region						
Adjumani	918,084	1,072,389	757,234	942,714	0.82	0.88
Apac	611,389	732,285	1,140,343	1,177,112	1.87	1.61
Arua	5,151,289	5,034,733	3,567,479	3,389,791	0.69	0.67
Gulu	5,762,057	6,154,137	5,150,102	5,093,001	0.89	0.83
Kitgum	1,106,999	1,161,538	1,161,156	1,544,503	1.05	1.33
Koboko	841,386	907,804	1,033,367	1,027,113	1.23	1.13
Lira	5,535,671	5,877,641	4,570,555	4,866,122	0.83	0.83
Moyo	542,927	653,454	797,859	846,155	1.47	1.29
Nebbi	1,316,050	1,487,914	1,541,972	1,790,113	1.17	1.20
Pader	569,459	606,270	1,297,157	1,315,958	2.28	2.17
Pakwach	460,679	580,994	643,781	709,889	1.40	1.22
Sub Total	22,815,990	24,269,159	21,661,005	22,702,471	0.95	0.94
Western & Southwestern						
Bunyangabu	-	802,443	-	565,190	-	0.70
Bushenyi	3,576,000	2,872,767	3,534,000	3,777,121	0.99	1.31
Fort Portal	4,924,000	4,786,648	3,820,000	3,521,870	0.78	0.74
Hoima	1,933,000	1,866,205	1,919,000	1,903,188	0.99	1.02
Ibanda	1,286,000	1,187,542	870,000	1,088,250	0.68	0.92
Kabale	2,544,000	2,719,261	2,819,000	2,067,947	1.11	0.76
Kamwenge	1,096,000	1,142,314	1,682,000	1,663,199	1.53	1.46
Kanungu	1,045,000	1,201,828	1,182,000	1,281,736	1.13	1.07
Kasese	4,194,000	3,318,533	1,803,000	1,792,054	0.43	0.54
Kisoro	1,263,000	1,514,611	1,941,000	2,120,444	1.54	1.40
Kyankwanzi	97,000	147,721	464,000	386,524	4.78	2.62
Lyantonde	910,000	1,141,641	2,565,000	2,712,541	2.82	2.38
Masindi	3,130,000	3,337,587	2,105,000	2,342,879	0.67	0.70
Mbarara	14,840,000	15,460,125	12,161,000	11,824,372	0.82	0.76
Mpondwe	1,064,000	1,249,887	964,000	958,989	0.91	0.77
Ntoroko	195,000	198,630	573,000	701,521	2.94	3.53
Ntungamo	1,057,000	1,159,810	1,400,000	1,437,499	1.32	1.24
Rubirizi	568,000	606,709	662,000	690,075	0.99	1.14
Ruhama	389,000	451,055	1,062,000	1,067,075	2.73	2.37
Rukungiri	769,000	787,935	1,175,000	1,161,157	1.53	1.47
Rushere	844,000	902,907	1,431,000	1,726,720	1.70	1.91
Sheema	-	1,235,221	123,000	1,244,338	-	1.01
Sub Total	45,724,000	48,091,380	44,155,000	46,034,689	0.97	0.96
TOTAL	460,044,240	519,255,527	351,875,223	421,627,161	0.76	6.80

ANNEX 10: Number of Staff for the FY 2021/22

Area	Male	Female	Total Staff	% Female	Water Connections	Staff Productivity
Head Office	304	264	568	46%	0	-
Kampala	1,190	543	1,733	31%	390,707	4
Central Region						
Bugiri	8	4	12	33%	1,755	7
Jinja	88	42	130	32%	38,524	3
Entebbe/Kajansi	77	53	130	41%	48,428	3
Masaka	56	19	75	25%	19,326	4
Kalungu	13	5	18	28%	2,595	7
Mubende	16	14	30	47%	6,541	5
Lugazi	14	13	27	48%	5,170	5
Luweero	33	16	49	33%	10,988	4
Mityana	18	9	27	33%	7,151	4
Kigumba	11	8	19	42%	2,170	9
Bweyale/Kiryandongo	14	2	16	13%	2,678	6
Kyotera	24	15	39	38%	6,458	6
Iganga	26	22	48	46%	10,967	4
Kamuli/Mbulamuti	13	5	18	28%	3,523	5
Mpigi	20	12	32	38%	5,539	6
Sembabule	14	3	17	18%	2,539	7
Lwengo	12	7	19	37%	4,652	4
Kapeeka	12	7	19	37%	3,029	6
Nakasongola	3	1	4	25%	791	5
Sub-Total	472	257	729	35%	182,824	4
Eastern Region						
Kapchorwa	15	4	19	21%	2,597	7
Kotido	14	1	15	7%	1,137	13
Kumi	22	7	29	24%	3,503	8
Manafwa	16	7	23	30%	5,745	4
Mbale	83	28	111	25%	22,406	5
Moroto	12	3	15	20%	1,544	10
Soroti	35	14	49	29%	11,436	4
Tororo	42	18	60	30%	15,394	4
Bukedea	9	4	13	31%	1,192	11
Kaberaimaido	8	3	11	27%	832	13
Sub Total	256	89	345	26%	65,786	5
Northern Region						
Adjumani	11	2	13	15%	3,505	4
Apac	21	5	26	19%	2,884	9
Arua	37	13	50	26%	11,231	4
Gulu	54	17	71	24%	12,291	6
Kitgum	14	6	20	30%	4,806	4
Koboko	12	4	16	25%	2,346	7
Lira	53	14	67	21%	16,895	4
Moyo	10	2	12	17%	2,777	4
Nebbi	23	7	30	23%	5,809	5
Pader	25	6	31	19%	3,604	9
Pakwach	11	2	13	15%	2,123	6
Sub-Total	271	78	349	22%	68,271	5
Western & Southwestern Region						
Mbarara	106	52	158	33%	33,745	5
Bushenyi/ Ishaka	45	19	64	30%	11,419	6
FortPortal	37	13	50	26%	13,633	4
Kasese	41	21	62	34%	9,316	7
Hoima	16	9	25	36%	6,756	4
Kyankwanzi	4	0	4	0%	170	24
Masindi	18	9	27	33%	7,091	4
Kabale	35	7	42	17%	9,204	5
Kisoro	19	3	22	14%	4,982	4
Rukungiri	20	11	31	35%	4,437	7
Ibanda	10	8	18	44%	5,904	3
Kamwenge	24	6	30	20%	5,128	6
Kanungu	21	7	28	25%	6,036	5
Lyantonde	20	7	27	26%	3,433	8
Rushere	14	14	28	50%	2,663	11
Ntungamo	19	13	32	41%	5,178	6
Mpondwe	17	7	24	29%	4,422	5
Ruhama	15	5	20	25%	2,438	8
Rubirizi	14	3	17	18%	1,980	9
Ntoroko	10	3	13	23%	717	18
Sheema	12	9	21	43%	6,395	3
Bunyangabu	0	0	0	0%	4,712	0
Subtotal	517	226	743	30%	149,759	5
TOTAL	3,010	1,457	4,467	33%	857,347	5

ANNEX 11: NWSC Operational Areas For The FY 2021/22

REGION	Administrative Area		Town/ Urban Centres	District
KAMPALA METRO-POLITAN REGION	1	Kampala Water	Kampala City	Kampala
			Mukono Municipality	Mukono
			Kira Municipality	Wakiso
			Nansana TC	Wakiso
			Wakiso TC, Buloba	Wakiso
			Kakiri	Wakiso
CENTRAL REGION	1	Entebbe	Entebbe	Wakiso
			Kajjansi	Wakiso
	2	Jinja	Jinja	Jinja
			Njeru	Buikwe
			Buwenge	Jinja
			Kagoma	Jinja
	3	Lugazi	Lugazi	Buikwe
			Nkonkonjeru	Buikwe
			Buikwe	Buikwe
			Najjembe	Buikwe
	4	Iganga	Iganga	Iganga
			Mayuge	Mayuge
			Kaliro	Kaliro
			Busembatya	Bugweri
	5	Bugiri	Luuka	Luuka
			Bugiri	Bugiri
			Naluwerere	Bugiri
			Buwuni	Bugiri
	6	Mityana	Mityana	Mityana
	7	Masaka	Masaka	Masaka
			Mukungwe	Masaka
			Bukakata	Masaka
			Suunga	Kalungu
	8	Kalungu	Kalungu	Kalungu
			Lukaya	kalungu
	9	Sembabule	Sembabule	Sembabule
			Lutuuku	Sembabule
			Kyambi	Sembabule
			Nambirizi	Sembabule
			Mateete	Sembabule
			Mitete	Sembabule
			Ntuusi	Sembabule
			Lwebitakuli	Sembabule
			Lugushuru	Sembabule
	10	Mpigi	Mpigi	Mpigi
	11	Buwama	Buwama	Mpigi
			Kyabadaza	Butambala
			Gombe	Butambala
			Kayabwe	Mpigi
	12	Luweero	Kibibi	Butambala
			Luweero	Luweero
			Wobulenzi	Luweero
			Bombo	Luweero
	13	Nakasongola	Zirowe	Luweero
			Nakasongola	Nakasongola
	14	Kapeeka	Kapeeka	Nakaseke
			Semuto	Nakaseke
			Nakaseke	Nakaseke
			Bukomero	Kiboga
	15	Mubende	Mubende	Mubende
			Kiganda	Kassanda
	16	Kigumba	Kigumba	Kiryandongo
	17	Bweyale	Bweyale	Kiryandongo
			Kiryandongo	Kiryandongo
	18	Kamuli	Kamuli	Kamuli
			Kisozi	Kamuli
			Mbulamuti	Kamuli
	19	Kyotera	Kyotera	Kyotera
			Kalisizo	Kyotera
			Sanje	Rakai
			Kakuuto	Rakai
			Rakai	Rakai
			Mutukula	Rakai

REGION	Administrative Area		Town/ Urban Centres	District
NORTHERN REGION	20	Lwengo	Mbirizi	Lwengo
			Kyazanga	Lwengo
			Kinoni -Lwengo	Lwengo
			Katovu	Lyantonde
	1	Apac	Apac	Apac
			Aduku	Kwania
			Ibuje	Apac
			Kaye Landing Site	Apac
	2	Arua	Arua	Arua
			Wandi	Terego
			Omugo	Terego
			Kubala	Terego
			Okpkotani	Arua
	3	Gulu	Gulu	Gulu
			Unyama	Gulu
			Anaka	Nwoya
	4	Lira	Lira	Lira
			Amach	Lira
			Dokolo	Dokolo
	5	Kitgum	Kitgum	Kitgum
	6	Pader	Pader	Pader
			Pajule	Pader
			Patongo	Agago
			Kalongo	Agago
	7	Nebbi	Nebbi	Nebbi
			Paidha	Zombo
			Nyapea	Zombo
			Okollo	Nebbi
			Parombo	Nebbi
	8	Pakwach	Pakwach	Pakwach
	9	Adjumani	Adjumani	Adjumani
	10	Koboko	Koboko	Koboko
			Yumbe	Yumbe
	11	Moyo	Moyo	Moyo
EASTERN REGION	1	Mbale	Mbale	Mbale
			Budadiri	Sironko
			Sironko	Sironko
			Butebo	Butebo
	2	Bukedea	Kachumbala	Bukedea
			Bukedea	Bukedea
	3	Tororo	Tororo	Tororo
			Malaaba	Tororo
			Nagongera	Tororo
			Kwapa SC	Tororo
			Mella SC	Tororo
			Osukuru SC	Tororo
			Busia	Busia
	4	Manafwa	Bubutu SC	Namisindwa
			Bunabwana SC	Manafwa
			Sisuni SC	Manafwa
			Butiru TB	Manafwa
			Manafwa	Manafwa
			Lirima	Manafwa
			Lwakhakha	Manafwa
			Bumbo SC	Manafwa
			Buwoni SC	Manafwa
			Magale	Namisindwa
	5	Soroti	Soroti	Soroti
			Amuria	Amuria
			Serere	Serere
	6	Kaberaido	Kaberaido	Kaberaido
			Otuboi	Kalaki
			Atiriri	Amuria
			Kalaki	Kalaki
	7	Kumi	Pallisa	Pallisa
			Ngora	Ngora
			Kumi	Kumi
	8	Kapchorwa	Kapchorwa	Kapchorwa
			Sipi	Kapchorwa
			Kaserem(Upper Sipi)	Kapchorwa
	9	Moroto	Matany	Moroto
			Moroto	Moroto
			Kangole	Napak

ANNEX 11: NWSC Operational Areas For The FY 2021/22 cont'd

REGION	Administrative Area		Town/ Urban Centres	District
WEST & SOUTH WESTERN REGION	10	Kotido	Kotido	Kotido
			Kaabong	Kaabong
	1	Hoima	Hoima	Hoima
	2	Kyankwanzi	Bukwiri	Kyankwanzi
			Banda	Kyankwanzi
			Kasambya	Kyankwanzi
			Misango	Kyankwanzi
			Kyankwanzi	Kyankwanzi
	3	Bushenyi	Bushenyi	Bushenyi
			Ishaka	Bushenyi
			Magambo	Bushenyi
			Kyabugimbi	Bushenyi
			Irembezi	Bushenyi
			Buhweju/Nsiika	Buhweju
			Kyangyenye	Sheema
	4	Mitooma	Mitooma	Mitooma
			Kashenshero	Mitooma
			Rutookye	Mitooma
			Kabira	Mitooma
			Kanyabwanga-Omukabanda	Mitooma
			Bitereko-Iraramira	Mitooma
			Kati-Rwempungu	Mitooma
			Mayanga-Omuribiri	Mitooma
			Kisiizi-Kengyera	Rukungiri
	5	Sheema	sheema/shuku	Sheema
			Kabwohe	Sheema
			Kitagata	Sheema
			Bugongi	Sheema
			Itendero	Sheema
	6	Rubirizi	Katerera	Bushenyi
			Rubirizi	Rubirizi
			Ryeru	Rubirizi
	7	Kisoro	Kisoro	Kisoro
	8	Mbarara	Mbarara	Mbarara
			Kinoni	Mbarara
			Rubindi	Mbarara
			Bwizibwera	Mbarara
			Kashaka	Mbarara
			Biharwe	Mbarara
			Kaberebere	Isingiro
			Nyeihanga	Mbarara
			Kagongi	Mbarara
			Nakivale	Isingiro
			Oruchinga	Isingiro
	9	Fort Portal	Fort Portal	Kabarole
			Kichwamba	Kabarole
			Kiko	Kabarole
			Mugusu	Kabarole
			Kijura	Kabarole
	10	Kyenjojo	Kyenjojo	Kyenjojo
			Katooke	Kyenjojo
	11	Kasese	Kasese	Kasese
			Rugendabara	Kasese
	12	Bunyangabu	Kibiito	Bunyangabu
			Hima	Kasese
			Rubona	Kabarole
			Katebwa	Kabarole
			Kasunga-nyanja	Kabarole
			Rwimi	Bunyangabu
			Kicucu	Kabarole
			Kabale-Kabarole	Kabarole
	13	Masindi	Masindi	Masindi
	14	Kabale	Kabale	Kabale
	15	Rukiga	Muhanga	Rukiga
			Kamwezi	Kabale
	16	Rukungiri	Rukungiri	Rukungiri
			Kebisoni	Rukungiri
			Buyanja	Rukungiri
			Nyakagyeme-Rwerere	Rukungiri

ANNEX 11: NWSC Operational Areas For The FY 2021/22 cont'd

REGION	Administrative Area		Town/ Urban Centres	District
	17	Kanungu	Kanungu	Kanungu
			Kihihi	Kanungu
			Kambuga	Kanungu
			Butogota	Kanungu
			Kanyampanga	Kanungu
			Kanyantorogo	Kanungu
			Nyamirama	Kanungu
			Kateete	Kanungu
			Nyakinoni	Kanungu
			Nyanga	Kanungu
			Kirima	Kanungu
	18	Ibanda	Ibanda	Ibanda
			Rwenkobwa	Ibanda
	19	Kamwenge	Kamwenge	Kamwenge
			Ishongororo	Ibanda
			Bisozi	Kamwenge
			Kahunge	Kamwenge
			Bigodi	Kamwenge
			Katalyeba	Kamwenge
			Kabuga	Kamwenge
			Rukooko	Kabarole
	20	Lyantonde	Lyantonde	Lyantonde
			Kasagama	Lyantonde
			Kaliro	Lyantonde
			Kinuka	Lyantonde
	21	Ntungamo	Ntungamo	Ntungamo
			Omungyenzi	Ntungamo
			Rubare	Ntungamo
			Kagarama	Ntungamo
			Rwentobo	Ntungamo
			Rweshemeire	Ntungamo
			Kyempene-Rugarama	Ntungamo
			Nyabihoko	Ntungamo
			Nyamunuka	Ntungamo
			Itojo	Ntungamo
			Kiziba	Ntungamo
	22	Rushere	Rushere	Kiruhura
			Kiruhura	Kiruhura
			Kazo	Kazo
			Sanga	Kiruhura
			Kanyareru	Kiruhura
			Kikatsi	Kiruhura
			Kinoni	Kiruhura
	23	Mpondwe	Mpondwe -Lhubirha	Kasese
			Katwe	Kasese
			Harukungu	Kasese
	24	Ruhama-Kitwe	Ruhama	Ntungamo
			Kitwe	Bushenyi
			Kikagati	Isingiro
			Mirama Hills	Ntungamo
			Rukoni	Ntungamo
	25	Ntoroko	Kanara	Ntoroko
			Rwebisengo	Ntoroko

National Water & Sewerage Corporation - GRI G4 Content Index

		COVERED IN THIS REPORT	PAGE REFERENCE OR COMMENT
STRATEGY AND PROFILE DISCLOSURES			
STRATEGY AND ANALYSIS			
G4-1.	Statement from the most senior decision maker	YES	Page 30-31
G4-2.	Description of key impacts, risks and opportunities	YES	Our Value Creation Model, Page 58; Our Sustainability Report 60-68; Our Stakeholder Engagement Page 69 and our Operational Report page 72.
ORGANIZATIONAL PROFILE			
G4-1.	Name of organization	YES	Cover Page
G4-2.	Primary brands, products and/or services	YES	Pages 5
G4-3.	Location of organization's headquarters	YES	Cover Page (Back page).
G4-4.	Number of (towns)where the organization operates	YES	Page 17; under geographical expansion & Table 2; Key performance Indicators Row 1.
G4-5.	Nature of ownership and legal form	YES	Page No.4
G4-6.	Markets served by the organization (including geographic breakdown, sectors (Our Customers/Subscribers).	YES	Table 2; Pages 22, Map on Page 16 and Page 17 showing the growth in No. of Towns since 1972. Table 2 on Key Performance Indicators; Table 7 under social sustainability.
G4-7.	Scale of the reporting organization. (About us)	YES	Government Parastatal-Page 4
G4-8.	Total number of employees and gender.	YES	Page 4; under employees, Table 13; Page 62 ; Annex 8 on Page 159.
G4-9.	Percentage of total employees covered by collective bargaining agreements. (Staff under Union)	YES	All staff below Scale 2 (about 85%)
G4-10.	Description of the organization's supply chain	YES	Water Treatment Process. Page 87; Figure 20.
G4-11.	Significant changes during the reporting period regarding the organization's size, structure, ownership or it supply chain	YES	Operational Performance Report Page: 72-106.
G4-12.	Precautionary approach or principle is addressed by the organization.	YES	Our Sustainability Report (Page 60-68)
G4-13.	Precautionary Approach	YES	Governance Report (Page 38-51) & Risk Department in place.
G4-14.	Membership of associations in which the organization has positions in governance bodies, participates in projects or communities, provides funding beyond routine memberships dues or views membership as strategic.	YES	AFWA, IWA, UIPE, FEU, SPA, WEPWG, HCDP, WACOCO, UBTEB, SWAS Clubs, Rotary Clubs etc. Table 7; Page 57.
IDENTIFIED MATERIAL ASPECTS AND BOUNDARIES			
G4-1.	List of all entities included in the organization's consolidated financial statements or equivalent documents		Pages: 107-148
G4-2.	Explanation of the process of defining report content and the Aspect boundaries	YES	Page: 26
G4-3.	List of all Material Aspects identified in the process for Defining Report	YES	Our Sustainability Report on Social, Economic and Environmental Issues Page 60-68.
STAKEHOLDER ENGAGEMENT			
G4-24.	List of stakeholder groups engaged by the organization	YES	Pages 69-70; Table 8; Stakeholder Analysis.
G4-25.	Basis for identification and selection of stakeholder with whom to engage	YES	Page 38; Under; Board of Directors.
G4-26.	Report the organization's approach to stakeholder engagement, including frequency of engagement by type and by stakeholder group, and an indication of whether any of the engagement was undertaken specifically as part of the report preparation process		Page 69; Meeting with suppliers, customer engagements through social media platforms e.g. Page 71-Pictorial showing engagements.
G4-27.	Key topics and concerns that have been raised through stakeholder engagements, and how the organization has responded to those key topics and concerns, including through its reporting. Report the stakeholder groups that raised each of the key topics and concerns.	YES	Engagement with Parliamentary Committee on Natural Resources; Budget Committee etc.; Securing of the UGX.95 Billion (Table No.35 106 Page).

National Water & Sewerage Corporation - GRI G4 Content Index Cont'd

		COVERED IN THIS REPORT	PAGE REFERENCE OR COMMENT
G4-28.	Reporting period for information provided	YES	Cover Page and Financial Statements from Page 107.
G4-29.	Date of most recent previous report.	YES	From Page (109-Financial Statements)
G4-30.	Reporting cycle.	YES	Cover Page/Financial Statements/ Operational Performance.
G4-31.	Contact point for questions regarding the report or its contents.	YES	Annexed to this report addresses for all Areas of our Operations. Pages 168-171.
G4-32.	Report an "in accordance" option that the organization has chosen.	YES	Page No.26; About this Report.
G4-33.	Assurance – Policy and current practice with regard to seeking external assurance for the report, if not included in an assurance report, explain the scope and basis of any external assurance provided. Also explain the relationship between the organization and the assurance provider.	YES	Done by the Financial Reporting (Fire) Awards Institute of Certified Public Accountants. NWSC Member of CPA.
GOVERNANCE			
G4-34.	Governance structure of the organization, including committees under the highest governance body and responsibilities in decision-making on economic, environmental and social impacts.	YES	Page No.38-57
G4-35.	Process for delegating authority for economic, environmental and social topics from the highest governance body to senior executives and other employees.	YES	Pages No. 38 under Our Governance and Leadership.
G4-35.	Process for delegating authority for economic, environmental and social topics from the highest governance body to senior executives and other employees.	YES	Pages No. 38 under Our Governance and Leadership. Section under the Board of Directors.
G4-36.	Report whether the organization has appointed an executive-level position or positions with responsibility for economic, environmental and social topics, and whether post holders report directly to the highest governance body.	YES	Pages No. 36 under Our Governance and Leadership.
G4-37.	Processes for consultation between stakeholders and the highest governance body on economic, environmental and social topics. If consultation is delegated, describe to whom and feedback processes to the highest governance body.	YES	Management meetings with stakeholders like Parliament; Development Partners on Mission; Government Agencies like Police (to handle illegal connection issues). Another report.
G4-38.	Composition of the highest governance body by independence, tenure on the governance body, number and nature of other significant positions and commitments, gender, membership of under-represented social groups, competences, and stakeholder representation.	YES	Page No. 39, Table 4
G4-39.	Report whether the Chair of the highest governance body is also an executive officer (and, if so, his/her function within the organization's management and the reasons for this arrangement).	YES	Page No.36- The Board Chairman NWSC is the overall Head and Managing Director manages the daily operations of the Corporation. (Governance Report Page 38).
G4-40.	Nomination and selection processes for the highest governance body and its committees and the criteria used for nominating and selecting the highest governance body members including where and how diversity, independence experience and expertise are considered, and the extent of involvement of stakeholders including shareholders.	YES	Page No. 38 (Appointment of the Board is done by the Minister-2 nd Paragraph).
G4-41.	Processes in place for the highest governance body to ensure conflicts of interest are avoided and managed.	YES	Page 41-46. (Board Committees meetings)-
G4-42.	The highest governance body's and senior executives' roles in the development, approval and updating of the organization's purpose, value or mission statements, strategies, policies, and goals related to economic, environmental and social impacts.	YES	Page 38-51
G4-43.	Measures taken to develop and enhance the highest governance body's collective knowledge of economic, environmental and social topics.	YES	Board Induction and Training (Page 47).
G4-44.	Processes in place for evaluation of the highest governance body's performance with respect to governance of economic, environmental and social topics. Report whether such evaluation is independent or not, and its frequency. Report whether such evaluation is a self-assessment.	YES	External Consultants usually hired to evaluate the Board. This is done annually. (Page 47-48).

National Water & Sewerage Corporation - GRI G4 Content Index Cont'd

		COVERED IN THIS REPORT	PAGE REFERENCE OR COMMENT
G4-45.	The highest governance body's role in identification and management of economic, environmental and social impacts, risks and opportunities.	YES	Through our Corporate Planning Process
INCLUDE THE HIGHEST GOVERNANCE BODY'S ROLE IN THE IMPLEMENTATION OF DUE DILIGENCE PROCESSES			
G4-46.	The highest governance body's role in reviewing the effectiveness of the organization's risk management processes for economic, environmental and social topics and social topics.	YES	Board committees & Responsibilities Page 41.
G4-47.	The frequency of the highest governance body's review of economic, environmental and social impacts, risks and opportunities.	YES	Board meetings. Pages 42-46; Tables 5-11 which give the frequency of both Committee & Board meetings.
G4-48.	Report the highest committee or position that formally reviews and approves the organization's sustainability report and ensures that all material aspects are covered.	YES	Page No.46 ;Table 10; where Review reports are usually presented including our Annual Report which has most of the sustainability content.
G4-49.	Report the process for communicating critical concerns to the highest governance body.	YES	Through Board Meetings (42-46).
G4-50.	Report the nature and total number of critical concerns that were communicated to the highest governance body and the mechanism(s) used to address and resolve them.	YES	Procurement of Chemicals and other procurements that fall in the threshold of the Board. (Board Minutes)
G4-51.	Remuneration policies for the highest governance body and senior executives.	YES	Page 39-Directors Remuneration (Table 12)
G4-52.	Report the process for determining remuneration. Report whether remuneration consultants are involved in determining remuneration and whether they are independent of management. Report any other relationships which the remuneration consultants have with the organization.	YES	Available in other Policy documents and guidelines-NWSC Act
G4-53.	Report how stakeholders' views are sought and taken into account regarding remuneration, including the results of votes on remuneration policies and proposals, if applicable.	YES	Available in other Policy documents and guidelines
G4-54.	Report the ratio of the annual total compensation of the organization's highest-paid individual in each country of significant operations to the medial annual total compensation for all employees (excluding the highest-paid individual) in the same country.	NO	-
G4-55.	Report the ratio of percentage increase in annual total compensation for the organization's highest-paid individual in each country of significant operations to the medial annual total compensation for all employees (excluding the highest-paid individual) in the same country.	NO	-
ETHICS AND INTEGRITY			
G4-56.	Description of the organization's values, principles, standards and norms of behaviour such as codes of conduct and codes of ethics.	YES	Page No.4-5 (Mission, Vision and core values)-Page 1 & 18.
G4-57.	Internal and external mechanisms for seeking advice on ethical and lawful behaviour, and matters related to organizational integrity, such as helplines or advice lines.	YES	Page 10; Improving Customer service through Digital Transformation; Toll Free Lines on all our social media platforms. Use of Whistle Blowers Policy .
G4-58.	Internal and external mechanisms for reporting concerns about unethical or unlawful behaviour, and matters related to organizational integrity, such as escalation through line management, whistleblowing mechanisms or hotlines.	YES	Customer Relationship Module (CRM- Page 8)-We listen to our customers.
DISCLOSURES ON MANAGEMENT APPROACH			
G4-DMA	Report the evaluation of the management approach, including the mechanisms for evaluating the effectiveness of the management approach; results of the evaluation of the management approach and any related adjustments to the management approach.	YES	Our Strategy Page 19-24; and Governance Report Page 47-49
G4-DMA	Report why the Aspect is material. Report the impacts that make this Aspect material.	YES	Sustainability Report 60-68.
G4-DMA	Report how the organization manages the material Aspect or its impacts.	YES	Sustainability Report 60-71.
ECONOMIC INDICATORS			
ECONOMIC PERFORMANCE, INCLUDING MARKET PRESENCE AND INDIRECT ECONOMIC ASPECTS.			

National Water & Sewerage Corporation - GRI G4 Content Index Cont'd

		COVERED IN THIS REPORT	PAGE REFERENCE OR COMMENT
G4-EC1	Direct economic value generated and distributed, including revenues, operating costs, employee compensation, donations and other community investments, retained earnings, and payments to capital providers and governments.	YES	Page 62-Financial & Economic Sustainability. (Table 16)
G4-EC2	Financial implications and other risks and opportunities for the organization's activities due to climate change.	YES	Statement of Financial Position, Income Statement. Table 16-environmental & ecological sustainability.
G4-EC3	Coverage of the organization's defined benefit plan obligations.	YES	-Provident Fund started in October 2020. -Page 63-Our Social Sustainability Report.
G4-EC4	Government Financing.	YES	Note 17 Page 137 (UGX.317bn)
G4-EC5	Ratios of standard entry level wage compared to local minimum wage at significant locations of operation.	YES	Graduate Trainees paid UGX.260,000 (which is double of the minimum wage of UGX.130,000)
G4-EC6	Proportion of senior management hired from the local community at locations of significant operation.	YES	EMM Members on Page 52-57).
G4-EC7	Development and impact of infrastructure investments and services supported.	YES	Pages 92-108 Implementation of Infrastructure Development Projects.
G4-EC8	Significant indirect economic impacts, including the extent of impacts.	YES	Our Value Creation Model, Page, 58-59. Table 16: Sustainability Performance Table.
G4-EC9	Proportion of spending on local suppliers at significant locations of operation.	YES	Being implemented under the BUBU Policy. Annexes; Bankers; Lawyers & List of Suppliers (Last Years report)
ENVIRONMENTAL INDICATORS			
ENVIRONMENTAL PERFORMANCE, INCLUDING MATERIALS, ENERGY, WATER, BIODIVERSITY, EMISSIONS, EFFLUENT & WASTE, COMPLIANCE AND TRANSPORT.			
G4-EN1	Materials used by weight or volume.	YES	(Financials; Note No.10-Fuel and lubricants, Note 11; Water treatment; Fuel & lubricants, chemicals, Stationary, office supplies, laboratory reagents.
G4-EN2	Percentage of materials used that are recycled input materials.	YES	shredding of used paper; and production of gas from Bugolobi Wastewater Treating Plant. (on-going-yet to be implemented due procedural delays).
G4-EN3	Energy consumption within the organization.	YES	Note 12, Page 135 (Electricity (UGX.693m-Note 12 for premises & UGX.74 Bn, Note 10 Page 135.
G4-EN6	Reduction of energy consumption.	YES	Page 68; Table 16 under Environmental & Ecological Sustainability.
G4-EN7	Reductions in energy requirements of products and services.	YES	Table 16-Financials Note 10 & 12.
G4-EN8	Total water withdrawal by source.	YES	Annexed 1: page 150
G4-EN8	Water sources significantly affected by withdrawal of water.	YES.	Utingo River in Gulu, R. Rwizi, Affected by climate change and human activities.
G4-EN10	Percentage and total volume of water recycled and reused.	YES	Page 68; Table 16. Under Environmental and Ecological sustainability
G4-EN11	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas outside of high biodiversity value outside protected areas.	YES	Noted reported here
SOCIAL INDICATORS – HUMAN RIGHTS			
HUMAN RIGHTS PERFORMANCE, INCLUDING STRATEGY & MANAGEMENT, NON-DISCRIMINATION, FREEDOM OF ASSOCIATION, CHILD LABOUR AND FORCED LABOUR			
G4-HR3	Total number on incidents of discrimination and corrective action taken.	NO	N/A
G4-HR4	Operations and suppliers identified in which the right to exercise freedom of association and collective bargaining may be violated or at significant risk, and actions taken to support these rights.	NO	N/A

National Water & Sewerage Corporation - GRI G4 Content Index Cont'd

		COVERED IN THIS REPORT	PAGE REFERENCE OR COMMENT
G4-HR5	Operations and suppliers identified as having significant risk for incidents of child labour and measures taken to contribute to the effective abolition of child labour.	NO	N/A
G4-HR6	Operations and suppliers identified as having significant risk, for incidents of forced or compulsory labour and measures to contribute to the elimination of all forms of forced or compulsory labour.	NO	N/A
G4-HR9	Total number and percentage of operations that have been subject to human rights reviews or impact assessments.	NO	N/A
SOCIAL INDICATORS – SOCIETY			
SOCIETY PERFORMANCE, INCLUDING COMMUNITY, CORRUPTION, PUBLIC POLICY AND COMPLIANCE			
G4-SO9	Percentage of new suppliers that were screened using criteria for impacts on society.	NO	-
G4-SO10	Significant actual and potential negative impacts on society in the supply chain and actions taken.	NO	-
SOCIAL INDICATORS – PRODUCT RESPONSIBILITY			
PRODUCT RESPONSIBILITY, INCLUDING CUSTOMER HEALTH & SAFETY, PRODUCTS & SERVICES, MARKETING & COMMUNICATION AND CUSTOMER PRIVACY			
G4-PR1	Percentage of significant product and service categories for which health and safety impacts are assessed for improvements.	YES	-Page 86-88 (Quality Assurance).
G4-PR5	Results of surveys measuring customer satisfaction.	YES	Customer Satisfaction survey report (75%)
END			

Office Addresses and Contacts

HEAD OFFICE

Plot 3 Nakasero
P.O Box 7053 Kampala
Tel: 0313-315-101/102
Email: info@nwsc.co.ug
Website: <http://www.nwsc.co.ug>
Twitter: @nwsc
Facebook: [waterug](https://www.facebook.com/waterug)
Toll free: 0800-200-977/0800-300-977

KAMPALA WATER

Plot 39, Jinja Road
P.O Box 70255 Kampala, Uganda
Tel: 0313-315-600/516

KAMPALA WATER BRANCHES

CITY CENTER BRANCH

Plot 18/20, 6th Street Industrial Area
TEL: 0313-315-500

MUKONO BRANCH

Opposite Mukono Police Station
TEL: 0313-315-459

NATEETE BRANCH

Plot 615 Gamba Plaza, Nalukolongo
TEL: 0313-315-445

BUNGA BRANCH

Plot 947 Gaba Road-Bunga
TEL: 0313-315-578

KYALIWAJJALA BRANCH

Along Kiira Road, after Spedag Warehouse
TEL: 0313-315-580

NAKAWA BRANCH

After Spear Motors at Premier Building
TEL: 0313-315-434/539

NAKULABYE BRANCH

2nd floor Mamu Supermarket
TEL: 0313-315-479

NDEJJE BRANCH

Opposite Rainbow Junior School.

MASANAFU BRANCH

In Munaku next to Power King Hotel

SEETA BRANCH

On Jinja Road opposite Riders Hotel
TEL: 0313-315-559

SALAAMA BRANCH

Salaama Road before St. Henry's Gardens
TEL: 0313-315-515

WAKISO BRANCH

Opposite Wakiso Health Centre.

URBAN PRO-POOR BRANCH

After total fuel station on Mengo hill road, kisenyi
TEL: 0313-315-442

NANSANA BRANCH

Bukomero on 7 Sisters Building, Hoima Road.
TEL: 0313-315-436

KANSANGA (NSAMBYA) BRANCH

Sussie house next to American Embassy, Gaba Road.
TEL: 0313-315-512

KIREKA BRANCH

Wabyona Plaza ground floor, Kireka.
TEL: 0313-315-518

KASANGATI (GAYAZA) BRANCH

Opposite Kasangati health center.
TEL: 0313-315-474

NTINDA BRANCH

Next to former DFCU Bank, Ntinda
TEL: 0313-315-440

MATUGGA BRANCH

Near Matugga Grade 2 Magistrates' court.
TEL: 0313-315-584

KYENGERA BRANCH

Opposite Gapco Petro Station, Kyengera – Masaka highway.
TEL: 0313-315-583

KANYANYA BRANCH

Block 207, Plot 2549
TEL: 0313-315-456

NAJJANANKUMBI BRANCH

Plot No 668 Entebbe road
TEL: 0313-315-431

BULENGA BRANCH

Bulenga Trading Center

BWAISE BRANCH

Bombo road, Opposite Planet Petrol Station Bwaise.
TEL: 0313-315-452/455

LUZIRA BRANCH

After Kitintale Market above UMEME Office
TEL: 0313-315-430

LUTETE BRANCH

Opposite Bobi wine road, 10 meters from Deluxe Supermarket

CENTRAL REGION

BUGIRI AREA

1st turn before oil Libya petrol station in Bugiri town.
P. O Box 94, Bugiri

BUWAMA AREA

Next to Buwama Town Council

BWEYALE AREA

Along Diika Road, Bweyale Town council
P.O Box 92, Bweyale

ENTEBBE AREA

Plot 19/20 Kampala road
P.O Box 79, Entebbe

IGANGA AREA

Plot 49 Main street Iganga.
P.O Box 94, Iganga

JINJA AREA

Plot 7 Bell Avenue Jinja
P.O Box 301, Jinja

KALUNGU AREA

After Uganda Police in Kalungu town

KAMULI AREA

After Don petrol station in Kamuli town
P.O Box: 215, Kamuli

KAPEEKA AREA

Along Goma road

KIGUMBA AREA

After Kafu bridge along the Masaka highway
P.O Box:132 Kigumba

KYOTERA AREA

Same premises with Kyotera Town Council
P. O Box 36, Kyotera

LUGAZI AREA

Plot 44 Mubarak Saidi Road. P.O Box 296, Lugazi

LUWERO AREA

Plot 2 Kiwoko road
P.O Box 06, Luwero

Office Addresses and Contacts continued ►

LWENGO

After Finance Trust Bank in Lwengo Town Council

MASAKA

Plot 29/31 Victoria Road
P.O Box 56, Masaka

MITYANA AREA

P.O Box 458, Ssaza Road

MPIGI AREA

300m-500m from the roundabout along mawonve road in Mpigi town
P.O Box 273, Mpigi

MUBENDE AREA

Next to Mubende Town Council offices, Kiwalabye road.
P.O Box 348, Mubende

NAKASONGOLA AREA

Next to Nakasongola prisons

SEMBABULE AREA

Along Masaka Road after Centenary Bank

EASTERN REGION

BUKEDEA AREA

Next to Uganda Police Station in Buke-dea town

KABERAMAIDO AREA

Near Kaberamaido Town Council offices

KAPCHORWA AREA

Next Kapchorwa Municipal Offices

KOTIDO AREA

Along Losilung road opposite Good Shepherd Cathedral
P.O Box 81 Kotido

KUMI AREA

Along Mbale Road next to Kumi town council offices

MANAFWA AREA

Near Bugobero Town Council offices

MBALE AREA

Plot 1 Works Road
P.O Box 2548, Mbale

MOROTO AREA

Plot 33, Circular Road
P.O Box 49, Moroto

SOROTI AREA

Plot 4 Engwau Road
P.O Box 377, Soroti

TORORO AREA

Plot 44/48 Uhuru Drive
P.O Box 889, Tororo

NORTHERN REGION

ADJUMANI AREA

Along Moyo Road, same premises with Adjumani Town Council
P.O Box 3, Adjumani

APAC AREA

Along Akokoro Road, Apac Town Council, P. O. Box 112, Apac

ARUA AREA

Plot 14 Avenue Road, Arua Town
P.O Box 980, Arua

GULU AREA

Plot 25, Gulu Avenue
P.O Box 167, Gulu

KITGUM AREA

P.O Box 212, Kitgum

KOBOKO AREA

Along Arua road after the Police Station
P.O Box 102 Koboko

LIRA AREA

Plot 10-12 Maruzi road
P.O Box: 243, Lira

MOYO AREA

Plot 18 Kerelu Crescent
P.O Box 27 Moyo

NEBBI AREA

Plot 3 Omaki Road
P.O Box 282, Nebbi

PADER AREA

Along Kalong road
P.O Box 8 Pader

PAKWACH AREA

Opposite Pakwach Town Council Offices

WESTERN & SOUTHWESTERN REGION

BUNYANGABU AREA

Near Bunyangabu District offices

BUSHENYI AREA

Plot 3 Tank hill, Bushenyi Municipality
P.O Box 339, Bushenyi

FORT PORTAL AREA

P.O Box 805, Fort Portal

HOIMA AREA

Plot 12, Kampala Road.
P.O Box 275, Hoima

IBANDA AREA

Opposite Tusu petrol station along Kamwenge road
P.O Box 307, Ibanda

KABALE AREA

Plot 32, Nyerere Avenue.
P.O. Box 627, Kabale

KAMWENGE AREA

Same premises with Kamwenge Town Council
P.O Box 1546, Kamwenge

KANUNGU AREA

Opposite Kanungu District Headquarters
P.O Box 26, Kanungu

KASESE AREA

Plot 1 Rukidi Street
P.O Box 356, Kasese

KISORO

P.O Box 273, Kisoro

KYANKWANZI

Opposite Torch Petrol Station

KYENJOJO

Along Kasiina, Fortportal road next to Unique FM

LYANTONDE AREA

Plot 47 Block 78 Kabula, Lyandonte
P.O Box 33, Lyantonde

MASINDI AREA

Plot 29/31, Masindi Port Road
P.O Box 545, Masindi

MBARARA AREA

Plot 3 Galt Road, Mbarara
P.O Box 1371, Mbarara

MITOOMA AREA

Opposite Mitooma Health Center in Mitooma town.

MPONDWE AREA

Kaserengethe, opposite Bwera market

NTOROKO AREA

After Tooro Semiliki National Park

Office Addresses and Contacts continued ►

NTUNGAMO AREA

Next to Municipal offices, opposite Total
petrol station
P.O Box 384 Ntungamo

RUBIRIZI AREA

Nyakasharu Town Council opposite Total
petrol station

RUHAMA AREA

Next to Town Council offices
P.O Box 70, Ruhama

RUKIGA AREA

After Stabex petrol station, Muhanga
town

RUKUNGIRI AREA

Opposite Municipal Council Offices
P.O Box 29, Rukungiri

RUSHERE AREA

Near Rushere town playground
P.O Box 03, Rushere

SHEEMA AREA

Opposite Sheema Stadium

NWSC Bankers

Centenary Bank

Plot 44 Mapeera House Kampala Road
P.O Box 1892
Kampala

Stanbic Bank

Umoja House Nakasero
P.O Box 7131
Kampala

Standard Chartered Bank

Plot 5 Speak Road
P.O Box 7111
Kampala

Equity Bank

Plot 390 Muteesa 1 Road Katwe
P.O Box 10184
Kampala

Bank of Africa

Plot 45 Jinja Road
P.O Box 2750
Kampala

DFCU Bank

Plot 26 Kyadondo Road
P.O Box 70
Kampala

Citi Bank

Centre Court 4 Ternan Avenue
P.O Box 7505
Kampala

Bank of Baroda

Plot 18 Kampala Road
P.O Box 7197
Kampala

Barclays Bank

Plot 2 Hannington Road
P.O Box 7101
Kampala

Post Bank

Plot 4/6 Nkrumah Road
P.O Box 7189
Kampala

Finance Trust Bank

Plot 4 Katwe Road
P.O Box 3290
Kampala

KCB Bank

Plot 7 Commercial Plaza
P.O Box 7399 Kampala

Cairo International Bank

Plot 30 Kampala Road
P.O Box 7052
Kampala

United Bank of Africa

Spear House Plot 22 Jinja Road
P.O Box 7396 Kampala

Guaranty Trust Bank

Plot 56 Kira Road
P.O Box 7323
Kampala

Diamond Trust Bank

Plot 17/19 Diamond Trust Building
Kampala Road
P.O Box 7155
Kampala

Tropical Bank

Amis Kintu Plot 27 Kampala Road
P.O Box 9485/7292
Kampala

Eco Bank

Plot 4 Parliament Avenue
P.O Box 7368
Kampala

Orient Bank

Plot 16/18 Nyonyi Gardens Kololo
P.O Box 3072
Kampala

NC Bank

Plot 4/6 Rwenzori Towers Nakasero
P.O Box 28707
Kampala

Bank of Uganda

Plot 37/45 Kampala Road
P.O Box 7120
Kampala

Housing Finance Bank

Plot 25 Kampala Road
P.O Box 1539
Kampala

NWSC Lawyers

K & K Advocates

Plot 67, Lugogo By Pass
P.O. Box 6061
Kampala

Katende, Ssempebwa & Co. Advocates

Plot 20, Kampala Road
P.O. Box 2344
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MMAKS Advocates

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P.O. Box 11034
Kampala

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P.O. Box 37366
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P.O. Box 23811
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P.O. Box 28987
Kampala

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Plot 23-27, Prime Plaza
P.O. Box 34585
Kampala

Shonubi Musoke & Co.

Plot 14, Hannington Road
P.O. Box 3213
Kampala

J.S Mayanja Nkangi & Co. Advocates

Plot 32, Jinja Road
P.O. Box 1604
Kampala

REM Advocates

Plot 43, Nkrumah Road
P.O. Box 35949
Kampala

Ensafrica Advocates

Plot 6, Nakasero Road
P.O. Box 24665
Kampala

Kibeedi & Co. Advocates

Plot 2, Bombo Road
P.O. Box 5780
Kampala

Ligomarc Advocates

Social Security House, Jinja Road
P.O. Box 8230
Kampala

Osinde Sentomero, Himbaza Advocates

Plot 30, Kampala Road
P.O. Box 27289
Kampala

BNB Advocates

Plot 6/8, Nakasero Lane
P.O. Box 12386
Kampala

Impala Legal Advocates & Consultants

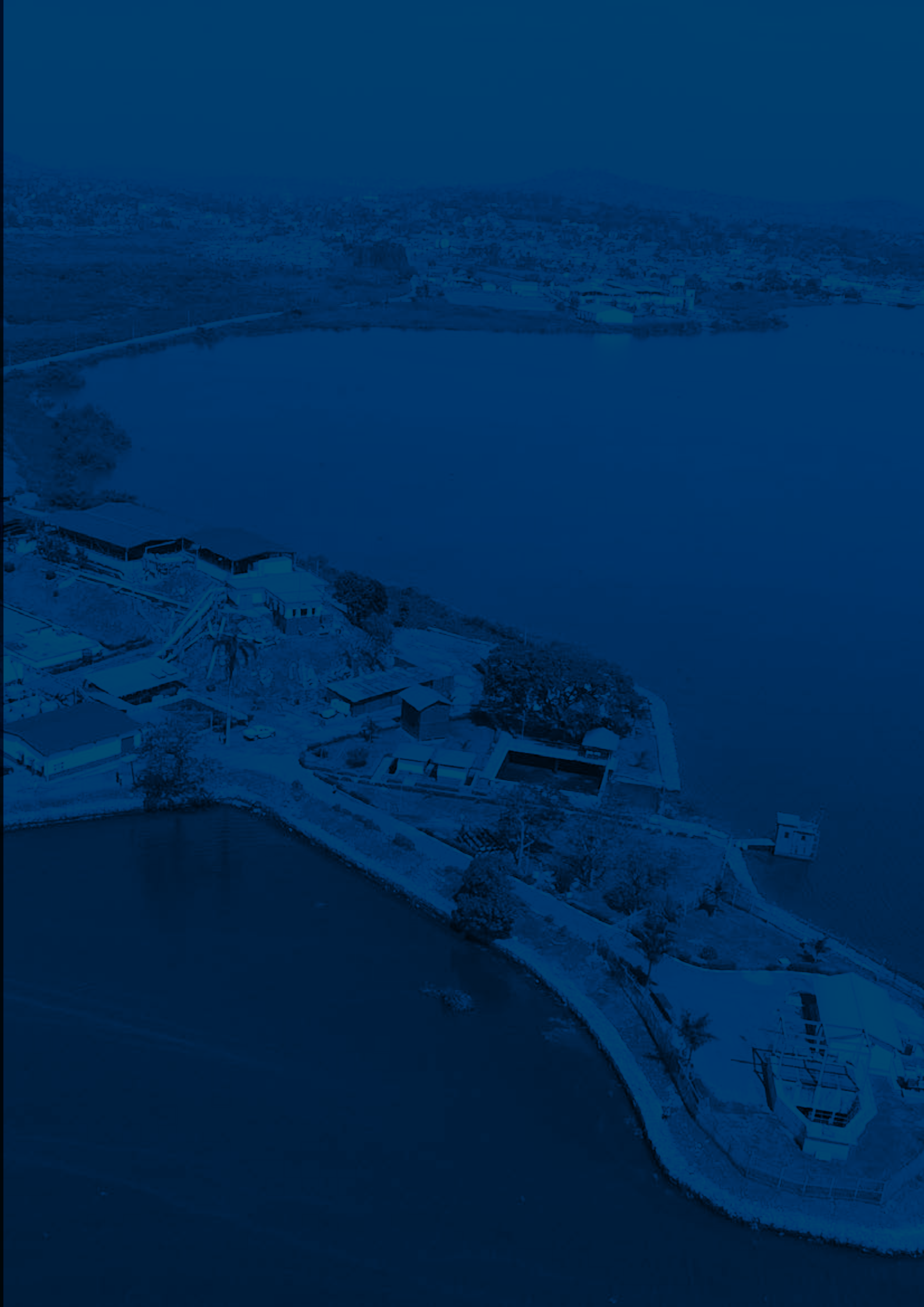
Plot 6, Kanjokya Street
P.O. Box 34651
Kampala

Kentaro Mugerwa & Advocates

Plot 13, Buganda Road
P.O. Box 1176
Kampala

Madaba & Associates Advocates

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P.O. Box 172
Mbale



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