

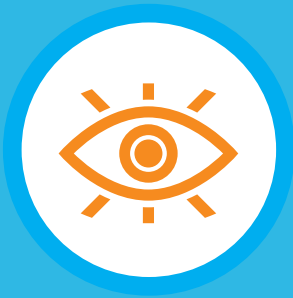


National Water and Sewerage Corporation  
**Integrated Annual  
Report 2022/23**

Transformative, Accountable  
& Sustainable Service Delivery

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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
AFWASA	African Water Association
BOD	Biological Oxygen Demand
BSc	Bachelor of Science
CEO	Chief Executive Officer
CRM	Customer Relationship Module
CSS	Customer Satisfaction Survey
CSI	Customer Satisfaction Index
CSR	Corporate Social Responsibility
DANIDA	Danish International Development Agency
DFCU	Development Finance Company of Uganda
DMA	District Meter Area
DSIF	Danish Sustainable Infrastructure Finance
EBITDA	Earnings Before Interest, Tax, Depreciation and Amortization
ECL	Expected Credit Losses
EIB	European Investment Bank
ESAMI	Eastern and Southern Africa Management Institute
ERMF	Enterprise Risk Management Framework
ESU	External Services Unit
ESQR	European Society for quality Research
EU	European Union
FY	Financial Year
FV	Fair Value through Other Comprehensive Income
GIS	Geographic Information System
GKMA	Greater Kampala Metropolitan Area
GIZ	German International Corporation
GoU	Government of Uganda
GRI	Global Reporting Initiative
HQ	Head Quarters
HRLAC	Human Resource and Legal Affairs Committee
IAS	International Accounting Standards
ICT	Information and Communications Technology
IFRS	International Financial Reporting Standards
IASB	International Accounting Standard Board
IPILC	Intergraded Program to Improve the Living Conditions in Gulu
IREC	International Resource Centre
ISO	International Organization for Standardization
IWMDP	Integrated Water Management Development Project
KfW	Kreditanstalt Fur Wiederaufbau
kms	kilometers
KPI's	Key Performance Indicators
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
m <sup>3</sup>	Cubic meters
MD	Managing Director
Mgt	Management
MTAC	Management Training and Advisory Centre
MWE	Ministry of Water and Environment



NDP	National Development Plan
NEMA	National Environment Management Authority (NEMA)
NRM	National Resistance Movement
NRW	Non-Revenue Water
NSSF	National Social Security Fund
NWSC	National Water and Sewerage Corporation
OCI	Other Comprehensive Income
OPM	Office of the Prime Minister
PC	Performance Contract
PIAPs	Program Implementation Action Plans
PDM	Parish Development Model
PhD	Doctor of Philosophy
PR	Public Relations
pH	Potential of Hydrogen
PSPs	Public Stand Posts
SACCO	Saving and Credit Cooperative Organizations
SIP	Strategic Investment Plan
SC	Sub-county
SCAP	Service Coverage Acceleration Program
SFAs	Strategic Focus Areas
SPAs	Strategic Priority Areas
SOPs	Standard Operating Procedures
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
TCD	Training and Capacity Development
TSS	Total Suspended Solids
UBC	Uganda Broadcasting Corporation
UGX	Uganda Shillings
URBRA	Uganda Retirement Benefits Regulatory Authority
UNDP	United Nations Development Program
UIPE	Uganda Institution of Professional Engineers
UIA	Uganda Investment Authority
UK	United Kingdom
UPDF	Uganda People's Defense Force
URA	Uganda Revenue Authority
USD	United States Dollar
YWPs	Young Water Professionals
VAT	Value Added Tax
VEI	Vitens Evides International
VSDF	Vocational Skills Development Facility
WASE	Water and Sewerage Employees (SACCO)
WACCO	Water Community Communication Clubs
WATSAN	Water and Sanitation
WEDC	Water Engineering and Development Centre
WEX	Water and Energy Exchange
WHO	World Health Organization
WMDP	Water Management and Development Project

# About NWSC



## Our Legal Mandate

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 (Cap 317). 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.

## Geographical Coverage

The NWSC operations across the Country have expanded in the last 50 years from 3 Towns of Kampala, Jinja and Entebbe in 1972 to 273 towns as at end of June 2023.



## Our Products & Services

The NWSC core business is to provide water and sewerage services in Urban Centers of Uganda 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 shallow 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 waste water collection systems that involve 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 17 towns of; Kampala, Jinja, Entebbe, Masaka, Iganga, Tororo, Mbale, Soroti, Lira, Gulu, Arua,

Mbarara, Fort Portal, Hoima, Masindi, Kabale, and Kisoro. The Corporation also operates faecal sludge treatment facilities in 5 Towns namely; Buwama, Bukakata, Ntungamo, Mayuge and Kampala (Lubigi and Bugolobi).

#### ● Consultancy Services

NWSC provides consultancy and advisory services to other utilities and entities in Uganda, and other parts of the World. These services include; laboratory analysis, GIS surveying & mapping, ICT services, billing & customer care, vocational training, capacity development and international conference facilities..



### Our Customers

The Corporation serves 892,099 customers with water services, out of which 28,703 are connected to sewer and 29,088 are served by Public Stand Pipes whose tariff is subsidized at UGX 50 per jerrican.



### Our Employees

NWSC is endowed with Human Resource of 3,109 males and 1,491 females who are skilled, experienced and established staff; This brings the number of total employees to 4,600.



NWSC Staff pause for a photo after a practical Exercise –At Gaba Vocational Training School







# 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.

# About this Report

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; messages from the Board Chairman and the Managing Director, insights into the governance and leadership of the Corporation and 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 the role of the Board in balancing their competing needs. The Section further highlights

our Strategic Priority Areas for the 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 Profit or Loss and Other 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.



Stakeholder Engagement; NWSC Participates in the National ICT Job Fair 2023.

# Our Risks and their Management

This section outlines our framework for managing risks in the Corporation. The framework mainly entails the policy guidelines, the risk management process, assessment and risk mitigation processes.

## ● Our Enterprise Risk Management (ERM) Framework and Risk Management Policy

We have a revised Risk Management Policy approved and adopted in 2022. This policy is based on the "three Lines of defense Assurance model". This model helps to facilitate the process of giving assurance to the Board, Management and other stakeholders that NWSC is financially secure for the key risk exposures it faces.

Our ERM outlines how we manage risk across the Group, as well as at branch and subsidiary level. It gives us the structure to manage existing risks effectively in line with our Risk Appetite, as well as allowing for holistic risk identification, all aimed at ensuring the Corporation's operational business continuity as well as sustainable growth and service delivery.

## ● The Risk Owners

- i) **The Board of Directors** who have the overall primary responsibility for a) approving and determining our risk appetite strategy and tolerance b) oversight on the risk mitigation activities and c) approving resources to implement risk mitigation measures.
- ii) **The Senior Management team** whose responsibilities include identification of risks and implementation of mitigation measures. The risk owners across the various management teams at the different levels have the primary responsibility of supervisory oversight over internal controls, procedures, and cost effectively minimizing and mitigating risks in their respective functions and areas of jurisdiction.

The Risk Management team is responsible for the overall second-line of-defence responsibilities related to risk management, which involves oversight and challenging of the risk management actions of the first line (i.e. risk owners) as well as the assessment and profiling of risks, escalating risk incidents, coordinating implementation of risk mitigation measures, staff training & awareness on risks and providing quarterly risk management information and reports.

## ● Key Risk undertakings in the last financial year

Our risk management approach is at the heart of our business and is central to us in achieving sustainable growth and performance. We have made progress on the following key priorities:

### a. Incorporating Risk Management into our strategy

A detailed risk identification and assessment of the Corporate Plan aligned to the 3-Year Strategic Goals with respective mitigation measures was carried out. These were then mainstreamed through the Annual Action Plans of the Directorates and Departments of the respective risk owners and are monitored on a regular basis to ensure that the achievement of the Corporate Goals is not compromised.

### b. Managing Climate Risk

Managing the risks from climate change is a core element of our strategy. We made good progress during the last financial year in embedding Climate Risk considerations across the corporation in order to conserve the environment and bring out the best combination of economic and environmental costs and benefits. Such initiatives included;

- i) Restoration of biodiversity lost and maintaining catchment sources as a restricted area.
- ii) Protecting raw water sources in order to guard against pollution caused by human activities.
- iii) Restoring degraded water catchment areas to ensure that the quality & quantity of raw water is guaranteed for future generations and
- iv) Tree planting in selected communities.

Going forward, NWSC has made it a policy that all future water projects will have components for catchment protection & restoration.

### c. Technology and Innovation

Our technology capabilities are delivering our strategy of being a digital driven second-line of defence function,



supporting first-line driven risk management processes. We have automated a number of workflows to support review and validation. We have continued to expand our Enterprise Governance, Risk and Compliance with automated workflows in Operational Risk, Business Continuity, and Assurance.

#### d. Policy documentation

Management has transitioned to a new Risk Appetite and Risk Policy with particular emphasis on data analysis which will improve assessment turnaround time. The Risk Profiles, Dashboards and Heat Maps will provide a knowledge repository for the Risk and Compliance advisory teams.

#### e. 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.

Due to competing priorities, the financing-gap for investment in Water and Sanitation infrastructure has continuously grown. This has been worsened by the economic downturn arising from the external factors as well as the spillover effects of the COVID19 pandemic.

Our tariff is not a full cost recovery and this impinges on our capacity to finance investments using internally generated resources. As a result, a limited number of planned projects have taken off. To address this challenge, the Corporation is taking the following measures;

- i. Continuous engagement with Government and the Development Partners for their support to the water sector.
  - ii. Opt for medium- term commercial financing from the local banks to finance critical infrastructure needs.
- #### f. Reducing the impact of supply chain interruptions for our key inputs

Extended supply chain issues due to the impact of the Russia-Ukraine war has increased our cost of production especially in the cost of imported pipes, water meters, water treatment chemicals and diesel fuel used in some of our water treatment plants. We have put emphasis on;

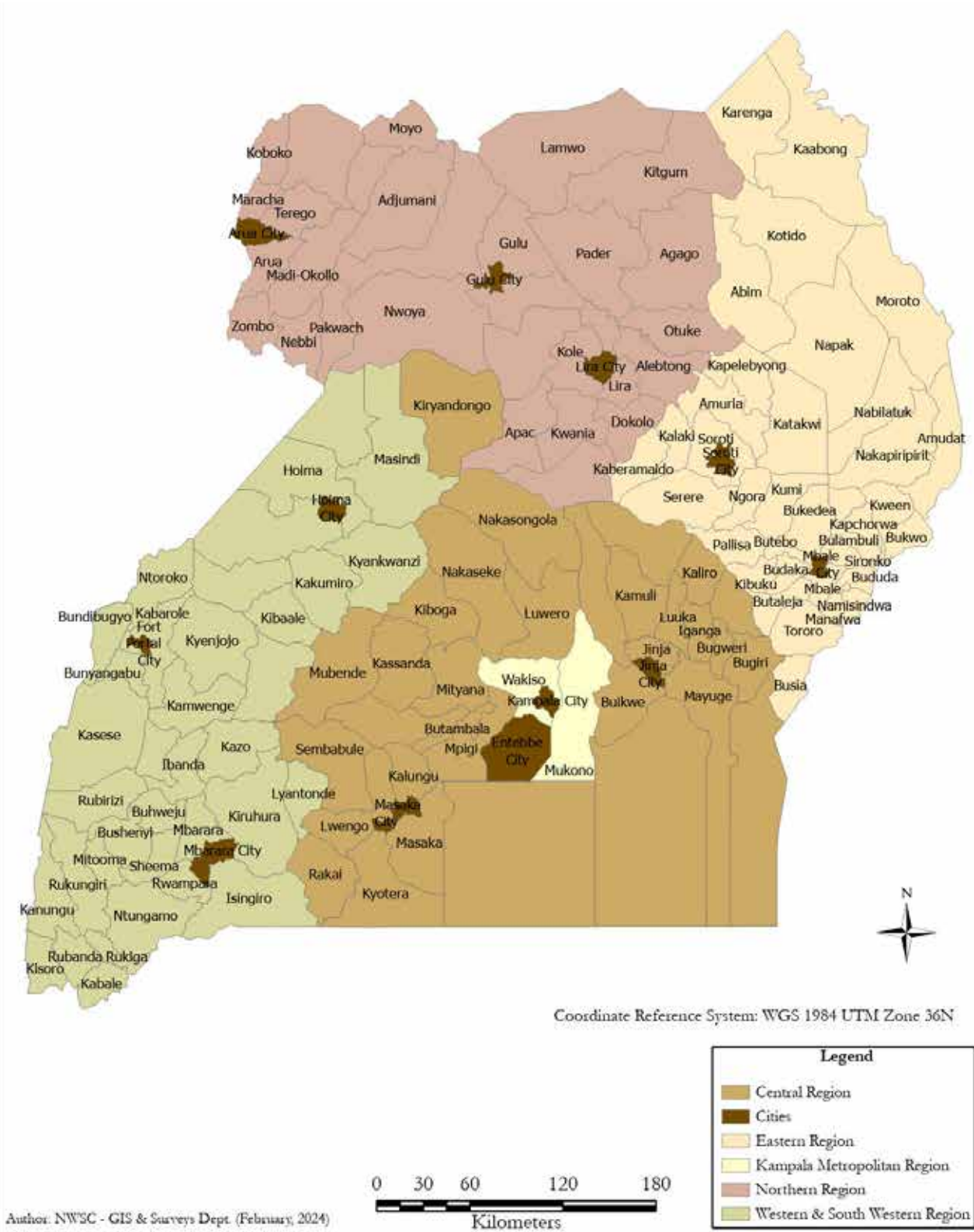
- i. Placing orders early in order to reduce shipping delays.
- ii. Having two alternative suppliers for each of the key inputs to avoid over reliance on one supplier.
- iii. Timely payment of key suppliers so that they are able to supply these items in time.



Engaging Stakeholders to Manage Risks-NWSC MD 2<sup>nd</sup> left in a blue suit with DMD-TS 3<sup>rd</sup> left meet with H.E Mr. Xavier Sticker in light blue suit (Extreme right) French Ambassador to Uganda and other members from the Embassy.



# Our Nationwide Footprint



# Our Journey for the Past Five Years

Our Five-Year Journey has been characterized by systematic performance improvement. 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 continued improvement through quality and sustainable service delivery to the delight of our customers.

**Table 1: 5-Year Performance Trend on our KPIs**

Key Performance Indicator	FY 2018/19	FY 2019/20	FY 2020/21	FY 2021/22	FY 2022/23
<b>Water Services</b>					
Number of Towns (Nos.)	253	258	258	262	273
Water Service Coverage (%)	84	84	84	84	84
Water Production (Million m <sup>3</sup> )	135	140	144	164	171
Water supply (Million m <sup>3</sup> )	128	132	137	158	162
Water Sales (Million m <sup>3</sup> )	91	87	90	102	105
Non-Revenue Water (%)	29%	34%	34.5%	35.5%	34.9%
New Water Connections (Nos.)	69,215	61,521	51,788	54,697	50,591
Total Water Connections (Nos.)	659,157	724,006	775,794	857,347	892,099
New Public Stand Pipes (Nos.)	3,550	4,429	3,267	2,141	2,808
Total Public Stand Pipes (Nos.)	17,186	21,600	24,867	28,858	29,088
New water mains extensions (km)	2,727	2,135	439	1,305	588
Extensions taken over in New Towns (km)	430	283	77	-	246
Total water pipe network (Km)	17,556	19,974	20,490	21,794	22,646
<b>Sewerage Services</b>					
Sewerage Service coverage (%)	22	23	23	23	23
New Sewer Connection (Nos.)	368	280	277	576	237
Total Sewer Connections (Nos.)	22,606	23,914	25,180	28,007	28,703
New Sewer extensions (km)	59	30	23	36	17
Total Sewer Extensions (km)	661	693	715	751	762
<b>Financial Performance</b>					
Turnover (Billion) - (UGX) (Net VAT)	442	463	461	519	550
Billing (Billion) - (UGX) -VAT Inc.	437	424	430	487	540
Collections (Billion) - (UGX) - VAT Inc.	437	391	435	469	492
Collection Efficiency (%)	100%	92%	101%	96%	91%
Debt Age (Months)	2.3	3.6	3.3	3.0	4.0
EBITDA (Billion) - (UGX)	96	103	106	123	131
Staff Number (Nos.)	3,778	4,082	4,244	4,476	4,600
Staff Productivity (Nos.)	6	6	6	5	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.

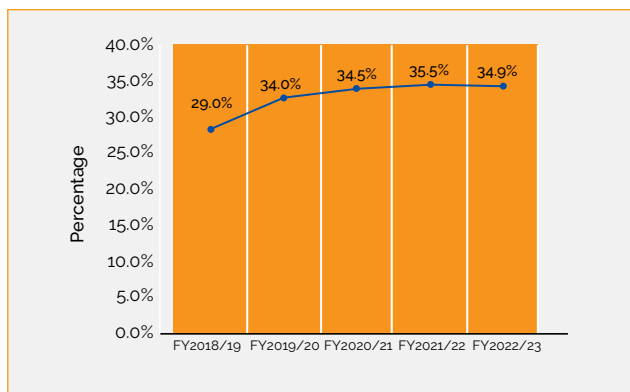


Fig 1 : Non-Revenue Water

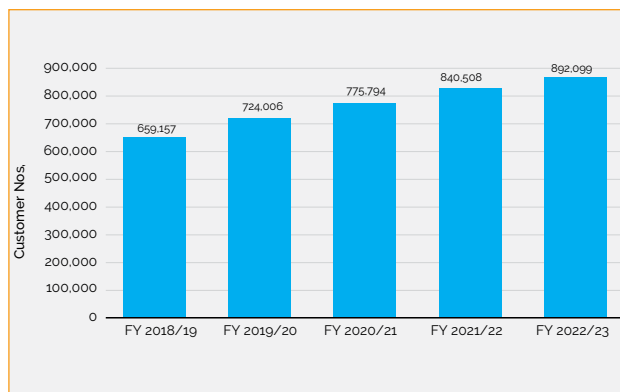


Fig 2 : Growth in customer base

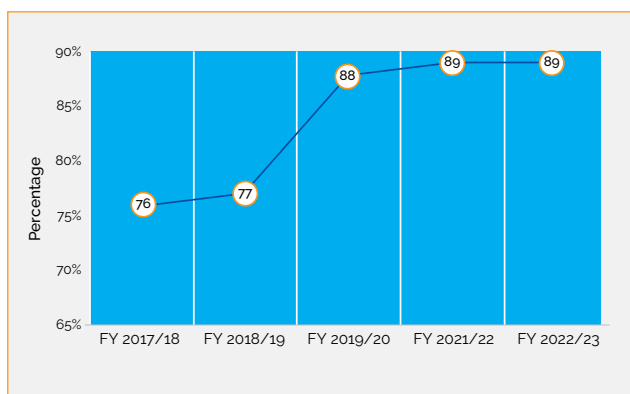


Fig 3 : Increase in Customer Satisfaction Index (%)

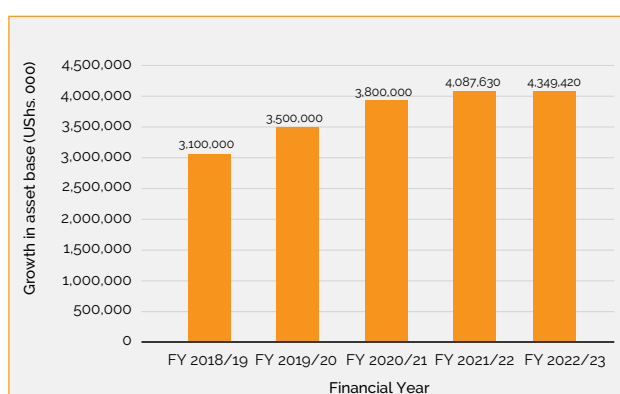


Fig 4: Growth in Asset base (UGX000)

Delivering on our Mandate; Pipes for laying a Transmission Main for the Katosi Water Supply Project





# Awards and Recognition 2023



At NWSC, we believe that the customer is the reason we exist. We have therefore, put in place a number of mechanisms through which they can engage with us. We take customer feedback very seriously and endeavor to offer solutions. Over the years we have invested heavily to improve and expand the infrastructure. The Corporation has taken over new towns and improved the Internal Systems. These are intended to offer quality and affordable services to our consumers. Our efforts have earned us recognition and awards from several local and international bodies over the years.

## **NWSC wins prestigious global award in Brussels**

National Water and Sewerage Corporation (NWSC) won the prestigious European Society for Quality Research (ESQR) International Diamond Prize for Excellence in Quality Award. The award was handed over to NWSC leadership at the ESQR Convention and Awards Ceremony held in Brussels, Belgium on Sunday, July 9th, 2023.

ESQR recognizes and highlights outstanding business results, best practices, quality awareness, and achievements by companies and organizations on the global market. NWSC was recognized for its service commitment, business growth, and enhanced quality management strategies. The Ugandan utility also received praise for its innovations and efforts that have resulted in a significant increase in service coverage and supply reliability.

While receiving the award among the other 49 International organizations, NWSC Managing Director, Eng. Dr. Silver Mugisha recognized the great work the management and staff of NWSC are doing that has enabled the organization to grow and attain international recognition. He highlighted the growth experienced by NWSC over the last 10 years, specifically growth in revenue, pipe network, and customer base. He said

NWSC is using the latest technology to improve service delivery in Uganda.

## **NWSC receives Digital Excellence recognition, Scoops Best Utilities and Government Services Digital Excellence Award-Kampala Serena Hotel**

NWSC was recognized as **Digital Brand of the Decade**, and won Best Utilities and Government Services Digital Excellence Awards during the 10<sup>th</sup> Edition of the Digital Impact Awards Africa conference and awards ceremony.

The award was presented by the Minister of State for ICT, Hon Joyce Nabbosa Ssebugwawo, at the Kampala Serena Hotel. Congratulations to the Board, Management and Staff of NWSC for yet another milestone in service.

## **NWSC scoops best digital campaign award-Jinja City**

The National Water and Sewerage Corporation (NWSC) was one of the top winners at the 2023 Public Relations Association of Uganda (PRAU), Excellence. The PRAU Excellence Awards celebrate the greatest achievements, innovations, and initiatives that have demonstrated excellence and effectiveness across the public relations and communications industry in Uganda.



Held at the Nile Resort Hotel in Jinja City, at the side lines of the East African Public Relations Week, the 2023 edition ran under the theme: "Advancing PR Excellence for East African Unity", putting much emphasis on strengthening integration through the power of communication.

NWSC won the best social/digital communication campaign of the year at the event opened by Vice President H.E Jessica Alupo.

Although NWSC is government-owned, it has built a good reputation for customer care, better than many organizations.

The corporation has recently adopted several modern communication and digital innovations to improve their customers' experience including a 24-hour interaction on X and Facebook, as well as a quick and easy-to-use NWSC Mobile App and E-water payment system, among others.

In her speech, the Vice President underscored the importance of communication as a key aspect of everyday life, and the first principle of peace.

"Communication is about telling the story, and telling it right", she said, noting that Uganda's development is premised on the four communication-hinged principles, i.e. Nationalism, Pan-Africanism, Socioeconomic Transformation, and Democracy.

Hon. Rebecca Kadaga, the Second Deputy Prime Minister and Minister for the East African Community who closed the weeklong conference challenged the PR players to move with the changing dynamics of the industry while maintaining a collaborative approach for shaping the region.

She said the development will help to build bridges and foster lifelong connections, with the ultimate goal of creating an East African PR Association that is not just an observer but rather a voice at the East Africa Community Secretariat.

Receiving the award, NWSC committed to maintaining an audience with its customers, amidst all the competing voices, by stamping its authority and amplifying its voice, thereby shaping the future of PR in the Corporation and beyond.

Representing NWSC at the Conference and at the Award Ceremony were; the Director of Public Relations - Mr. Samuel Apedel, Manager of Public Relations HQ - Ms. Sheba Bamwine, Public Relations Manager KW - Ms. Vivien Newumbe, Manager Marketing and Digital Communications Media - Mr. Fisher Sekabira, PPRO Western - Mr. Paul Kahigi, PPRO Northern - Mr. Ivan Tekakwo, PPRO Eastern - Ms. Doreen Kapsulel, and SPRO Central - Ms. Cream Treasure Ninsiima.



The Deputy Speaker of Parliament, Rt. Hon. Thomas Tayebwa hands over the FiRe Award 2023 to the NWSC team led by Mr. Silver Emudong, Director Finance, Revenue & Accounts.

### Awards and Recognition (2017-2023)

Award	Awarding Body
Prestigious Global Award: Diamond Prize for Excellence in Quality Award.	European Society for Quality Research (ESQR) International
Digital Excellence Recognition; Scooped Best Utilities and Government Service Digital Excellence Award.	10 <sup>th</sup> Edition of the Digital Impact Awards Africa Conference and Awards Ceremony.
Best Digital Campaign award	The Public Relations Association of Uganda (PRAU)
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. Dr. 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 <sup>nd</sup> runner up in the Public Sector Category	Integrated Financial Reporting (FiRe) Awards, 2021.

# NWSC Marks 50 Years of its Existence



H.E. The President of the Republic of Uganda, pens his signature on the List of Completed Infrastructure Projects in the Past 50 Years; at Kololo Airstrip where NWSC Celebrated its 50 Years of Existence.

## ● Decade I (1972 – 1981) - “The Establishment”

National Water and Sewerage Corporation was birthed on 12th December 1972 by decree 34. At the time, all laws were formed by decree following the dissolution of parliament. The Corporation was established following a need for improvement of water and sanitation services in the large urban centers of Uganda. The object of the Corporation was to develop and operate in any specified area of Uganda water and sewerage services on a national and self-supporting basis.

At its establishment, the NWSC started operations as a Government department in the Ministry of Minerals and Water Resources with limited services of three urban utilities of the strategic towns of Kampala, Entebbe and Jinja. The work force was drawn from other government departments, and the Customers constituted the privileged members of society, elite offices, and hospitals. During its initial years of formation, the NWSC registered operational efficiency, and adequate supply. This was majorly attributed to the small population served at the time.

However, as the economy deteriorated between 1975 - 1982, many consumers found it difficult to meet their financial obligations making it hard for the Corporation sustain efficient service delivery. The systems hardly received any maintenance, and many parts were in shambles. The Corporation resorted to harsh revenue collection tactics to raise finances, making it unpopular among its clients, who saw it as an oppressive, just as the Government it served. NWSC was national by name, but was neither providing water, nor had it expanded its mandate to cover other towns.

## ● Decade II (1982 – 1991) - “Rehabilitation and Reconstruction”

By 1982, NWSC was not generating any money, and the Government contemplated closing it, and returning the systems to City Council/ municipal authorities. The new Management was however, determined to avert the situation, and embarked on earnest rehabilitation of the systems to restore water supply.

To get started, the NWSC received financing from the International Development Agency (IDA) of the World Bank for the refurbishment of deteriorated water and sanitation infrastructure systems. The project works were however;



interrupted by great civil strife (the armed resistance to the Obote II regime had begun in 1981, and would not end until January 1986, when the NRM overthrew the Okello military regime).

Eventually this changed and serious rehabilitation works begun from 1986. New pumps were acquired utilizing funds raised from donors, the second pump station (Ggaba II) was built, the water reservoirs at Muyenga were expanded, and a new reservoir constructed at Naguru hill; which would supply Ntinda and Kiwatule, and boosted water supply beyond Bwaise, to Kawempe, and on Entebbe road, Najjankumbi.

By 1991, NWSC had restored water supply in Kampala to almost 80%, and the Government prepared, with IDA assistance, to invest in the Urban Water Supply and Sanitation Program for the seven towns, which would enable the Corporation improve services to other towns. The Project was co-financed by the World Bank, the European Economic Community, the Austrian Government, and GTZ at an estimated cost of USD 121 million and its implementation continued up to 1998. The Project focused on improving water supply and wastewater management in Kampala, Mbarara, Masaka and Jinja, with more limited improvements for the systems of Entebbe, Mbale and Tororo. It also focused on strengthening NWSC's capacity through technical assistance and training in technical, commercial, finance, and project management. This skilling component was so impactful that even today; the Corporation is still riding on its benefits.

### ● **Decade III (1992-2001) - "Strengthening the Legal Framework"**

One major milestone that led to the transformation of the Corporation was the enactment of the 1995 NWSC Statute and the implementation of the National Water Policy (1999). The NWSC Act revised the Corporation's objectives, powers, and structure enabling it operate in all towns or urban areas gazetted to it by the Minister on a commercial and financially viable basis ((CAP 317 (Part I: Section 4 (4))), whereas the National Water Policy set the ground for sustainable and economic management of water resources. This played a remarkable role in the transformation of NWSC from a loss-making entity to a profitable one, hence reducing the Government burden. Central to the National Water Policy and NWSC Statute was; the need to improve equity in service delivery, adoption of appropriate technology, environmental sustainability, and financial viability of public utilities, with focus on efficiency, reducing the government burden, and increasing private sector participation in the water sector.

The seal of approval for all the above efforts came on 31st August 2000, when the Government and NWSC signed a Performance Contract that would permit the Corporation to function as an autonomous parastatal. NWSC was given "operational freedom" to pursue its programmes geared at enhancing efficiency, cost-effectiveness and delivery of quality service, which further set the framework for the goals, and



NWSC Technical Team undertaking restoration works



New Transmission Main from Gaba Treatment Plant

aspirations of the Corporation. The Contract also enabled NWSC to postpone payment of its debt to the Government until the year 2003, allowing the Corporation to further consolidate its efficiency gains and generate adequate revenues to meet its overheads.

## ● Decade IV (2002-2011) - “Defeating the Privatization Bogy”

In 1997, the Government, through the Ministry of Finance, directed the Water Ministry to prepare for private sector participation. For a long time from the mid-1990s, NWSC had been a candidate for divestiture, being characterized by many of the hallmarks that qualified public enterprises for private ownership: debt crisis, tax arrears, and cost overruns. However, the NWSC staff and Management, were not very keen on divestiture because it was synonymous with job loss, misery, and selling of family treasure. Moreover, there were no people willing to buy the company at the time, because it was making losses.

NWSC Management anyhow, begun instituting internal reforms, they were convinced that NWSC had the capability to manage without direct private sector participation. The reforms were two pronged; on the one hand, there were incremental radical reforms to address the organizational culture and human resources management; while on the other there were a series of successive short-term and action-oriented programmes that were consistent with internationally accepted change management principles and practices. These included; tariff reviews and indexation, restructuring, a new water connection policy, Cost Reduction Initiatives, Internally Delegated Area Management Contracts (IDAMCs), Customer Care Initiatives, ISO Certification (9001:2000), adoption of ICT Systems, Urban Poor Initiatives, Infrastructure development, Checkers System and Short term Change Management Programmes.

After two to three years of implementation, the reforms started to bear fruit in form of; enhanced staff productivity and operational efficiency, increased customer confidence and improved corporate image (local and international), service coverage acceleration, infrastructure growth, and financial growth. NWSC emerged as a model utility (local and international), and this stemmed the calls for wholesale divestiture. Government, and even the donors, changed their mind, and decided not to sell, *“Why should we sell the cow that is giving you milk, and that is sustaining you very well”*.

## ● Decade V (2012-2022) - “Infrastructure Development and Geographical Expansion”

Reaching as many Ugandans as possible was at the heart of NWSC operations. We believe access to safe water is a human right, and have incorporated these aspects in the Corporation's strategic anchorage. This is in line with the National Strategy outlined in the Sustainable Development Goals (SDGs - Goal 6), Vision 2040, National Development Plan (NDP III) and Government Manifesto (NRM Manifesto 2021 – 2026).



Staff at work in the computer room, following the computerization of systems

To achieve the above milestones, the Corporation implemented a number of strategies aimed at improving access to safe water and sanitation services, key among which included:

- i. **Rapid Geographical expansion** from 23 towns as of 2012 to 262 as of 2022. This increased water service coverage by 576%, from 2.6 million people to 7.6 million. This was achieved through the expansion of the water network by 12,611 Km (1,146 Km annually), and installation of 474,821 new connections including 20,922 PSPs.
- ii. **Restructuring** of the Corporation's operations to enhance operational efficiency resulting from the takeover of additional 239 urban centers/ towns. This involved streamlining of the operational roles and responsibilities, which, resulted into three business streams including Finance and Corporate Strategy, Technical Services, and Board Affairs & Management Services. These were further disaggregated into eight Directorates and five operational regions including; Kampala Metropolitan, Central Region, Eastern Region, Northern Region, and Western & Southwestern Region. The regionalization took cognisance of the minimum economies of scale, revenues and break-even status.
- iii. **Accelerated infrastructure development** aimed at enhancing service delivery through increasing water production capacity and supply reliability. NWSC took the plunge and used internally generated resources in addition to external financing from Government, and various development partners, to invest in infrastructure development in various areas of operation in a bid to meet the growing demand. The projects implemented/ completed included;
  - Construction of Lubigi Sewage and faecal Sludge Treatment Plant (SFSTP) and rehabilitation of Bugolobi STP.
  - Buloba Water Supply Project
  - Kampala Urban Pro-poor Project (Kawempe and Bwaise II)
  - Kapeeka Water Supply Project (4,000m<sup>3</sup>/day)
  - New Soroti Intake Project (8,500 m<sup>3</sup>/day)
  - Compact Wastewater Treatment Plants for Fort Portal and Kisoro Towns



- New Head Office Block in Nakasero, Iganga Area Office, Bushenyi, Lira, Rukungiri and Kasese
- Masindi Water Production (3,700 m<sup>3</sup>/day)
- Kampala Water Lake Victoria WatSan Project: Rehabilitation of Gaba I & II treatment Plants and New Gaba -Namasuba Transmission
- Water Management and Development Project (WMDP) – Arua Water Supply and Sanitation Project.
- Water Management and Development Project (WMDP) – Bushenyi Water Supply and Sanitation Projects
- Service Coverage Acceleration Project (SCAP 100).
- Water Management and Development Project (WMDP) – Gulu Water Supply and Sanitation Project
- Kapchorwa Water Supply Project
- Kampala Sanitation Programme Phase 2 (KSP – LVP2) – Kinawataka Pre- Treatment Plant and Pumping Station
- Kampala Sanitation Programme Phase 2 (KSP – LVP2) – Nakivubo and Kinawataka Sewers Project
- Kampala Sanitation Programme Phase 2 (KSP – LVP2) – Nakivubo Wastewater Treatment Plant
- Fort Portal Water Production Improvement Project
- Kampala Water Lake Victoria WatSan Project 2 - Katosi Water Treatment Plant and Transmission main.
- Kapeeka Water Supply Augmentation Project.
- Sembabule Water Supply Improvement Project
- Parombo Water System Development
- Kisoro Water Supply Improvement project
- Jinja Water Supply Improvement Programme
- Kampala Water Supply Improvement Programme

The above investments have enabled NWSC grow its Asset Base by 529%; from Ushs. 637.7 billion in 2012 to Ushs.4.1 trillion in 2022.

iv. **ICT revolution and digitalization** of key processes including the new connection process, billing (e-bills), e-procurement system, e-inventory, e-MTOs (Medical Treatment Orders), e-Training, Customer Relationship Module, Computerized Maintenance Management System, and Water Quality Information Management System. This is aimed to enhance operational efficiency and customer experience.

v. **Skilling and Workforce Development** with the view of imparting relevant knowledge and skills aimed at enhancing staff productivity. In addition to professional trainings, NWSC embarked on re-skilling and re-tooling technicians and artisan staff, through Vocational Skills Training and Development at the Vocational Skills Development Facility (VSDF) established at Gaba with support from the German International Cooperation. By 2022, NWSC had held 4 Graduation ceremonies and over 500 technicians were certified.

vi. **Wide stakeholder engagement.** The Corporation has a diverse range of stakeholders. We take into consideration the need to balance our mandate with the needs of all the stakeholders. We therefore constantly engage our stakeholders with the aim of understanding their dynamic expectations and strive to meet them. This is achieved

through a cocktail of channels including; Radio Programs, Television Shows and documentaries, magazines, social media campaigns, barazas, community meetings and water community clubs

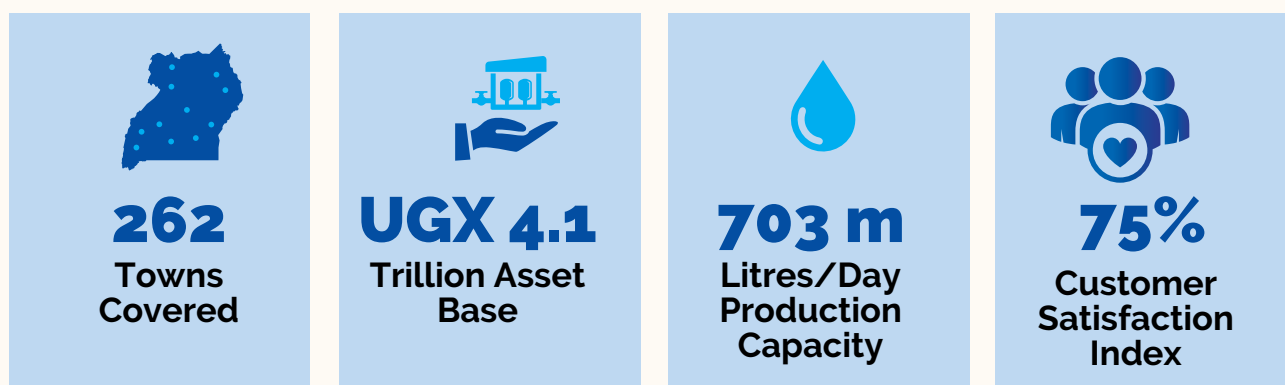
vii. **Pro-poor Initiatives.** There was an intensification of the pro-poor connections (PSPs). The Corporation intensified the installation of pro-poor connections, which increased the number of PSPs from 8,198 in 2012 to 29,019 in 2022. In addition, the tariff for PSPs was reduced by 34%, from UGX 38 to UGX 25 per 20-litre jerry can. The reduction was intended to increase affordability and willingness to pay.



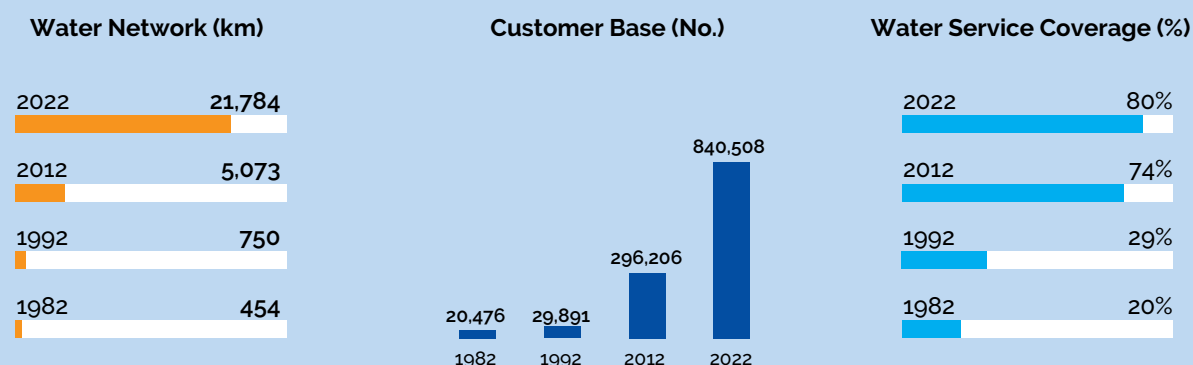
On-line Procedure for New Connections



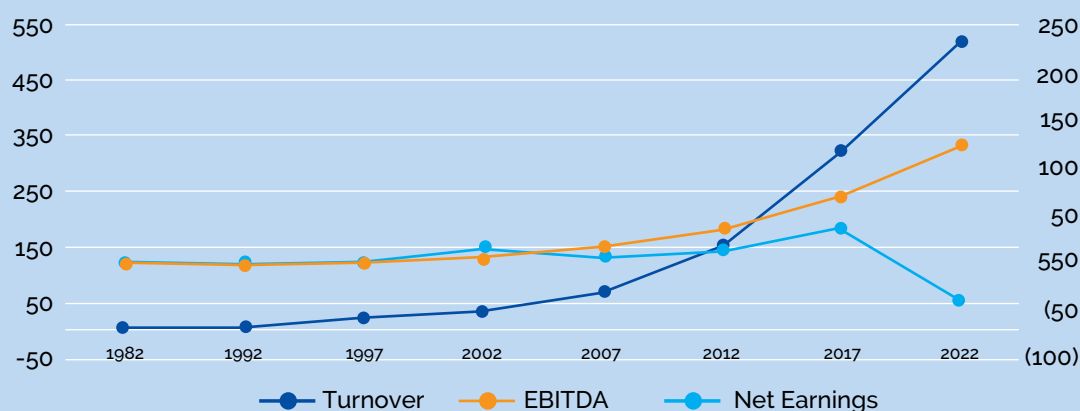
Training of Technicians at the VSDF Facility, Gaba



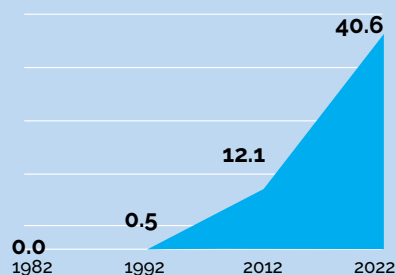
### Access to Water Services



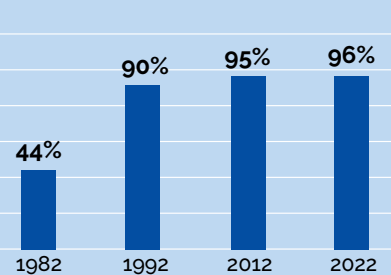
### Financial Performance (UGX Billion)



### Billing (UGX Billion)



### Collection Billing Ratio (%)



### Debt Age (Months)

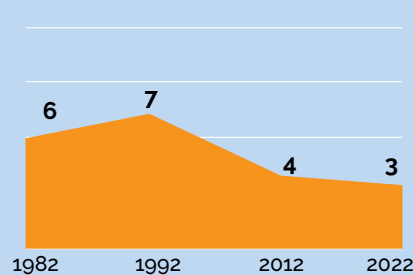


Figure 5: NWSC Performance Dashboard 1972 - 2022

In the last 5 decades, NWSC has registered consistent improvement in all the performance indicators as summarised in table 2;

**Table 2 : Summary of NWSC Performance over the Past five Decades (1982 – 2022)**

Key Performance Indicators (KPIs)	1972 Estimated**	1982 Estimated**	FY 1991/92	FY 2001/02	FY 2011/12	FY 2021/22
Water Service coverage (%)	8.2%	19.7%	28.8%	60.0%	77.0%	84.0%
Sewerage coverage (%)	1.4%	1.0%	1.0%	10.0%	6.4%	23.0%
Number of Service Towns (Nos.)	3	5	7	13	23	262
Water supplied (mil m <sup>3</sup> )	6.4	15.4	22.5	46.9	79.8	157.9
Water sales (mil m <sup>3</sup> )	3.2	4.9	8.9	28.0	53.7	101.9
NRW (%)	50.0%	68.5%	60.3%	40.4%	32.7%	35.5%
Total Water Connections (Nos.)	7,742	20,476	29,891	74,797	296,206	857,347
Total Public Stand Pipes (Nos.)	-	337	826	2,685	8,198	28,858
Total Water Network (Km)	252	454	750	1,846	5,073	21,794
Total Sewer Network (Km)	14.7	42.7	82.1	129.8	470.3	751.0
No of Staff (Nos.)	484	1,168	1,705	889	1,773	4,467
Staff / 1000 connections	63	57	57	12	6	5
Billing (Billion) – (UGX) -VAT Inc.	0.004	0.009	6.5	29.3	145.1	487.0
Collection Efficiency (%)	44%	44%	90%	91%	95%	96%
Debt age (Months)	-	6.0	7.3	9.7	4.0	3.0
Annual Turnover - Net VAT	0.87	2.5	6.7	34.1	155.3	519.3
EBITDA (Billion) - (UGX.)	0.0000	0.0004	1.1	7.0	36.1	122.7
Total Assets (UGX Billion)	28.7	69.21	51.3	210.4	637.7	3,770.1









# Message from the Chairman, Board Of Directors



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

During FY 2022/23, we continued pursuing our vision of being the leading customer service oriented water utility in the world. We did this by holding our commitment to delivering value to our customers, the Government we serve, our employees and other stakeholders. This is our mandate to which we are fully committed and in doing so we continuously endeavor to enhance the trust of our esteemed stakeholders

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 2022/23. Suffice it to say, the year was marked with significant milestones that improved water and sewerage service delivery across the Country.

The Corporation works together with stakeholders and we build stronger relationships with them, which is a priority to us. In the past year, we continued with the focus on our stewardship and oversight roles, and this resulted into a number of achievements being registered.

Our total income amounted to **UGX 550 billion**; an increase of 6% from **UGX 519 billion** registered in the FY 2021/22. The Operating Profit stood at **UGX 131 billion** compared to **UGX 123 billion** that was registered in the FY 2021/22.

Developing a strong Infrastructure base is one of the Strategic Priority Areas in our Corporate Plan (2021-2024); In this regard, I am happy to report the following projects that were completed during the financial year under review;

- Kampala Sanitation Programme Phase 1, Lake Victoria Protection Phase 2 Project
- Construction of New Katosi Drinking Water Treatment Plant Project (capacity: 160,000 m<sup>3</sup>/day)
- Laying of Katosi-Kampala Transmission Mains (61 km)
- Internally funded Water Supply Projects in Sembabule, Kapeeka and Lyantonde



The Board is also aware of the need for equity in the provision of Water and Sanitation services. We give considerable attention to acceleration of service coverage through 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. **29,088** public standpipes have been installed in various villages across the Country to increase access to safe water by Ugandans.

The Corporation's financial performance, detailed in this report, demonstrates that the organisation continues to grow responsibility through increased expertise and financial strength, and it's well positioned for positive future performance.

These results are an outcome of stalwart adherence to our values and commitment by the NWSC

Management which allowed the organisation to provide clean, safe, reliable and affordable water supply and waste water services

On behalf of the Board of Directors, I would like to thank our shareholders for the continued trust and support. I also 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.

I wish to thank 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 and commit our continuous support to Management and Staff in fulfilling our mandate and Vision of being ***"The Leading Water Utility in the World"***.

For God and my Country.



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

NWSC Board at the inspection of the Katosi Water Supply Project (2<sup>nd</sup> right is Board Chairman-Eng. Dr. Badru M. Kiggundu)



# Message From the Managing Director



**Dr. Eng. Silver Mugisha**  
Managing Director

With our operations in the 273 (Cities, Municipalities, Town Councils) NWSC leverages tremendous expertise and financial strength across the Country. The combination of disciplined approach to service delivery and innovative solutions, we are able to offer services to our dear customers and this has made NWSC one of the fastest growing utilities in the sector and the Region.

As we report NWSC achievements in 2023, you will realise that we have remained steadfast in our commitment to deliver value to our customers who place their trust in us to deliver clean, safe, reliable and affordable water and sewerage services. As an organization, one of our Strategic Focus Areas (SFA's) is infrastructure development; as a result, we have continued to invest in all our operational Areas in the Country. This has been done mainly through Service Coverage Acceleration Project (SCAP 100) that entails expansion of services to the unserved and ensure Water Supply is stabilized.

We are committed to implementation of our Infrastructure Investment Plan which focuses on rehabilitation, expansion and development of infrastructure to extend our services to more Ugandans. This also supports reliability and resilience of existing water and sewerage infrastructure.

The approach of the Corporation has been mainly focusing on improving operational efficiencies through the use of modern available technology in service delivery. For instance, this year we launched the E-billing System to eliminate the challenge of erroneous billing.

To broaden our scope of service delivery, the Corporation developed Golden Indicators to track critical performance parameters. I'm happy to report that during the Financial Year under review, we registered significant progress in these Indicators. Key among the achievements is the growth of 6% in our Asset Base, from UGX 4.09 Trillion to UGX 4.33 Trillion. Our Customer Base stood at **892,099** connections, a growth of 6% from **840,508** connections registered in the FY 2021/22. Findings from the independent Customer Survey indicated that our Customer Satisfaction Index (CSI)

stood at 80%, which is over and above the International Benchmark of 70%. We are also happy to report that findings from the Staff Engagement Survey indicated that our Staff Engagement Index stood at 70%. This is a clear manifestation of our commitment to ensure the wellbeing of our staff. We believe that when our staff are happy, they will deliver to the expectation of our esteemed customers. We shall continue tracking these indicators to ensure that we unwaveringly deliver a better service to our stakeholders.

NWSC's Management focus is to bring solutions and value to all our customers. One of the ways is through our Equity Policy, where the least privileged access water through a stand post or a kiosk and a 20-liter jerry is sold each at 50/= inclusive of VAT charges. This is less than a dollar for 50 Jerry cans or a cubic meter.

The NWSC successful performance is also attributed to our uniquely talented and diverse workforce. Our staff are deeply committed to the organization purpose. They are not only committed to serve the organization but also other stakeholders, especially our dear customers. Our value is seen on the most recent award that the Corporation received from Brussels in July 2023. National Water and Sewerage Corporation (NWSC) won the prestigious European Society for Quality Research (ESQR) International Diamond Prize for Excellence in Quality Award. The award was handed over to NWSC leadership at the ESQR Convention and Awards Ceremony held in Brussels, Belgium on Sunday, July 9, 2023.

ESQR recognizes and highlights outstanding business results, best practices, quality awareness, and

achievements by companies and organizations on the global market. NWSC was recognized for its service commitment, business growth, and enhanced quality management strategies. The Ugandan utility also received praise for its innovations and efforts that have resulted in a significant increase in service coverage and supply reliability.

With our operations in the 273 areas (Cities, Municipalities, Town Councils) NWSC leverages tremendous expertise and financial strength across the country. The combination of disciplined approach to service delivery and innovative solutions, we are able to offer quality services to our dear customers and this has made NWSC one of the fastest growing utilities in the sector and the Region.

It's the combination of our focused and visionary management, innovative ways in service delivery and committed & skilled workforce that continues to distinguish the Corporation from other utility organizations in the region.

Allow me to take this opportunity to extend my gratitude to the Ministry of Water and Environment and the Ministry of Finance, Planning and Economic Development for the unwavering support, especially during the Financial Year ended June 2023. In the same breadth, I wish to thank our Development Partners for their commitment to augment our resources.

I 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.

I 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.

I believe our performance sets the stage for sustained growth for the long-term. On behalf of the Corporation and all the employees of NWSC, I wish to thank all our stakeholders for the continued support. We are proud of all we have achieved in 2023 and we look forward to serve you better.



Dr. Eng. Silver Mugisha  
**Managing Director**



# Our Strategic Anchorage

The formulation of the NWSC Corporate Plan (2021-2024) was premised on the overarching National Strategic Framework that includes the following:

- i. **Sustainable Development Goals (SDGs) - Agenda 2030:** The Corporate Plan targets specifically to contribute to the achievement of the SDG No.6, of ensuring availability and sustainable management of water and sanitation for all.
- ii. **Vision 2040:** The Vision of Uganda 2040 is "A Transformed Ugandan Society from a Peasant to a Modern and Prosperous Country within 30 years". The Corporate Plan (2021-2024) is therefore anchored to the following aspects of Vision 2040; (a) improve the health, sanitation, hygiene and promoting commercial and low consumption industrial setups (b) improve water security and mitigate adverse effects of floods and droughts (c) Development of water for industrial purposes by putting in place the necessary infrastructure to support the re-use of water, and (e) Water use efficiency, water recycling and water re-use.
- iii. **National Development Plan:** 2021–2026 (NDP III): The NDPIII provides the overarching National Strategy from which all strategic plans for Government Ministries, Departments, Agencies and Local Governments (MDALs) are drawn. The Goal of the NDPIII is "Increased Household Incomes and Improved Quality of Life of Ugandans". This is pursued under the overall Theme of Sustainable Industrialization for inclusive growth, employment and sustainable wealth creation.

The key objectives of NDP III are;

- a) Enhance value addition in key growth opportunities;
- b) Strengthen the private sector to create jobs;
- c) Consolidate and increase the stock and quality of productive infrastructure;
- d) Enhance the productivity and social wellbeing of the population; and,
- e) Strengthen the role of the state in guiding and facilitating development.

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

- iv. **Water and Environment Strategic Investment Plan (SIP 2018-2030):** The SIP outlines the annual Water and Environment Sector funding requirements to achieve the 2030 targets, and remain in compliance with the SDG Commitments. This guided the investment priorities in the Corporate Plan.
- v. **NRM Manifesto 2021-2026:** The main theme of the Manifesto is to secure the Future of all Ugandans by prioritizing; Creating Jobs and Wealth, Delivering Education, Health and Water, Ensuring Justice and Equity, Protecting Life and Prosperity, and Achieving Economic and Political Integration
- vi. **Performance Contract Framework between NWSC and the Government of Uganda:** The NWSC operates through a regulatory framework of a Three-Year Performance Contract between the Corporation and the Government of Uganda (represented by the Ministry of Water and Environment). Currently, the Corporation is implementing the Seventh Performance Contract (PC 7) for the period July 2021 to June 2024.  
  
The Contract sets out the role, scope and Performance Targets of NWSC as a Water and Sewerage Authority in its Areas of jurisdiction. This is intended to foster efficiency and growth in performance, as well as ensure that NWSC Goals contribute towards the achievement of the overall National Water and Sanitation Sector Goals.
- vii. **Parish Development Model (PDM):** The overall objective of the PDM is to increase the effectiveness of infrastructure and service delivery, including agricultural extension and social services, in order to accelerate the realization of the long-term goal of socio-economic transformation. The Corporate Plan is aligned to PDM pillar 2: Infrastructure and economic services, while underscoring the following specific objectives of PDM;

**Objective 2:** Provide the necessary social and economic infrastructure, including community access roads, energy, water for domestic consumption and production, local markets and economic services.

**Objective 4:** Strengthen social services at the grassroots in terms of health, education, environment management, improved housing, sanitation and hygiene



H.E the President of the Republic of Uganda, Yoweri Kaguta Museveni Tibuhaburwa commissions Gaba 3 Water Project.



DMD-TS Eng. Johnson Amayo (Centre) gives a brief to the Minister of Water and Environment; Hon. Samuel Kiprotich and other guests at the inspection of the Katosi Water Supply project.

# Our Strategic Focus (2021-2026)

Our strategic focus (2021-2024) is aligned to the following five Strategic Priority Areas (SPAs) which contributes to the achievement of the NDP III focus areas of investments. i) Industrialization, ii) Infrastructure Development, iii) Skilling and Workforce Development, iv) Private Sector Involvement, and v) Organizational Health and Sustainability. Each of the SPAs is implemented through various Strategic Goals and Objectives, supported by the Strategies and deliverables. The various strategies and deliverables are translated into measurable Annual Targets based on Key Performance Indicators.

Table 3 provides a summary of the NWSC Strategic Focus for the period 2021 – 2026;

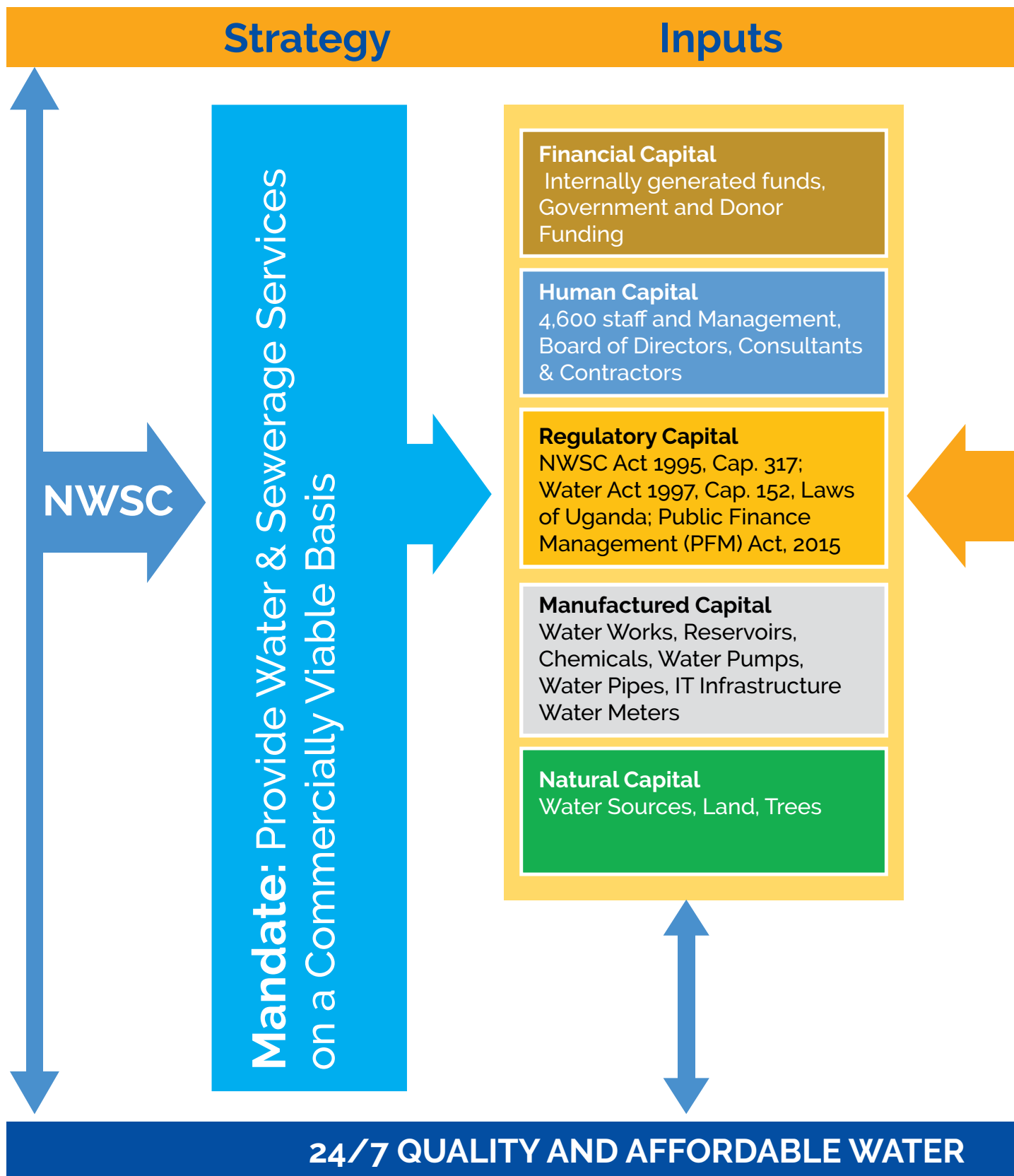
**Table 3: Strategic Priority Areas (SPAs), Strategic Goals And Objectives, and Key Performance Indicators (2021-2026)**

#	Strategic Priority Area	Strategic Objectives & Goals	Key Performance Indicators (KPIs)
SPA 1	Industrialization	<ul style="list-style-type: none"> <li>Increase water and sewerage service coverage for industrial development and growth</li> </ul>	<ul style="list-style-type: none"> <li>Industrial parks with water services (No.)</li> <li>Industrial parks with sewerage services (No.)</li> <li>Water connections in industrial parks (No.)</li> <li>Sewer connections in industrial parks (No.)</li> <li>Water and sewerage networks to serve the industrial parks (km)</li> <li>Industrial category of connections (No.)</li> <li>Industrial parks with reliable water supply (%)</li> </ul>
SPA 2	Infrastructure Development	<ul style="list-style-type: none"> <li>Increase service coverage</li> <li>Ensure compliance to water and wastewater quality standards</li> </ul>	<ul style="list-style-type: none"> <li>Water Service coverage (%)</li> <li>Sewerage Service Coverage (%)</li> <li>Water Connections (No.)</li> <li>Sewer connections (No.)</li> <li>Capital budget implemented (%)</li> <li>Compliance to drinking water quality National standards (%)</li> <li>Compliance to wastewater effluent discharge standards (%)</li> <li>Water network extensions completed (km)</li> <li>Sewerage network extensions completed (km)</li> <li>Practical production capacity (m<sup>3</sup>/day)</li> <li>Additional towns/schemes served (No.)</li> <li>Cities/Towns with sewerage coverage (No.)</li> </ul>
SPA 3	Skilling and workforce Development	<ul style="list-style-type: none"> <li>Have a highly competent, skilled, ethical and productive workforce</li> <li>Contribute to the capacity development of the water sector</li> </ul>	<ul style="list-style-type: none"> <li>Staff productivity (Staff per 1,000 connections)</li> <li>Staff with Vocational Certification (% of eligible staff)</li> <li>Professional certified staff (% of eligible professions)</li> <li>Regional Training hubs established (No.)</li> <li>External people trained (No.)</li> <li>Staff Trained (No.)</li> </ul>
SPA 4	Private Sector Involvement	<ul style="list-style-type: none"> <li>Strengthen the Private sector involvement</li> </ul>	<ul style="list-style-type: none"> <li>Ratio of outsourced services (No.)</li> <li>Private financing (UGX)</li> <li>PPP projects structured and implemented (No.)</li> </ul>
SPA 5	Organizational Health & Sustainability	<ul style="list-style-type: none"> <li>Increase revenue</li> <li>Improve liquidity</li> <li>Increase operating surplus</li> <li>Improve operational efficiency</li> <li>Improve water supply reliability</li> <li>Improve customer services</li> <li>Environmental and Ecological sustainability</li> <li>Improve employee motivation and commitment</li> <li>Enhance Corporate Citizenship</li> </ul>	<ul style="list-style-type: none"> <li>Collection efficiency (%)</li> <li>Debt Age (Months)</li> <li>Creditors Days (Days)</li> <li>Working Ratio</li> <li>Return on Capital Employed (%)</li> <li>Billing (UGX)</li> <li>Cash Operating Margin (UGX)</li> <li>Connections (No.)</li> <li>Connection Efficiency (%)</li> <li>Water sales volumes (m<sup>3</sup>)</li> <li>System availability: Plant availability (hours of supply)</li> <li>System availability: Network Failure Restoration Time (hours)</li> <li>NRW (%)</li> <li>Specific Energy Consumption (UGX/m<sup>3</sup>)</li> <li>Specific Bulk chemical utilization (UGX/m<sup>3</sup>)</li> <li>Customer Satisfaction Index (%)</li> <li>Response time to customer complaints (hours)</li> <li>Break even Areas (No.)</li> <li>Staff productivity (Staff per 1,000 connections)</li> <li>Maturity score (No.)</li> <li>Current Ratio</li> <li>Employee Satisfaction index (%)</li> <li>Corporate Social Responsibility Budget implemented (%)</li> <li>Urban centers served (No.)</li> <li>Audit recommendations implemented (%)</li> </ul>

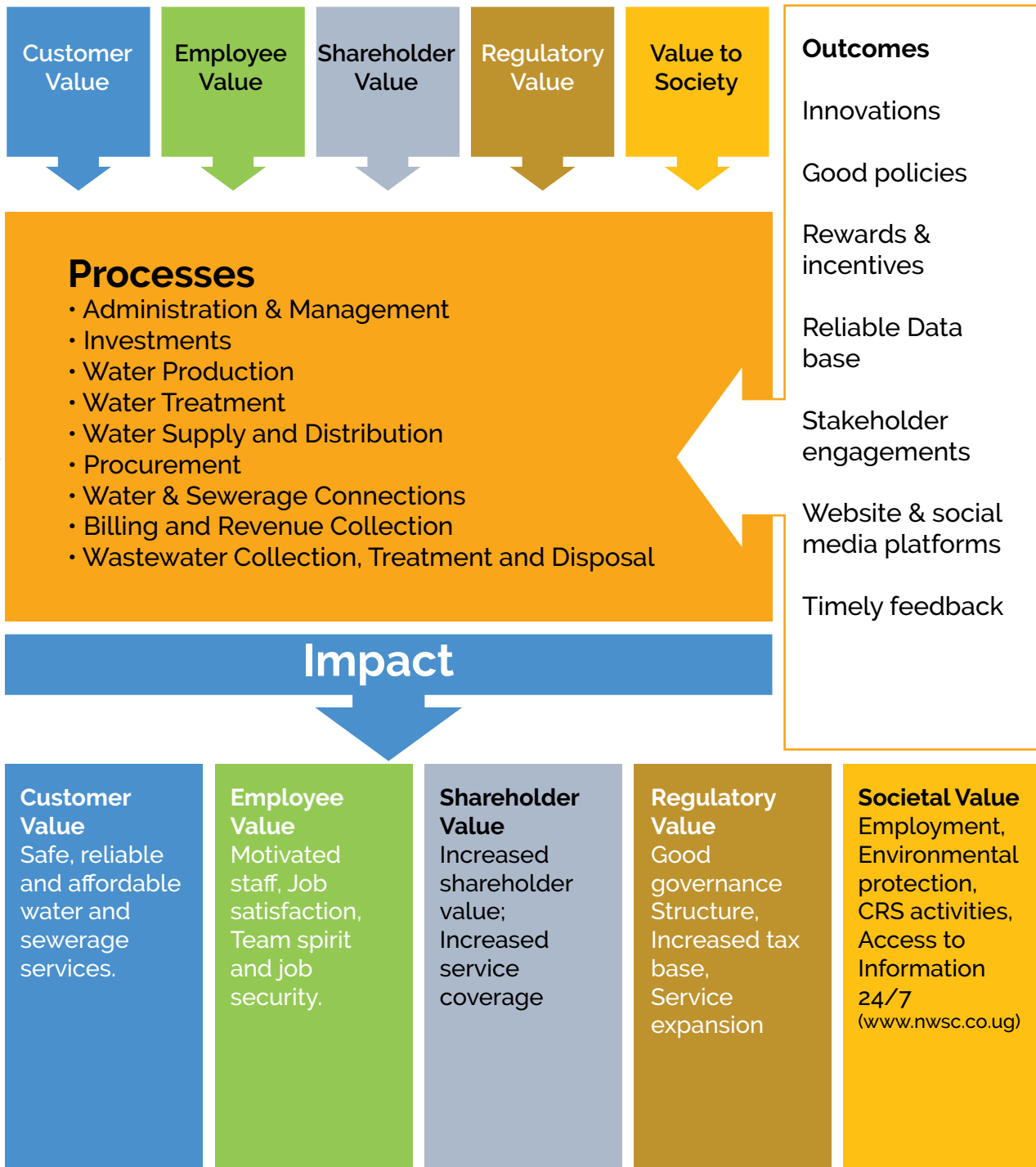




# Our Value Creation Model



## Outcomes and Impact



## AND SEWERAGE SERVICES



# 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 table 4;

Table 4: Stakeholder Analysis

Stakeholders	Importance	How We Engage With Them
<b>Consumers</b>	<ul style="list-style-type: none"> <li>• Pay their bills</li> <li>• Consume our services</li> <li>• Give us feedback.</li> <li>• Market our services.</li> <li>• Support our growth.</li> </ul>	<ul style="list-style-type: none"> <li>• Monthly meter readings and issuing of bills.</li> <li>• Prompt communication on service interruptions.</li> <li>• Annual update of customer charter.</li> <li>• Annual customer satisfaction surveys (CSS).</li> <li>• Social media platforms for customer interactions and engagements which includes; NWSC website, twitter, WhatsApp, Facebook, YouTube and Instagram.</li> <li>• 24-hour toll free call Centre.</li> <li>• Various payment options that are convenient to our customers. These include Bank counters, direct debit, mobile money and NWSC App.</li> <li>• 215 branch offices spread to various parts of the Country.</li> <li>• E-Branch where customers can access various services like new connections.</li> </ul>
<b>Government</b>	<ul style="list-style-type: none"> <li>• Sole equity owner.</li> <li>• Commitment to support the provision of universal access to water.</li> <li>• Providing investment financing.</li> <li>• Providing Policy and Regulatory framework.</li> </ul>	<ul style="list-style-type: none"> <li>• Present Budgets, work plans and strategies for approval.</li> <li>• Make quarterly and annual reports to Government.</li> <li>• Participate in Parliamentary Committee meetings to present our plans, achievements and challenges.</li> <li>• Working closely with other Departments in the implementation of Government programs.</li> <li>• Payment of taxes which supports Government programs.</li> </ul>
<b>Development Partners</b>	<ul style="list-style-type: none"> <li>• Contribute funding to our capital development projects.</li> <li>• Support capacity development programmes</li> </ul>	<ul style="list-style-type: none"> <li>• Provide work plans and reports on a quarterly basis.</li> <li>• Participate in Donor Conferences to understand their changing priorities.</li> <li>• Participate in project review meetings with the Development Partners.</li> </ul>
<b>Employees</b>	<ul style="list-style-type: none"> <li>• They run the business.</li> <li>• They interface with all other stakeholders.</li> <li>• Possess key skills required in our business.</li> </ul>	<ul style="list-style-type: none"> <li>• Clear working terms and conditions of services</li> <li>• Written Work instructions, health and safety guidelines.</li> <li>• Regular meetings between Staff and Management.</li> <li>• Laid down procedures for resolving conflicts.</li> <li>• Staff social activities like sports, and training workshops.</li> <li>• Quarterly Performance Appraisals and Reviews.</li> <li>• Whistle Blower Policy.</li> <li>• Coaching and mentoring</li> <li>• Regular visits to branch offices by Management and Board.</li> </ul>

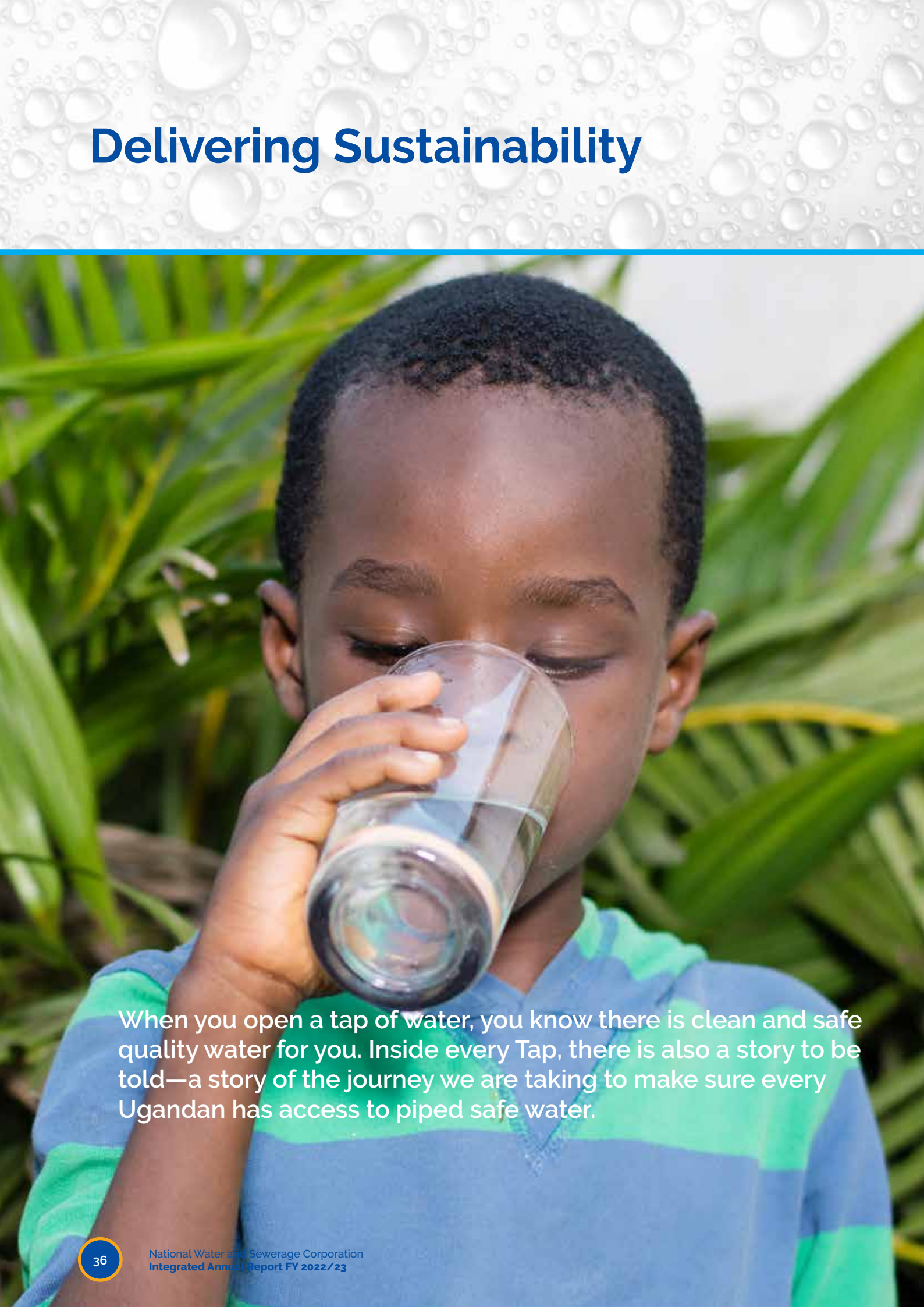
Stakeholders	Importance	How We Engage With Them
<b>Suppliers</b>	<ul style="list-style-type: none"> <li>• Provide in-puts required to our business.</li> <li>• Provide working capital (Credit sales)</li> <li>• Provides services/ works that support our business.</li> </ul>	<ul style="list-style-type: none"> <li>• Advice to the suppliers on the in-puts required.</li> <li>• Regular negotiation and review of business terms</li> <li>• Prompt payments of the amount owed to suppliers.</li> <li>• Provision of Semi-Annual Accounts.</li> <li>• Regular meetings with individual suppliers to resolve any trade conflicts.</li> <li>• Direct calls</li> <li>• Comfort letters to facilitate access to credit.</li> <li>• Confirmation of supplier balances to their auditors.</li> </ul>
<b>Community</b>	<ul style="list-style-type: none"> <li>• Gives us feedback</li> <li>• They are affected by our actions.</li> <li>• Keep an eye on our assets and infrastructure.</li> <li>• Assist in implementation of our projects.</li> </ul>	<ul style="list-style-type: none"> <li>• Set up Water Community Communication Clubs (WACOCO) to sensitize communities about our services.</li> <li>• Visiting public places to market our services.</li> <li>• Public talk shows and sensitization programs.</li> <li>• School Water &amp; Sanitation Clubs (SWAS) to create awareness about water, sanitation and environment among children and youth.</li> <li>• Press releases to educate the general masses about our plans, programs and challenges.</li> <li>• Participate in programs/seminars/workshops geared towards creating community awareness and inclusion in planning/implementation of programmes.</li> </ul>



Engaging Stakeholders during the AfWA International Conference -At Serena Hotel 2020



# Delivering Sustainability

A young boy with dark skin and short black hair is drinking water from a clear glass. He is wearing a blue and green striped shirt. The background is a lush green environment with large leaves. The top of the image has a white background with a pattern of water droplets.

When you open a tap of water, you know there is clean and safe quality water for you. Inside every Tap, there is also a story to be told—a story of the journey we are taking to make sure every Ugandan has access to piped safe 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 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. The Board is responsible for strategic setting, oversight and implementation monitoring. The Risk Management Department is charged with monitoring and reporting on the status of compliance with the sustainability framework.

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

At NWSC, we take account of the importance to meet our present needs without compromising the ability of future generations to meet their own needs. 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 2022/23, summarized under Economic, Environmental and Social Sustainability.



SWAS Club members of Mpondwe Primary school ready to plant a tree.



NWSC Members of the Young Water Professionals plant a tree with the SWAS Club members of ....

## ● Financial and Economic Sustainability

Our aim is to utilize and safeguard resources to create sustainable values. We therefore, take keen interest in supporting the private sector, Industries, and other Stakeholders to foster economic growth of the Country.

### Financial Sustainability of the Corporation

The requirement for financial sustainability is embedded in the NWSC Act 1995 which mandates the Corporation to operate on a sound commercial and financially viable basis. In view of this, the following achievements were registered in the FY 2022/23;

Our Turnover was UGX 550.0 billion compared to UGX 519.3 billion in the FY 2021/22, a growth of 6%. The Turnover has been growing by an average of 7% annually over the last six 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 273.

Our primary source of revenue is 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. During the FY 2022/23, UGX 2.3 billion was raised and over the past 6 years, UGX 34.3 billion, (approximately USD. 9.1 million) has been generated from Consultancy Services. NWSC continues to emphasize cost optimization to improve on the efficiency in providing services.

The Operating Profit during the Financial Year under review was UGX 131.0 billion compared to UGX 122.7 billion in the FY 2021/22. However, over the last six years the Operating Profit has increased by an average of 4% per annum. Bulk of the profits made by the Corporation is reinvested in the refurbishment, expansion and development of the infrastructure. During the FY 2022/23, UGX 27.4 billion was spent on infrastructure improvements and approximately UGX 389.4 billion (USD. 102 million) has been spent over the last six years..

### Our Contribution to the National Coffers

The Corporation made a contribution of UGX 83.6 billion in taxes to the National Treasury in the FY 2022/23. 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 (NDP III) and Vision 2040. The Corporation 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 (Luzira, Bweyogerere), Masaka (Bukakata Industrial Park), Kapeeka, Jinja (Masese Industrial Park), Mbale, Soroti, Karamoja, Kasese, Mbarara and Nshara among others.

NWSC has established Water Supply Systems for the nine (9) well-developed Industrial Parks and various businesses have been connected to the Water System. Nshaara, Karamoja, MMP Industrial Park - Buikwe and Mbale Industrial and Business Parks are still under development and NWSC will continue working closely with UIA to ensure these parks are supplied with water. Table 5 provides a summary of the key initiatives that have been implemented since 2019.

**Table 5: Status of NWSC Initiatives in the Established Industrial Parks since 2019.**

Indicator	2019/20	2020/21	2021/22	2022/23
No. of Industrial Parks Established	11	11	12	12
No. of industrial parks with water services.	9	9	10	10
Km of water network in industrial parks	36	42	65	80
No. of water connections within the Industrial Parks	95	113	132	133

- b) **Creation of an Industrial Tariff.** NWSC reduced the unit price of water for industrial consumer category from commercial rate to a much lower rate of UGX 2,500/- per cubic meter. This is meant to subsidize industrialists consuming large volumes of water (of at least 1000 m<sup>3</sup> per month). As at June 2023, over 214 customers were benefiting from the Industrial Tariff.
- c) **Supporting Local Businesses.** The Corporation fully embraces the Government Policy on "Buy Uganda Build Uganda". Most of the water pipes and fittings we use for water and sewerage business are sourced from the Local Industries. Over 500 suppliers provide NWSC with various inputs sourced from within and outside Uganda.
- d) **Employment Opportunities;** As at June 2023, the Corporation provided direct employment to a total of 4,600 staff. NWSC 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. We go beyond our legal mandate and obligations to extend outreach through Corporate Social Responsibility.

### 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. 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 and Special Interest Groups.

During the FY 2022/23, UGX 2 billion was spent on Corporate Social Responsibility compared to UGX 1.5 billion in the FY 2021/22. In addition, our staff physically participated in activities like cleaning public places, blood donations and Tree planting.

The Corporate events and Corporate Social Responsibility (CSR) activities implemented during the financial year under review included;

#### Reaching out to the Vulnerable Groups

NWSC made a donation in collaboration with the Ayiita Charity Foundation to families in Kinwanyi Zone Katanga. This was part of a community outreach program to feed the underprivileged during the month of Ramadan. The Ayiita Charity Foundation is a non-profit organization that focuses on empowering vulnerable groups through community outreach.



#### Publicity of the Idd-Iftar dinner

The Corporation organized and provided publicity for the NWSC Iftar dinner that was celebrated with the theme "Inner Reflection, Patience, and Service to Others". The dinner brought together staff and customers of the Muslim faith in prayer and breaking fast. The function was held in Kampala, Bugolobi at the NWSC IREC-Building.



#### Donation to Persons with Disability

Donation was given to the Muslim community of persons with disability. This was done to commemorate one of the five pillars of Islam (giving Alms to the poor) as the Corporation joined the Muslim community in celebrating the month of Ramadhan.



#### Participation in Water Week 2023 activities

NWSC participated in Water Week 2023 activities. In partnership with the Ministry of Water and Environment, the Corporation participated in a water walk with representation from the Sewerage Services Department for the main walk and the Mbale Area participated in the water walk during the Water Week Eastern Region Celebrations. The team and staff from KW and Mbale Area also participated in a market-wide cleaning exercise.





### Blood Donation

NWSC blood donation drive was held in Gulu and the NWSC participation in the Corporate League games in March 2023.



### Prepared logistics, branding material, edited and published content for Abidjan AfWASA Congress

In coordination with the External Services Unit, the department prepared logistics, branding material, edited and published content that was used for the NWSC exhibition during the AfWASA Congress in Abidjan.

### 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 and the total number of employees as at June 2023 was 4,600 staff.

### Gender Composition

The Corporation is an equal opportunities employer, employing staff of diverse backgrounds. Table 6 shows the gender composition in the Corporation.

**Table 6: Gender Composition of Staff and Board of Directors**

Category	Female	Male	Total
Board of Directors	3	6	9
<b>Employees</b>			
Executive Management	5	13	18
Other Established Staff	1,467	3,115	4,582
<b>Total Number of Staff</b>	<b>1,475</b>	<b>3,134</b>	<b>4,609</b>

### 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 Employee Wellness Exercises, Counselling Sessions & Fellowships with Spiritual Leaders and medical expertise after work, including Water Football Club. The Corporation also 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 2022/23, staff costs amounted to UGX 176 billion compared to UGX 167.6 billion in FY 2021/22.

### 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, with effect from 1<sup>st</sup> October 2019, the Corporation set up a Provident Fund whereby staff and the Corporation, each contributes 5% towards the Fund. 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 2022/23, the total contribution to NSSF and the Provident Fund amounted to UGX12.4 billion and UGX 4.5 billion respectively.

### Health and Safety at work

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 firefighting 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.

## 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 2022/23, UGX 484 million was spent on Long Service Awards compared to UGX 421 million for the FY 2021/22.

## 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. During the FY 2022/23, the Union was fully involved in the staff restructuring exercise.

## Giving Opportunities to the Senior Citizens

The Corporation retirement age of staff is 60 years. This was increased from 55 years to ensure that the Corporation does not lose the benefit of experience and skills that senior citizens possess, while giving them more time and resources to prepare for their retirement.

## Training and Capacity Development

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

with 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 (GIZ).

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.

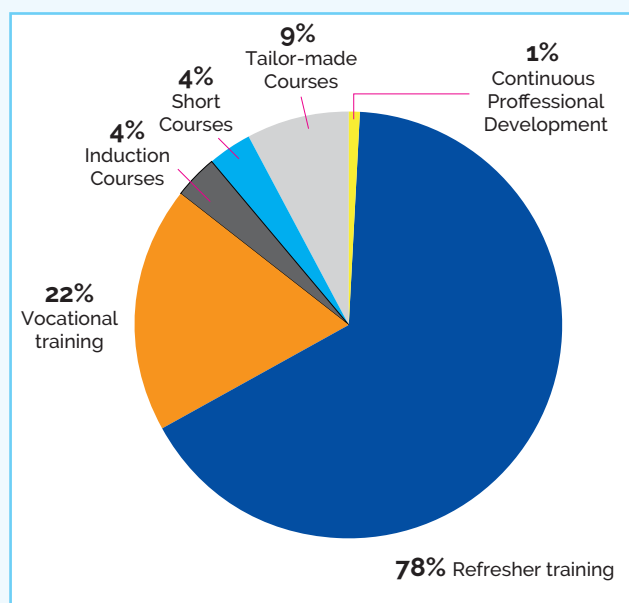
In addition, a facility was set up in Bushenyi, to take care of the NWSC trainings in the Western Region of Uganda. Another training facility is being constructed in Lira City to serve our staff in the North and Eastern Regions.

The TCD department was able to achieve 94% of its set targets. The details of the performance evaluation are shown in Table 7. The department has continued its recovery trajectory from the effects of Covid 19 which had affected efficient delivery of training programmes. The team continued to explore new initiatives aimed at continuous performance improvement of both staff and the Corporation. The department continued to adopt virtual learning in addition to face-to-face sessions. The team has also continued to work on the eLearning Platform which will be fully rolled out in the next FY. During the FY 2022/23, the following key milestones were registered as shown in Table 7;



**Table 7: Capacity Development for NWSC Staff carried out during the FY 2022/23**

No.	Indicator	Unit	Target FY 2022/2023	Actual Score	Percentage Achievement
1	Number of internal short/refresher courses conducted in the year	No	100	118	118%
2	At least one (1) external refresher course conducted per quarter	No	4	4	100%
3	Number of staff trained	No	2,500	2,735	109.4%
4	Percentage of staff attending at least one training session during the year	%	50%	59%	118%
5	At least one training session per department during the year	No	60	43	72%
6	No. of staff identified and trained as internal facilitators/ expert trainers in selected skills categories	No	20	30	150%
7	At least one training session per area per year	No	61	56	92%
8	Number of professional staff registered	No	20	8	40%
9	Number of new training partnerships established	No	2	2	100%
10	Number of leadership development sessions done	No	4	4	100%
11	Number of staff trained in design and management of industrial waste water management systems	No	10	20	200%
12	Number of Technicians assessed under the Workers' PAS accreditation	No	300	395	131%
13	Number of Electro Mechanical Technicians accredited at Level 4	No	30	25	83%
14	Marketing Assistants (MAs) and Customer Service Advisors (CSAs) assessed	No	100	79	79%
15	Development of customized SOPs for electro-mechanical equipment for at least 20 water treatment plants during the year	No	20	2	10%
16	Number of Students pursuing MSc Sanitation	No	10	10	100%



**Figure 6: Total number of courses carried out per category over the FY 2022/2023**

## Customer Engagement

The NWSC customer base is categorized into; Domestic, Commercial, Industrial, Government/Institutional and Public Stand Posts. We value every consumer and take 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 the customers is safe for human consumption and meets the WHO Standards. We invest heavily in programmes aimed at taking services closer to our customers including Mains Extensions, Water Infrastructure Projects and expansion of geographical coverage.

To ensure willingness and ability to pay, we have deliberately kept the NWSC Tariff for the PSPs at UGX 21 per 20-litre Jerrican

for over 6 years to enable access to clean water by the urban poor and rural population, benefiting more than 5.8 million PSP consumers across the Country.

In addition, we have fixed the Industrial Tariff (industrialists consuming at least 1,000 cubic meters per month) at UGX 2,500. This is in line with the government strategic objective of promoting industrialization in the country.

We make every effort to ensure that all customer complaints are promptly addressed and feedback given. This is through several engagement avenues that include free Telephone Lines, Social Media Platforms, NWSC Website and Annual Customer Satisfaction Surveys. This is in the spirit of ensuring continual customer satisfaction.

The survey that was carried out during the Financial Year under review revealed that our Customer Satisfaction Index (CSI) stands at 80%. This is above the International Benchmark of 70%. The Corporation is committed to implementation of strategies aimed at bridging the current service delivery gaps to ensure continuous improvement in customer satisfaction.

## Engagement with Government

Over the years, Government has grossly invested in upgrading and expanding water and sanitation infrastructure mainly through counterpart funding. The objective is to ensure 100% access to water by every Ugandan.

In line with the objective, Government and the Corporation are jointly implementing a project code named "SCAP 100" (100% Service Coverage Acceleration Project) targeting villages in all NWSC Areas of operation. The project primarily aims at accelerating service coverage through network expansion, installation of pro-poor water points (PSPs) and private connections, as well as ensuring stability in water supply.



During the FY 2022/23, the total funds spent towards the project implementation amounted to UGX 29.4 billion (GoU) and UGX 13.5 billion (NWSC). Over the last six years, the total resources spent amounted to UGX 433.7 billion (UGX 218.9 billion-GoU; UGX 214.8 billion-NWSC).

### Engagement with Development Partners

The Corporation works with different Development Partners to finance development of Watsan infrastructure across the Country. The key Development Partners include; KfW, AfDB, AFD, the World Bank, EU, EIB and the Royal Danish Embassy, among others.

NWSC ensures that funds from Development Partners are handled with the highest level of transparency, fully accounted for and absorbed. During the FY 2022/23, UGX 193.0 billion was spent on the on-going projects using resources from the Development Partners.

Notable projects recently implemented using funds from Development Partners include; Katosi Water Supply Project, the Bugolobi Wastewater Treatment Plant, Water Projects for Gulu, Arua and Bushenyi.

The table below provides a summary of financing from both GoU and Development Partners over the last six years.

Table 8 : GOU And Development Partners Releases 2017-2023 (UGX Billions)

Source	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21	FY 2021/22	FY 2022/23	Total 2017-2023
GoU	92.0	60.0	87.0	78.3	65.7	29.4	412.4
Donor	182.0	398.0	246.0	55.7	122.5	193.0	1,197.2
Total	274.0	458.0	333.0	134.0	188.2	222.4	1,609.6

Contract Signing for Kagera Project



## NWSC Staff Provident Fund

The NWSC Staff Provident Fund was established under an Irrevocable Trust by the Management of National Water and Sewerage Corporation on 1<sup>st</sup> July 2019 to provide retirement benefits for Members upon retirement from the Corporation's service and relief for the dependants of deceased Members of the Scheme.

### Fund Governance

The Scheme is governed by a Trust Deed and Rules dated 1<sup>st</sup> July 2019 and is licensed in accordance with the provisions of the Uganda Retirement Benefits Regulatory Authority (URBRA) Act, 2011 under License Number of RBS-19-005. It is a Defined Contribution Scheme with the Sponsor (NWSC) and Employee each contributing 5% of the Member's monthly basic salary. The operations of the Scheme are overseen by a Board of Trustees which is composed of the following eight (8) Trustees;

**Table 9: Gender Composition of Staff and Board of Directors**

	Name	Representation
1	Mr. Deogratias Kyambadde	Sponsor
2	Eng. Edmond Okaronon	Sponsor
3	Mr. Peter Odong	Sponsor
4	Ms. Irene Mwase	Sponsor
5	Mr. Abbey Sserunkuma	Member
6	Mr. Otto Methodious Pacific	Member
7	Mr. Samson Kamugisha	Member
8	Mr. Stephen Musana	Member

The Trust Deed and Rules of the Scheme bestows upon the Board of Trustees the mandate to manage the Scheme with the assistance of the following professional service providers who report to the Trustees on a standard quarterly basis and also on a continuous basis via correspondences and Special Meetings.

- The Administrator ~ Liaison Financial Services Ltd
- The Investment Manager ~ GenAfrica Asset Managers (U) Ltd
- The Custodian ~ KCB Bank Uganda Ltd
- Auditor ~ J. Samuel Richards & Associates

### Fund Membership

At inception in 2019, the fund started with 1,883 members. The Membership has since increased to 3,681 Members as at 30<sup>th</sup> June 2023 representing more than 75% of the National Water and Sewerage Corporation Work Force.

#### *a) How one becomes a member of the NWSC Staff Provident Fund*

An employee becomes eligible to join the Scheme if his/her monthly deductions do not exceed two thirds (2/3) of their monthly salary; as per the provisions of clause 46 (3) of the Employment Act of 2006 and:

- Once one has successfully completed his/her probation and

has been confirmed or 6 months of continuous service with the Employer (which ever comes earlier).

- If you are on special contract with the Employer (at the discretion of Management).

#### *b) Benefits of being a Member*

- The Scheme ensures that Members have a nest egg when out of job/emergency
- Members of the Scheme continue with the same standards of living before and during retirement.
- The accrued benefits provide protection to dependants of a Member in the event of his/her death.
- Peace of mind about retirement life

### NWSC Provident Fund Net worth

The Scheme is one of the fastest growing schemes in the Sector, with a fund value of UGX 28 Billion, as at 30<sup>th</sup> June 2023.

#### *a) How the Fund grows Members' contributions*

One of the investment objectives of the Scheme is to ensure that Members' savings are not eroded by inflation. Subsequently, upon collection of the monthly contributions, the funds are immediately invested in accordance with the Uganda Retirement Benefits Regulatory Authority (Investments of Scheme Funds) Regulations 2014 and the Scheme Investment Policy Statement dated 24<sup>th</sup> October 2022.

The key Financial Investment Instruments where the funds have been invested include Government Securities, Unit Trusts and Equities.

Financial Statements of the scheme are audited each Financial Year by an independent Auditor who is approved by the Uganda Retirement Benefits Regulatory Authority. The income earned as Interest is then proportionately distributed to the members by the Board of Trustees. In the FY 2022/23, the Board of Trustees declared 11.2% as interest to its members.

## WASE SACCO

WASE Stands for "Water and Sewerage Employees" Corporative Savings and Credit Society. It was registered in 1980 (Reg. No. 3252) under the Ministry of Trade, tourism and Cooperatives. It is a member of Uganda Cooperatives Savings and Credit Union.

**Vision:** To be the Leading SACCO in building members' financial capacity for personal development.

**Mission:** To grow the financial strength of the members by saving together, investing for profits, providing low cost loans or assets for personal development.

#### **Objectives:**

- To mobilize members to work together
- To grow savings for members
- To expand into profitable businesses

- To raise interest and dividend for members

#### A. WASE Membership

Membership is open to all Employees of National Water and Sewerage Corporation.

#### B. How to join WASE

To join the SACCO, prospective members shall;

- Fill an application form available in our offices
- Pay membership fee
- Buy a share or shares
- Make an initial saving deposit

#### C. Benefits of being a WASE SACCO member

WASE members enjoy the following benefits:

- Low interest rates of 10% charged on loans
- Less time for loan processing
- No loan security required
- Loan amounts of up to be 3 times of the members savings
- Quick access to savings if needed
- Fair price for property or asset
- Interest is earned on savings
- Dividend is earned on shares

#### D. How to access the WASE loan?

- Fill in a loan application form
- Have 2 WASE savers to sign as guarantors
- Human Resource Officer and Accounts Payroll Officer to recommend
- Recent salary pay slip
- A copy of National Identification Card.

#### E. Desired Discipline

- Continuous saving
- No withdraw below minimum savings
- Pay for loans promptly

#### F. Members aged above 60 years

A member can continue to save with WASE after retirement or attaining 60 years of age. A member can be eligible for a loan after attaining 60 years of age under the following conditions;

- The loan must not exceed the members' savings
- If the loan exceeds the savings, then it must be secured
- The Security must not be a depreciable asset
- The loan period should not exceed 2 years.

#### G. Cessation of membership

A person ceases to be a member under the following circumstances;

- Voluntary withdrawal
- Defaulter
- Insanity
- Death (a member's benefits can be accessed by the next of kin).
- Bankruptcy.

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



### Incorporating Catchment Protection Measures in all Projects

The Corporation has incorporated Catchment Protection as a component under its Projects. This has been mainstreamed in some of the implemented projects including Katosi Water Supply Project, IWMDP Arua, Mbale, Gulu and Bushenyi. Some of the key undertakings include:

- Demarcation of the River Banks to prevent continuous degradation.
- Restoration of the buffers zones of the Rivers; Planting of suitable tree and grass species.
- Community sensitization (within the catchment areas).
- Stabilization of the collapsing River Banks by construction of gabions.
- Promotion for rainwater harvesting to avoid misuse of water in homesteads.
- Trainings for stakeholders in catchment management.
- Sensitization of local communities

In addition, the Corporation has completed the development of Water Source Protection Plans in the project Areas of Arua, Mbale and Gulu, and currently procuring the contractors to implement the measures proposed for the micro-catchment. The Corporation signed a Consultancy Services Contract with World Wide Fund for Nature to oversee the Environmental Conservation Measures for Kitagata River in Bushenyi, the Katosi-Bay Catchment Management Plan is also being reviewed with funding from United Nations Development Programme (UNDP).

### 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 50 schools in the FY 2014/15 and currently has over 740 schools participating. The membership of the Clubs is drawn from urban and rural schools from all the four Regions of the Country as summarised in table 10.

**Table 10: NWSC SWAS Club regional membership**

Region	FY 2021/22	FY 2022/23
Kampala Metropolitan	44	69
Central Region	70	176
Eastern Region	28	164
Northern Region	50	173
Western Region	101	158
<b>Total</b>	<b>293</b>	<b>740</b>

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 and are fully incorporated in the Annual Budgets.

### The Tree Planting Campaign

The Corporation is currently implementing the "Treevolution Program" aimed at planting 10,000,000 trees in partnership with National Forestry Authority (NFA), Uganda People's Defense Force (UPDF), School Water and Sanitation Clubs (SWAS), Young Water Professionals (YWPs) - Uganda Chapter, and the Ministry of Water and Environment (MWE). Over the Past three (3) years, the Corporation has planted 5,598,325 trees. These trees were planted at various points including; NWSC water sources, installations and various institutions in our operational areas.

Environmental Sustainability: SWAS Club Members of Kings College Budo ready to plant a tree to contribute to the conservation of the environment of their country.



Table 11: Summary of NWSC Sustainability Performance

Category	FY 2022/23	FY 2021/22	FY 2020/21
<b>Economic Sustainability</b>			
Turnover (UGX '000)	550,038,769	519,282,448	461,000,000
Operating Expenditure (UGX '000)	419,030,972	396,538,489	355,000,000
Operating Profits (UGX '000)	131,007,796	122,743,958	106,000,000
Investment made (UGX '000)		362,000,000	365,000,000
Asset base (UGX '000)	4,349,420,132	4,087,630,373	3,800,000,000
Number of Towns	273	262	258
<b>Environmental &amp; Ecological Sustainability</b>			
Number of Towns using Solar Pumps (Nos)	58	43	36
Number of towns using electrolysis instead of Chlorination	25	25	25
Volume of Sewerage treated and Discharged (Million litres)	1,384	1,384	877
Expenditure on Energy (In UGX '000)	814	74	70
<b>Social Sustainability</b>			
Domestic Customers served	717,147	675,644	627,234
Commercial	125,696	117,302	103,350
Institutional/Government customers served	21,366	20,389	20,135
PSP consumers served	29,177	26,955	24,867
Total number of consumers served	892,099	840,508	775,794
Water Mains Extension (Km)	588	1,305	439
Sewer Mains Extension (Km)	17	36	23
Number of customer complaints received	179,860	185,166	199,746
Number of Customer complaint handled	179,482	183,296	196,220
Resolution rate (%age of complaints resolved)	99%	99%	98%
Number of Staff employed	4,600	4,476	4,244
Payment to staff (employee costs) UGX '000	176,115,337	167,572,661	151,164,016
New Water Connections	50,591	54,697	51,788
New Sewer Connections	237	576	277
Industrial Customers served	214	218	208
<b>Corporate Social Responsibility</b>			
Amount spent on donations (UGX '000)	2,029,794	1,481,785	1,376,341
Amount paid in taxes (UGX '000)	83,649,110	61,000,000	40,600,000
<b>Human Resource Sustainability</b>			
Number of Staff recruited	193	192	304
Number of Employees over 55 Years	157	212	86
Total number of staff + Board	4,609	4,475	4,089
Gender Composition (Staff + Board)	Female - 32% Male - 68%	Female - 33% Male - 67%	Female - 25% Male - 75%
Amount spent in long time awards (UGX '000)	484,460	420,921	45,000
Amount spent on research and training (UGX '000)	2,504,541	4,083,182	1,675,546
Number of interns Trained	5	0	800



# Our Governance and Leadership

## ● The Board of Directors

The NWSC Board understands and appreciates that sound governance practices are fundamental in driving the Corporation's Sustainability Agenda. The Board endeavors to ensure the Corporation meets the standards of Environmental, Social and Governance performance.

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 not 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 skills, 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 Demographics

The Honorable Minister appoints Board Members with various skills, experience and diversity of expertise to enable them discharge their duties and responsibilities effectively, as illustrated in table 12.



**Table 12: Board Skills, Experience, Gender and Age**

Name	Professional Background	Occupation	Gender	Age Range
<b>Eng. Dr. Badru Kiggundu Malimbo</b> (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
<b>Rt. Hon. Daniel Kidega</b> (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
<b>Ms. Rachel Kiconco Mbabazi</b> (Board Member)	Business Administration	Board Member Rice Association of Uganda, Africa Infrastructure Development, Hong Kong and East African Community Rice Platform.	F	45-50
<b>Col. (Rtd) Stephen Mwesige Basaliza</b> (Board Member)	Military Officer, Lawyer, Teacher	Retired Military Officer	M	60-65
<b>Ms. Onyiru Sarah</b> (Board Member)	Social Worker	Project officer, Civic Education Project with the Centre for Basic Research	F	40-45
<b>Mr. Runge George Muzungyo</b> (Board Member)	Accountant	Tax Manager, Nexia HMS Associates-Certified Public Accountants of Uganda	M	55-60
<b>Josephine Kasya</b> (Board Member)	Teacher	Former District Chairperson – Kanungu District	F	60-65
<b>Eng. Gilbert John Kimanzi</b> (Board Member)	Civil Engineer	Director, Directorate of Water Development, Ministry of Water and Environment	M	55-60
<b>Dr. Eng. Silver Mugisha</b> (Managing Director)	Civil Engineer	Managing Director, NWSC	M	55-60

## Executive Board Responsibilities

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. The Board of 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.

Good Governance Practice; NWSC Board Chairman (Eng. Dr. Badru M. Kiggundu) Centre & MD-Dr. Eng. Silver Mugisha (orange reflector) with Natural Resources Committee Members of Parliament at the Inspection of Katosi Water Treatment Plant.



## ● 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 of quality 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:

The audit committee is responsible for 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 and 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 with regard to the Internal Audit Directorate:

- 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. Gilbert John Kimanzi and Dr. Eng. Silver Mugisha.

Seven (7) meetings were held in the FY 2022/23. The attendance of Audit Committee meetings in the FY 2022/23 was as follows:

**Table 13: Audit Committee Meeting and attendance**

	Name	Dates						
		16.06.22	17.06.22	14.09.22	24.11.22	25.11.22	9.03.23	23.06.23
1	Eng. Dr. Badru M. Kiggundu	✓	✓	-	✓	✓	✓	-
2	Rt. Hon. Daniel F. Kidega	✓	✓	✓	✓	✓	✓	✓
3	Mr. George Runge M	✓	✓	✓	✓	✓	✓	✓
4	Col(Rtd) Stephen Basaliza	✓	✓	✓	✓	✓	✓	✓
5	Eng. Joseph Oriono Eyatu	✓	✓	✓	✓	✓	✓	-
6	Ms. Racheal Ciconco Mbabazi	-	-	✓	✓	✓	-	✓
7	Dr. Eng. Silver Mugisha	R	-	-	-	-	-	-
8	Eng. Gilbert John Kimanzi	-	-	-	-	-	-	✓

✓: Attendance, R: Represented

### Risk Management Committee

The committee is responsible for 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:

- 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;

- e) 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. Gilbert John Kimanzi, Ms. Rachel Ciconco Mbabazi, and Dr. Eng. Silver Mugisha.

Five (5) meetings were held in the FY 2022/23. The attendance of Risk Management Committee meetings in the FY 2022/23 was as follows;

**Table 14: Risk Management Committee Meeting and attendance**

	Name	Dates				
		22.06.22	11.10.22	1.12.22	23.03.23	22.06.23
1	Eng. Dr. Badru M. Kiggundu	✓	✓	✓	✓	-
2	Ms. Onyiru Sarah	✓	✓	✓	-	✓
3	Ms. Kasya Josephine	✓	✓	✓	✓	✓
4	Eng. Joseph Oriono Eyatu	-	✓	✓	-	-
5	Ms. Rachel Ciconco Mbabazi	✓	✓	✓	✓	✓
6	Dr. Eng. Silver Mugisha	✓	✓	-	✓	✓
7	Eng. Gilbert Kimanzi	-	-	-	-	✓

✓: Attendance

**NB.** Eng. Gilbert Kimanzi became Board member towards end of the financial year.

### Human Resources, Legal and Administration Committee

The committee is responsible for oversight of the human resource policies, health and safety, corporate structure, recruitments, retention, exit and legal affairs.

Human Resource Responsibilities are to:

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

#### i. Responsibility for Disciplinary Matters:

- a) Recommend to the Board in liaison with Management disciplinary action against wrongdoing amongst employees.
- b) 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:

- a) Housing;
- b) Occupational benefits;
- c) Payment of allowances and bonuses;
- d) Staff Medical Scheme;
- e) Retirement Benefit Scheme;
- f) 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:

- a) Recommend to the Board administrative policies and oversee their implementation under the relevant manuals;
- b) 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 environment.

## vi Responsibility for Legal Matters:

- a) Recommend to the Board policies relating to and oversee handling of civil and legal matters for the Corporation;
- b) Review compliances with laws, regulation, Board directives and bylaws of the Corporation, point out discrepancies and recommend actions;
- c) 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. Eng. Silver Mugisha

Eight (8) meetings were held in the FY 2022/23. The attendance of Human Resources, Legal and Administration Committee in the FY 2022/23 was as follows:

**Table 15: Human Resource and Legal Advisory Committee Meeting and attendance**

	Name	Dates							
		1.09.22	2.09.22	10.10.22	11.10.22	21.11.22	22.11.22	8.02.23	16.05.23
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. Eng. Silver Mugisha	✓	-	-	-	✓	✓	✓	✓

✓: Attendance

## Finance and Planning Committee

The Committee is responsible for 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;
- Considering budget estimates, budget implementation and budget performance reports of the Corporation and ensuring consistency of the Budget with NWSC's Operating Plans;
- Reviewing Guidelines for Asset Management of the Corporation and ensuring updates as necessary;
- Considering and recommending to the Board the NWSC Corporate Plan;
- Consider and recommend to the Board evaluation reports on capital works whose threshold falls within Board's authority, including donor-funded projects;
- Monitoring the Performance Contract with the Government and keeping the Board duly informed;
- Safeguarding NWSC real tariff;
- 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. Eng. Silver Mugisha.

Five (5) meetings were held in the FY 2022/23. The attendance of Finance Committee meetings in the FY 2022/23 was as follows;

**Table 16: Finance Committee Meeting and attendance**

	Name	Dates				
		7.07.22	20.10.22	19.01.23	26.04.23	27.04.23
1	Eng. Dr. Badru M. Kiggundu	✓	✓	✓	✓	✓
2	Col. (Rtd) Stephen Basaliza	✓	✓	✓	✓	✓
3	Canon Kasya Josephine	✓	✓	✓	✓	✓
4	Dr. Eng. Silver Mugisha	✓	✓	✓	✓	✓
5	Ms. Onyiru Sarah	✓	-	✓	✓	✓
6	Rt. Hon. Daniel F. Kidega	✓	✓	✓	✓	✓

✓ : Attendance

#### Technical Services Committee:

The Committee is responsible for oversight on infrastructure planning, development and operational efficiency.

#### Responsibilities of the Technical Committee:

- 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;
- Evaluate quarterly the Corporation's Technical Performance Reports in conjunction with the Finance Committee;
- Examine and evaluate quarterly performance reports for the Public Stand Pipes (PSP) Management Contracts and recommend improvement measures to the Board;
- Consider and recommend to the Board the Technical aspects of the Corporate Plan and the Performance Contract with the Government of Uganda;
- Consider for approval the Asset Management Policy and the Annual Implementation Plans for approval by the Board;
- 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. Eng. Silver Mugisha.

Seven (7) meetings were held in the FY 2021/22. The attendance of Technical Committee meetings in the FY 2021/22 was as follows;

**Table 17: Technical Committee Meeting and attendance**

	Name	Dates						
		4.08.22	5.08.22	10.11.22	11.11.22	2.02.23	3.02.23	3.05.23
1	Mr. George Runge M	✓	✓	✓	✓	✓	✓	✓
2	Eng. Dr. Badru M. Kiggundu	✓	✓	✓	-	✓	✓	✓
3	Eng. Joseph Oriono Eyatu	✓	✓	-	-	✓	-	-
4	Dr. Eng. Silver Mugisha	✓	✓	R	R	✓	R	R
5	Rt. Hon. Daniel F. Kidega	-	-	✓	✓	✓	-	✓
6	Canon Kasya Josephine	-	-	-	-	✓	-	-
7	Ms. Rachel Ciconco Mbabazi	-	-	-	-	-	✓	✓

✓ : Attendance, R: Represented

## General and Special Board Meetings

The Board held 4 full Board meetings, and 6 Special meetings some of which extended to the next respective days. The details of the committee meetings held is summarized in the tables below.

**Table 18: General Board Meetings and attendance**

	Name	Dates						
		7.07.22	8.07.22	26.10.22	27.10.22	14.12.22	15.12.22	13.04.23
1	Eng.Dr.Badru M. Kiggundu	✓	✓	✓	✓	✓	✓	✓
2	Ms. Onyiru Sarah	✓	✓	✓	✓	✓	✓	-
3	Eng. Joseph Oriono Eyatu	-	-	✓	✓	-	-	-
4	Col. (Rtd) Stephen Basaliza	✓	✓	✓	✓	✓	✓	✓
5	Canon Kasya Josephine	✓	✓	✓	✓	-	-	✓
6	Dr. Eng. Silver Mugisha	✓	✓	✓	✓	✓	✓	✓
7	Mr. George Runge M	✓	-	✓		✓	✓	
8	Ms. Rachel Ciconco Mbabazi	✓	✓	✓	✓	✓	✓	✓
9	Eng. Joseph Oriono Eyatu	-	-	✓	✓	✓	✓	✓
10.	Rt. Hon. Daniel F. Kidega	-	✓	✓	✓	✓	✓	-

✓: Attendance.

**Table 19: Special Board Meeting and attendance**

	Name	Dates						
		21.06.22	22.06.22	24.06.22	27.06.22	21.09.22	22.09.22	12.10.22
1	Ms. Onyiru Sarah	✓	✓	✓	✓	✓	✓	✓
2	Col. (Rtd) Stephen Basaliza	✓	✓	✓	✓	✓	✓	✓
3	Eng.Dr.Badru M. Kiggundu	✓	✓	✓	✓	✓	✓	✓
4	Dr. Eng. Silver Mugisha	✓	✓	✓	✓	✓		
5	Mr. George Runge M	-	-	✓	✓	✓	✓	✓
6	Ms. Rachel Ciconco Mbabazi	-	-	✓		✓	✓	✓
7	Canon Kasya Josephine	-	-	✓	✓	✓	✓	✓
8	Eng. Joseph Oriono Eyatu	-	-	✓	-	-	✓	✓
9	Rt. Hon. Daniel F. Kidega	-	-	✓	✓	✓	✓	✓

✓: Attendance.

## 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 ended June 2023 is summarized in Table 20.

**Table 20: Directors Remuneration ('000 UGX)**

Directors	2022	2023
Managing Director	569,208	555,600
Non-Executive Directors	328,644	419,760
<b>Total</b>	<b>897,852</b>	<b>975,360</b>

*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.*

## ● Board Induction and Training

### Board Induction

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

- Induction on basic principles of Corporate Governance including clarification of the legal and ethical responsibilities, and liabilities of Board members.
- 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.
- 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.
- Discussion with individual Directors on the contribution they are expected to make, particularly the commitment of time, energy and competences expected of the Directors.
- Access to the relevant legislation, legal, governance, policy, Corporate Strategy and Corporate Plan, and other documents applicable to the Corporation.
- 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.
- 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;

- Board effectiveness and the best practices associated with the Boards that are the most successful at adding value for their owners;
- Briefings as required on factors or emerging trends that may be relevant to the Corporation's current or future Business Strategy.
- Other materials as deemed appropriate by the Chairperson or suggested by other Board Members or Management,
- 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 30<sup>th</sup> June 2023, the following trainings were conducted to develop and enhance governance skills and knowledge of the Board.

**Table 21: Board trainings for the FY 2022/2023**

No.	Quarter	Dates	Training	Country
1	July- Sept 22	05 <sup>th</sup> - 09 <sup>th</sup> Sept 2022	Enterprise Risk Management	South Africa
2	Oct- Dec 22	03 <sup>rd</sup> - 07 <sup>th</sup> Oct 2023	Enterprise Risk Management	South Africa
3	Jan - Mar 23	13 <sup>th</sup> - 17 <sup>th</sup> Mar 2023	Corporate Finance and Board Effectiveness	Singapore
4	Apr - Jun 23	17 <sup>th</sup> - 21 <sup>st</sup> April 2023	Corporate Finance and Board Effectiveness	Singapore

## ● 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 27<sup>th</sup> January 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 figure 7.

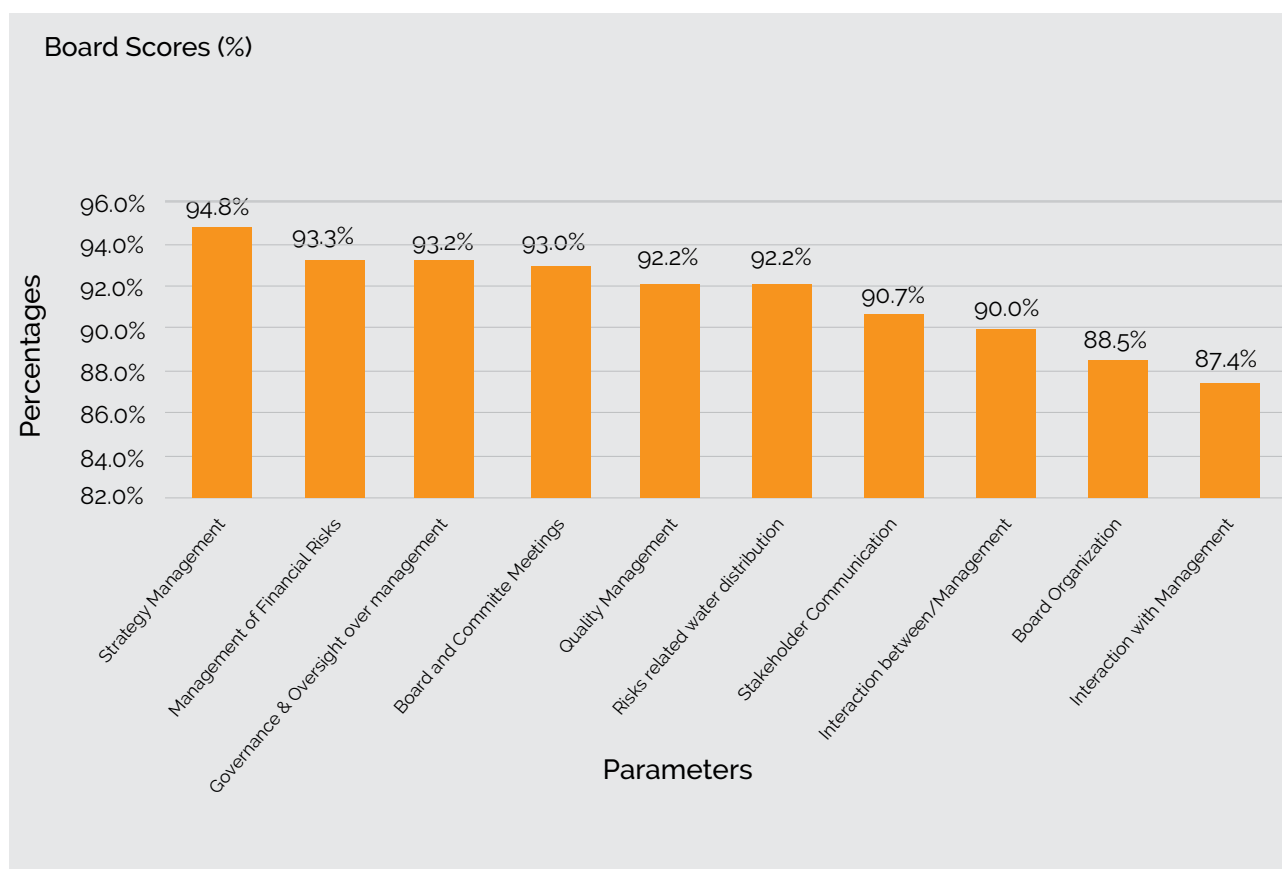


Figure 7: Graph showing Board Evaluation on Different Parameters

## ● 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 Members at the inspection of the Nakivubo Waste Water Treatment Plant Bugolobi



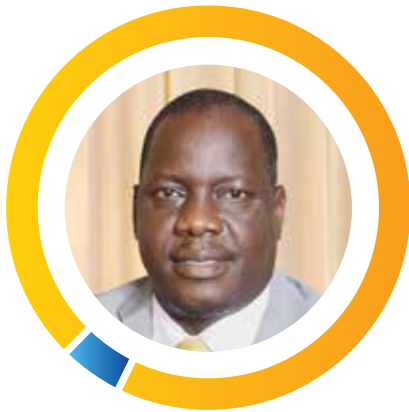
# Our Board of Directors



**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 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 and a Masters of Arts in Public Administration, Uganda Management Institute. 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 possesses 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.

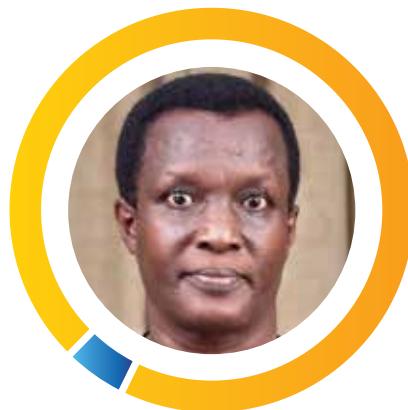
# Our Board of Directors cont'd



**Eng. Gilbert John Kimanzi**  
Board Member

Eng. Gilbert John Kimanzi is currently a commissioner – Water for Production Department, Ministry of Water & Environment. He is also the Ag. Director – Directorate of Water Development, MWE. Eng. Kimanzi is a Water Supply, Irrigation, Sanitation & Industrial Specialist with Msc in Water and Wastewater Engineering, Loughborough University, UK. He has a BSc Eng. (Honours), Civil Engineering, Makerere University. Other qualifications include: Certificate in Management for Sustainability of Water & Sanitation Systems – IRC Hague; Certificate in Advanced GIS Mapping, Makerere University and several certificates and courses attended in use of computer software and computer aided design programmes. He is a registered Engineer with the Engineers Registration Board (ERB) of Uganda and a graduate member of the Chartered Institution of Water and Environmental Management (CIWEM), UK.

Eng. Gilbert John Kimanzi has more than 30 Years' experience in water and sanitation sector, specifically in planning, design, implementation and monitoring of rural water and sanitation, and water for production projects and programmes. In addition, Eng. Gilbert has expertise in institutional, social economic technology issues, sector performance measurements and sustainability issues. He has participated in water sector reforms and follow up implementation of the recommendations, preparation of the sector development plans, national sector development programmes as well as single and multi-donor programmes. For over 18 years, he has been a key member of the sector thematic team which implements annual sector undertakings, and he also chairs a permanent sub-sector working group on Governance.



**Ms. Josephine Kasya**  
Board Member

Ms. Josephine 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. Eng. Silver 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. Eng. 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 Netherlands.



# 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



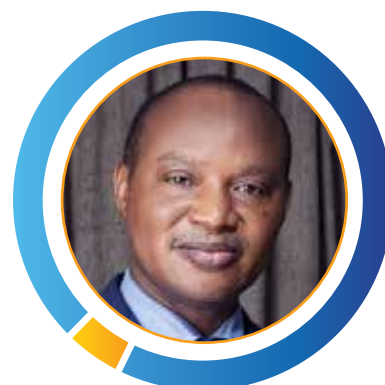
**Eng. Alex Gisagara**  
Senior Director Engineering Services



**Mrs. Prossy A. Lubowa**  
Senior Director Internal Audit



**Eng. Jude Mwoga**  
Senior Director Information and  
Business Solutions



**Mr. Paddy Twesigye**  
Senior Director Planning and  
Capital Development



**Mr. Francis Owot**  
Senior Director Financial Services



**Dr. Rose Christine Kaggwa**  
Senior Director Business and  
Scientific Services



**Eng. Mahmood Lutaaya**  
General Manager Kampala Water



**Ms. Eunice Alanyo**  
Director Human Resources.



**Eng. Edmond Okaranon**  
Director Regional Operations



**Mr. George E. Okol**  
Director Commercial and Customer  
Services

# Our Executive Management cont'd



**Mr. Silver Emudong**  
Director Finance, Accounts and  
Revenue



**Mr. Peter Mutungire**  
Director Information Technology



**Mr. Aloysius Kaijuka**  
Director Legal Services



**Mr. Samuel Epedel**  
Director Public Relations







# 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 this Section.

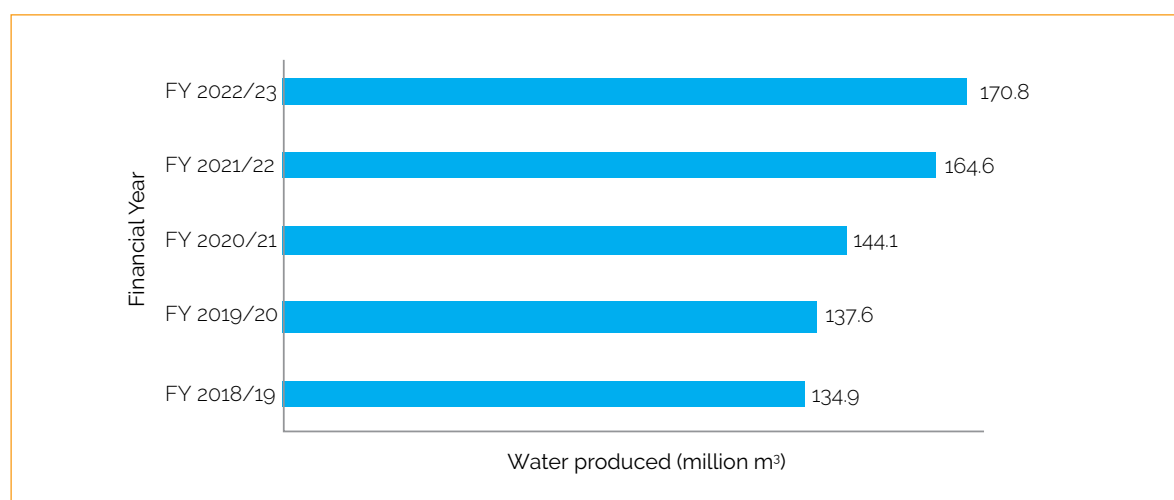
## ● Water Produced

Water produced is water that has gone through a treatment process and is ready for consumption. The Corporation makes every effort to ensure that water production is in tandem with the demand for water services. This makes water production the core of NWSC's business activities.

During the FY 2022/23, water produced increased by 6.2 million cubic meters (4%), from 164.6 million cubic meters in the FY 2021/22, to 170.8 million cubic meters. The increase in water produced was mainly attributed to the continuous expansion, rehabilitation and development of new infrastructure to meet the ever increasing demand for water services.

**Table 22:** Trend of Water Produced (million m<sup>3</sup>) for the period (2018-2023)

Region	FY 2018/19	FY 2019/20	FY 2020/21	FY 2021/22	FY 2022/23			Growth
					Actual	Target	% Perf	
Kampala	82.8	87.5	88	100.3	105.3	106.9	99%	4%
Central	22.3	23.1	23.8	27.2	28.4	28.9	98%	5%
Eastern	6.5	7.2	7.2	8.1	8.3	8.7	96%	3%
Northern	7.5	8.2	8.4	9.2	9.3	10.2	91%	1%
Western & South western	15.8	13.9	16.7	19.1	19.4	20.3	96%	2%
<b>NWSC Global</b>	<b>134.9</b>	<b>140.0</b>	<b>144.1</b>	<b>164.0</b>	<b>170.8</b>	<b>175.0</b>	<b>98%</b>	<b>4%</b>



**Figure 8:** Water Produced (million m<sup>3</sup>) from FY 2018/19 - FY 2022/23



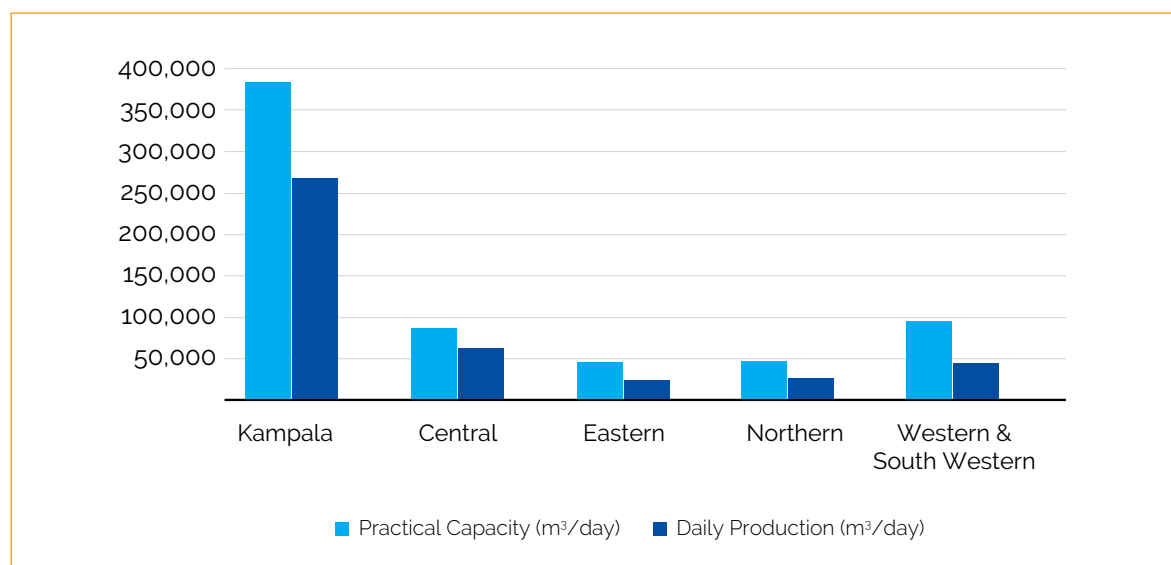
## ● Capacity Utilization

This is a measure of the extent to which the capacity of the water production infrastructure is being used. As at 30<sup>th</sup> June 2023, the Corporation operated 70 water treatment plants with a total practical capacity of 756,325 cubic meters per day. During the FY 2022/23, 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 7% from 708,378 cubic meters per day in the FY 2021/22 to 756,325 cubic meters per day. On the other hand, as at June 2023, the Corporation's average daily water produced stood at 468,659 cubic meters, which represents a capacity utilization of 62% compared to 64% in the FY 2021/22.

The growth in practical capacity is mainly attributed to the infrastructure upgrade and expansion carried out in the 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 (73-102).

**Table 23: Practical Capacity and Capacity Utilization FY 2021/22 and FY 2022/23**

Region	Practical Capacity (m <sup>3</sup> /day)		Daily Production (m <sup>3</sup> /day)		Capacity Utilization	
	FY 2021/22	FY 2022/23	FY 2021/22	FY 2022/23	FY 2021/22	FY 2022/23
Kampala	396,500	402,000	276,506	288,453	70%	72%
Central	97,499	109,944	74,644	78,572	77%	71%
Eastern	54,118	53,608	22,215	23,006	41%	43%
Northern	54,687	61,346	25,214	25,435	46%	41%
Western & South Western	105,574	129,427	52,404	53,194	50%	41%
NWSC Global	<b>708,378</b>	<b>756,325</b>	<b>450,982</b>	<b>468,659</b>	<b>64%</b>	<b>62%</b>



**Figure 9: Practical Capacity Vis-à-vis Daily Water Produced as at June 2023**

## ● Water Supplied

This is water that enters the distribution system for use by the final consumers. During the FY 2022/23, the Corporation registered a growth of 2% in the volume of water supplied, from 157.9 million cubic meters in the FY 2021/22 to 161.6 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 Accelerated Project (SCAP100) jointly financed by Government of Uganda and NWSC. Table 24 provides a summary of the regional performance over the five-year period (2018-2023).

Table 24: Trend of Water Supplied (million m<sup>3</sup>) for the period (2018-2023)

Region	FY 2018/19	FY 2019/20	FY 2020/21	FY 2021/22	FY 2021/23			Growth
					Actual	Target	%Perf	
Kampala	79.7	81.6	85.5	99.0	101.9	103.3	99%	3%
Central	20.7	21.4	22.6	25.4	25.8	27.3	95%	2%
Eastern	6.2	6.8	6.6	7.6	7.5	7.9	94%	-2%
Northern	6.7	7.3	7.7	8.4	8.4	9.3	90%	0%
Western & South Western	14.5	14.7	14.9	17.6	17.9	18.0	100%	2%
NWSC Global	127.8	132.0	137.2	157.9	161.6	165.8	97%	2%

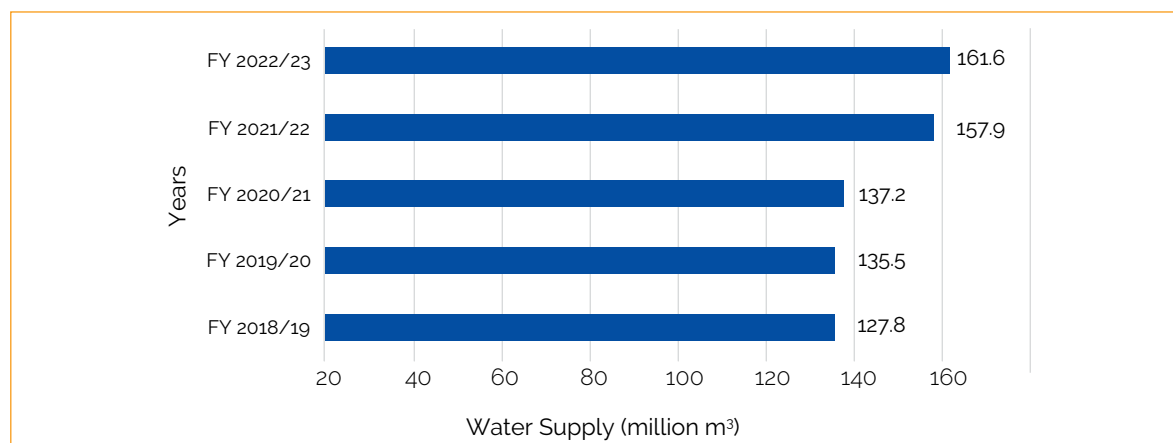


Figure 10: Water Supply (million m<sup>3</sup>) trends (2018-2023)

## Water Sales Volumes

This is the volume of water that actually reaches the customers' premises and is billed. The Corporation categorizes customers as Domestic, Commercial, Industrial, Institutional/Government and Public Stand Posts (PSPs). During the FY 2022/23, we registered a growth of 3% in the volume of the water sold, from 101.9 million cubic meters in the FY 2021/22 to 105.2 million cubic meters.

The growth is mainly attributed to increased out reach to more customers through implementation of 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 25: Trend of Water Sales (million m<sup>3</sup>) for the period (2018-2023)

Region	FY 2018/19	FY 2019/20	FY 2020/21	FY 2021/22	FY 2022/23 Actual			Growth
					Actual	Target	% Perf	
Kampala	52.2	49.2	50.8	58.1	60.3	65.5	92%	4%
Central	16.2	16	16.7	19.2	19.8	21.6	92%	3%
Eastern	5.2	5.3	4.9	5.6	5.7	6.3	91%	3%
Northern	5.3	5.5	5.7	6.3	6.4	7.4	86%	1%
Western & South Western	11.6	11.5	11.6	12.6	12.9	15.0	86%	2%
NWSC Global	90.5	87.5	89.8	101.9	105.2	115.8	91%	3%

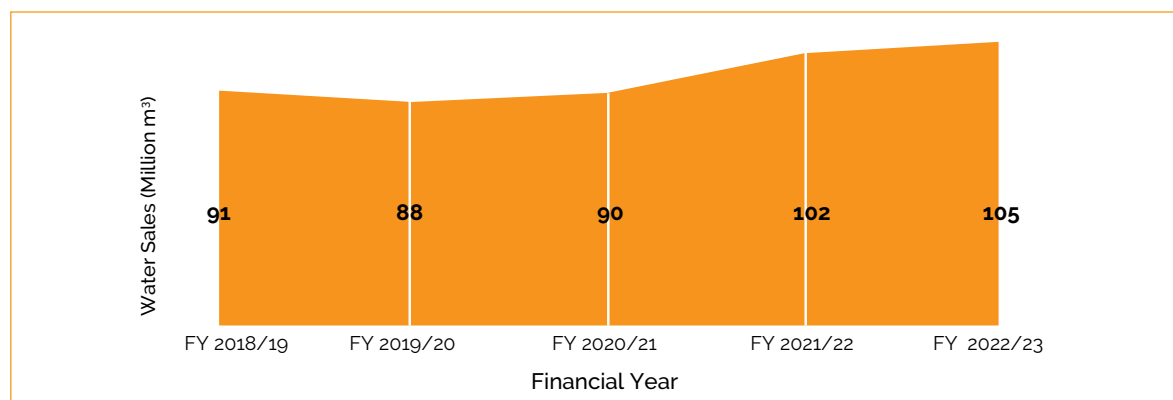
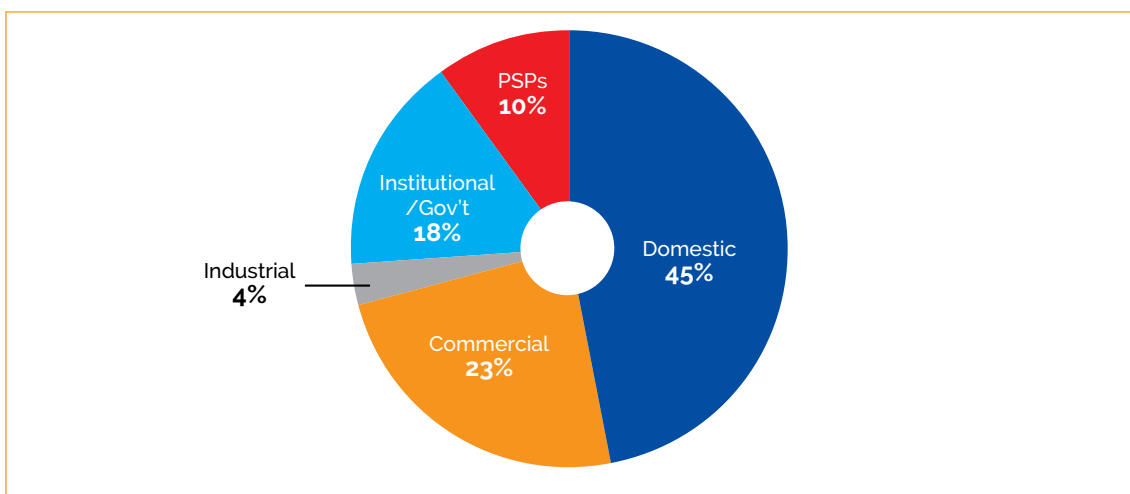


Figure 11: Trend of Water Sales (million m<sup>3</sup>) trend (2018-2023)

## ● 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 45% (47,765,401 cubic meters) of the volume consumed.



**Figure 12:** Volume of Water Sold Per Customer Category as at June 2023

## ● 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 on 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.

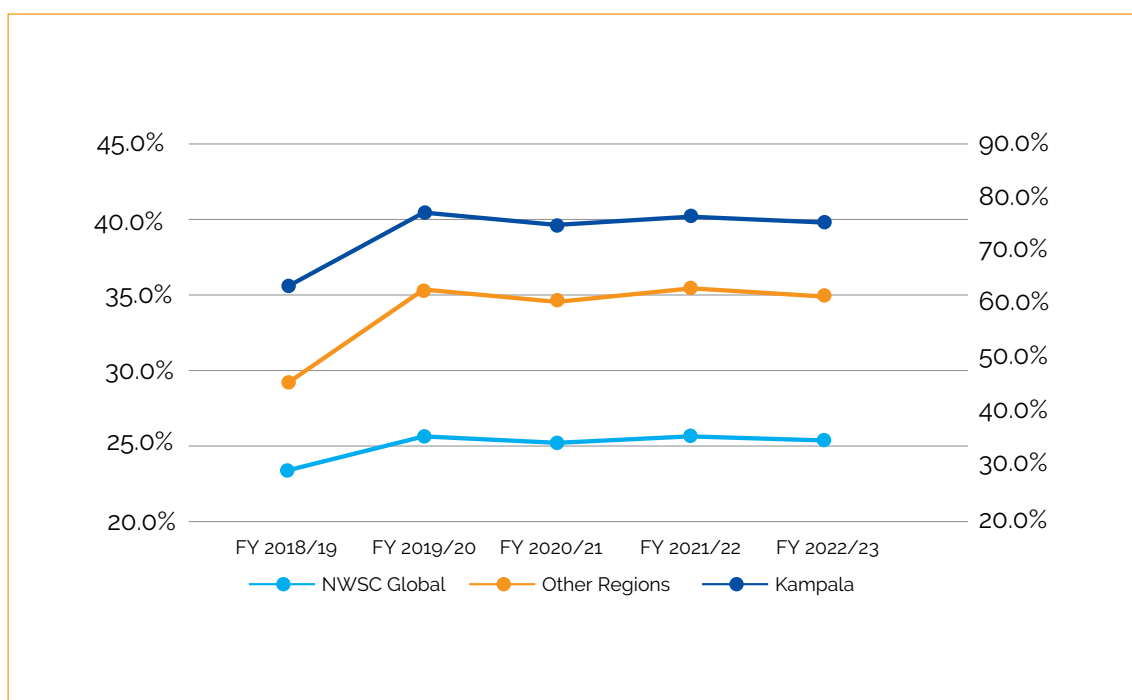
As at end of the FY 2022/23, water losses accounted for 34.9% of the water supplied. The performance is in sync with our three-year target in the Corporate Plan (2021-2024), which is to reduce Non-Revenue Water to 33% by 2026. The Corporation has put in place the following measures to reduce Non-Revenue Water:

- A meter replacement programme is under way targeting 100,000 meters to be serviced and at least 10,000 faulty meters to be replaced per quarter.
- We are also continuously strengthening the Water Loss 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 brought to book.
- Continuous training of our staff in all Areas to ensure timely response to reported cases of 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 with the highest level of NRW.

**Table 26:** Trend of Non-Revenue Water (%) for the period (2018-2023)

REGION	FY 2018/19	FY 2019/20	FY 2020/21	FY 2021/22	FY 2022/23			Increase/Decrease
					Actual	Target	% Perf	
Kampala	34.5%	42.2%	40.6%	41.3%	40.8%	36.6%	90%	-1%
Central	21.7%	25.2%	26.1%	24.3%	23.3%	20.8%	89%	-4%
Eastern	16.1%	22.1%	25.8%	26.6%	23.2%	20.0%	86%	-15%
Northern	20.9%	24.7%	26.0%	24.5%	23.8%	20.3%	86%	-3%
Western & South Western	20.0%	21.8%	22.1%	28.1%	28.2%	16.8%	60%	0%
NWSC Global	29.2%	35.4%	34.5%	35.4%	34.9%	30.1%	86%	-2%





**Figure 13:** Proportion of Non-Revenue Water as at June 2023

## ● Service Coverage Acceleration Project (SCAP 100)

The SCAP 100 Project was launched in July 2017 to ensure universal and equitable access to safe water supply in all villages under NWSC jurisdiction. The key components of the project 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 meet 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.

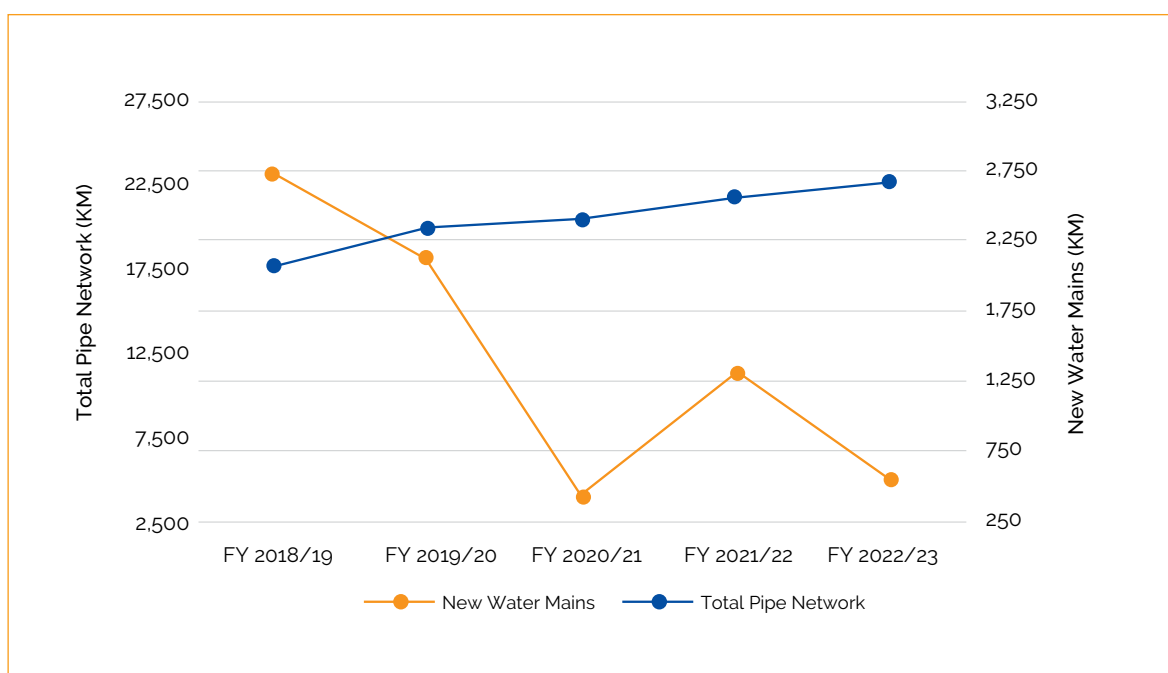
### (a) Water Mains Extensions

During the FY 2022/23, we registered a growth in our water network of 4%, with 588 km new water mains laid across the Country in the various Areas under our jurisdiction. The total pipe network stood at 22,646 km of water mains as at June 2023.

**Table 27:** Water Mains extensions for the period (2018-2023)

Region	FY 2018/19	FY 2019/20	FY 2020/21	FY 2021/22	FY 2022/23			Growth
					Actual	Target	% Perf	
Kampala	216	73	21	171	109	119	92%	-36%
Central	652	569	129	387	139	113	124%	-64%
Eastern	485	229	34	178	25	65	38%	-86%
Northern	300	209	75	189	106	70	152%	-44%
Western & Southwestern	1075	1,055	179	379	210	210	100%	-45%
Total New Mains Extensions	2,727	2,135	439	1,305	588	575	102%	-55%
Total Pipe Network	17,556	19,974	20,490	21,794.0	22,646	22,369	101%	4%

*The total pipe network includes network taken over with new Towns handed over to NWSC by MWE.*



**Figure 14:** New Water Mains Vis-à-vis the Total Pipe Network trends (2018-2023)

### (b) Water Connections

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

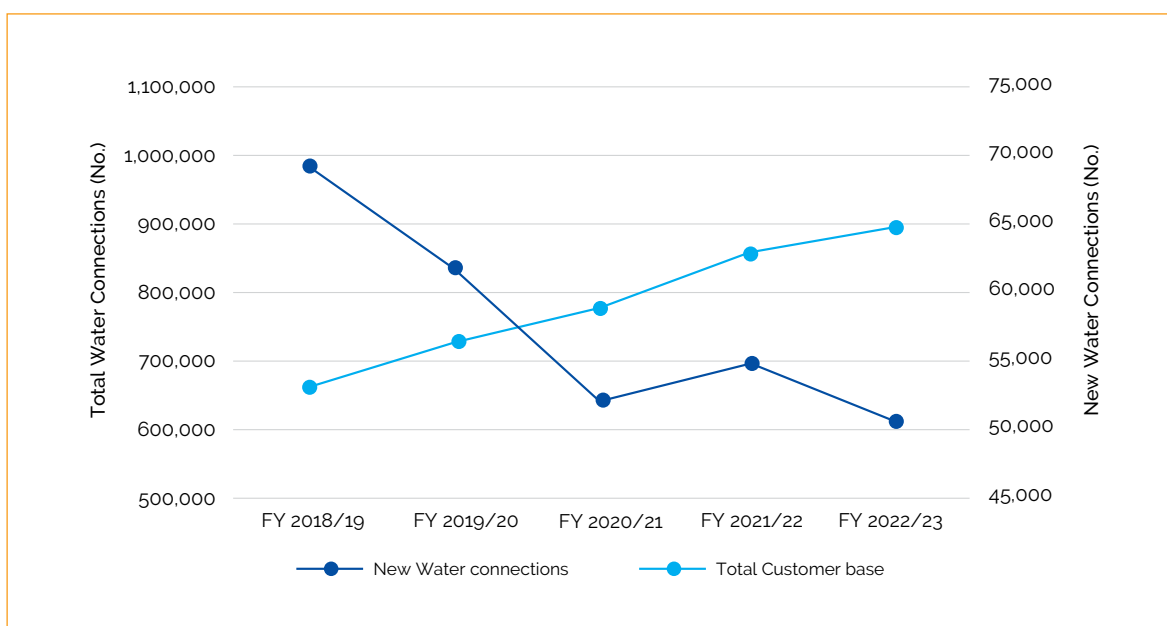
During the FY 2022/23, we registered a growth of 4% in our customer base from 857,347 connections in the FY 2021/22 to 892,099 connections. The new water connections installed were 50,591 connections.

The growth in the customer base is attributed to the NWSC deliberate efforts to expand the water network and the implementation of water supply stabilization programmes targeting the virgin areas especially in the newly taken over towns.

**Table 28:** Trend in Water Connections for the period (2018-2023)

Region	FY 2018/19	FY 2019/20	FY 2020/21	FY 2021/22	FY 2022/23			Growth
					Actual	Target	% Perf	
Kampala	32,130	28,720	23,472	390,707	21,329	30,770	69%	-15%
Central	14,259	11,698	10,875	182,824	10,495	11,818	89%	-6%
Eastern	5,302	3,981	3,297	65,786	4,183	9,709	43%	21%
Northern	5,085	4,997	4,360	68,271	4,706	6,691	70%	2%
Western & South western	12,439	12,125	10,008	149,759	9,878	10,009	99%	-4%
New water connections	69,215	61,521	52,012	54,697	50,591	68,997	73%	-8%
Total Customer base	659,157	724,006	775,794	857,347	892,099	926,344	96%	6%

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



**Figure 15:** Trend in Connections over the period (2018-2023)

### (c) Public Stand Pipes (Kiosks)

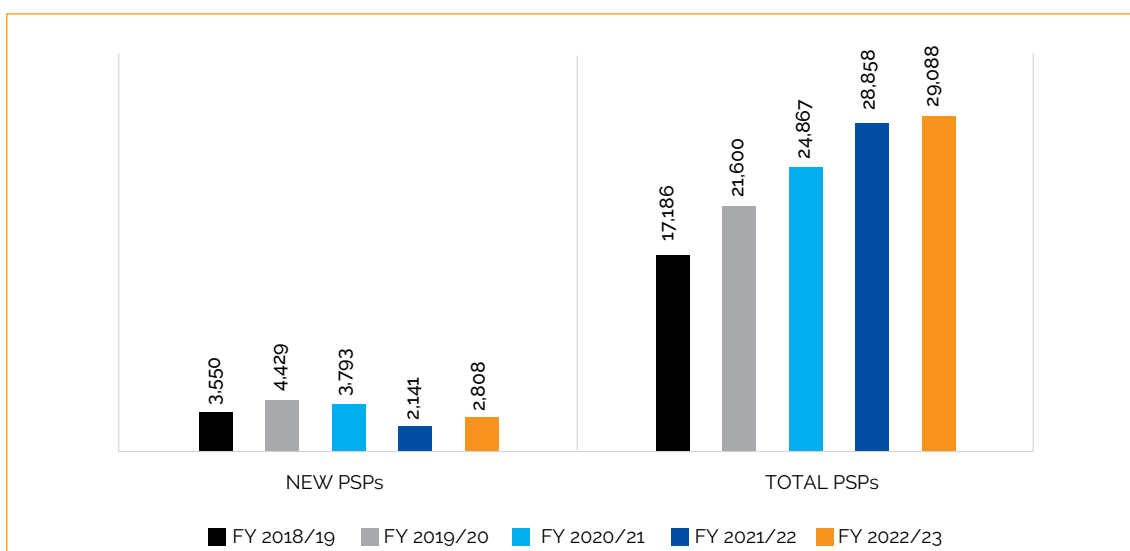
The Corporation's mandate is to provide water to all people in areas entrusted to it. We are well aware of the high number of people who cannot afford water connections to their homes. Public Stand Pipes (PSPs) are a convenient way through which the economically disadvantaged members of the community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

During the Financial Year 2022/23, we registered a growth of 1% in the customer base under the PSP consumer category, with 2,808 new PSPs being installed. The total number of connections under this category as at end of June 2023 was 29,088 PSP. (See Table 29)

**Table 29:** Annual Installation of PSPs for the period (2018-2023)

Region	FY 2018/19	FY 2019/20	FY 2020/21	FY 2021/22	FY 2022/23			Growth
					Actual	Target	% Perf	
Kampala	74	1355	1,643	404	1,060	615	172%	162%
Central	1004	652	461	429	462	1231	38%	8%
Eastern	583	495	260	249	305	477	64%	22%
Northern	483	523	199	224	185	252	73%	-17%
Western & South western	1,406	1,404	1,230	835	796	1,067	75%	-5%
<b>Total New PSPs</b>	<b>3,550</b>	<b>4,429</b>	<b>3,793</b>	<b>2,141</b>	<b>2,808</b>	<b>3,642</b>	<b>77%</b>	<b>31%</b>
<b>Total No. of PSPs</b>	<b>17,186</b>	<b>21,600</b>	<b>24,867</b>	<b>28,858</b>	<b>29,088</b>	<b>32,500</b>	<b>90%</b>	<b>8%</b>



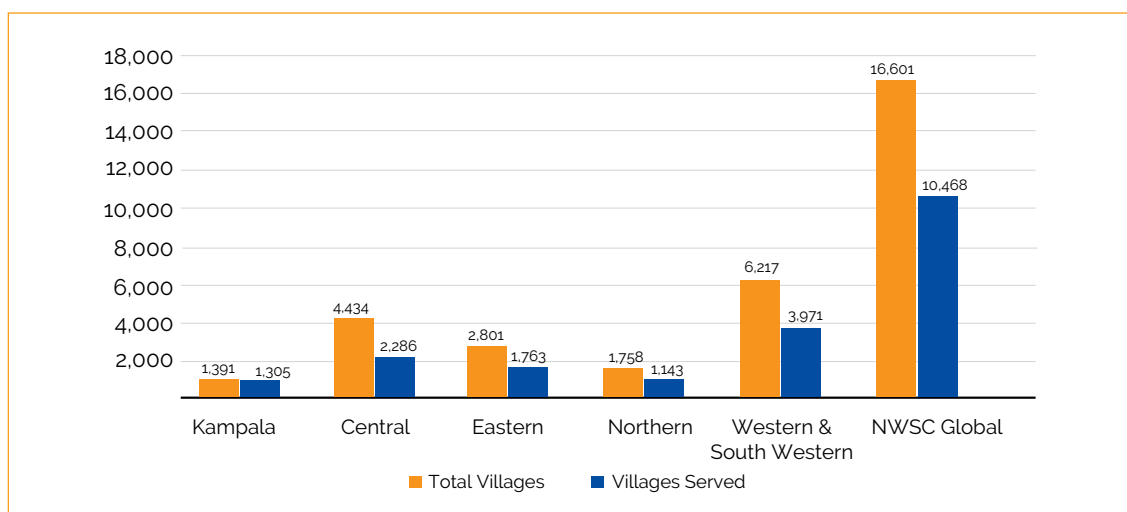


**Figure 16:** Progress of installation of PSPs for the period (2018-2023)

#### (d) Village 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 84% in the urban areas, only 30% of the 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 to ensure stable water supply in all areas served by our network.

As at June 2023, 10,468 out of 16,601 villages (63%) had access to safe water supply. This translates into a service coverage of 78%, (approximately 18 million people out of a population of 23 million people). There are still 6,133 villages with a population of over 5 million under our jurisdiction which is not yet receiving our services. This calls for the need for the Government, Development Partners and the Corporation to continue supporting the refurbishment, expansion and development of our Infrastructure Projects, so as to serve the unserved Ugandans.



**Figure 17:** Village coverage as at June 2023

### ● Sewerage Services

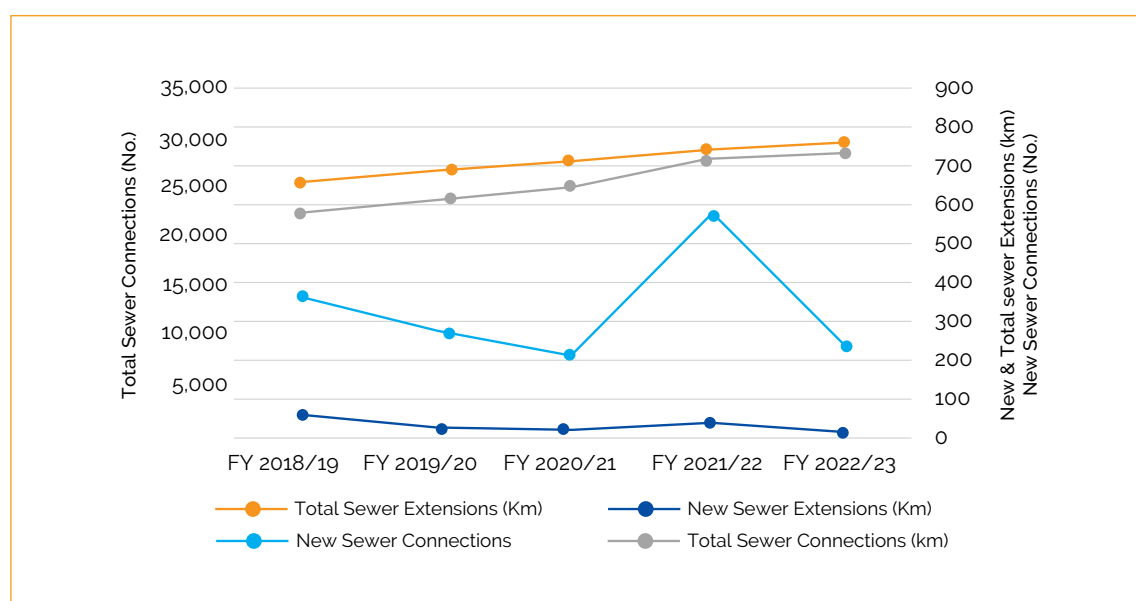
NWSC operates centralized sewerage systems of collecting, treating and discharging effluent in 18 out of the 273 towns. The Corporation also operates faecal sludge treatment facilities in Buwama, Bukakata, Ntungamo, Mayuge, Pallisa, Apac, Arua, Gulu and Kampala (Lubigi and Ntinda).

As at June 2023, the total sewer network stood at 762 Km, registering a growth of 2% compared to 745 km in FY 2021/22. 17 Km of new sewer mains was laid in the Financial Year under review. On the other hand, the total sewer customer

base was 28,703 connections registering a growth of 2% compared to 28,007 sewer connections in FY 2021/22. 237 new sewer connections were connected during the Financial Year under review. The total customer base comprised of 17,724 domestic connections, 9,580 commercial, 24 industrial and 1,375 Institution/Government. Table 30 provides a summary of the sewer mains and connection status.

**Table 30:** Sewer Connections and Mains extension status for the period (2018-2023)

Region	FY 2018/19	FY 2019/20	FY 2020/21	FY 2021/22	FY 2022/23			Growth
					Actual	Target	% Perf	
Kampala	152	161	178	578	111	209	53%	-77%
Central	34	85	20	23	30	21	143%	30%
Eastern	19	7	6	43	21	7	300%	-51%
Northern	135	14	3	9	16	5	320%	78%
Western & South western	28	10	7	23	59	8	738%	157%
Total New Sewer Connections	368	277	214	576	237	250	95%	-59%
Total Sewer Connections	22,606	23,914	25,180	28,007	28,703	28,257	102%	2%
New Sewer Extensions (Km)	59	30	23	36	17	16	104%	-54%
Total Sewer Extensions (Km)	661	693	715	745	762	761	100%	2%



**Figure 18:** Trend of Sewer Mains and Connections

It should be noted that the sewerage service coverage has for 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 projects include;

- Kampala Water Lake Victoria Protection Project with a component on Water and Sanitation in the informal settlements including establishment of Nalukolongo Faecal Sludge Treatment Plant (FSTP)
- Kampala Sanitation Project comprising of Sewage Treatment Plant, Kinawataka Sewage Pre-treatment Plant and Backbone Sewage lines
- South-Western Cluster Project (Isingiro, Masaka and Mbarara Area)
- Gulu Project (Phase II)
- Mbale Sanitation Project (IWMDP)
- Adjumani 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 plan.

# The Commercial Perspective







**Mr. George E. Okol**  
Director Commercial and  
Customer Services

The Commercial and Customer Services Directorate is the business promotion arm of the Corporation, charged with the mandate to oversee the implementation of commercial and billing activities.

The Directorate was established in 2002 in a quest to strengthen customer services. Subsequently, Customer care units were established in all areas, and training in customer care was conducted for all staff within the Unit and related functions.

The key responsibility of the Directorate is to ensure that the Key Performance Indicators corresponding to customer management such as commercial non-revenue water, customer satisfaction, willingness to pay, and collection efficiency, improve. The team identifies the most relevant actions to ensure the Corporation maintains, or improves, its current practices vis-à-vis its customers' needs.

#### Commercial and Customer Services Mandate



**Improved Customer Care**



**Growth of Customer Base**



**Increase Annual Revenue  
(Billing and Collections)**



**Debt Management**

Over the past 20 years, a number of initiatives have been undertaken to improve the Corporation's Commercial Performance. These include;

- Automation of billing and collection processes through the adoption of ICT solutions that have enhanced the Corporation's capacity to provide adequate services over the years. These include among others; the intro-

duction of the On-spot Billing Systems, Direct Debit system, over-the-counter bill payments with partner banks, e-Payments, Electronic Funds Transfers and e-Bills.

- Establishment of Customer Contact Centers including Telephone and Social Media Platforms with the objective of improving communication with customers. In addition, a number of stakeholder engagement platforms have been developed including the Water Community Sensitization clubs, Barazas, School Water and Sanitation Clubs (SWAS).
- Implemented several Performance Improvement Programs including; the Raving Fans Concept, SPOTLIGHT, Arrears Wipeout Campaign (AWOC), Suppressed Accounts Reduction Programme (SARP), Customer Re-connect, Revenue Recovery Acceleration Program (RRACE), and Non-Revenue Water reduction campaigns among others.
- Designing and publishing of the NWSC Customer Charter. The Charter stipulates the expected service standards to customers by our staff, and obligations of the customers towards the Corporation.



## Overview of the Customer Service Charter



### Customer Service Standards

- Provide you with safe and reliable water supply that meets your needs
- Respond to leaks and bursts within six hours of awareness
- Notify the public at least three days prior to supply disruption
- Collect, treat and safely dispose of sewage effluent
- Respond to sewer overflows within 6 hours of awareness
- 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 your premises is read and billed in a sequence not exceeding 30 days



### Our Commitments to the Customers

- To treat all the Customers with Courtesy and respect
- To ensure that the quality of water supplied and the sewerage effluent discharged meet the WHO standards.
- To uphold good work ethics and professionalism while serving our Customers.
- To deal with all customer issues with efficiency, fairness, integrity and give timely feedback.
- To provide customers with all the necessary information to solve their complaints
- To continuously ascertain the level of satisfaction of our customers for service improvement.



### Customer Obligations

- Pay for the service rendered upon receipt of the bill.
- Allow access to meters for accurate reading and billing.
- Raise complaints, concerns and queries promptly.
- Update NWSC with any changes of customer and property details promptly.
- Avail all the information requested by the Corporation for the execution of services.
- Desist from illegal usage of water.
- Report leaks and bursts and any illegal water connections.

**NB:** Details of the Charter are published on our website: [www.nwsc.co.ug](http://www.nwsc.co.ug)



# Commercial Performance

## ● Billing (VAT Inclusive)

Billings are the primary indicator of our financial performance and key determinant of the Corporation's Income. During the FY 2022/23, the Corporation registered a growth in billing of 11% from UGX 487 billion in FY 2021/22 to UGX 540 billion in FY 2022/23. The growth in billing is attributed to increase in business volume manifested in growth in customer base and increased supply volumes to meet the growing demand.

**Table 31:** Trend of Billings (UGX Billion VAT Inc.) for the period (2018-2023)

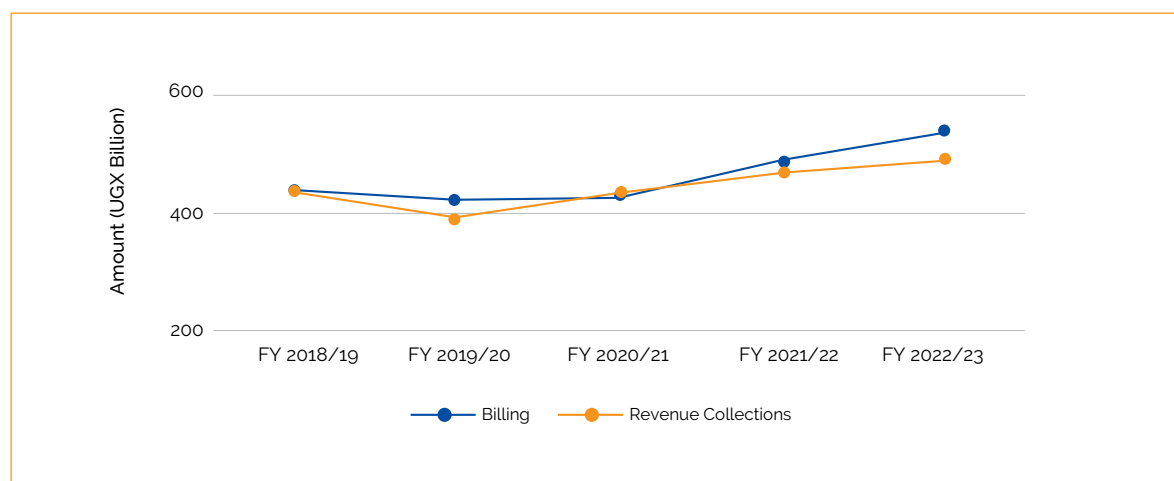
Category	FY 2018/19	FY 2019/20	FY 2020/21	FY 2021/22	FY 2022/23			Growth
					Actual	Target	% Perf	
Government	53	54	51	61	72	71	101%	18%
Non-Government	385	370	379	426	468	490	95%	10%
NWSC Global	437	424	430	487	540	561	96%	11%

## ● Revenue Collection (VAT Inclusive)

The Corporation registered a growth in collections of 5% from UGX 469 billion in the FY 2021/22 to UGX 492 billion in the FY 2022/23. This translates into a Collection-Billing Ratio of 91%.

**Table 32:** Revenue Collection (UGX Billion VAT Inc.) for the period (2018-2023)

Category	FY 2018/19	FY 2019/20	FY 2020/21	FY 2021/22	FY 2022/23			Growth
					Actual	Target	% Perf	
Government	64	42	58	47	39	72	54%	-16%
Non-Government	373	349	377	422	452	500	91%	7%
NWSC Global	437	391	435	469	492	572	86%	5%



**Fig 19:** Trend of Revenue Collection and Billings for the period (2018-2023)

On the other hand, arrears as at June 2023 amounted UGX.180 Billion translating into a debt age of 4.0 months.





# What We Are Doing for Our Customers

## ● We Listen to our Customers

We have a Customer Relationship Module (CRM) where we register complaints or comments from all sources. Complaints can be through walk-ins, emails, phone calls and social media platforms. As an organization we give feedback and address the complaints of our customers. During the FY 2022/23, 179,860 complaints were registered and 179,482 were resolved (99.8% Resolution Rate).

## ● We Engage Our Customers

We engage our customers at various levels of operations through various platforms and forums. During the engagements 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 beneficiary 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.

## ● 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 dynamics that affect the cost of inputs. Table 34 shows the Tariffs for the various consumer categories

## ● 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.

Table 33: NWSC Tariff Structure July 2023

Category	Charges (UGX per Cubic meter, VAT Exclusive)
Public Standpipes	1060
Domestic	3,727
Institutions / Government	3,771
Commercial	
Less than or equal to 1500m <sup>3</sup> /m	4,473
Over 1500 m <sup>3</sup> /m	3,575
Industrial	
Less than 1000 m <sup>3</sup>	4,473
Over 1000 m <sup>3</sup>	2,500
<b>Sewerage Tariff</b>	
For Domestic Category	75% of water charge
For Other Categories	100% of water charge



## ● Making It Easy for Our Customers 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 (DB).

### Application for our Services on Line (New Water Connection).

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)

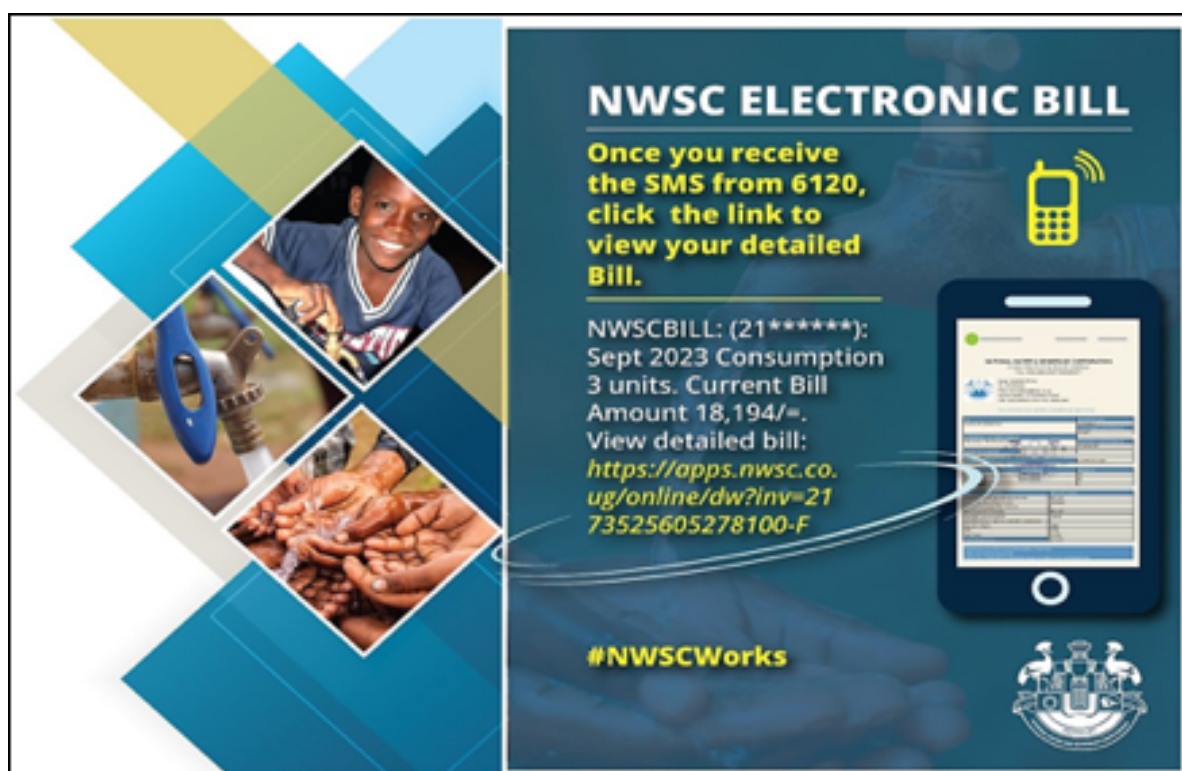
Through our online presence on X (formerly Twitter), WhatsApp, NWSC website and Facebook, NWSC is able to receive real time customer complaints and provide feedback. The Waterman is available 24/7.

### 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 devices and provides customers with their realtime balances, bills and any other information relating to their accounts. The App also enables customers to pay their Water Bills through the various online payment platforms.

## ● e-Billing

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



The graphic is a promotional poster for NWSC's electronic billing system. On the left, there is a collage of three images: a smiling young boy, a close-up of a blue water tap with water flowing, and a pair of hands being washed under running water. The background of the entire graphic is a dark blue gradient. On the right side, the text 'NWSC ELECTRONIC BILL' is written in large, bold, white capital letters. Below this, in yellow text, it says 'Once you receive the SMS from 6120, click the link to view your detailed Bill.' To the right of this text is a yellow icon of a mobile phone with a signal wave. Below the yellow text, in white, it provides the bill details: 'NWSCBILL: (21\*\*\*\*\*): Sept 2023 Consumption 3 units. Current Bill Amount 18,194/=. View detailed bill: <https://apps.nwsc.co.ug/online/dw?lnv=2173525605278100-F>'. To the right of this text is a black smartphone displaying a screenshot of the NWSC mobile app interface. At the bottom left of the graphic, the hashtag '#NWSCWorks' is written in yellow. At the bottom right, there is a white circular logo featuring the NWSC crest.



# Quality Assurance

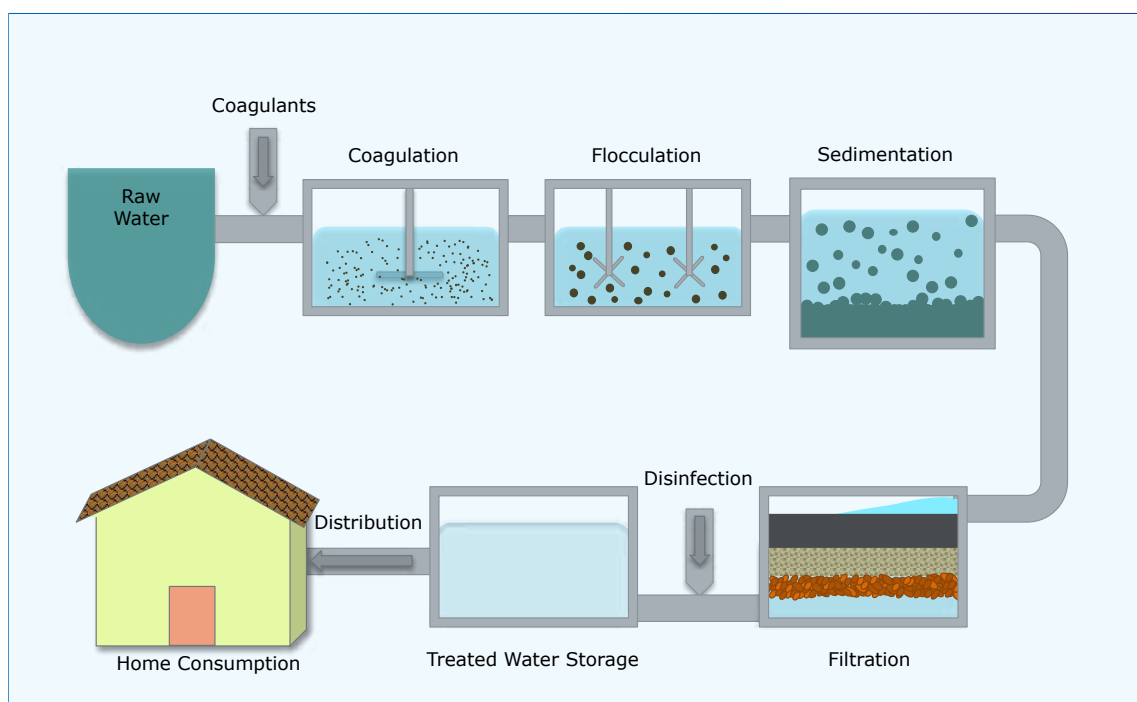
The mandate of NWSC is to supply clean and safe water to customers. We must also ensure that the quality of Wastewater Effluent discharged into the environment meets the National Standards. Our team of water Chemists and Microbiologists monitors the quality of the water supplied and Wastewater discharged on a regular basis. We also offer 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 21 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

Water samples are collected at every stage of the treatment process on a daily basis to ensure effective performance of each treatment stage in removing impurities from the water. In addition, samples are taken at different points of the distribution network daily to ensure that the water transported to our customers is free from contamination. Table 35 below highlights the water and wastewater quality parameters that are frequently monitored and their corresponding performance as at June 2023.

**Table 34: Water and Wastewater Quality Compliance as at June 2022**

Water Quality	Ingredients	Indicator	Actual Perf.
Compliance with National Standards for Drinking (potable) Water	(No. of Samples passing National Standards/ Total samples tested ) X 100	Bacteriological Quality (%)	99.9
		Colour (%)	88.1
		Turbidity (%)	95.5
		Chlorine residual (%)	99.3
		pH (%)	98.3
		Electrical Conductivity (%)	100.0
		Alkalinity Total (%)	99.6
		Hardness Total (%)	99.0
		Average (%)	98.5
Sewage Quality			
Compliance with all 54 Effluent discharge Parameters	(No. of Samples passing National Discharge Standards/ Total Samples tested ) X 100	BOD (%)	74.2
		Total Suspended Solids (%)	75.8
		Average (%)	75.0

During the FY 2022/23, 98.5% of the water samples from all Areas complied with the National Standards (98%) for the bacteriological quality of 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.

## ● Independent Quality Checks

The Corporation conducts its activities according to Standard Operating Procedures and Protocols and participates in Proficiency Testing with accredited laboratories. Joint water quality monitoring activities are conducted with Kampala Capital City Authority (KCCA), Uganda National Bureau of Standards (UNBS) and the Ministry of Water and Environment.

## ● Laboratory Services to the General Public

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

## ● Challenges

The deteriorating Raw Water quality as a result of source pollution from un-regulated discharge of domestic wastewater, industrial effluent and bad farming practices affects the quality of raw water and leads to increased consumption of water treatment chemicals.





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



# Sharing Our Experience with the World through the External Services Unit



**Dr. Rose Christine Kaggwa**  
Senior Director Business and  
Scientific Services

The External Services Unit (ESU) is a Consultancy arm of NWSC through which we deliver support to other utilities in the region and beyond. The Unit was established in 2005 in response to the demand for NWSC expertise from other utilities and institutions following the rapid transformation of the Utility after effective implementation of a number of reforms.

The Core Business Streams for the ESU include; Advisory Services, Technical Assistance, Water Utility Capacity development, and provision of Conferencing and Training facilities at the NWSC International Resource Centre (IREC) and Western and South Western Resource Centre (WESREC).

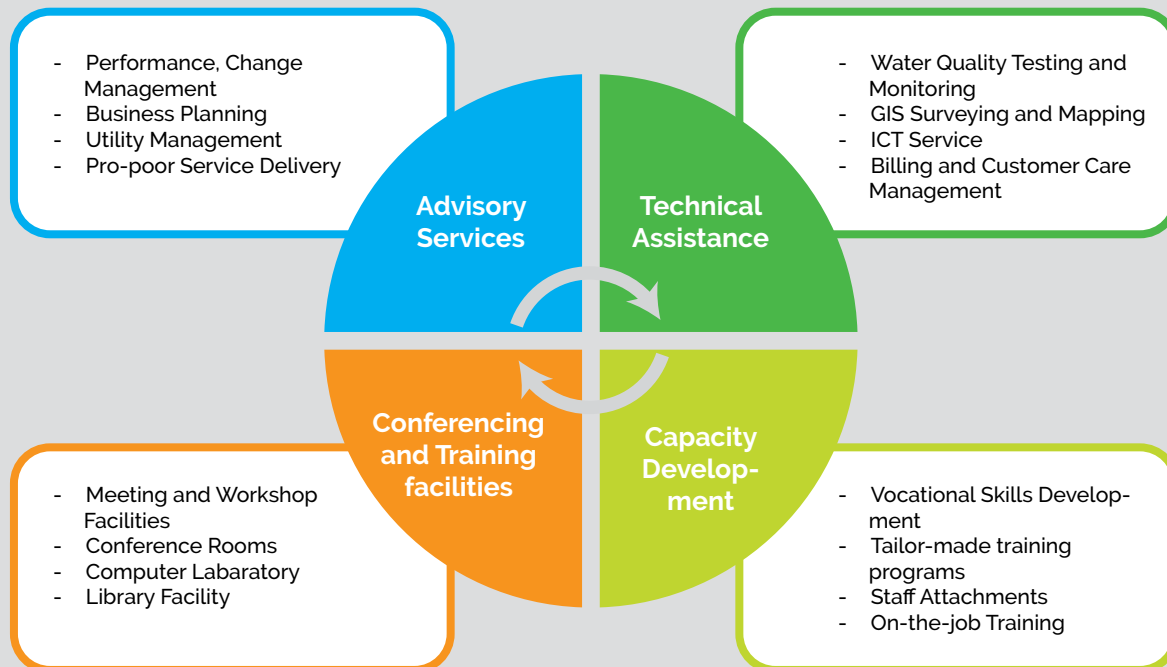


Figure 21: External Services Unit Business Streams

## ● The External Services Unit

The NWSC External Services Unit (ESU) 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 ESU is therefore key in fostering both South-South and North-South Cooperation amongst utilities in the region.

Since its inception, the ESU has completed 89 Contracts that have impacted over 110 utilities in various countries in Africa, Asia and the Caribbean including; 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



Promoting Gender Equity-Women at IWA Conference-IREC Bugolobi-Uganda

## ● Vocational Skills Development

One of the core business streams is the training and capacity development in partnership with the training department of NWSC. The ESU through the training department established the vocational training wing. Courses are delivered covering competences in customer care, sludge /plant operators, sewerage technicians, water quality technicians, heavy motor vehicle operators and welders. In 2023, the Corporation held its 5<sup>th</sup> Graduation Ceremony at the Gaba Vocational Skills Development Facility, and 409 NWSC staff graduated with practically acquired skills, certified by Directorate of Industrial Training of the Ministry of Education and Sports. These included Fourteen (14) NWSC staff fully funded by the Corporation who completed the special WEDC Master's Program in Civil and Environmental Engineering run by Loughborough University UK.





NWSC Staff undergoing training assessment at the Gaba Vocational Skills Development Facility (VSDF)



Benchmarking: NWSC Executive Management & Minister of state for Environment Mrs. Beatrice Anywa (yellow dress) & PS. Ministry of Water & Environment extreme right-Mr. Alfred Okot Okidi on benchmarking during AfWASA Conference at Serena Hotel-Uganda..

## ● International Collaboration and Foot Print

The NWSC is an active participant and contributor on the continent with the African Water Association (AfWA) and internationally with the International Water Association (IWA). IREC hosts the African Water and Sanitation Academy (AWASA).



# Profiling the NWSC Key Operational Areas - “The Big Three”

## Kampala Metropolitan Area

### ● Turbulance & Triumph: The Journey in the Fight Against the Non-Revenue Water Monster in Kampala

The journey to performance improvement in Kampala Water (KW) has been incredibly smooth so far in most parameters, though NRW still presents a formidable challenge. NRW represents the difference between the quantity of water supplied through the distribution system and what is billed to the customers. It is categorised into three parameters as per the International Water Association (IWA), which are; Authorized Unbilled Consumption, Commercial and Physical Losses.

The challenge of NRW continues to constrain and undermine Kampala's operation efficiency. Therefore, the Area has taken a strong stance in its campaign to address this challenge. As we delve deeper into this challenge, it becomes increasingly apparent that multi-pronged solutions have to be applied to realize the intended goal and benefits as indicated in figure 22.

The Management of Kampala Water has been proactively addressing NRW by integrating it into organizational ethos, exploring various strategies and global technologies. By addressing NRW in a comprehensive manner, Kampala Water seeks to streamline its operations, improve resource utilization, and strengthen its capacity to effectively and efficiently deliver services. This will answer questions like; (i) How much water is lost, (ii) Where does this loss occur, (iii) What is the root cause of this loss, (iv) What strategies can be used to reduce losses and increase water sales and (v) How can we ensure the continuity and sustainability of these strategies to maintain achieved improvements?”

KW has adopted the following strategies aimed at bringing down NRW to economic levels;

- a) **NRW Strategy Action Plan:** To drive the campaign of NRW reduction, NRW Strategy was developed to guide the implementation of plans and a series of activities to fight NRW.

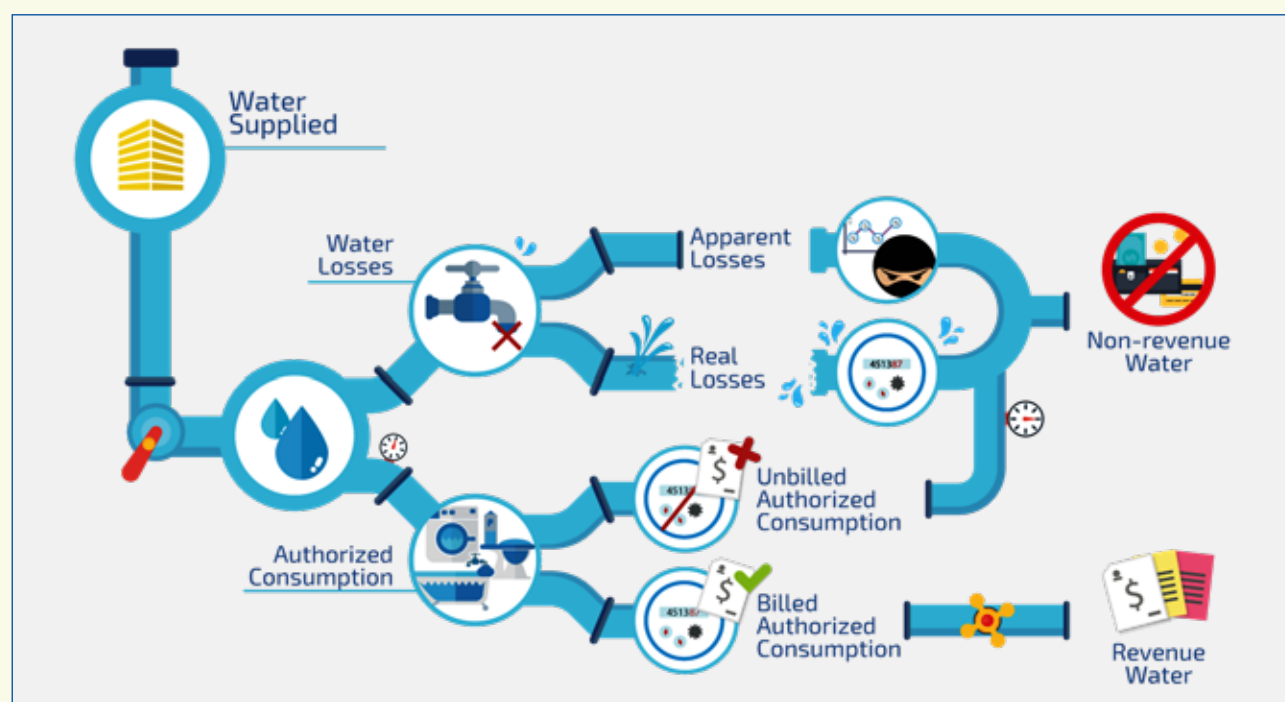


Figure 22: Revenue water and Non-revenue water



**b) Knowledge about NRW:** A manager's handbook on managing NRW was disseminated and discussed with staff in the various branches. This has created a knowledge base to implement rolling programs to reduce NRW. It entails among others creation of discussion platforms code-named, "KIMEEZA", where staff discuss to detail their strategies, success, activities and improvement plans. These awareness campaigns have improved staff involvement and understanding of NRW reduction. In addition, platforms in form "Baraza's" were created to further educate the communities and customers about their contribution in reduction of NRW through reporting anomalies.

**c) Meter Accuracy measurement:** Billing is based on what is sold and this makes the cash register (Meter) the focus point. Over time, metering efficiency has been questioned and discussed without yielding practical answers for effective decisions. With the creation of the meter accuracy Unit to investigate, measure and calibrate large consumer meters, Interesting results have manifested. These include illegal use being rampant, aged meters failing and others getting stuck faster more frequently than the times they are serviced. A mix of activities has started yielding growth in large consumer accounts.

**d) Metering efficiency:** Years back, Kampala water used to service an average of 2,000 meters and this barely showed any increment in sales. Currently the fight of NRW has created purposeful servicing, that focusses on dropped accounts, leak prone areas, aged meters, and fluctuating consumptions. This has resulted into increment in water sales by over 200% in some of accounts.

**e) District Metering:** Kampala being a wide spread network full of interconnected networks with reservoirs and pumping stations, understating water lost systematically required re-zoning it into smaller metered areas. Branches opted to increase installation of District Metered Areas where they learn causes of high NRW. As a result, the Average NRW has reduced from 39% in these areas to 37%.

**f) Hybrid:** Water sales increase against production is a big factor in reducing NRW. As a strategy, accounts with dropping sales were audited by involving all staff, at both the branches and KW-Head office, and this yielded increase in sales. This has become institutionalized with monthly evaluations through creation of a billing app to ease audits of activities. In addition, handling of anomalies and new connection follow-ups have yielded extra sales

**g) NRW 10% program:** One of the major causes of NRW related to commercial losses is illegal use. It is believed 10 percent of all customers are using water illegally. This vibrant involving program has been created to ensure all branch staff who know these customers better, can get them in action of theft. In less than two

weeks, 43 accounts were confirmed and more are being investigated.

**h) Water Loss Control:** This entails leak search and repair every morning in various branches on selected days. The campaign aims at reducing physical losses and improve services. Leaking reporting has become a digital norm where all leak reported are registered by any staff in Mapkit. This tool has created ease of reporting, follow-ups and enabled real time response and repairs. Other anomalies are now also reported using this tool and its effectiveness has helped curb a number of issues related to documentation, location and real-time handling.

**i) Water Loss Prevention Unit (WALOPU):** All over the world, unscrupulous customers have existed. This Unit uniquely handles water theft by such customers. It has security backed up by Police officers to manage customer violence in case it happens during operations. Policies and guidelines have been developed to guide the teams and serial water theft culprits have been brought to book. With the 10% NRW program, WALOPU has now moved to being categorical investigators and prevention teams for complex consumers.

**j) Smart Metering:** Implementing smart metering technologies allows real-time monitoring of water consumption, early detection of anomalies, and better management of distribution systems, ultimately minimizing NRW. This activity is being piloted with various customers and meter sizes. The results shall inform management on the better way of managing sales and improving operations.

In conclusion, Kampala Water showcased a substantial enhancement in its Non-Revenue Water (NRW) performance and this has effectively reduced the moving average to 38.4% in contrast to the 40.7% recorded for the 2022/23 financial year. This improvement underscores a promising trajectory in the pursuit of reducing Non-Revenue Water, marking the inception of a new era within the realm of National Water. Kampala Water's steadfast commitment towards establishing a site devoid of Non-Revenue Water is evident through its dedicated efforts and strategic measures implemented for NRW reduction.

Despite the efforts, Kampala Water still faces a number of challenges in the journey to reduce the NRW. These include upgrading of aged infrastructure, Water Theft with associated interference to stringent measures to curb unauthorized water usage, High cost of implementing projects, which include among others; evacuation of water from Katosi Water Supply System, and Smart metering projects. However the fight continues.



# Kiira Water Partnership/Jinja Area Profile

## ● Brief History Of Jinja Area (Kiira Water) Operations

**Jinja Area Vision:** To be a perpetual model for Best Practice and Excellence in Water & sewerage Service delivery.

**Area Mission:** To Provide Excellent Water and Sewerage Services with Purpose, Energy and Passion.

Jinja means Rock and Jinja Town as it was known by 1972 was one of the original urban water supply and sewerage operations that was taken over by NWSC. Jinja area is the second biggest Area in NWSC delivering excellent and dedicated water and sewerage services in Jinja-Njeru service and parts of Buikwe, Kamuli and Kayunga districts area as well as exporting water to Iganga & Mayuge districts.

Jinja service area covers Jinja city and Jinja district, Njeru municipality and parts of Lugazi municipality in Buikwe District, parts on Kayunga District, parts of Kamuli district as well as parts of Mayuge district. It stretches from Kitigoma in Lugazi Municipality off 15 Km on Jinja – Kampala Highway, to Nyenga 15 Km off Njeru-Nyenga-Katosi road, to Buwenge 40 Km off Jinja-Kamuli highway, to 30 Km off Jinja-Budondo road and 20 kms off Jinja-Iganga High way, with a total area of about 260 Km<sup>2</sup>, covering a total area of 615 km.

Jinja-Njeru service area alone has about 605,000 inhabitants. At present, 95% of the urban population and 70% of the rural population are served with 37,015 water connections and 4,821 sewer connections. We also have a portfolio of 1,456 public stand pipes (PSPs) to serve those who can't afford domestic connections. Our village coverage has so far spread to 375 of the 409 villages. To be as close and as nearer to our customers as possible, the area operates 5 vibrant branches in Jinja City Centre, Njeru, Bugembe, Namulesa, Buwenge with a sub-branch in Kagoma.

## ● Jinja Area Key Infrastructure Evolution To Date

- The Jinja Water supply system was set up in 1939, and was upgraded in 1951, 1956 and 1968.
- In 1987, the supply system was upgraded to match increase in demand.
- In 1994, the supply system was further upgraded to match increased demand.
- In 2005, the system was extended to Iganga and later to Mayuge districts.
- In 2009, the drop in the water level of Lake Victoria coupled with increased demand compelled the Corporation to upgrade the Masese water treatment plant.
- In 2021 an upgrade of the Water plant was undertaken

under the Jinja-Iganga-Mayuge water supply improvement project. This was funded under the market financing arrangement of UGX 5.6 billion. We managed to overhaul the filters, added the 4<sup>th</sup> pumping main for 4 km from Masese water works to the main reservoirs at Rubaga mission hill and upgraded the high lift pumps. This positively caused an increase in production from 26,000 m<sup>3</sup> (26 million litres) per day to the current 32,000 m<sup>3</sup> (32 million litres) per day serving additional 300,000 people in over 200 villages in Jinja, Iganga, Mayuge, Kayunga and Buikwe.

## ● Jinja Area Water Service Delivery Infrastructure Investments at a Quick Glance

- Masese Water Treatment plant is where the raw water is abstracted from the Napoleon gulf of Lake Victoria, treated and then supplied to customers.
- The water production capacity is 32,000 m<sup>3</sup> (32 million litres) per day.
- The projected average demand is 34,000 m<sup>3</sup> (34 million litres) per day, thus the demand exceed the production by 2,000 m<sup>3</sup> (2 million litres per day) and this gap is expected to increase with the industrial parks coming on board in Njeru and Jinja.
- To ensure reliable supply, the area has 15 reservoirs. These are old and new Rubaga of 28,000 m<sup>3</sup>, 22,950 m<sup>3</sup> respectively, Walukuba of 4,000 m<sup>3</sup>, Nakibizzi 1,000 m<sup>3</sup>, Nyenga 200 m<sup>3</sup>, Namwezi 240 m<sup>3</sup>, Nanso 108 m<sup>3</sup>, Kakira 108 m<sup>3</sup>, Kitigoma 108 m<sup>3</sup>, Naminya 50 m<sup>3</sup>, Igenge 200 m<sup>3</sup>, Mwiri 50 m<sup>3</sup>, Ngereka 128 m<sup>3</sup>, Kagoma A 108 m<sup>3</sup> and Kagoma A 200 m<sup>3</sup>.
- The water pipe network length is about 800 km with over 200 kms added over the past 3 years.
- We have over 50 km pipe network exporting 3,500 m<sup>3</sup> (3,500,000 litres) of water per day to Iganga & Mayuge districts.
- The area has two (2) sewerage treatment plants. These are the 12,000 m<sup>3</sup> (12 million litres) capacity lagoons at Kirinya and 4,000 m<sup>3</sup> (4 million litres) at Kimaka. In total, the area has the capacity to treat about 16,000 m<sup>3</sup> (16 million litre) of waste-water daily. We currently receive 9,000 m<sup>3</sup> (9 million litres) per day.
- The sewerage pipe network is 80 km with over 20 km added in the past 3 years.

## ● Jinja's Uniqueness Lies in the Endless Execution of Cyclical Performance Improvement Programs:

The following are our Performance acceleration programs executed over time.

- BIP (Billing Improvement Program)
- EPM (Every day Performance Management)
- PAC (Performance Accountability Committee)
- WOCAS (What Our Customers are saying)
- WACTEO (We Are Customers To Each Other)
- LEAD Program (Leaders, Experts, Achievers and Dreamers)
- (SHiP) Sustaining High Impact Performance
- S.U.R.G.E UP
- S.O.A.R
- TRANSFORMED JINJA

## ● Jinja Area Key Performance Figures at a Glance Based on the 4 Transformative Performance Pillars

### 1. Jinja area boosts of strong Financial Performance

- Monthly billing has grown from average billing of UGX 1,303,656,883 in 2016 to 3,308,556,700 in June 2023.
- Net Government Collection efficiency achievement averaged at 103%.
- Net Government Arrears reduced from UGX 4.1 billion to UGX 3.5 billion and the arrears portfolio is going down due to the virtual branch we deliberately created to reduce suppressed accounts & arrears.
- Working Ratio has improved to 31% from 56% which is one of the best in the corporation.
- Reduced NRW from 38% to 18%.

### 2. Jinja area Customers satisfaction and Stakeholders Relational Performance is equally strong

Our customer service-oriented attitude and mindset which has helped us to achieve Customer Satisfaction Index (CSI) of 86% and a Net Promoter Score (NPS) of 84%.

To improve these indexes further we commit to provide uninterrupted service; ensure fast response/rapid complaint resolution; Increase NWSC brand reputation through customer service-oriented & ethical behaviors; apply a stakeholder-inclusive approach via engaging stakeholders to support our agenda; run Community support programs and ensure good reputation and building trust among stakeholders.

### 3. The area also boasts of strong People/Staff Productivity and Performance

This is evidenced by our Staff Engagement Index of 70% and Staff Productivity of 4 staff per 1,000 connections.

We have engaged staff with high levels of enthusiasm; are well engaged with the Corporation and are delighted to work as measured by our Staff Engagement Index and Staff Productivity Scores.

With a firm belief that happy staff give us happy customers and happy customers give us good business & revenue, we have undertaken several engagement initiatives that improved our Staff Engagement index from 60% to 70%. We further commit to: Promote a high winning performance culture; avail growth & learning opportunities to staff; reward and recognize best performers and winning behaviors; ensure open communication

and mutual respect; maintain an open-door, open-ear and open eye policy; ensure skill & talent identification and development to execute business strategy and ensure promotion of networking & benchmarking opportunities.

### 4. Jinja areas success is underpinned on Strong Processes, Systems & Internal Controls

To ensure operational excellence we pledge to: ensure Strong and effective processes, systems & internal controls designed to facilitate achievement of targeted results; refine our processes to achieve exceptional turnaround times; implement business continuity initiatives while mastering operational excellence; ensure that our processes are cost-effective and efficient to the benefit of our customers; ensuring via field door-to-door visits, that our actions are as close as possible to the customers.

## ● Our Core Commitments:

This Financial Year through the Transformed Performance Acceleration Program, we are committed to:

- Achieving monthly billing of UGX 4 billion by June 2024.
- Growing water sales by 102,256 m<sup>3</sup> from the current 535,989 m<sup>3</sup> to 638,245 m<sup>3</sup>.
- Collecting not less than 106% of monthly billing.
- Achieving a monthly Response Rate of 80% up from the current average of 56%.
- Connecting 5,885 new customers including 120 PSPs.
- Growing our Asset Base by 30 km covering 65 villages.
- Building winning coalitions with staff, customers and stakeholders.
- Keeping the Processes, Systems & Internal Controls strong for optimum and positive performance.

## Entebbe Service Area

Entebbe Area is one of the oldest operational areas of NWSC and the third largest town after Kampala & Jinja whose operations began in 1950. It is located in Entebbe Municipality, supplied with water abstracted from Lake Victoria on the eastern side of the town.

The Area is located 34 km South West of Kampala in the Central Region in Wakiso district, on plot 19/21 Kampala road with branch offices at Town Center, Kajjansi, Kawuku and Abaita Ababiri trading Centers respectively.

The Area coverage stretches from Kigungu Landing Sites, Entebbe International Airport to Lweza, along Kampala-Entebbe road.

Piped Water network at the time of construction of the new plant in 2005 was 290 km & sewer network 7 km which has grown to 523 km and 69 km respectively to date with 465 sewerage active accounts.

The Entebbe water treatment plant has grown her water production and treatment capacity from 7,600 m<sup>3</sup>/ day since installation to the current design capacity of average 30,000 m<sup>3</sup>/ day. The Area has grown the customer connections to 46,407.

The Area provides water and sewerage services to an estimated population of 288,000. Service coverage is approximately 90% and 9% for water and sewerage services respectively. The average family size is 5 persons per family. Key customers served include government entities like State House, Police and Defence; various academic institutions like Nkumba University, Merry land high school, St. Mary's Kitende to mention but a few; and parastatals like Civil Aviation Authority (Entebbe International Airport and Kajjansi Airfield), National Medical Stores and hotels

like Imperial Botanical Beach, Imperial Resort Beach, Windsor Lake Victoria etc.

We also serve local authorities such as Entebbe Municipal Council, Kajjansi Town Council, Kawuku Town Center and domestic consumers who are the majority in terms of number of accounts.

Our sewer systems drain part of the town center down along Airport road to our waste stabilization ponds at Kitoro. Other areas covered by our sewer services are Fire Quarters, Survey Quarters, Windsor Lake Victoria Hotel and state House.

Entebbe area is supplied from the water treatment plant located at Bugonga/Kakeeka bay. The area has its water storage facilities at Nsamizi hill (High Level 3,000 m<sup>3</sup> and Low level 4,000 m<sup>3</sup>); Akright (500 m<sup>3</sup>); Kitende Hill (108 m<sup>3</sup> and 522 m<sup>3</sup>); Bwebajja (162 m<sup>3</sup>) and Ssisa (162 m<sup>3</sup>). The plant practical capacity is 885,000 m<sup>3</sup> per month. Water produced per month is averaged at 804,562 m<sup>3</sup> while Water supplied is averaged at 714,311 m<sup>3</sup> per month. Monthly water consumed is averaged at 509,973 m<sup>3</sup> while NRW is at 30%.

The major threat to business is still the increased demand that has outstripped supply leading to customer dissatisfaction in the hilly and far ends of the network especially in Kajjansi and Kawuku. This is due to the high rate of development in the Service Area which has increased the rate of new connection applications. We currently serve customers in the above two branches by the rationing method to achieve water for all and not for some.



Energy Saving - NWSC Electrician checks the power gauge before pumping the water



Promoting team spirit is one of Our Core Values: NWSC Football team ready to take on their opponents



# Infrastructure Development for Better Service Delivery



**Mr. Paddy Twesigye**  
Senior Director Planning and  
Capital Development

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

With blended financing sources however, we are revamping, expanding and

developing new water and sewerage infrastructure across the Country to meet the current and future demand for water and sanitation services. 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 2022/23, NWSC continued expanding its 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 235 billion. The progress made on the key internally and externally funded projects is summarized in the following section.





## Externally Funded Projects

### 1) Kampala Sanitation Project - Phase 1

The Kampala Sanitation Project Phase 1 (KSP 1) is a multi-donor funded initiative jointly funded by the African Development Bank (AfDB), the Germany Government through the Entwicklungsbank (KfW), the European Union (EU) Water Facility and the Government of the Republic of Uganda (GoU). The project was broadly aimed at improving urban hygiene and sanitation for the city residents, through rehabilitation and expansion of the current sewerage system within metropolitan Kampala. It also aimed at protecting the quality of water in the inner Murchison bay of Lake Victoria through improved sanitation in Kampala.

The Project was implemented in two stages namely; Lake

Victoria protection I (LVP I) and Lake Victoria protection II (LVP II). Works under LVP I entailed construction of Lubigi Wastewater treatment plant, installation of sewer lines connecting parts of Mulago Hospital and Makerere University and was completed in 2014.

During the period under consideration, NWSC implemented LVP II which comprised of the following;

- i) Nakivubo Wastewater Treatment Plant (Capacity 45,000 m<sup>3</sup>/day)
- ii) Nakivubo and Kinawataka Sewers (30 km length, diameter ranging from 200 mm to 1,500 mm)
- iii) Kinawataka Pre-treatment Plant and Pumping Station (Capacity 9,000 m<sup>3</sup>/day)

All project components listed above were completed, and are currently operational.



Nakivubo Wastewater Treatment Plant

### 2) The Kampala Water Lake Victoria Water and Sanitation Project

The Kampala Water – Lake Victoria Water and Sanitation (KW-LVWATSAN) Project was initiated following a study by the Corporation aimed at resolving the water challenges in Kampala Metropolitan Area arising from rapid urbanization, industrial growth, and expansion of the Service Area among others.

The Project is financed by a Mutual Reliance Initiative (MRI) whose partners are; KfW, AFD, EU-ITF, EIB and GoU. The project aims at expanding the water and sanitation systems of Greater Kampala Metropolitan Area to ensure reliable and affordable service provision for the city dwellers up to the year 2040.

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) and it entailed the following components:

- i. **Upgrading and Rehabilitation of the Gaba Water Treatment Complex:** This component involved upgrading and rehabilitation of Ggaba I & II Water Treatment Plants, construction of a new 8,000 m<sup>3</sup> Reservoir at Namasuba, laying a 9.6 km of transmission Main from Gaba to Namasuba, rehabilitation of the Muyenga Reservoirs and reinforcement of the Gaba-Naguru Transmission Line. This component was completed in July 2018 and there has been a 60% increment in Gaba I & II production.





Gaba I Water Treatment Plant upgraded under the LV-WATSAN Project.

- ii. **Construction of the Katosi Drinking Water Treatment Plant (160,000 m<sup>3</sup>/day):** This entailed construction of an intake (240,000 m<sup>3</sup>/day), a water treatment plant (160,000 m<sup>3</sup>/day), 10 Km (1200 mm DI) pumping main to Nsumba Hill, 4 Reservoirs (10,000 m<sup>3</sup> each) at Nsuba Hill and Laying of the Katosi-Kampala Transmission Mains (61 km ranging from 800 mm to 1,400 mm). Works were completed in 2021 and the system is operational.



Katosi Water Treatment Plant



### iii. Greater Kampala Network Restructuring and Rehabilitation.

This component involves the following;

- Laying of 60Km of Transmission mains, 66Km of secondary mains and 216Km of tertiary mains.
- Construction of 4 Booster pumping stations
- Construction of 3 Reservoirs of capacity 30 – 200 m<sup>3</sup>
- Installation of District Metering Areas (DMAs) and 41 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
- Refitting of existing 20,000 m<sup>3</sup> Gunhill reservoir.

Selection of the works contractor to undertake works entailing Network Restructuring and Rehabilitation was at tendering stage as at June 2023.

- ### iv. Improvement of Water Supply and Sanitation Services in Informal Settlements
- (400 m<sup>3</sup>/d capacity faecal sludge treatment plant in Nalukolongo, 44 no. toilets in Public places, 55 km of pipe network densification, and 2,600 communal standpipes). As at June 2023, works were in progress (estimated at 45%). Construction of toilets was on-going for 6 Schools, 6 Police Facilities, 2 Markets and 1 at the Luzira Prison Complex.



Supervision of Construction Works in the Informal Settlements under 5B

## 3) World Bank Funded Water supply and Sanitation Projects

### a) Integrated Water Management and Development Project (IWMDP)

The integrated Water Management and Development project is a follow up project to the Water Management and Development Project (WMDP) jointly implemented by NWSC and the Ministry

of Water and Environment. The scope of works under NWSC entails the following;

- ### i. Gulu Water Supply and Sanitation Project;
- This is jointly funded by World bank (Package 2) and KfW (Package 1).

**Package 1** entails construction of an intake (30,000 m<sup>3</sup>/day), a Water treatment plant (10,000 m<sup>3</sup>/day), a storage reservoir (5,000 m<sup>3</sup>/ day and water supply to six small towns enroute to Gulu. These include the towns of Karuma, Kamdini, Minakulu, Bobi, Palenga and Koro Abili. Construction of the Water Treatment Plant commenced and the overall progress as at June 2023 was at 29%. The intake was synchronized with the Karuma Dam construction and its civil works are complete.

**Package 2** entails installation of a transmission pipeline of length 70.5 km DN 500 ductile iron transmission pipeline from Karuma to Gulu. Pipe laying commenced and overall progress was estimated at 15% as at June 2023.

- ### ii. Mbale Water Supply and Sanitation Project;
- this project targets the population in Mbale city and the neighboring areas including the towns of Butaleja, Busolwe, Kibuku, Kadama, Tirinyi and Budaka. The project scope under NWSC entails expansion of the production capacity of Bunghoko and Manafwa Water Treatment Plants from 4,000 m<sup>3</sup>/day to 18,000 m<sup>3</sup>/day and 6,000 m<sup>3</sup>/day to 9,000 m<sup>3</sup>/day respectively. The project also entails laying of 85 km of pipe network, construction of a 2,000 m<sup>3</sup> capacity reservoir and rehabilitation and expansion of the sewerage system. The scope of works under the neighboring towns is being implemented under the Ministry of Water and Environment. Selection of contractors for works was at final stages of procurement as at June 2023.

- ### iii. Adjumani Water Supply and Sanitation Project;
- this project targets Adjumani town council, Pakele, Dzaipi and Ciforo among others and involves construction of water intake structure of capacity 12,000 m<sup>3</sup>/day, Water Treatment Plant of capacity 4,000 m<sup>3</sup>/day, laying of 51.8 km of water distribution network, and installation of water storage reservoirs with capacity of 1,150 m<sup>3</sup> and construction of sanitation facilities. Selection of contractors for works was at final stages as at June 2023.

- ### iv. Source protection measures in Arua, Gulu, Mbale and Bushenyi Areas.
- Implementation consultants for source protection measures in Arua, Gulu, Mbale and Bushenyi were procured. The scope of works in Arua, Gulu and Mbale has been confirmed and studies in Bushenyi are still in progress. The implementation of source protection measures will start in the Financial Year 2023/24.

#### 4) Integrated Program to Improve Living Conditions in Gulu

NWSC and Gulu city are jointly implementing the Integrated Program to Improve Living Conditions in Gulu (IPILC) through grant financing from KfW. This program is being implemented in two phases.

##### Phase 1:

The works under Phase 1 augment activities financed by World Bank highlighted in section 3 (a) (i). The scope of project works undertaken by NWSC in this phase included the following:

- i. Rehabilitation and expansion of Oyitino dam, raw water intake and Gulu water treatment plant from 4,000 m<sup>3</sup>/day to 10,000 m<sup>3</sup>/day. This also included development of ground water capacity of 2,000 m<sup>3</sup>/day
- ii. Rehabilitation and expansion of the sewerage system
- iii. The construction of a faecal sludge treatment facility at Pece – Cubu
- iv. Construction of 20 no. water borne toilet facilities in public places.

The works were completed in 2020 and the system is operational. However, due to a funding gap arising from foreign currency losses, financial closure of the project has not yet been achieved.

##### Phase 2:

The works under Phase 2 augment activities financed by World Bank detailed in section 3(a) (i) and the scope includes the following:

- i. Construction of a Water Treatment Plant of capacity 10,000 m<sup>3</sup>/day at Karuma
- ii. Construction of 5,000 m<sup>3</sup> capacity reservoir at Customs Corner in Gulu City.
- iii. Installation of reservoirs in the six small towns along Gulu highway namely; Karuma, Kamdini, Minakulu, Bobi, Kolo-Abili and Palenga.
- iv. Construction of sludge storage facility at Pece-Cubu Works under Phase 2 were at 43% progress and the project is expected to be completed in July 2024.



Gulu Water Treatment Plant



## 5) South-Western Cluster Water and Sanitation Project

This project entails development of water and sanitation infrastructure in the cities of Mbarara and Masaka including the surrounding areas. The project also includes provision of pipe water supply to the population in Isingiro district enroute Kagera - Mbarara highway. The South-Western Cluster Project is funded by the AfD and GoU with a total financing of Euro 126 million, comprising of Euros 120 million credit facility, and Euros 6 million GoU counterpart funding. The project is being implemented in three works packages comprising the following;

- i. **Package 1- Kagera water supply project:** It entails construction of a Water Treatment Plant (30,000 m<sup>3</sup>/day) on River Kagera, installation of a 3,250 m<sup>3</sup> water storage reservoir, laying of 61.8 km pipelines with diameter ranging from 150 mm to 700 mm, and construction of a pumping station at Kabingo.

- ii. **Package 2 - Mbarara water supply and sanitation project:** It entails rehabilitation and expansion of the Ruharo Water Treatment Plant from 7,000 m<sup>3</sup>/day to 13,000 m<sup>3</sup>/day, upgrading of the distribution network, rehabilitation of the sewerage infrastructure, and development of a Faecal Sludge Treatment Plant.
- iii. **Package 3 - Masaka Water Supply and Sanitation Project:** It involves construction of a water treatment plant (14,000 m<sup>3</sup>/day) on the shores of Lake Victoria at Bukakata, construction of a reservoir (2,000 m<sup>3</sup>), construction of a booster station enroute to Kako reservoir, and laying of water transfer mains from Kako reservoir to existing Kitovu, Bwala and Boma reservoirs.

Works under Kagera Project were at 30% progress. The Mbarara Project is being rescope following receipt of high bids exceeding available budget from prospective works contractors. The designs for the Masaka Project had been finalized and the tender documentation was under review as at June 2023. Tender documents for the Project were yet to be issued to the shortlisted contractors.



Signing of the Isingiro Financing Agreement

## 6) Wakiso West Water and Sanitation Project

This project is at detailed design stage undertaken with grant financing from Danish Sustainable Infrastructure Finance (DSIF). It is aimed at improving the quality of life, health and economy of people in Wakiso West including parts of settlements along Kampala - Mpigi highway.

The project scope encompasses development of new water treatment plant at Bwerenga on Lake Victoria (62,500 m<sup>3</sup>/day), primary bulk storage reservoir (6), associated pumping main and distribution system (125.4 km), and installation of 8 pumping

stations. The scope also includes construction of faecal sludge treatment plant at Kajjansi (400 m<sup>3</sup>/day) and water supply to informal settlements in the project area (installation of 1,500 PSPs).

Selection of consultant to undertake detailed design and supervision of works was finalized. Contract signing is awaiting the Solicitor General's unconditional clearance of the draft contract.



## 7) Fort Portal, Hoima and Lira Water Supply and Sanitation Project

This project is aimed at improving the water supply reliability and sanitation situation of the residents living within the new cities of Fort Portal, Hoima and Lira. Agence Française de Développement (AFD) has provided grant financing of Euros 1.3 million to undertake feasibility studies for this project with ultimate objective of availing credit finance to the tune of Euros 150 million toward the implementation of the downstream WATSAN infrastructure.

The procurement of the consultancy firm to undertake the feasibility study and pre-design was in advanced stages as at June 2023 awaiting finalization of draft contract and subsequent signature.

## 8) Climate Resilience and Water Infrastructure for Refugees and Host Communities in Northern Uganda

The project is funded by KfW. It encompasses measures for Arua City relating to the 'Green Cities' and 'Nature Based Solutions' Concepts. The project will be jointly implemented by NWSC, Arua City Council, and the Ministry of Water and Environment. The Project will be implemented in four (4) packages including;

- i. **Package 1:** Water and wastewater infrastructure improvement
- ii. **Package 2:** Storm water management, nature based solutions in particular, not only with focus on Arua City but also to protect the planned drinking water reservoir at River

Enyau and the current and future groundwater sources in the vicinity of Arua City

- iii. **Package 3:** Solid waste management, not only with focus on Arua City but also to protect the planned drinking water reservoir at River Enyau.
- iv. **City planning**, as an overarching topic that affects all of the above

NWSC will take charge of Package 1 (Water and wastewater infrastructure). It is expected that funding for the project will be confirmed after the Appraisal mission.

## 9) Extension of Water Supply Services to EACOP Facilities

NWSC and East African Crude Oil Pipeline (EACOP) Ltd entered into a contract on 23<sup>rd</sup> September 2022 towards implementation of a water project that aims at extending water supply services to EACOP construction camps and pump stations in Mubende, Sembabule, and Kyotera. The project entails the following;

- i. Construction of three (3) pumping stations in Sembabule (Combined discharge 520 m<sup>3</sup>/day), one (1) pumping station in Kakuuto Town – Kyotera (200 m<sup>3</sup>/day), three (3) pumping stations in Kakuuto, and two (2) pumping stations in Mubende.
- ii. Laying of 14.0 km of pipeline in Sembabule, 18.7 km in Kakuuto and 12.5 km in Mubende
- iii. Construction of a new 100 m<sup>3</sup> steel reservoir on a 10 m steel stand in Kakuuto and 100 m<sup>3</sup> reservoir in Mubende.

The pipeline extensions in Sembabule were completed, and water is available at the respective sites, in Kyotera, the works were at 70% complete and in Mubende, the works are 50% complete as at June 2023.



Arua Wastewater Treatment Plant



Water Storage Reservoirs in Sembabule

## 10) Biwater Project

In July 2023, H.E. The President of the Republic of Uganda directed the Minister of Finance, Planning, and Economic Development, and the Managing Director of National Water and Sewerage Corporation to work with M/s Biwater International Limited (Biwater) to develop and expand water supply and production capacity in the cities of Hoima, Fort Portal, Lira, Soroti, Moroto and Jinja. This was to be achieved through the Engineering, Procurement and Construction plus Finance (EPC +F) model, within the favorable technical and financial terms.

The Project is to cover the Areas of Soroti, Moroto and Jinja since preparations for interventions in Hoima, Fort Portal and Lira cities are already underway, having secured a grant from the French Development Agency (AFD) to carry out feasibility studies and pre-design of water supply and sewerage interventions.

The Auditor General shared a draft MoU with NWSC for consideration. NWSC plans to finalize the MoU and secure necessary approvals and signatures. In the interim, NWSC has developed the envisaged infrastructure development scope for the cluster service areas of Jinja-Njeru-Iganga, Moroto and Soroti as follows:

### i. Jinja-Njeru-Iganga Cluster Service Area:

The project is envisaged to cover the service areas of Jinja city, Njeru, Iganga, Mayuge and Bugiri areas. Specifically, the project scope shall include; upgrade of existing Jinja water treatment plant by an additional 10,000 m<sup>3</sup>/day, upgrade of storage reservoirs and distribution network, and development of a separate 5,000 m<sup>3</sup>/day Water Treatment Plant for Iganga, Mayuge and Bugiri Areas.

### ii. Soroti Cluster Service Area:

The project is envisaged to cover the service areas of Soroti city, Kaberamaido, Serere and Amuria. The project scope will include; upgrade of the Soroti Water Treatment Plant to 15,000 m<sup>3</sup>/day, storage reservoirs and distribution network, and development of a separate 3,000 m<sup>3</sup>/day water treatment plant for Kaberamaido and Serere areas.

### iii. Moroto Cluster Service Area:

This project is envisaged to cover the service areas of Moroto city and surrounding areas. The project may consider development of water systems to supply Kotido town and its surrounds where possible. The planned scope of the project includes; development of a bulk raw water storage dam/reservoir, construction of a water treatment plant of minimum capacity of 5,000 m<sup>3</sup>/day, and associated distribution system. Development of an appropriate sanitation system for Moroto city and the surrounding areas.

## NWSC Market Finance Projects



Aerators at the new Lyantonde Kakyere Water Treatment Plant



Kalungu Water Reservoir Tank

### i) Lyantonde Water Supply Project

The project aimed at improving water supply reliability in Rushere and surrounding areas, Lyantonde town and surrounding areas including Nshara Industrial Park through provision of 5,000 m<sup>3</sup>/day water. The project was completed in March 2023, and its smooth operation was affected by delayed grid power connection. The Ministry of Energy, however, engaged UMEME to complete the power line, which is expected to be commissioned in the FY 2023/24.

### 2) Bushenyi Water Supply Improvements

The project aims at augmenting water production in Bushenyi water supply area through construction of a water treatment facility of capacity 2,000 m<sup>3</sup>/day including attendant infrastructure. Overall progress of works was estimated at 70%, expected to be completed in the FY 2023/24.

### 3) Kyankwanzi Water Supply Project

The project aims at improving water supply services in Kyankwanzi area through construction of a 3,000 m<sup>3</sup>/day water treatment plant on R. Mayanja and the associated distribution network. Works had commenced and were estimated at 65% progress as at June 2023, expected to be completed in the FY 2022/23.

### 4) Kalungu Water Supply Project

The project aims at improving water supply services in Kalungu town through construction of a 4,000 m<sup>3</sup>/day water treatment plant on R. Katonga and the associated distribution network. It is planned to serve parts of the neighboring Gomba district from the above water supply system. Works were estimated at 70% progress, expected to be completed in the FY 2023/24.

### 5) Soroti Water Supply Project

The project aims at improving the Soroti water production capacity from 5,000 m<sup>3</sup>/day to 10,000 m<sup>3</sup>/day. Works were estimated at 20% progress as at June 2023, expected to be completed in the FY 2023/24.

### 6) Tororo Water Supply Project

The project aims at improving the Tororo water production capacity from 5,000 m<sup>3</sup>/day to 10,000 m<sup>3</sup>/day. Designs were finalized, and tender documents drafted. Preparation of the tender documents was under review with works yet to be advertised.

### 7) Kanungu Water Supply Project

The project aims at improving water supply reliability within Kanungu town. Designs were finalized, and tender documents drafted. The tender documents were under review, with works yet to be advertised.

### 8) Lira Water Supply Improvement Project

The project aims at improving the Lira water production capacity from 10,000 m<sup>3</sup>/day to 12,500 m<sup>3</sup>/day. Works mobilization by the contractor was in progress with works expected to be completed by September 2024

### 9) Jinja Emergency Water Supply Project

The project aims at upgrading the daily water production capacity of Masese water treatment plant from 24,000 m<sup>3</sup>/day to 32,000 m<sup>3</sup>/day through filter rehabilitation, installation of higher capacity pumps and laying a parallel transmission main from the treatment plant to Rubaga reservoir. Works were completed and the system is operational.



## Projects Funded by GOU and/or NWSC Internally Generated Resources

### 1) Kapeeka Water Supply System improvement (Phase II)

The project aimed at addressing the existing water supply challenges for the Kapeeka community and industrial park through increasing water production from 2,500 m<sup>3</sup>/day to 7,000 m<sup>3</sup>/day. The project was completed in August 2022, and system is operating well.

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

The project was jointly implemented with Ministry of Health (responsible for project financing) and Kampala Capital City Authority. It is aimed at improving wastewater management at Kiruddu Referral Hospital by treating 150,000 litres of wastewater on a daily basis. Works were completed in October 2022, and the plant is operating well.

### 3) Hoima Water Supply Improvements

The project was aimed at improving water supply reliability in Hoima town and surrounding areas through increasing water production by 3,000 m<sup>3</sup>/day. Works were completed in December 2022, the Plant is operational and under defects notification period.

### 4) 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. The project aims at ensuring universal and equitable access to safe water supply in all villages under NWSC jurisdiction. The Project scope entails;

- Expansion of the Water Network
- Installation of New Private Connections and Public Stand Pipes (PSPs) covering all villages under NWSC jurisdiction.



One of the extensions installed in Kisoro Area

- Implementation of Water Supply Stabilization Plans (WSSPs)

The Project is jointly funded by NWSC (58%), which translates into an average of UGX 41 billion per year, and GoU (42%), which translates into an average of UGX 30 billion per annum.

Since the Project inception, the Corporation has achieved the following milestones;

- Expanded the water distribution network by 9,155 km
- Installed 338,377 new water connections including 20,063 new PSPs.
- Village coverage has increased from 2,848 in 2017 to 10,468 villages (an additional 7,620 villages). 6,133 villages remain uncovered.
- Water Supply Stabilization Plans (WSSPs): These include interventions relating to the expansion, refurbishment and rehabilitation of water supply systems. These are aimed at strengthening the Corporation's backbone infrastructure to improve water production and supply, to meet the ever-increasing demand for water services. The key interventions undertaken include;

**i) Water Production Improvements:** The Corporation installed 100 chemical dozers, constructed 159 boreholes, installed 71 borehole pumps, installed 24 raw water pumps, installed 67 high lift pumps, installed 120 submersible pumps and upgraded 31 interconnections and systems.

**ii) Pressure Improvement Measures:** The Corporation installed 86 booster pumps, constructed 17 water sumps and installed 10 break pressure tanks.

**iii) Storage Expansion:** The Corporation constructed 96 reservoirs of various capacities.

**iv) Power Supply Systems/Connections:** The Corporation installed 115 generators, 46 transformers, 5 solar systems, effected 9 grid power connections and 24 power extensions.

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. At NWSC, we commit to continuous performance improvement and equitable service delivery.

# Financial Statements

## For the year ended 30<sup>th</sup> June 2023



# Corporation Information

## Board Of Directors

Eng. Dr. Badru M. Kiggundu	Chairman
Dr. Eng. Silver Mugisha	Managing Director
Mr. George Runge Muzungyo	Member
Rt. Hon. Daniel Fred Kidega	Member
Hon. Rt. Col. Stephen M. Basaliza	Member
Ms. Sarah Onyiru	Member
Ms Rachel Ciconco Mbabazi	Member
Canon Josephine Kasya	Member
Eng. Gibert Kimanzi	Member
Mrs. Edith Katete	Member

## Board Audit Committee

Rt. Hon. Daniel Fred Kidega	Chairperson
Mr. George Runge Muzungyo	Member
Hon. Rt. Col. Stephen M. Basaliza	Member
Ms. Rachel Ciconco Mbabazi	Member
Eng. Joseph Oriono Eyatu	Member

## Risk Management Committee

Ms. Rachel Ciconco Mbabazi	Chairperson
Dr. Eng. Silver Mugisha	Managing Director
Eng. Dr. Badru M. Kiggundu	Member
Ms. Sarah Onyiru	Member
Canon Josephine Kasya	Member
Eng. Joseph Oriono Eyatu	Member
Mrs. Edith Katete	Member
Mr. Jude Mwoga	Member

## Finance Committee

Ms. Sarah Onyiru	Chairperson
Dr. Eng. Silver Mugisha	Managing Director
Eng. Dr. Badru M. Kiggundu	Member
Rt. Hon. Daniel Fred Kidega	Member
Canon Josephine Kasya	Member
Hon. Rt. Col. Stephen M. Basaliza	Member
Mrs. Edith Katete	Member

## Technical Committee

Mr. George Runge Muzungyo	Chairperson
Dr. Eng. Silver Mugisha	Managing Director
Eng. Dr. Badru M. Kiggundu	Member
Eng. Joseph Oriono Eyatu	Member
Rt. Hon. Daniel Fred Kidega	Member
Ms. Rachel Ciconco Mbabazi	Member
Mrs. Edith Katete	Member

## Human Resource, Legal and Administration Committee

Hon. Rt. Col. Stephen M. Basaliza	Chairperson
Dr. Eng. Silver Mugisha	Managing Director
Eng. Dr. Badru M. Kiggundu	Member
Ms. Sarah Onyiru	Member
Mr. George Runge Muzungyo	Member
Canon Josephine Kasya	Member
Mrs. Edith Katete	Member

## Registered Office

Plot 3 Nakasero  
P.O. Box 7053  
Kampala, Uganda

## Independent Auditor

### Auditor General

Audit House  
Plot 2/12, Apollo Kaggwa Road  
P. O. Box 7983  
Kampala, Uganda

## Delegated Auditor

### PKF Uganda

Certified Public Accountants  
P.O. Box 24544  
Kampala, Uganda

## Corporation Secretary

Ms. Edith Katete

## Legal Advisors

### Kampala Associated Advocates

KAA House  
Plot 41, Nakasero Road  
P.O. Box 9566  
Kampala, Uganda

### Arcadia Advocates

Acacia Place, Plot 6 Acacia Avenue  
P.O. Box 36505  
Opposite former Uganda Law Society offices  
Kampala Uganda

### MMAKS Advocates

4<sup>th</sup> Floor, Redstone House 7  
P. O. Box 7166, Bandali Rise Bugolobi  
Kampala Uganda

### Tamale & Co Advocates

Plot 21,  
Prime Impex 2001 Plaza, Jinja road  
Kampala Uganda

### Turyakira & Co Advocates

Plot 3/5 Bombo Road, EMKA Building  
P.O. Box 30624  
Kampala Uganda



## Corporation Information cont'd

### **Katende, Ssempebwa & Co**

Plot 20 Kampala Road, Radiant House Building,  
P.O. Box 2344  
Kampala Uganda

### **Karuhangha Tabaro & Associates (KTA Advocates)**

Plot 4 Floor 3, Hannington Road (Behind ABSA Head Office)  
P.O. Box 37366  
Kampala Uganda

### **Osinde Sentomero Himbaza Advocates (OSH Advocates)**

2nd Floor, West Wing, Commercial Plaza  
P.O. Box 36109  
Kampala Uganda

### **K&K Advocates**

K&K Chambers, Plot 5A2, Acacia Avenue Kololo  
P. O. Box 6061  
Kampala, Uganda

### **REM Advocates**

Plot 62, Salaama Road, Makindye  
P.O. Box 36505  
Kampala, Uganda

### **Bluebell Advocates**

Plot 3a Bata Close, Design Hub Kampala Annex,  
5th Street Industrial Area, Bugolobi  
P.O. Box 28615  
Kampala, Uganda

### **Ortus Advocates**

Plot 2 Lugard Road Nakasero  
P.O Box 26440  
Kampala, Uganda

### **Nomreck Advocates**

Plot 62, Salaama Road, Makindye,  
P.O. Box 36505  
Kampala, Uganda

### **Kalikumutima & Co. Advocates**

Plot No.4 Pilkington Road; Colline House, 2nd Floor  
P.O. Box 71218  
Kampala, Uganda

### **Kakona & Kwotec Advocates**

Plot 62, Salaama Road, Makindye,  
P.O. Box 36505  
Kampala, Uganda

## Principal Bankers

### **Standard Chartered Bank (U) Limited**

Speke Road  
P.O. Box 7111  
Kampala, Uganda

### **Stanbic Bank (Uganda) Limited**

Plot 17 Hannington Road  
P.O. Box 7131  
Kampala, Uganda

### **Equity Bank Uganda Limited**

Kajjansi  
P.O. Box 10184  
Kampala, Uganda

### **Housing Finance Bank Limited**

Plot 25 Kampala Road  
P.O. Box 1539  
Kampala, Uganda

### **Centenary Rural Development Bank Uganda Limited**

Plot 44 - 46 Kampala Road  
P.O. Box 1892  
Kampala, Uganda

### **KCB Bank Uganda Limited**

P.O. Box 7399  
Kampala, Uganda

### **KCB Bank South Sudan Limited**

Buluk Plaza  
P.O. Box 47  
Juba, South Sudan

### **ABSA Bank (U) Limited**

Plot 2/4 Hannington Road  
P.O. Box 7101  
Kampala, Uganda

### **United Bank for Africa Uganda Limited**

Spear House  
P.O Box 7396  
Kampala.

### **GTBank Uganda**

P.O. Box 7323  
Kampala.  
NCBA Bank Uganda Limited  
Rwenzori Towers Nakasero Road  
P.O. Box 28707  
Kampala

## Corporation Information cont'd

### **Post Bank (U) Limited**

P.O. Box 7189  
Kampala, Uganda

### **Exim Bank Head Office**

Hannington Road,  
P.O Box 36206,  
Kampala.

### **Bank of Africa**

Plot 45 Jinja Road  
P. O. Box 2750  
Kampala.

### **Diamond Trust Bank (U) Limited**

P. O. Box 7155  
Kampala, Uganda.

### **Ecobank Uganda Limited**

Parliament Avenue  
P. O. Box 7368  
Kampala, Uganda

### **DFCU Bank**

Plot 26, Kyadondo Road, Nakasero  
P.O. Box 70  
Kampala, Uganda

### **Bank of Africa Limited**

P.O. Box 2750  
Kampala, Uganda

### **Top Finance Bank Uganda Limited**

4th Floor, Rwenzori Courts,  
Plot 2-4A, Nakasero Road 3  
Kampala, Uganda

### **Citibank Uganda Limited**

Plot 4 Ternan Avenue Centre Court Nakasero  
P.O. Box 7505  
Kampala, Uganda

### **I & M Bank Uganda**

Plot 31A-35A, 37A-39A, Nile Avenue  
P.O.Box 3072  
Kampala, Uganda

### **Finance Trust Bank**

Plot 22B – TWED Plaza Lumumba Avenue  
P.O.Box 6972  
Kampala, Uganda

### **Bank of Baroda**

Kampala Main Branch, Plot No.18, Kampala Road  
P.O. Box 7197  
Kampala, Uganda

### **Tropical Bank Limited**

P.O. Box 9485, Plot 27  
Kampala, Uganda

### **Cairo International bank**

Head office, Plot 30 Kampala Road,  
P.O. Box 7052  
Kampala, Uganda

### **NCBA Bank Uganda Limited**

Rwenzori Towers, Nakasero Road  
P.O Box 28707  
Kampala.







# Report of the Directors

The directors submit their report together with the financial statements for the year ended 30 June 2023, which disclose the state of affairs of National Water and Sewerage Corporation.

## Principal Activities

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

## Business Review

	2023 UGX'000	2022 UGX'000
Income	550,038,769	519,282,447
Profit Before Depreciation and Amortisation	131,007,796	122,743,958
Depreciation and Amortisation	(98,704,385)	(124,072,013)
Finance cost	(11,293,952)	(9,746,170)
Taxation Credit/(Charge)	19,777,751	(27,791,920)
<b>Profit/(Loss) for the year</b>	<b>40,787,210</b>	<b>(38,866,146)</b>

## Income

Total income increased from UGX 519 billion in 2021/22 to UGX 550 billion in the reporting period, an increase of 6%. Water and Sewerage income increased by 10%, while other incomes registered a reduction of 14%. Deferred income reduced by 13%.

### i) Water consumption and Sewerage service Income

This is the main source of revenue to the Corporation. Water and sewerage income increased by 10% from UGX 396 billion in the year ending 30 June 2022 to UGX 438 billion in the year ending 30 June 2023.

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 4 billion was realized from other Incomes compared to UGX 3.6 billion in the previous year, an increase of 14%.

### iii) Deferred Income

The Corporation receives grants from Government of Uganda (GOU) and Development Partners for implementing major capital projects. For completed projects, the grant provided are 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 79.7 billion was released to the Statement of Profit or Loss compared to UGX 91.6 billion in the previous year.

## Operating Costs

### Staff Costs

Staff costs increased by 5% from UGX 167.6 billion in 2021/22 to UGX 176.1 billion in the current year. New staff were

Report Of The Directors continued ►

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 decreased by 6% from UGX 66.8 billion in 2021/22 to UGX 62 billion in 2022/23. 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 4% from UGX 108.9 billion in the previous year to UGX 113.2 billion in 2022/23. 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 15% from UGX 32.2 billion in 2021/22 to UGX 37.1 billion in 2022/23, 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 increased by 15% from UGX 9.6 billion in 2021/22 to UGX 11.1 billion in 2022/23.

#### Transport expenses

Transport costs increased by 33% from UGX 11.6 billion in 2021/22 to UGX 15.4 billion in 2022/23.

#### Finance Costs

Finance costs increased by 16% from UGX 9.7 billion in 2021/22 to UGX 11.3 billion in 2022/23. 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 7% in the Operating Profit Before Depreciation from UGX 122.7 billion in 2021/22 to UGX 131 billion in the current financial year.

#### Dividends

The Directors do not propose any dividend payment for the year 2022/23. 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 6% from UGX 4.1 trillion in 2021/22 to UGX 4.3 trillion in 2022/23.

Report Of The Directors continued ►

### Non-Revenue Water (NRW)

Non-revenue water (NRW) refers to the water that is lost or unaccounted for in a water supply system before it reaches the end-users, without generating any revenue for the water utility

The Corporation recorded Global NRW of 34.9% in the FY 2022/23, compared to 35.4% in the FY 2021/22. Kampala Water registered NRW of 40.8%, Central Region 23.3%, Eastern Region 23.2%, Northern Region 23.8% and Western & South Western 28.2%. 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 the Corporation's properties is continuing.

### Corporate Social Responsibility

This is the Corporation's initiative to assess and take responsibility for its effects on environment and social wellbeing. The efforts go beyond what may be required by regulators or environmental protection groups. The Corporation aimed at finding a lasting solution to the rapidly deteriorating quality of water in the inner and outer Murchison Bay in Lake Victoria by implementing the Kampala Water Lake Victoria Sanitation Programme to a tune of UUGX 397 billion.

The Corporation engaged in a number of Corporate Social Activities which include; Protecting the environment, water sources, observing the National Environmental Standards to a tune of UGX 1.1 billion, School Water and Sanitation Activities (SWAS), supporting charitable causes to Education, Health, and Religious institutions as well as the under privileged among others.

### Principal Risks and Uncertainties

The overall business environment continues to remain challenging and this has a resultant effect on overall demand of the Corporation's products and services. The Corporation's strategic focus is to enhance sales growth whilst maintaining profit margins, the success of which remains dependent on overall market conditions and other factors. The directors continue to monitor this situation closely with a view to assessing and mitigating its impact on the Corporation.

In addition to the business risk(s) discussed above, the Corporation's activities expose it to a number of financial risks which are described in detail in Note 27 to the financial statements.

### Directors

The directors who held office during the year and to the date of this report are shown on page 104.

### Statement as To Disclosure to The Coporation's Auditor

With respect to each director at the time this report was approved:

- a) there is, so far as the director is aware, no relevant audit information of which the Corporation's auditor is unaware; and
- b) the director has taken all the steps that the he/she ought to have taken so as to be aware of any relevant audit information and to establish that the Corporation's auditor is aware of that information.



## Terms Of Appointment Of The Auditor

PKF Uganda was appointed 'delegated auditor' by the office of the Auditor General during the year and continues in office in accordance with Chapter 98, Section 17 of the Public Enterprises Reform and Divestiture Act, 1993. The Auditor General monitors the effectiveness, objectivity and independence of the auditor.

By order of the Board,



Edith Katete  
Corporation Secretary  
Date: 14<sup>th</sup> December 2023

# 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 1995 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 1995 Cap 317 (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 preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards and in the manner required by the National Water and Sewerage Corporation Act 1995 Cap 317 (Laws of Uganda 2000). They also accept responsibility for:

- i. designing, implementing and maintaining such internal controls as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error;
- ii. selecting and applying appropriate accounting policies; and
- iii. making accounting estimates and judgements that are reasonable in the circumstances.

The directors are of the opinion that the financial statements give a true and fair view of the financial position of the Corporation as at 30 June 2023 and of the Corporation's financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards and the requirements of the National Water and Sewerage Corporation Act 1995 Cap 317 (Laws of Uganda 2000).

In preparing these financial statements the directors have assessed the Corporation's ability to continue as a going concern as set out in Note 1(a) to the financial statements. The directors are of the opinion that the Corporation will remain a going concern for at least the next twelve months from the date of this statement based on the factors described in Note 1(a).

The directors acknowledge that the independent audit of the financial statements does not relieve them of their responsibilities

Approved by the Board of directors on 14<sup>th</sup> December 2023 and signed on its behalf by:



Board Chairman



Managing Director



Director



# Report of the Auditor General on the Financial Statements of National Water and Sewerage Corporation for the Year Ended 30<sup>th</sup> June 2023

## **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 30<sup>th</sup> June 2023. These financial statements comprise the Statement of Financial Position as at 30<sup>th</sup> June 2023, 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 15 to 51.

In my opinion, the accompanying financial statements, give a true and fair view of the financial position of the Corporation as at 30<sup>th</sup> June 2023, 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 30<sup>th</sup> June 2023 cont'd

Key Audit Matter	How my audit addressed the KAM
<b>1.0 Expected credit losses on trade receivables</b>	
<p>As disclosed in note 20 as at 30 June 2023, the Corporation had an allowance for expected credit losses on financial assets at amortised cost of UGX 10.4 billion (2022: UGX 8.5 billion).</p> <p>The expected credit losses were based on a forward-looking approach that recognizes impairment loss allowances in accordance with IFRS 9 Financial Instruments. The estimation of expected credit losses requires the Corporation to make significant judgment in the consideration of the following variables:</p> <ul style="list-style-type: none"> <li>• Determining the historical credits loss;</li> <li>• Determining the period over which the observed historical loss rates are appropriate; and</li> <li>• Adjusting the historical loss rates with forward-looking macro- economic factors.</li> </ul> <p>Refer to note 2 of the Corporation's financial statements for critical accounting judgements and key sources of estimation uncertainty. Also refer to note 20 for details on the estimated credit loss disclosure.</p>	<p>My audit procedures included, but were not limited to:</p> <ul style="list-style-type: none"> <li>• Reviewing the accounting policies for compliance with IFRS 9 requirements.</li> <li>• Reviewing the ECL models including whether the assumptions applied, and the functioning and application of the models were in accordance with IFRS 9 requirements</li> <li>• Testing the design, implementation and operating effectiveness of key controls across the processes relevant to the expected loss calculations and data accuracy.</li> <li>• Assessing whether forecasted macroeconomic variables were appropriate</li> <li>• Assessing whether the period over which the observed historical loss rates was appropriate in developing the expected loss rates.</li> <li>• Testing the data used in the ECL calculation for accuracy and completeness.</li> <li>• Evaluating completeness of the Corporation's disclosures in respect of the judgement and assumptions used in the valuation are in line with IFRS 9 Financial Instruments.</li> </ul>
	<p>I report that:</p> <ul style="list-style-type: none"> <li>• GDP is used as the primary macroeconomic factor. The Accounting Officer acknowledged the observation.</li> </ul> <p>I advised management to consider Including other relevant economic indicators that would enhance the model's robustness and accuracy. The model could benefit from incorporating more detailed customer-specific data and regularly updating macroeconomic factors and full capture of the nuances in different customer segments in the PD estimations. The model's predictive power could be enhanced through more granular data analysis</p>
<b>2.0 Land Matters</b>	
<p>Included in Notes 14 and 16 of the financial statements, is free hold land amounting to UGX 181.7 billion and Leasehold land amounting to UGX 4.3 billion respectively.</p> <p>Land resources are crucial for the Corporation's operations; however, complications arising from unresolved land titles and the increasing costs of water service provision have necessitated a thorough examination of this area as a Key Audit Matter.</p>	<p>Our audit procedures included, but were not limited to:</p> <p>Examining the required land ownership documents which included titles, agreements, MOUs and land registers of the Corporation.</p> <p>Assessment of ongoing litigation and historical transactions involving land, evaluating their relevance and impact on the Corporation's financial position.</p> <p>Detailed analysis of project documentation and progress reports to ensure that investments in land are accurately reflected and managed.</p> <p>Evaluation of the Corporation's land verification processes and reports to ensure the integrity and accuracy of land asset recognition.</p>

## Report of the Auditor General on the Financial Statements of National Water and Sewerage Corporation for the Year Ended 30<sup>th</sup> June 2023 cont'd

	<p>Securing confirmations from the Corporation's legal department and external counsel regarding the status of land-related legal matters.</p> <p>I report that:</p> <ul style="list-style-type: none"> <li>• Land at 5 tank lane-Mbale, 4 Engwau road –Soroti, 16 Bitete road-Kabale and block 28 Ndorwa Kabale are held on leases that have expired, necessitating immediate attention to renew these agreements to safeguard the Corporation's interests.</li> <li>• Titles for certain lands, essential for operational infrastructure, have not been officially transferred to the Corporation, leading to legal uncertainties.</li> <li>• Infrastructures situated on land still registered to other governmental entities have not been formalized through Memorandums of Understanding, creating potential disputes.</li> <li>• There are instances where land transferred to the Corporation faces ownership disputes and unlawful encroachments, threatening the Corporation's rights and operational integrity</li> </ul> <p>Management provided the following explanation</p> <ul style="list-style-type: none"> <li>• Lease Renewal and Conversion. NWSC successfully renewed an expired lease for 49 years from June 10, 2020, and converted it to freehold, securing the corresponding title.</li> <li>• The transfer of Luuka land titles was completed, and NWSC initiated communication with the Uganda Wildlife Authority to establish formal MoUs for legitimizing land occupation in national parks.</li> <li>• Land with ownership disputes. NWSC faced familial disputes during efforts to transfer land inherited with ownership disputes. Ongoing initiatives are focused on resolving these disputes and facilitating the land transfer.</li> <li>• Encroachment and Compensation. NWSC acquired a 44-year lease for land without titles hosting essential infrastructure. Encroachment issues are being resolved through ADR, with an agreement for compensation reached with developers. Board approval was obtained, and Solicitor General's clearance is underway.</li> </ul> <p>These findings are key concerns that affect service delivery and impact implementation of the approved investments of NWSC.</p> <p>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.</p>
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## Report of the Auditor General on the Financial Statements of National Water and Sewerage Corporation for the Year Ended 30<sup>th</sup> June 2023 cont'd

### **Emphasis of Matter**

Without qualifying my opinion, I draw attention to the following matter disclosed in Note 20 of the financial statements that in my judgment are of such importance and fundamental to the users' understanding of the financial statements;

### **3.0 Trade and other receivables**

Included in the receivables figure of UGX. 363,925,860,000 is UGX. 87,072,921,584 which is owed by Ministries, Departments and Agencies of Government as shown in appendix 1. This amount has remained outstanding for more than one year efforts to settle it appear to be minimal.

The receivables that remained outstanding for long may degenerate into bad debts. Besides, it stifles planned activities of the Corporation.

The Accounting Officer explained that a commitment had been made by the PS/ST to settle the verified water bills of UGX. 43,134,590,775 as shown in **annexure** on quarterly basis in a period of 5 years starting FY 2023/24.

I advised the Accounting Officer to ensure that the remaining invoices are equally verified and the provisions in the commitment letter are fulfilled as indicated.

### **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.

## Report of the Auditor General on the Financial Statements of National Water and Sewerage Corporation for the Year Ended 30<sup>th</sup> June 2023 cont'd

In preparing the financial statements, the Directors are responsible for assessing the Corporation's ability to continue delivering its mandate, disclosing, as applicable, matters related to delivery of mandate for the foreseeable future, unless the Directors have a realistic alternative to the contrary.

### **Auditor 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: -

- 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 Corporation's ability to continue delivering its mandate. 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 Corporation to fail to deliver its mandate.
- 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.

## Report of the Auditor General on the Financial Statements of National Water and Sewerage Corporation for the Year Ended 30<sup>th</sup> June 2023 cont'd

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;
- 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**

19<sup>th</sup> December, 2023



## Statement of Profit or Loss

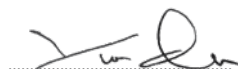
	Notes	2023 UGX'000	2022 UGX'000
<b>Income</b>			
Water and sewerage income	2	466,179,288	424,100,369
Deferred income	3	79,761,556	91,571,697
Other income	4	4,097,925	3,610,382
<b>Total income</b>		<b>550,038,769</b>	<b>519,282,448</b>
<b>Expenditure</b>			
Employee benefit expenses		176,115,337	167,572,661
Administrative expenses		62,469,470	66,676,644
Provision for impairment of receivables		3,645,350	-
Static plant and pipe network expense		113,247,631	108,845,453
Supplies and services expenses		37,061,793	32,223,996
Premises expenses		11,099,953	9,617,582
Transport and mobile plant expenses		15,391,439	11,602,154
<b>Total expenditure before depreciation</b>		<b>419,030,972</b>	<b>396,538,489</b>
<b>Operating profit before depreciation</b>		<b>131,007,796</b>	<b>122,743,958</b>
Depreciation and amortisation		98,704,385	124,072,014
<b>Operating profit/(loss) before finance costs</b>		<b>32,303,411</b>	<b>(1,328,056)</b>
Net finance costs		(11,293,952)	(9,746,170)
<b>Net profit/(loss) before tax</b>		<b>21,009,459</b>	<b>(11,074,226)</b>
Tax credit/(charge)	6	19,777,751	(27,791,920)
<b>Profit/(loss) for the year</b>		<b>40,787,210</b>	<b>(38,866,146)</b>

The Accounting policies and notes on pages 128 to 160 form an integral part of these Financial Statements

## Statement of Financial Position

	Notes	2023 UGX'000	2022 UGX'000
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment	16	3,360,592,626	3,356,860,186
Capital work in progress	17	275,307,350	167,879,895
Intangible asset	15	1,242,844	1,583,272
Right of use assets	18	8,809,117	9,764,057
Captive investment	25	2,028,908	171,816
		<u>3,647,980,846</u>	<u>3,536,259,227</u>
<b>Current assets</b>			
Inventories	19	42,420,227	38,155,099
Trade and other receivables	20	363,925,860	212,509,937
Cash and bank balances	21	292,934,209	298,528,393
Tax recoverable	7	2,158,990	2,177,717
		<u>701,439,286</u>	<u>551,371,146</u>
<b>Total Assets</b>		<u>4,349,420,132</u>	<u>4,087,630,373</u>
<b>Equity And Liabilities</b>			
<b>Capital employed</b>			
Government funding	8	410,889,416	410,889,416
Revaluation reserve	9	611,129,907	620,956,262
Retained earnings		415,522,796	360,697,936
<b>Equity attributable to the owners of the entity</b>		<u>1,437,542,119</u>	<u>1,392,543,614</u>
<b>Non-current liabilities</b>			
Borrowings	10	84,001,932	44,897,521
Terminal benefits(ring-fenced)	12	3,115,189	3,579,493
Deferred tax	13	300,770,442	324,797,926
Deferred income	26	2,184,549,229	2,002,059,507
Lease liability	14	2,319,709	2,221,102
		<u>2,574,756,502</u>	<u>2,377,555,548</u>
<b>Current liabilities</b>			
Borrowings	10	30,025,929	8,921,631
Provision for gratuity	11	26,787,067	15,440,355
Deferred income	26	49,121,971	48,914,452
Trade and other payables	22	229,286,345	242,379,813
Lease liability	14	1,900,200	1,874,960
		<u>337,121,511</u>	<u>317,531,211</u>
<b>Total Reserves And Liabilities</b>		<u>4,349,420,132</u>	<u>4,087,630,373</u>

The Financial Statements and their notes set out on pages 124 to 160 were approved by the Board of Directors on 14<sup>th</sup> December 2023 and were signed on its behalf by:



Board Chairman



Managing Director



Director

## Statement of Changes in Equity

		Government funding	Revaluation reserve	Retained earnings	Total
Year ended 30 June 2023	Notes	UGX'000	UGX'000	UGX'000	UGX'000
At start of year		410,889,416	620,956,262	360,697,936	1,392,543,614
Transfer of excess depreciation	10	-	(14,037,650)	14,037,650	-
Deferred tax on excess depreciation			4,211,295	-	4,211,295
Assets taken over during the year		-	-	-	-
Loss for the year		-	-	40,787,210	40,787,210
At end of year		410,889,416	611,129,907	415,522,796	1,437,542,119
<b>Year ended 30 June 2022</b>					
At start of year		317,233,669	630,782,617	389,737,727	1,337,754,013
Transfer of excess depreciation	10	-	(14,037,650)	14,037,650	-
Deferred tax on excess depreciation		-	4,211,295	(4,211,295)	-
Assets taken over during the year		93,655,747	-	-	93,655,747
Loss for the year		-	-	(38,866,146)	(38,866,146)
At end of year		410,889,416	620,956,262	360,697,936	1,392,543,614

The notes on pages 128 to 160 form an integral part of these financial statements.  
Report of the independent auditor - pages 118 - 123



## Statement of Cash Flows

	Notes	2023 UGX'000	2022 UGX'000
<b>Operating activities</b>			
Cash from operations	23	(183,739,573)	26,984,677
Tax paid		(18,727)	(32,916)
Interest paid			
Equity bank		(5,501,067)	(7,130,644)
HFB/UDB		(3,980,377)	-
Bank of Africa		-	(292,640)
Net cash (used in)/ from operating activities		(193,239,744)	19,528,477
<b>Cashflows from investing activities</b>			
Cash paid for purchase of property, plant and equipment	16	(21,031,911)	(834,800,704)
Cash paid for purchase of intangible assets	15	(69,238)	(1,518,653)
Capital work in progress		(107,427,455)	642,823,248
Investment in subsidiary		(1,857,092)	(111,816)
Interest income received		141,224	143,307
Net cash used in investing activities		(130,244,473)	(193,464,618)
<b>Cashflows from financing activities</b>			
Proceeds from borrowings		67,494,837	8,588,503
Repayments of borrowings		(8,605,201)	(6,946,221)
Payment of principal portion of lease liabilities		(3,353,008)	(6,131,714)
Payments of annual terminal benefits (ring fenced)		(562,673)	(702,768)
Proceeds from grants	26	262,458,797	283,424,589
Net cash from financing activities		317,432,752	278,232,389
<b>(Decrease)/increase in cash and cash equivalents</b>		(6,051,465)	104,296,248
<b>Movement in cash and cash equivalents</b>			
At start of year		298,528,393	194,358,771
(Decrease)/increase		(6,051,465)	104,296,248
Effect of exchange rate changes		457,281	(126,626)
At end of year	21	292,934,209	298,528,393

The notes on pages 128 to 160 form an integral part of these financial statements.  
Report of the independent auditor - pages 118 - 123

# Notes to the Financial Statements

## 1 Significant accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

These financial statements comply with the requirements of the National Water and Sewerage Corporation Act, 1995 Cap. 317, Laws of Uganda 2000. The statement of profit or loss represents the profit and loss account referred to in the Act. The statement of financial position represents the balance sheet referred to in the Act.

### (a) General information

National Water and Sewerage Corporation is a statutory body established in 1972 by Statute No. 34 of 1972, following an earlier study on the improvement of water and sanitation services in urban centres of Uganda. The NWSC Act 1995 mandates the Corporation to provide water and sewerage services in areas entrusted to it on a commercially viable basis.

### (b) Basis of Preparation

The financial statements of National Water and Sewerage Corporation have been prepared under the historical cost convention, except as indicated otherwise below and are in accordance with International Financial Reporting Standards (IFRS). 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 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 realizable value in IAS 2 - Inventories or value in use in IAS 36 - Impairment of Assets.

In addition, for financial reporting purposes, fair value measurements are categorized into level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

Transfer between levels of the fair value hierarchy are recognized by the directors at the end of the reporting period during which the change occurred.

### 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 other comprehensive income. The financial position of the Corporation is set out in the statement of financial position. Disclosures in respect of risk management and capital management are set out in notes 27 and 28 respectively.

Notes to the Financial Statements continued ►

(b) Basis of Preparation continued

Based on the financial performance and position of the Corporation and its risk management policies, 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.

**New standards, amendments and interpretations adopted by the Corporation**

The Corporation applied for the first time certain standards and amendments, which are effective for annual periods beginning on or after 1 January 2022. The Corporation has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

**Amendments to IAS 16 'Property, Plant and Equipment: Proceeds before Intended Use'**

The amendments prohibit entities from deducting from the cost of an item of property, plant and equipment, any proceeds from selling items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognises the proceeds from selling such items, and the costs of producing those items, in profit or loss.

These amendments had no impact on the financial statements of the Corporation as there were no sales of such items produced by property, plant and equipment made available for use on or after the beginning the earliest period presented.

**Amendments to IAS 37 'Onerous Contracts – Costs of Fulfilling a Contract'**

The amendments specify that when assessing whether a contract is onerous or loss-making, an entity needs to include costs that relate directly to a contract to provide goods or services including both incremental costs of fulfilling that contract and an allocation of other costs that relate directly to fulfilling contracts.

These amendments had no impact on the financial statements of the Corporation as the Corporation did not identify any contracts as being onerous at the beginning and end of the reporting period.

**Amendment to IFRS 9 Financial Instruments 'Fees in the '10 per cent' test for derecognition of financial liabilities.**

The amendment clarifies the fees that an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability. These fees include only those paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf.

The amendment had no impact on the financial statements of the Corporation as there were no modifications of the Corporation's financial instruments during the period.

**New standards, amendments and interpretations issued but not effective**

At the date of authorisation of these consolidated financial statements, the following standards and interpretations, which have not been applied in these financial statements, were in issue but not yet effective for the year presented:

- **Amendments to IAS 1 'Classification of Liabilities as Current or Non-current (issued in January 2020, amended in October 2022)**, effective for annual periods beginning or after 1 January 2024, clarify a criterion in IAS 1 for classifying a liability as non-current: the requirement for an entity to have the right to defer settlement for at least 12 months after the reporting date.



Notes to the Financial Statements continued ►

(b) Basis of Preparation continued

The Corporation is currently assessing the impact the amendments will have on current practice and whether existing loan agreements may require renegotiation.

- **Amendments to IAS 1 'Non-current Liabilities with Covenants' (issued in October 2022) effective for annual periods beginning on or after 1 January 2024**, improve the information an entity provides about liabilities arising from loan arrangements for which an entity's right to defer settlement of those liabilities for at least twelve months after the reporting period is subject to the entity complying with conditions specified in the loan arrangement.

- **Amendments to IAS 1 and IFRS Practice Statement 2 - Disclosure of Accounting Policies (issued in February 2021)**

The amendments provide guidance and examples to help entities apply materiality judgements to accounting policy disclosures. The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures. The amendments to IAS 1 are applicable for annual periods beginning on or after 1 January 2023 with earlier application permitted. Since the amendments to the Practice Statement 2 provide non-mandatory guidance on the application of the definition of material to accounting policy information, an effective date for these amendments is not necessary.

The Corporation is currently revisiting their accounting policy information disclosures to ensure consistency with the amended requirements.

- **Amendments to IAS 8 'Definition of Accounting Estimates' (issued in February 2021)**, effective for annual reporting periods beginning on or after 1 January 2023, introduce a definition of 'accounting estimates' and clarify the distinction between changes in accounting estimates and change in accounting policies and the correction of errors. Also, they clarify how entities use measurement techniques and inputs to develop accounting estimates.

The amendments are not expected to have a material impact on the Corporation's financial statements.

- **Amendments to IAS 12 'Deferred Tax Related to Assets and Liabilities arising from a Single Transaction (issued in May 2021)**, effective for annual periods beginning on or after 1 January 2023, narrowed the scope of the recognition exemption in paragraphs 15 and 24 of IAS 12 (recognition exemption) so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences.

The Corporation is currently assessing the impact of the amendments.

- **Amendment to IFRS 16 'Lease Liability in a Sale and Leaseback' (issued in September 2022)**, effective for annual periods beginning on or after 1 January 2024, requires a seller-lessee to subsequently measure lease liabilities arising from a leaseback in a way that it does not recognise any amount of the gain or loss.

The directors do not expect that adoption of these standards and interpretations will have a material impact on the financial statements in future periods. The Corporation plans to apply the changes above, if applicable, from their effective dates.

c) Significant accounting judgements, estimates and assumptions

In the application of the accounting policies, the directors are required to make judgements, 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.

Notes to the Financial Statements continued ►

c) Significant accounting judgements, estimates and assumptions continued

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.

**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 that 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 Corporation uses these guidelines in determining the staging of its financial assets unless there is persuasive evidence available to rebut these presumptions.

For trade receivables, the Corporation has applied the simplified model under IFRS 9 where lifetime expected credit loss allowance is recognised on the basis of a provisioning matrix.

Notes to the Financial Statements continued ►

(c) Significant accounting judgements, estimates and assumptions continued

The carrying amounts of the Corporation's financial assets that are subject to impairment assessment are disclosed in notes 23.

**Useful lives, depreciation methods and residual values of property, plant and equipment, intangible assets and right-of-use assets**

Management reviews the useful lives, depreciation methods and residual values of the items of property, plant and equipment, intangible assets and right-of-use assets on a regular basis. During the financial year, the directors determined no significant changes in the useful lives and residual values. The carrying amounts of property, plant and equipment, right-of-use assets and intangible assets are disclosed in notes 18, 19 and 20, respectively.

**Accounting for leases under IFRS 16**

Management has made various judgements and estimates under IFRS 16 as detailed below:

**Incremental borrowing rate:** To determine the incremental borrowing rate, the Corporation:

- where possible, uses recent third-party financing received as a starting point, adjusted to reflect changes in financing conditions since third party financing was received;
- uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk, which does not have recent third party financing; and
- makes adjustments specific to the lease, e.g. term, country, currency and security.

**Lease term/period:** In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

For leases of equipment, the following factors are normally the most relevant:

- If there are significant penalties to terminate (or not extend), the Corporation is typically reasonably certain to extend (or not terminate).
- If any leasehold improvements are expected to have a significant remaining value, the Corporation is typically reasonably certain to extend (or not terminate).
- Otherwise, the Corporation considers other factors including historical lease durations and the costs and business disruption required to replace the leased asset.

Most extension options in offices and vehicles leases have not been included in the lease liability, because the Corporation could replace the assets without significant cost or business disruption.

The lease term is reassessed if an option is actually exercised (or not exercised) or the Corporation becomes obliged to exercise (or not exercise) it. The assessment of reasonable certainty is only revised if a significant event or a significant change in circumstances occurs, which affects this assessment, and that is within the control of the lessee.

The carrying amounts of lease liabilities and right-of-use assets are disclosed in notes 15 and 18, respectively.

**Impairment of non-financial assets**

Impairment exists when the carrying amount of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs of disposing of the asset. The value in use calculation is based on a DCF model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the performance of the assets of the CGU being tested. The recoverable amount is sensitive to the discount rate



Notes to the Financial Statements continued ►

(c) Significant accounting judgements, estimates and assumptions continued

used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes.

The carrying amounts of property, plant and equipment, right-of-use assets and intangible assets are disclosed in notes 16, 18 and 15, respectively.

**Fair value measurement of financial instruments**

When the fair values of financial assets and financial liabilities recorded in the statement of financial position cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the discounted cash flow (DCF) model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions relating to these factors could affect the reported fair value of financial instruments.

**Revaluation of property, plant and equipment and investment properties**

The Corporation carries its investment properties at fair value, with changes in fair value being recognised in profit or loss. The fair value of investment property was determined by reference to the market prices of similar properties of the type and in the area in which the property is situated. In addition, it measures freehold land, buildings and plant and machinery at revalued amounts, with changes in fair value being recognised in OCI. The land and buildings were valued by reference to transactions involving properties of a similar nature, location and condition. For plant and machinery, the current replacement cost adjusted for the depreciation factor of the existing assets is used.

d) Revenue recognition

**Revenue from water and sewerage services**

The Corporation recognises 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 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 recognises revenue as and when it satisfies a performance obligation by transferring control of a product or service to a customer. The amount of revenue recognised is the amount the Corporation expects to receive in accordance with the terms of the contract, and excludes amounts collected on behalf of third parties, such as Value Added Tax.

Revenue is recognised as follows:

- (i) Sale of water is recognised based on periodic meter readings or estimates thereof when readings cannot be taken or for unmetered connections. The company recognises all revenue at the time of delivery, should the company 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.

The Corporation considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated (e.g., warranties, customer loyalty points). In determining the transaction price for the sale of goods, the Corporation considers the effects of variable consideration, the existence of significant financing components, non-cash consideration, and consideration payable to the customer (if any).

- (ii) Sales of services are recognised in the period in which the services are rendered, by reference to completion of the specific transaction assessed on the basis of the actual service provided as a percentage of the total services to be provided;

Notes to the Financial Statements continued ►

(d) Revenue recognition continued

- (iii) Sale of goods is recognized upon delivery of products and customer acceptance.

Other income

- Rental income from operating leases is recognized on a straight-line basis over the period of the lease.
- Interest income is recognised on a time proportion basis using the effective interest method. Once a financial asset is identified as credit-impaired, the effective interest rate is applied to the amortised cost (net of impairment losses) in subsequent reporting periods.

e) Translation of foreign currencies

Transactions and balances

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 translated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. The resulting differences from settlement and translation of monetary items are dealt with in profit or loss in the year in which they arise except for:

- exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings;
- Translation differences on non-monetary financial assets and liabilities such as equities held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss. Translation differences on non-monetary financial assets, such as equities classified as FVOCI, are included in other comprehensive income.

(f) Property, plant and equipment

All property, plant and equipment is initially recorded at cost and thereafter stated at historical cost less accumulated depreciation (except as stated below). Historical cost comprises expenditure initially incurred to bring the asset to its location and condition ready for its intended use.

Freehold, buildings and plant and machinery are subsequently measured at fair value, based on periodic valuations, less subsequent depreciation.

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.

Increases in the carrying amount arising on revaluation are recognised in other comprehensive income and credited to revaluation reserve in equity except to the extent that the increase 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 revaluation reserve to retained earnings.

Notes to the Financial Statements continued ►

(f) Property, plant and equipment continued

Subsequent costs are included in the asset's carrying amount or recognised 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 can be reliably measured. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to profit or loss during the financial year in which they are incurred.

Freehold land is not depreciated.

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

	Rate%
Civil structures and buildings	1%
Pipe works	3.0%
Technical structures	3%
Electro-mechanical equipment	3.0%
Office furniture and fittings	20%
IT and office equipment	20%
Mobile plant-Transport heavy	20%
Mobile plant-Transport light	20%

The assets' residual values, useful lives and methods of depreciation are reviewed at the end of each reporting period and adjusted prospectively.

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.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Gains and losses on disposal of property, plant and equipment are determined by comparing the proceeds with the carrying amount and are taken into account in determining operating profit/loss. On disposal of revalued amounts in the revaluation reserve relating to the particular assets being disposed of are transferred to retained earnings in the statement of changes in equity.

(g) 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 estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses. Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level.

The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Intangible assets comprise the accounting, billing and audit software and it is stated at cost less accumulated amortisation.



Notes to the Financial Statements continued ►

(g) Intangible assets continued

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.

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. The direct costs include software development, staff costs and an appropriate portion of relevant overheads.

(h) Impairment of non-financial assets other than goodwill

At the end of each reporting period, the Corporation reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Assets that have an indefinite useful life are not subject to amortisation and are tested for impairment annually.

An impairment loss is recognised for the amount by which the carrying amount of an asset or a cash generating unit (CGU) exceeds its recoverable amount. The recoverable amount of an asset or a CGU is the higher of its fair value less costs of disposal and value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. In this case, management determines the recoverable amount of the CGU to which the asset belongs.

A CGU is the smallest identifiable group of assets that generates cash flows that are largely independent of cash inflows from other assets or groups of assets.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

Impairment losses of continuing operations are recognised in profit or loss in expense categories consistent with the function of the impaired asset, except for properties previously revalued with the revaluation surplus taken to OCI. For such properties, the impairment is recognised in OCI up to the amount of any previous revaluation.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Corporation estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation or amortisation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

Notes to the Financial Statements continued ►

(i) Financial instruments

Financial assets

All financial assets are recognised initially using the trade date accounting which is the date the Corporation commits itself to the purchase or sale.

The Corporation classifies its financial assets into the following categories:

i) 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 measured and recognised.

ii) Fair Value Through Other Comprehensive Income (FVTOCI):

Financial assets that are held for collection of contractual cash flows where these cash flows comprise SPPI and also for liquidating the assets depending on liquidity needs and that are not designated at FVTPL, are classified and measured at value through other comprehensive income (FVTOCI). Movements in the carrying amount are taken through OCI, except for recognition of impairment gain or losses, interest revenue and foreign exchange gains and losses. Gains and losses previously recognised in OCI are reclassified from equity to profit or loss on disposal of such instruments. Gains and losses related to equity instruments are not reclassified.

iii) Fair Value Through Profit or Loss (FVTPL):

Financial assets that do not meet the criteria for amortised cost or FVTOCI are measured at FVTPL. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss and presented in the statement of profit or loss and other comprehensive income.

Notwithstanding the above, the Corporation may:

- on initial recognition of an equity investment that is not held for trading, irrevocably elect to classify and measure it at fair value through other comprehensive income.
- on initial recognition of a debt instrument, irrevocably designate it as classified and measured at fair value through profit or loss if doing so eliminates or significantly reduces a measurement or recognition inconsistency.

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 reassesses 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.

When a debt instrument measured at FVTOCI is derecognised, the cumulative gain/loss previously recognised in OCI is reclassified from equity to profit or loss. In contrast, for an equity investment designated as measured at FVTPL, the cumulative gain/loss previously recognised in OCI is not subsequently reclassified to profit or loss but transferred within equity.

Notes to the Financial Statements continued ►

(i) Financial instruments continued

**Impairment**

Debt instruments that are subsequently measured at amortised cost or at impairment assessment. No impairment loss is recognised on investments measured at FVTPL.

The Corporation recognises loss allowances for Expected Credit Losses (ECLs) on the following financial instruments that are measured at amortised cost or at fair value through other comprehensive income (FVTOCI):

- Cash and cash equivalents
- Trade and other receivables
- Other financial assets

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 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 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 reporting 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.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

All financial liabilities are classified as non-current except those held for trading, those expected to be settled in the Corporation's normal operating cycle, those payable or expected to be paid within 12 months of the reporting date and those which the Corporation does not have an unconditional right to defer settlement for at least 12 months after the reporting date.



Notes to the Financial Statements continued ►

(i) Financial instruments continued

**Derecognition**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in profit or loss.

**Offsetting financial instruments**

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when there is a currently enforceable legal right to offset the amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously.

(j) Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined by the first-in-first-out (FIFO) method. The cost of finished goods and work-in-progress comprises raw materials, direct labour, other direct costs and related production overheads (based on normal operating capacity), but excludes borrowing costs. Net realisable value is the estimate of the selling price in the ordinary course of business, less the costs of completion and selling expenses.

(k) Cash and cash equivalents

For the purposes of the statement of cash flows, cash and cash equivalents comprise cash in hand and at bank. All fixed deposits are regarded as financial assets.

(l) Taxation

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

**Current tax**

Current tax is provided on the results for the year, adjusted in accordance with tax legislation.

**Deferred 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 amounts for financial reporting purposes at the reporting date. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted at the reporting date. Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences, the carry forward of unused tax credits and tax credits and unused tax losses can be utilised.

For the purposes of measuring deferred tax liabilities and deferred tax assets for investment properties that are measured using fair value model, the carrying amounts of such properties are presumed to be recoverable entirely through sale unless presumption is rebutted. The presumption is rebutted when the investment property is depreciable and held within a business model whose objective is to consume substantially all its economic benefits embodied in it over time rather than through sale.

Notes to the Financial Statements continued ►

(l) Taxation continued

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

The Corporation offsets deferred tax assets and deferred tax liabilities if, and only if, it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority.

(m) Accounting for leases

The Corporation assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

**The Corporation as lessee**

On the commencement date of each lease (excluding leases with a term, on commencement, of 12 months or less and leases for which the underlying asset is of low value) the Corporation recognises a right-of-use asset and a lease liability.

The lease liability is measured at the present value of the lease payments that are not paid on that date. The lease payments include fixed payments, variable payments that depend on an index or a rate, amounts expected to be payable under residual value guarantees, and the exercise price of a purchase option if the Corporation is reasonably certain to exercise that option.

The lease payments are discounted at the interest rate implicit in the lease. If that rate cannot be readily determined, the Corporation's incremental borrowing rate is used.

For leases that contain non-lease components, the Corporation allocates the consideration payable to the lease and non-lease components based on their relative stand-alone components.

The right-of-use asset is initially measured at cost comprising the initial measurement of the lease liability, any lease payments made on or before the commencement date, any initial direct costs incurred, and an estimate of the costs of restoring the underlying asset to the condition required under the terms of the lease.

Subsequently the lease liability is measured at amortised cost, subject to remeasurement to reflect any reassessment, lease modifications, or revised fixed lease payments.

Leasehold land and buildings are subsequently carried at revalued amounts, based periodic valuations by external independent valuers, less accumulated depreciation and accumulated impairment losses. All other right-of-use assets are subsequently measured at cost less accumulated depreciation and any accumulated impairment losses, adjusted for any remeasurement of the lease liability.

Depreciation is calculated using the straight-line method to write down the cost of each asset to its residual value over its estimated useful life. If ownership of the underlying asset is not expected to pass to the Corporation at the end of the lease term, the estimated useful life would not exceed the lease term.

The Corporation assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Increases in the carrying amount arising on revaluation are recognised in other comprehensive income and accumulated in equity under the heading of revaluation surplus. Decreases that offset previous increases of the same asset are recognised in other comprehensive income. All other decreases are recognised in profit or loss. Annually, the difference between the depreciation charge based on the revalued carrying amount of the asset

Notes to the Financial Statements continued ►

(l) **Taxation continued**

recognised in profit or loss and depreciation based on the asset's original cost (excess depreciation) is transferred from the revaluation reserve to the retained earnings.

**The Corporation as lessor**

Leases that transfer substantially all the risks and rewards of ownership of the underlying asset to the lessee are classified as finance leases. All other leases are classified as operating leases.

Payments received under operating leases are recognised as income in profit or loss on a straight-line basis over the lease term.

Amounts due from lessees under finance leases are recognised as receivables at the amount of the Corporation's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the group's net investment outstanding in respect of the leases.

Assets leased to third parties under operating leases are included in property, plant and equipment in the statement of financial position.

(n) **Provisions**

Provisions for environmental restoration, restructuring costs and legal claims are recognised when the Corporation 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.

(o) **Employee entitlements**

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

(p) **Retirement benefit obligations**

Employee entitlements to long service awards are recognised when they accrue to employees. A provision is made for the estimated liability for such entitlements as a result of services rendered by employees up to the reporting date.

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



Notes to the Financial Statements continued ►

(p) Retirement benefit obligations continued

The Corporation contributes to the statutory National Social Security Fund (NSSF). This is a defined contribution scheme registered under the National Social Security Act. The Corporation's obligations under the scheme are limited to specific contributions legislated from time to time and are currently 10% of the employees' gross salary. The Corporation's contributions are charged to profit or loss in the period to which they relate.

(q) Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of the asset based either on actual cost on specific borrowings or, in the case of general borrowings, based on a weighted average cost.

Capitalisation of borrowing costs ceases when all activities necessary to prepare the asset for its intended use are complete. All other borrowing costs are recognised in profit or loss.

(r) 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 grants relates to an expense item (revenue grant) it is recognized as income over the periods necessary to match the grant on a systematic basis to the costs it is intended to compensate.

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

(s) 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.

(t) Dividends

Proposed dividends are disclosed as a separate component of equity until declared.

Dividends are recognized as liabilities in the period in which they are approved by the Corporation's shareholders.

(u) Comparatives

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

Notes to the Financial Statements continued ►

**2 Water and sewerage income**

**Recognized at a point in time:**

	2023 UGX'000	2022 UGX'000
Consumption charges water	373,482,957	342,225,142
Consumption charges sewer	64,484,430	54,417,076
Service charges	16,187,382	14,968,743
Connection fees	7,482,664	8,118,733
Reconnection fees	191,670	174,515
Septic tank emptying	297,844	305,258
Sale of composite/sludge	35,693	37,909
Building water sales	178	304
Discharging into sewers	87,776	57,329
Water tanker sales	89,322	427,149
Meter separation	1,438,433	1,451,581
Income from rechargeable works	577,136	-
Fines	1,822,046	1,892,135
Token issued	1,756	24,494
	<b>466,179,288</b>	<b>424,100,369</b>

**3 Deferred income (Note 26)**

Deferred income (Note 26)	79,761,556	91,571,697	
	Revenue grant amortised	Capital grant amortised	Total
Kampala Sanitation Project (KFW/AFD)	-	14,305,679	14,305,679
AFD Donor Fund LV WATSAN	-	-	-
WATSAN Project AFD/KFW/EU	-	25,691,232	25,691,232
Water Management Development Project (IDA)	-	4,176,155	4,176,155
Intergrated Program to Improve Living Conditions (KFW/IDA)	-	688,116	688,116
Intergrated Water Management Development Project (IDA/KFW)	-	-	-
Kampala South Water and Sanitation Project (DANIDA)	-	-	-
South Western Cluster Water and Sanitation Project (AFD)	-	-	-
Water for Virunga	5,289,982	-	5,289,982
Donor Grant Funds GTZ	-	12,019	12,019
Donor Grant Funds SIG	-	2,000,715	2,000,715
Donor Funds	-	417,395	417,395
Donor Funds	-	154,898	154,898
Donor Funds EDF	-	264,192	264,192
Donor Grant Spencon	-	974,889	974,889
Donor Fund Urban Poor	-	189,212	189,212
Donor Grants AFD	-	230,177	230,177
Donor Grants IDA-LVEMP	-	-	-
Donor Funds- IDA -STWSP	-	17,293	17,293
OBA Project Grant A/C	-	-	-
Grants from other sources	957,053	-	957,053
GOU Contribution to Projects (Includes SCAP100)	24,392,550	-	24,392,550
	30,639,585	49,121,971	79,761,556

Notes to the Financial Statements continued ►

#### 4 Other Income

	2023 UGX'000	2022 UGX'000
Sale of obsolete stock/scrap	278,902	252,744
Hire of plant and vehicles	5,492	-
Sale of tender documents	133,597	61,500
Sale of I.D cards	508	407
Rental income	128,124	116,832
Income from external services	2,283,443	2,031,044
Miscellaneous income	66,690	292,593
Laboratory services income	743,942	432,067
International resource centre	142,379	86,125
Sale of stock	-	300
Insurance claims	-	193,463
Up country resource centre	173,625	-
Interest from bank deposits	141,224	143,307
<b>Total other income</b>	<b>4,097,925</b>	<b>3,610,382</b>

#### 5 Operating profit

The following items have been charged in arriving at the operating profit:

	2023 UGX'000	2022 UGX'000
Depreciation on property, plant and equipment (Note 15)	94,813,210	120,795,336
Amortisation of intangibles (Note 18)	409,666	460,437
Amortisation of right of use assets (Note 17)	3,481,507	2,816,242
Directors' emoluments	975,360	897,852
Audit fees	-	-
- current year	231,363	191,651
Repairs and maintenance	33,777,442	35,686,446
Employee benefit expenses	176,115,337	167,572,661
Stock write down	-	13,677
Provision for impairment of trade receivables	3,645,350	2,988,491

#### 6 Employee benefit expenses

	2023 UGX'000	2022 UGX'000
Basic pay	81,226,214	76,591,901
Housing expense	18,614,543	17,500,073
Medical expense	9,141,840	10,040,589
National Social Security Fund contributions	12,357,199	11,727,591
Lunch and transport allowance	7,451,114	7,061,862
Car and cycle allowance	9,793,230	8,865,288
Performance/attendance bonus and overtime	3,726,804	3,512,004
Work bonus	290,480	1,886,177
Leave transport and allowance	2,677,426	2,544,353
Annual terminal benefits	25,327,681	23,497,564
Shift allowance	515,653	490,117
Terminal benefits interest	98,369	144,866
Provident fund	4,497,773	3,404,627
Workmen's compensation	-	10,900
Funeral expenses	397,011	294,748
<b>Total employee benefit expenses</b>	<b>176,115,337</b>	<b>167,572,661</b>



Notes to the Financial Statements continued ►

**7. Tax**

	2023 UGX'000	2022 UGX'000
Current tax	-	-
Rental tax	38,437	36,129
Deferred tax (credit)/charge (Note 12)	(19,816,188)	27,755,791
<b>Tax (credit)/charge</b>	<b>(19,777,751)</b>	<b>27,791,920</b>

The tax on the Corporation's (loss)/profit before tax differs from the theoretical amount that would arise using the basic rate as follows:

Profit/(loss) before tax	21,009,459	(11,074,226)
Tax calculated at a rate of 30% (2022: 30%)	6,302,838	(3,322,268)
Tax effect of:		
- expenses not deductible for tax purposes	2,021,242	20,095,895
- income not subject to tax	(23,928,467)	(27,471,509)
- (over)/under provision from prior year	(4,173,364)	38,489,793
<b>Tax charge</b>	<b>(19,777,751)</b>	<b>27,791,920</b>
Tax recoverable		
At start of year	2,177,717	2,174,495
Rental tax charge	-	36,138
Income tax paid	(18,727)	(32,916)
At end of year	2,158,990	2,177,717

**8. Government funding**

	2023 UGX'000	2022 UGX'000
At start of year	410,889,416	317,233,669
Assets taken over during the year	-	93,655,747
At end of year	410,889,416	410,889,416

Government funding represents a build-up of capital contributions to the Corporation from the Government of Uganda overtime. The contribution in the year ended 30 June 2022 consisted of unverified stock which were handed over by Ministry of Water and Environment.

**9. Revaluation reserve**

	2023 UGX'000	2022 UGX'000
At start of year	620,956,262	630,782,617
Transfer of excess depreciation for the year	(14,037,650)	(14,037,650)
Deferred tax on excess depreciation	4,211,295	4,211,295
At end of year	611,129,907	620,956,262

In 2008, the Corporation revalued all its assets and the exercise was carried out by an external valuation firm (Bellar Consult), as at 31 January 2018.

Notes to the Financial Statements continued ►

## 10. Borrowings

The borrowings are made up as follows:

### Non current

Equity bank  
HFB / UDB mid term

### Current

Equity bank  
HFB / UDB mid term

### Total borrowings

Reconciliation of liabilities arising from financing activities:

Equity bank

At start of year

Interest expense

Interest accrued

Cash flows:

- Interest repayments
- Principal repayments of borrowings

At end of year

	2023 UGX'000	2022 UGX'000
	26,497,233	37,629,925
	57,504,700	7,267,596
	84,001,932	44,897,521
	11,996,444	7,477,480
	18,029,485	1,444,151
	30,025,929	8,921,631
	114,027,862	53,819,151
	45,107,404	49,113,316
	5,501,067	7,945,544
	698,368	123,280
	(5,501,067)	(7,945,544)
	(7,312,076)	(4,129,192)
	38,493,697	45,107,404

In the FY2019/20, 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. The outstanding balance is repayable on a quarterly basis until 2027 at an rate of 15% per annum.

The loan is secured by a lien and right of set off on the National Water and Sewerage Corporation Collections/ operative/current accounts with Equity Bank, a duly executed comprehensive loan agreement and a board of directors resolution authorizing the borrowing of credit facilities of Ugx 50 billion from Equity Bank.

Housing Finance Bank/Uganda Development Bank

At start of year

Interest expense

Interest accrued

Cash flows:

- Interest repayments
- Proceeds from borrowings
- Principal repayments

At end of year

	2023 UGX'000	2022 UGX'000
	8,711,747	-
	3,980,377	123,244
	620,725	-
	(3,980,377)	-
	67,494,837	8,588,503
	(1,293,125)	-
	75,534,184	8,711,747

Government authorised additional borrowing of UGX 95 billion in medium term financing during 2021/2022. This facility is with Housing Finance Bank (HFB) in syndication with Uganda Development Bank (UDB).The outstanding balance is repayable on a quarterly basis until 2027 at an interest rate of 14% for Housing Finance and 12% for Uganda Development Bank per annum.

The loan is secured by a lien and right of set off on the National Water and Sewerage Corporation Collections/ operative/current accounts with Housing Finance Bank, a duly executed comprehensive loan agreement and a board of directors resolution authorizing the borrowing of credit facilities of Ugx 50 billion from Housing Finance Bank.

The carrying amounts of the Corporation's borrowings are denominated in Uganda shillings.

Notes to the Financial Statements continued ►

## 11. Provision for gratuity

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

	2023 UGX'000	2022 UGX'000
At the start of the year	15,440,355	12,084,383
Charge for the year	25,327,681	23,497,564
Payments during the year	(13,980,970)	(20,141,592)
At year end	26,787,067	15,440,355

## 12. Terminal benefits (ring-fenced)

At start of year  
Accrued interest on terminal benefits  
Payments during the year

At year end

	2023 UGX'000	2022 UGX'000
At start of year	3,579,493	4,137,395
Accrued interest on terminal benefits	98,369	144,866
Payments during the year	(562,673)	(702,768)
At year end	3,115,189	3,579,493

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 made to employees upon retirement or resignation. Interest is accrued on the unpaid terminal benefits (ring fenced).

## 13. Deferred tax

Deferred tax is calculated, in full, on all temporary differences under the liability method using a principal tax rate of 30% (2022:30%). The movement on the deferred tax account is as follows:

	2023 UGX'000	2022 UGX'000
At start of year	324,797,926	297,042,135
Credit/(charge) to profit or loss	(19,816,188)	27,755,791
Charge to equity	(4,211,295)	-
At end of year	300,770,442	324,797,926

Deferred tax liability in the statement of financial position and deferred (charge)/credit to profit or loss are attributable to the following items:

Year ended 30 June 2023	At start of year UGX'000	Charge/ (credit) to profit or loss UGX'000	Charge/(credit) to equity UGX'000	At end of year UGX'000
Property, plant and equipment and Right of Use accelerated tax				
- depreciation	402,114,012	5,192,168	-	407,306,180
Revaluation	186,286,879	-	(4,211,295)	182,075,584
Other temporary differences	(40,742,155)	40,742,155	-	-
Tax losses carried forward	(220,241,890)	(65,182,351)	-	(285,424,241)
Impairment of trade receivables	(2,540,496)	(568,160)	-	(3,108,656)
Provision for obsolete stock	(78,425)	-	-	(78,425)
Net deferred tax liability	324,797,926	(19,816,188)	(4,211,295)	300,770,442

Notes to the Financial Statements continued ►

### 13 Deferred tax (continued)

Year ended 30 June 2022	At start of year	Charge/(credit) to profit or loss	Charge/(credit) to equity	At end of year
	UGX'000	UGX'000	UGX'000	UGX'000
Property, plant and equipment				
- accelerated tax depreciation	307,306,859	94,807,153	-	402,114,012
Revaluation	189,462,106	(3,175,227)	-	186,286,879
Other temporary differences	-	(40,742,155)	-	(40,742,155)
Tax losses carried forward	(198,329,679)	(21,912,210)	-	(220,241,890)
Impairment of trade receivables	(1,326,847)	(1,213,649)	-	(2,540,496)
Provision for obsolete stock	(70,304)	(8,121)	-	(78,425)
<b>Net deferred tax liability</b>	<b>297,042,135</b>	<b>27,755,791</b>	<b>-</b>	<b>324,797,926</b>

### 14 Lease liabilities

The statement of financial position shows the following amounts relating to leases;

	2023 UGX'000	2023 UGX'000
Non-current	2,319,709	2,221,102
Current	1,900,200	1,874,960
	<b>4,219,910</b>	<b>4,096,061</b>
Movement in lease liabilities in as follows;		
At start of year	4,096,061	8,367,233
Interest expense	950,291	1,269,492
Cash flows:		
- Additions	2,526,567	195,188
- Principal repayments	(2,402,718)	(4,466,360)
- Interest repayments	(950,291)	(1,269,492)
<b>At end of year</b>	<b>4,219,910</b>	<b>4,096,061</b>

### 15. Intangible assets

Year ended 30 June 2023	2023 UGX'000	2022 UGX'000
<b>Cost</b>		
At start of year	2,959,526	980,436
Additions	69,238	1,979,090
<b>At end of year</b>	<b>3,028,764</b>	<b>2,959,526</b>
<b>Depreciation</b>		
At start of year	1,376,254	915,817
Charge for the year	409,666	460,437
<b>At end of year</b>	<b>1,785,920</b>	<b>1,376,254</b>
<b>At end of year</b>	<b>1,242,844</b>	<b>1,583,272</b>

Intangible assets comprise the asset management system and it is stated at cost less accumulated amortisation. It is amortised over its useful life which is assessed to be 5 years.



## Notes to the Financial Statements continued ►

## 16. Property, plant and equipment

Year ended 30 June 2023

	Freehold land UGX'000	Civil Structures UGX'000	Pipe works UGX'000	Technical structures UGX'000	Electromech equipment UGX'000	Office furniture and equipment UGX'000	IT and office equipment UGX'000	Mobile plant UGX'000	Total UGX'000
<b>Cost or valuation</b>									
At start of year	180,481,266	685,478,677	2,125,892,209	318,618,437	358,981,981	23,220,139	10,809,613	12,107,293	3,715,589,616
Additions	1,186,505	4,426,607	-	74,000	8,359,777	3,059,155	1,866,480	2,059,388	21,031,911
Transfer from WIP	-	1,596,810	49,290,236	4,459,487	1,231,796	26,949	7,400	-	56,612,678
At end of year	181,667,770	691,502,094	2,175,182,446	323,151,924	368,573,554	26,306,243	12,683,493	14,166,681	3,793,234,205
<b>Accumulated depreciation</b>									
At start of year	-	50,231,080	205,275,731	30,343,374	42,539,978	14,539,363	6,382,497	9,417,408	358,729,430
Over provision from prior years	-	(1,367,564)	(11,536,868)	(2,405,320)	(4,203,091)	(533,918)	(465,757)	(388,546)	(20,901,063)
Charge for the year	-	13,458,812	50,729,800	8,142,304	14,065,241	4,070,940	2,076,003	2,270,110	94,813,210
At end of year	-	62,322,329	244,468,663	36,080,358	52,402,128	18,076,384	7,992,743	11,298,972	432,641,578
<b>Net book value</b>	181,667,770	629,179,766	1,930,713,783	287,071,566	316,171,426	8,229,858	4,690,749	2,867,709	3,360,592,628

Notes to the Financial Statements continued ►

## 16. Property, plant and equipment

Year ended 30 June 2022	Freehold land UGX'000	Pipe works UGX'000	Technical structures UGX'000	Electromech equipment UGX'000	Office furniture and equipment UGX'000	IT and office equipment UGX'000	Mobile plant UGX'000	Total UGX'000
Cost or valuation	176,510,954	1,624,873,348	236,584,422	204,820,776	16,754,800	7,118,091	10,164,052	2,787,133,165
At start of year	3,970,312	-	1,856,687	14,058,168	3,795,747	1,362,739	512	63,459,771
Additions	-	501,018,861	80,177,328	140,103,037	2,669,592	2,328,783	1,942,729	864,996,680
Transfer from WIP	-	-	-	-	-	-	-	-
At end of year	180,481,266	2,125,892,209	318,618,437	358,981,981	23,220,139	10,809,613	12,107,293	3,715,589,616
Accumulated depreciation	-	-	-	-	-	-	-	-
At start of year	-	142,553,683	18,570,094	24,337,656	9,181,168	3,818,033	6,576,187	237,934,095
Charge for the year	-	62,722,048	11,773,280	18,202,322	5,358,195	2,564,464	2,841,221	120,795,335
At end of year	-	205,275,731	30,343,374	42,539,978	14,539,363	6,382,497	9,417,408	358,729,430
Net book value	180,481,266	1,920,616,479	288,275,063	316,442,003	8,680,777	4,427,116	2,689,885	3,356,860,186

## 17. Capital work in progress

	2022 UGX'000	Additions	Capitalized	2023 UGX'000
Work in progress	41,678,405	58,367,219	61,209,119	38,836,505
Gulu - IPILC	9,151,905	29,636,483	-	38,788,388
Albertine graben Hoima	2,675,165	-	-	2,675,165
Water Management Development Programme	2,899,692	-	-	2,899,692
Development of Water and Sanitation in Mbarara	28,356,245	25,079,466	-	53,435,711
Fort portal Water production	2,428,669	-	-	2,428,669
Kampala WS & SP	2,528,378	-	-	2,528,378
Kampala Sanitation Project	445,293	-	23,408	421,885
Kapeeka upgrade	7,348,491	1,936,765	9,285,256	-
Sembabule Water Project	12,130,120	-	-	12,130,120
IX/MDP	3,405,192	4,832,667	-	8,237,859
KW-LV WATSAN Project	51,317,231	30,646,955	-	81,964,186
Hoima Water Production improvement	1,318,696	3,679,130	-	4,997,826
Lyantonde Water Supply Project	2,196,415	10,645,463	-	12,841,878
Kalungu Water Supply Project	-	6,783,705	-	6,783,705
Kyankwanzi water supply project	-	3,598,308	-	3,598,308
Bushenyi water supply	-	2,739,077	-	2,739,077
	167,879,895	177,945,238	70,517,783	275,307,350

This pertains to the disbursement of funds to various contractors engaged in construction and consulting services, which encompass design and project supervision. The Corporation receives financial support from multiple donors who contribute funds for specific projects.

## 18. Right of use assets

Year ended 30 June 2023

### Cost

At start of year  
Additions

At end of year

### Depreciation

At start of year  
Charge for the year

At end of year

Net book value

	Leasehold land UGX'000	Vehicles UGX'000	Buildings UGX'000	Total UGX'000
At start of year	4,448,562	7,351,303	1,111,976	12,911,841
Additions		2,212,123	314,443	2,526,567
At end of year	4,448,562	9,563,426	1,426,419	15,438,408
At start of year	419,355	2,450,435	277,994	3,147,784
Charge for the year	88,872	3,003,426	389,209	3,481,507
At end of year	508,227	5,453,861	667,203	6,629,291
Net book value	3,940,335	4,109,566	759,216	8,809,117

Year ended 30 June 2022

### Cost

At start of year  
Additions

At end of year

### Depreciation

At start of year  
Charge for the year

At end of year

Net book value

	Leasehold land UGX'000	Vehicles UGX'000	Buildings UGX'000	Total UGX'000
At start of year	4,349,420	7,351,303	1,015,930	12,716,653
Additions	99,142	-	96,046	195,188
At end of year	4,448,562	7,351,303	1,111,976	12,911,841
At start of year	331,542	-	-	331,542
Charge for the year	87,813	2,450,435	277,994	2,816,242
At end of year	419,355	2,450,435	277,994	3,147,784
Net book value	4,029,207	4,900,868	833,982	9,764,057

## 19. Inventories

Stationery  
Chemicals  
Pipes and fittings  
Pump spares  
Fuel & lubricants  
Provision for slow moving stock

Total inventories

	2023 UGX'000	2022 UGX'000
Stationery	556,888	561,519
Chemicals	10,937,128	2,298,049
Pipes and fittings	28,189,876	27,220,564
Pump spares	3,016,050	8,144,816
Fuel & lubricants	-	191,566
Provision for slow moving stock	(279,715)	(261,416)
Total inventories	42,420,227	38,155,099

Notes to the Financial Statements continued ►

## 20. Trade and other receivables

	2023 UGX '000	2022 UGX '000
Trade receivables	200,502,488	159,836,434
Less: expected credit losses	(10,362,186)	(8,468,320)
<b>Net trade receivables</b>	<b>190,140,301</b>	<b>151,368,113</b>
Prepayments	1,136,427	1,344,163
Other receivables	168,006,449	47,821,581
Accrued VAT	4,642,683	11,976,079
<b>Trade and other receivables</b>	<b>363,925,860</b>	<b>212,509,937</b>

	2023			2022		
Trade and other receivables	Gross amount UGX'000	ECL allowance UGX'000	Carrying amount UGX'000	Gross amount UGX'000	ECL allowance UGX'000	Carrying amount UGX'000
Trade receivables	200,502,488	(10,362,186)	190,140,301	159,836,434	(8,468,320)	151,368,113
Prepayments	1,136,427	-	1,136,427	1,344,163	-	1,344,163
Other receivables	168,006,449	-	168,006,449	47,821,581	-	47,821,581
Accrued VAT	4,642,683	-	4,642,683	11,976,079	-	11,976,079
	<b>374,288,047</b>	<b>(10,362,186)</b>	<b>363,925,860</b>	<b>220,978,257</b>	<b>(8,468,320)</b>	<b>212,509,937</b>

The carrying amounts of the Corporation's trade and other receivables are approximates their fair value.

	2023 UGX'000	2022 UGX'000
<b>Movement in ECL impairment allowance</b>		
At start of year	8,468,320	7,151,757
Provision for the year	3,645,350	2,988,491
Bad debt write offs	(1,751,484)	(1,671,928)
At end of year	<b>10,362,186</b>	<b>8,468,320</b>

## 21. Cash and cash equivalents

Cash in hand	2,068,072	8,449,836
Cash held with other banks	7,150,225	8,337,126
Bank of Uganda project accounts	<b>283,715,911</b>	<b>281,741,431</b>
	<b>292,934,209</b>	<b>298,528,393</b>
<b>Bank of Uganda project accounts breakdown as follows;</b>		
KW-WATSAN 1	97,258,485	122,600,544
KW WATSAN 2	3,652,200	15,548,611
South Western Cluster water	98,234,388	115,765,734
WMDP (IWMDP) Project	<b>84,570,838</b>	<b>27,826,541</b>
	<b>283,715,911</b>	<b>281,741,431</b>

For purposes of the statement of cash flows the year end cash and cash equivalents comprise the above. The Corporation's cash and bank balances are held with major Ugandan financial institutions.



Notes to the Financial Statements continued ►

**22. Trade and other payables**

	2023 UGX'000	2022 UGX'000
Trade payables	107,891,138	84,527,032
Accruals	44,571,566	39,846,503
Project accruals	34,582,469	56,753,021
Rechargeable works	1,271,758	2,355,268
Retention money	15,524,734	24,711,662
Value Added Tax	4,503,516	10,795,985
Customer deposits	20,941,164	23,390,342
<b>Total trade and other payables</b>	<b>229,286,345</b>	<b>242,379,813</b>

In the opinion of the directors, the carrying amounts of trade and other payables approximate to their fair value.

The carrying amounts of the Corporation's trade and other payables are denominated in Uganda Shillings

**23. Cash from operations**

		2023 UGX'000	2022 UGX'000
Reconciliation of profit/loss before tax from/(used in) operations			
Profit/(loss) before tax		21,009,459	(11,074,226)
<b>Adjustments for:</b>			
Depreciation on property, plant and equipment	16	94,813,210	120,795,336
Amortisation of right of use assets	17	3,481,507	2,816,242
Amortisation on intangible assets	15	409,666	460,437
Deferred income	3	(79,761,556)	(91,571,697)
Decrease in provision for obsolete stock	19	(18,299)	(27,067)
Stock write down		-	13,677
Bad debts-water services written off	20	1,751,484	1,678,148
Impairment of receivables	20	3,645,350	2,988,491
Interest income	4	(141,224)	(143,307)
Interest on terminal benefits	11	98,369	144,866
Loan interest expense		10,800,943	8,476,678
Interest on lease liabilities	14	950,291	1,269,492
System adjustment		(24,090,540)	175
Transfer from WIP	16	(56,612,678)	-
Increase in provision for retirement benefit obligations	11	25,327,681	23,497,564
Unrealised exchange (gain)/loss		(457,281)	126,626
<b>Changes in working capital:</b>			
- inventories	19	(4,246,829)	(6,315,273)
- trade and other receivables	20	(153,167,407)	(47,369,576)
- annual terminal benefits	11	(13,980,970)	(20,141,592)
- trade and other payables	22	(13,550,749)	41,359,683
<b>Cash (used in)/ from operations</b>		<b>(183,739,573)</b>	<b>26,984,677</b>

Notes to the Financial Statements continued ►

## 24. Related party transactions and balances

The Corporation is wholly owned by the Government of Uganda.

Being the sole distributor of water in the Country, the Corporation supplies water to all Government institutions that are connected to the water network.

The following transactions were carried out with related parties:

- i) Sale of goods and services to government institutions
- ii) Purchase of goods and services from government institutions
- iii) Outstanding balances to government institutions.

### i) 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:

	2023 UGX'000	2022 UGX'000
Salaries and other employee benefits	2,914,061	2,664,561
Termination benefits	716,372	651,475
Bonus	-	82,086
<b>Total key management compensation</b>	<b>3,630,433</b>	<b>3,398,122</b>
<b>ii) Directors' benefits and other remuneration</b>		
Salaries and Benefits to the Managing Director.	555,600	569,208
Retainer fees and benefits to Non-Executive Directors	419,760	328,644
	<b>975,360</b>	<b>897,852</b>

## 25. Captive investment

	2023 UGX'000	2022 UGX'000
At start of year	171,816	60,000
Additions	1,857,092	111,816
At end of year	<b>2,028,908</b>	<b>171,816</b>

Subsidiary	Principal activity	Holding
National Water and Sewerage Corporation Insurance Company (SMC)	Insurance	100%

The Corporation incorporated the NWSC Insurance Company (SMC) to manage its risks and investments. The Company is wholly owned by the Corporation. As at the end of the FY2021/22, the Corporation had already invested UGX 133.8 million on shares of the firm. The Company only operated for one month in the FY2021/22 and the amount spent was treated as an investment for which shares will be allotted. The Company was incorporated in the year 2022/2023 but has not yet been licensed.

Notes to the Financial Statements continued ►

26. Deferred income

	2023 UGX'000	2022 UGX'000
Non-current	2,184,549,229	2,002,059,507
Current	49,121,971	48,914,452
At end of year	2,233,671,200	2,050,973,959

Amounts in UGX'000

Projects	At start of year UGX'000	Revenue grant amortised during the year UGX'000	Capital grant amortised during the year UGX'000	Additions		At end of year
				Donor	GOU	
Kampala Sanitation Project (KFW/AFD)	506,394,572	-	(14,305,679)	-	4,820,000	496,908,893
AFD Donor Fund LV WATSAN	405,196,768	-	-	-	-	405,196,768
WATSAN Project AFD/KFW/EU	687,921,611	-	(25,691,232)	23,868,223	797,088	686,895,690
Water Management Development Project (IDA)	167,831,591	-	(4,176,155)	-	1,300,000	164,955,437
Integrated Program to Improve Living Conditions (KFW/IDA)	37,314,682	-	(688,116)	32,661,031	-	69,287,598
Integrated Water Management Development Project (IDA/KFW)	30,207,621	-	-	96,335,625	-	126,543,246
Kampala South Water and Sanitation Project (DANIDA)	2,118,440	-	-	-	-	2,118,440
South Western Cluster Water and Sanitation Project (AFD)	130,703,359	-	-	77,444,851	-	208,148,211
Water for Virunga	5,289,982	(5,289,982)	-	-	-	-
Donor Grant Funds GTZ	456,674	-	(12,019)	-	-	444,656
Donor Grant Funds SIG	34,370,797	-	(2,000,715)	-	-	32,370,081
Donor Funds	6,481,970	-	(417,395)	-	-	6,064,575
Donor Funds	3,319,293	-	(154,898)	-	-	3,164,395
Donor Funds EDF	4,631,514	-	(264,192)	-	-	4,367,322
Donor Grant Spenco	18,481,501	-	(974,889)	-	-	17,506,612
Donor Fund Urban Poor	4,982,583	-	(189,212)	-	-	4,793,371
Donor Grants AFD	4,833,725	-	(230,177)	-	-	4,603,548
Donor Grants IDA-LVEMP	-	-	-	-	-	-
Donor Funds- IDA -STWSP	213,277	-	(17,293)	-	-	195,984
OBA Project Grant A/C	-	-	-	-	-	-
Grants from other sources	-	(957,053)	-	957,053	-	-
GOU Contribution to Projects (Includes SCAP100)	223,997	(24,392,550)	-	-	24,274,925	106,372
Total	2,050,973,959	(30,639,585)	(49,121,971)	231,266,784	31,192,013	2,233,671,200

Notes to the Financial Statements continued ►

## 27. Risk management objectives and policies

### Financial risk management

The Corporation's activities expose it to a variety of financial risks: market risk (including foreign exchange risk and interest rate risk), credit risk and liquidity risk.

The Corporation's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Corporation's financial performance.

Risk management is carried out by the management under policies approved by the board of directors. Management identifies, evaluates and hedges financial risks in close co-operation with various departmental heads. The board provides written principles for overall risk management, as well as written policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity.

#### (a) Market risk

##### - Foreign exchange risk

The Corporation is exposed to foreign exchange risk arising from currency exposure primarily with respect to the Euros. The risk arises from future transactions, assets and liabilities in the statement of financial position date.

The table below summarizes the effect on post-tax loss and components of equity had the Uganda Shilling weakened by 10% against the Euros, with all other variables held. If the Uganda shilling strengthened against each currency, the effect would have been the opposite.

	2023 UGX'000	2022 UGX'000
Effect on profit - decrease	153,358,811	196,992,399

A 10% sensitivity rate is being used when reporting foreign risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates.

The carrying amounts of the Corporation's cash and cash equivalents are denominated in the following currencies:

	2023 UGX'000	2022 UGX'000
Uganda Shillings	9,160,662	14,330,045
Naira	32,656	61,154
US Dollars	84,573,603	28,302,910
Euros	199,167,288	255,834,284
	292,934,209	298,528,393

#### (b) Credit risk

Credit risk arises from cash and cash equivalents, and deposits with banks and financial institutions, as well as credit exposures to customers, including outstanding receivables.

Credit risk refers to the potential loss that a lender or investor may incur due to the failure of a borrower to repay a loan or meet their financial obligations.

Management assesses the credit quality of the customer, taking into account their financial position, past experience and other factors

Individual limits are set based on internal or external information in accordance with limits set by the management. The utilization of credit limits is regularly monitored.



## 27. Risk management objectives and policies (continued)

### (b) Credit risk (continued)

In assessing whether the credit risk on a financial asset has increased significantly, the Corporation compares the risk of default occurring on the financial asset as at the reporting date with the risk of default occurring on that financial asset as at the date of initial recognition. In doing so, the Corporation considers reasonable and supportable information that is indicative of significant increases in credit risk since initial recognition and that is available without undue cost or effort. There is a rebuttable assumption that the credit risk on a financial asset has increased significantly since initial recognition when contractual payments are more than 30 days past due.

For these purpose default is defined as having occurred if the debtor is in breach of contractual obligations, or if information is available internally or externally that suggests that the debtor unlikely to be able to meet its obligations. However, there is a rebuttable assumption that that default does not occur later than when a financial asset is 90 days past due.

The leases expiring within one year are subject to review at various rates during the next financial year.

The exposure of the Company's leases to interest rate changes and the contractual repricing dates at the reporting date are as follows:

	2023 UGX'000	2022 UGX'000
Over 5 years	15%	15%

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Evidence that a financial asset is credit impaired include observable data about the following events:

- significant financial difficulty of the debtor
- a breach of contract
- it is probable that the debtor will enter bankruptcy
- the disappearance of an active market for the financial asset because of financial difficulties.

The gross carrying amount of financial assets with exposure to credit risk at the balance sheet date was as follows:

Basis for measurement of loss allowance	Lifetime expected credit losses	
	2023 UGX'000	2022 UGX'000
As at 30 June		
Trade receivables	200,502,488	159,836,434
Other receivables	168,006,449	47,821,581
Cash at bank	2,068,072	8,449,836
	370,577,009	216,107,851
Gross carrying amount		
Loss allowance	(10,362,186)	(8,468,320)
Exposure to credit risk	360,214,823	207,639,530

Notes to the Financial Statements continued ►

## 27. Risk management objectives and policies (continued)

### Financial risk management (continued)

#### (b) Credit risk (continued)

Financial assets for which the loss allowance has been measured at an amount equal to lifetime expected credit losses have been analyzed above based on their credit risk ratings as follows:

- a) financial assets for which credit risk has increased significantly since initial recognition but that are not credit impaired;
- b) financial assets that are credit impaired at the balance sheet date;
- c) trade receivables, contract assets and lease receivables for which the loss allowance is always measured at an amount equal to lifetime expected credit losses, based, as a practical expedient, on provision matrices.

	Cash and cash equivalents UGX'000	Trade receivables UGX'000	Total UGX'000
<b>Year ended 30 June 2023</b>			
At start of year	292,934,209	363,925,860	656,860,069
Changes relating to assets	-	-	-
At end of year	292,934,209	363,925,860	656,860,069
	Cash and cash equivalents UGX'000	Trade receivables UGX'000	Total UGX'000
<b>Year ended 30 June 2022</b>			
At start of year	298,528,393	212,509,937	511,038,330
Changes relating to assets	-	-	-
At end of year	298,528,393	212,509,937	511,038,330

#### (c) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. Due to the dynamic nature of the underlying businesses, the Corporation's management maintains flexibility in funding by maintaining availability under committed credit lines.

Management monitors rolling forecasts of the Corporation's liquidity reserve on the basis of cash flow forecasts.

The maturity analysis of Corporation's trade and other payables is as follows:

	0 to 1 month UGX'000	2 to 3 months UGX'000	4 to 12 months UGX'000	Total UGX'000
<b>Year ended 30 June 2023</b>				
Trade payables	10,789,096	32,367,287	64,734,574	107,890,956
Customer deposits	20,941,164	-	-	20,941,164
Accruals and provisions	79,154,036	-	-	79,154,036
Other payables	21,300,008	-	-	21,300,008
	132,184,303	32,367,287	64,734,574	229,286,163

Notes to the Financial Statements continued ►

## 27. Risk management objectives and policies (continued)

### Financial risk management (continued)

#### (c) Liquidity risk (continued)

	0 to 1 month	2 to 3 months	4 to 12 months	Total
	UGX'000	UGX'000	UGX'000	UGX'000
Year ended 30 June 2022				
Trade payables	8,452,703	25,358,110	50,716,219	84,527,032
Customer deposits	23,390,342	-	-	23,390,342
Accruals	96,599,524	-	-	96,599,524
Other payables	37,862,915	-	-	37,862,915
	166,305,484	25,358,110	50,716,219	242,379,813

The table below discloses the undiscounted maturity profile of the Corporation's financial liabilities:

	Between 0-3 months	Between 3-12 months	More than 5 years	Total
	UGX'000	UGX'000	UGX'000	UGX'000
Year ended 30 June 2023				
- Borrowings	-	-	26,497,233	26,497,233
- Trade and other payables	132,184,303	97,101,861	-	229,286,163
- Lease liabilities	1,900,200	-	2,319,709	-
Year ended 30 June 2022				
- Borrowings	-	-	37,629,925	37,629,925
- Trade and other payables	166,305,484	76,074,329	-	242,379,813
- Lease liabilities	1,874,960	-	2,221,102	0

## 28. Capital management

### Internally imposed capital requirements

The Corporation's objectives when managing capital are:

- to comply with the capital requirements set out by the Corporation's lenders;
- to safeguard the entity's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders;
- to maintain an optimal capital structure to reduce the cost of capital.

The Corporation sets the amount of capital in proportion to risk. The Corporation manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Corporation may sell assets to reduce debt. Consistently with others in the industry, the Corporation monitors capital on the basis of the debt-to-adjusted capital ratio. This ratio is calculated as an of Net debt/capital. Net debt is calculated as total debt (as shown in the statement of financial position) less cash and cash equivalents. Capital comprises all components of equity (i.e. Government funding, revaluation reserves and retained earnings).

## 28. Capital management (continued)

### Internally imposed capital requirements (continued)

The gearing ratios at 30 June 2023 and 2022 were as follows:

	2023 UGX'000	2022 UGX'000
Total borrowings (Note 11)	114,027,862	53,819,151
Less cash and cash equivalents (Note 18)	(292,934,209)	(298,528,393)
Net debt	(178,906,347)	(244,709,242)
Total equity	1,437,542,119	1,392,543,614
Gearing ratio	-0.12	-0.18

### Externally imposed capital requirements

The Corporation's bankers have established certain guidelines for the management of capital and working capital. These are

- dividend pay-outs and any changes in the capital structure of the Corporation must first be approved in writing by the bankers.

## 29. Presentation currency

The financial statements are presented in Uganda Shillings (UGX) rounded off to the nearest thousand (UGX, 000).

## 30. Contingent liabilities

The Corporation is involved in a number of legal suits which were yet to be concluded upon by the date of authorization of these financial statements. Management continually monitors all potential, threatened and actual legal cases and assesses the exposure to the Corporation, if any. Management is confident that any exposure to the Corporation is adequately covered and those considered as contingencies are assessed as not likely to crystallize.

## 31. Capital commitments

The Corporation is fully committed to implementing water infrastructure projects in order to meet the ever growing demand for their services. There are six broad categories of infrastructure projects in the Corporation, namely;

	2023 UGX'000
Capital expenditure implemented by areas	34,313,881
Capital projects-implemented by head office	5,700,000
NWSC contribution to major capital projects	8,050,000
Contributions by GOU to major capital projects	215,005,799
Contributions by Development partners to major capital projects	531,212,000
	<u>794,281,680</u>

The Board approved an allocation of UGX 794 billion for the implementation of capital projects in the year 2023/2024.

## 32. Events after the reporting period

There were no events adjusting or non-adjustable which would require a disclosure in the financial statements.



## Schedule Of Expenditure

	2023 UGX'000	2022 UGX'000
<b>1 Employee benefit expenses</b>		
Basic pay	81,226,214	76,591,901
Housing expense	18,614,543	17,500,073
Medical expense	9,141,840	10,040,589
National Social Security Fund contributions	12,357,199	11,727,591
Lunch and transport allowance	7,451,114	7,061,862
Car and cycle allowance	9,793,230	8,865,288
Performance/attendance bonus and overtime	3,726,804	3,512,004
Work bonus	290,480	1,886,177
Leave transport and allowance	2,677,426	2,544,353
Annual terminal benefits	25,327,681	23,497,564
Shift allowance	515,653	490,117
Terminal benefits interest	98,369	144,866
Provident fund	4,497,773	3,404,627
Workmen's compensation	-	10,900
Funeral expenses	397,011	294,748
<b>Total employee benefits expenses</b>	<b>176,115,337</b>	<b>167,572,661</b>
<b>2. Administrative expenses</b>		
Board expenses	2,316,156	2,563,975
Meeting expenses	7,309,985	3,921,332
Local travels	21,953,208	13,450,303
Foreign travels	2,999,636	723,941
Publicity	13,238,670	12,575,536
Entertainment	184,201	2,439
General insurance	28,140	58,340
Legal and professional expenses	1,017,144	1,048,230
Training expenses and allowances	2,493,596	4,037,519
Donations and subscriptions	2,352,571	1,685,670
Lunch and transport	22,879,058	16,286,923
Contribution to staff sports	310,890	217,314
Process bench marking	-	6,096
Security	5,410,529	5,563,604
Bad debts - water services written off	-	1,671,928
Staff transfer	330,723	378,223
Other professional charges	3,028,009	1,872,828
Bank charges	443,367	375,499
Research expense	10,945	-
Performance review expenses	3,757	4,019
Audit fees	231,363	191,651
Courier	-	355
Stock write down	-	13,677
Systems adjustments	(24,090,776)	175
Increase in provision for obsolete stock	18,299	27,067
<b>Total administrative expenses</b>	<b>62,469,470</b>	<b>66,676,644</b>
<b>3. Static plant and pipe network expense</b>		
Electricity	79,568,431	73,739,894
Plant repairs & maintenance	8,474,123	7,177,326
Pipe network repairs & maintenance	16,962,820	21,855,586
Fuel and lubricants	7,344,567	5,308,539
Insurance	-	2,787
Sand	204,845	217,973
Disludging Sewerage Ponds	292,547	126,027
Water abstraction permits	111,024	257,364
Catchment Restoration	289,274	159,956
	<b>113,247,631</b>	<b>108,845,453</b>

## Schedule Of Expenditure cont'd

	2023 UGX '000	2022 UGX '000
<b>4. Supplies and services expenses</b>		
Water treatment chemicals	25,841,478	22,176,589
Equipment repairs and minor purchase	406,536	375,826
Printing, stationery and publications	3,311,398	3,449,871
Tools and light plant	418,408	382,954
Uniforms and protective wear	1,223,171	1,135,172
Computer license	877,728	661,016
Lease of data communication links	963,129	879,407
Office supplies	3,414,161	2,801,741
Laboratory equipment and reagents	565,070	321,954
Laboratory equipment	40,715	39,466
	<b>37,061,793</b>	<b>32,223,996</b>
<b>5. Premises expenses</b>		
Repairs and maintenance	6,111,574	4,807,514
Cleaning materials	1,047,917	1,017,008
Electricity	814,165	693,524
Water	276,327	229,244
Fixtures and fittings	292,294	368,082
Property Insurance	-	-
Rent, rates and telephone	2,557,676	2,502,210
	<b>11,099,953</b>	<b>9,617,582</b>
<b>6. Transport and mobile plant expenses</b>		
Fuel and lubricants	12,149,583	9,685,415
Repairs and maintenance	1,822,389	1,470,193
Hire of transport	1,268,948	311,401
Insurance	-	13,966
License, road toll and taxes	150,519	121,178
	<b>15,391,439</b>	<b>11,602,154</b>
<b>7. Finance costs</b>		
Exchange (gain)/loss	(457,281)	115,251
Interest on Long term loan	10,800,943	8,361,428
Interest on right of use assets	950,291	1,269,492
	<b>11,293,952</b>	<b>9,746,170</b>
<b>8. Depreciation and amortisation</b>		
Depreciation on property, plant and equipment (Note 15)	94,813,210	120,795,336
Amortisation of intangibles (Note 18)	409,666	460,437
Amortisation of right of use (Note 17)	3,481,509	2,816,241
	<b>98,704,385</b>	<b>124,072,014</b>

## Period covered: 12 Months

	2023 UGX	2022 UGX
Profit/(Loss) before tax as per financial statement	21,009,459,167	(11,074,226,060)
<b>Add:</b>		
Depreciation	94,813,210,338	120,795,335,723
Amortisation of right to use assets	3,481,508,685	-
Amortisation of intangible assets	409,665,600	460,437,000
Donations	2,021,543,783	1,481,785,422
Funeral expenses	397,011,128	294,748,478
Entertainment	184,200,786	2,439,150
Contribution to staff loans	310,889,710	-
Provision for gratuity	310	-
Office supplies	3,414,161,450	24,836,389
Increase in bad debt provision	3,645,349,883	996,644,507
Bad debts written off	1,751,483,877	-
Interest on lease liability	950,291	-
Provision for slow moving stock	-	27,067,461
Legal fees	-	126,810,216
	131,439,435,007	113,135,878,286
<b>Less:</b>		
Industrial buildings allowances	21,205,147,164	20,721,194,457
Wear and tear allowance	213,166,828,359	262,452,917,339
Minor Capital allowance	101,595,816	188,155,669
Initial allowance	30,665,809,834	50,257,222,685
Non chargeable deferred income	79,761,555,785	91,571,696,762
Rental income taxed separately	128,123,719	116,831,783
Lease liability payments	3,684,850,814	-
	348,713,911,491	425,308,018,695
<b>TAX LOSS BROUGHT FORWARD</b>	(734,139,660,307)	(421,967,519,898)
<b>ADJUSTED TAX LOSS FOR THE YEAR</b>	(217,274,476,483)	(312,172,140,409)
<b>ADJUSTED TAX LOSS CARRIED FORWARD</b>	(951,414,136,790)	(734,139,660,307)
<b>Tax at 30%</b>	<b>NIL</b>	<b>NIL</b>
<b>Rental income</b>		
Rental income as per the financial statements	128,123,719	116,831,783
Rental income taxable	128,123,719	116,831,783
<b>Tax at 30%</b>	<b>38,437,116</b>	<b>35,049,535</b>

## Wear and tear schedule

	Class (i) 40% UGX	Class (ii) 20% UGX	Total UGX
Written down values 01/07/2022	2,044,555,111	1,044,359,522,391	1,046,404,077,502
Additions at cost	1,873,879,977	64,054,854,800	65,928,734,777
Minor capex now expensed	(3,934,000)	(97,661,816)	(101,595,816)
<b>Adjusted additions at cost(i)</b>	<b>1,869,945,977</b>	<b>63,957,192,984</b>	<b>65,827,138,961</b>
Non qualifying additions for initial allowance	38,264,840	21,319,241,129	21,357,505,969
Motor vehicle ceiling capped out & office furniture	-	(4,010,261,629)	(4,010,261,629)
<b>Net non-qualifying additions for initial allowance(ii)</b>	<b>38,264,840</b>	<b>17,308,979,500</b>	<b>17,347,244,340</b>
Qualifying additions for initial allowance, but depreciation deferred (i-ii)	1,831,681,137	46,648,213,484	48,479,894,621
<b>Sub total</b>	<b>2,082,819,951</b>	<b>1,061,668,501,891</b>	<b>1,063,751,321,842</b>
Wear and tear allowance	(833,127,980)	(212,333,700,378)	(213,166,828,359)
<b>Written down values 30/06/2023</b>	<b>1,249,691,971</b>	<b>849,334,801,513</b>	<b>850,584,493,483</b>

Industrial Building Allowance Years	Original cost UGX	Residue start of year UGX	Allowance 5% UGX	Residue cost end of year UGX
2004	845,325,000	84,532,500	42,266,250	42,266,250
2005	144,284,000	14,428,000	7,214,200	7,213,800
2006	519,163,000	77,874,500	25,958,150	51,916,350
2007	911,699,000	182,339,500	45,584,950	136,754,550
2008	1,478,955,000	369,738,500	73,947,750	295,790,750
2009	14,352,000	4,306,000	717,600	3,588,400
2010	375,987,000	131,595,000	18,799,350	112,795,650
2011	4,810,132,000	1,924,052,000	240,506,600	1,683,545,400
2012	32,214,000	14,496,000	1,610,700	12,885,300
2013	2,633,407,514	1,316,703,757	131,670,376	1,185,033,381
2014	32,436,819,280	17,840,250,604	1,621,840,964	16,218,409,640
2015	4,032,912,000	2,419,747,200	201,645,600	2,218,101,600
2016	285,578,807	185,626,225	14,278,940	171,347,285
2017	454,537,544	318,176,281	22,726,877	295,449,404
2018	10,253,160,567	7,689,870,426	512,658,028	7,177,212,398
2019	48,368,194,712	38,694,555,769	2,418,409,736	36,276,146,033
2020	136,342,987,331	115,891,539,231	6,817,149,367	109,074,389,864
2021	170,484,180,380	161,959,971,361	8,524,209,019	153,435,762,342
2022	10,538,741,673	9,449,800,018	526,937,084	8,922,862,934
Current expenditure	-	421,549,667	21,077,483	400,472,184
Rental building IBD	-	-	(64,061,860)	(64,061,860)
	<b>424,962,630,808</b>	<b>358,991,152,539</b>	<b>21,205,147,164</b>	<b>337,657,881,655</b>

Initial Allowance	Cost UGX	Building 20% UGX	Eligible PPE 50% UGX	Total UGX
Civil structures	5,304,571,598	1,060,914,320	-	4,243,657,278
	700,683,386	140,136,677	-	560,546,709
Electrical chemical	7,722,571,605	-	3,861,285,803	3,861,285,803
Information technology	1,831,681,137	-	915,840,569	915,840,569
Pipe works	34,735,380,250	-	17,367,690,125	17,367,690,125
Technical structures	4,533,486,689	906,697,338	-	3,626,789,351
Mobile plant(motor vehicle)	180,000,000	-	90,000,000	90,000,000
	<b>55,008,374,665</b>	<b>2,107,748,335</b>	<b>22,234,816,496</b>	<b>30,665,809,834</b>





# Annexes and Key Contacts



## ANNEX 1: Water Production (m³) and Capacity Utilization (%) for the FY 2022/23

Area	Practical Capacity m³/day	Total Water Produced	Average Production m³/day	Capacity Utilization (%)
<b>Kampala</b>	402,000	105,285,447	288,453	72%
<b>Central Region</b>				
Bugiri	509	102,557	281	55%
Buwama	1,680	320,474	878	52%
Bweyale	1,021	235,668	646	63%
Entebbe	29,500	9,654,746	26,451	90%
Iganga	1,504	176,377	483	32%
Jinja	30,600	9,442,126	25,869	85%
Kakumiro	376	44,749	298	79%
Kalungu	2,090	247,275	677	32%
Kamuli	1,490	221,536	607	41%
Kapeeka	5,428	733,885	2,011	37%
Kigumba	1,071	134,583	369	34%
Kyotera	2,662	663,678	1,818	68%
Lugazi	3,522	413,090	1,132	32%
Luweero	7,812	803,180	2,200	28%
Lwengo	913	278,157	762	83%
Masaka	8,272	2,698,779	7,394	89%
Mityana	2,500	854,873	2,342	94%
Mpiqi	1,870	231,821	635	34%
Mubende	3,974	744,938	2,041	51%
Nakasongola	501	15,043	501	100%
Sembabule	2,649	428,948	1,175	44%
<b>Sub Total</b>	<b>109,944</b>	<b>28,446,483</b>	<b>78,572</b>	<b>71%</b>
<b>Eastern Region</b>				
Bukedea	658	99,086	271	41%
Kaabong	185	15,739	173	93%
Kaberaimado	259	75,398	207	80%
Kapchorwa	2,700	408,623	1,120	41%
Kotido	262	121,384	333	127%
Kumi	2,676	536,765	1,471	55%
Manafwa	6,400	215,921	592	9%
Mbale	12,344	2,972,984	8,145	66%
Moroto	1,461	320,978	879	60%
Soroti	12,660	1,881,842	5,156	41%
Tororo	14,003	1,701,091	4,661	33%
<b>Sub Total</b>	<b>53,608</b>	<b>8,349,811</b>	<b>23,006</b>	<b>43%</b>
<b>Northern Region</b>				
Adjumani	2,779	448,810	1,230	44%
Apac	3,129	275,610	755	24%
Arua	13,600	1,577,549	4,322	32%
Gulu	20,223	2,027,222	5,554	27%
Kitgum	3,944	390,700	1,070	27%
Koboko	1,800	350,555	960	53%
Lira	8,688	2,537,199	6,951	80%
Moyo	636	219,152	600	94%
Nebbi	2,607	838,658	2,298	88%
Pader	2,440	205,783	564	23%
Pakwach	1,500	412,449	1,130	75%
<b>Sub Total</b>	<b>61,346</b>	<b>9,283,687</b>	<b>25,435</b>	<b>41%</b>
<b>Western &amp; Southwestern</b>				
Bunyangabu	1,800	530,543	1,454	81%
Bushenyi	4,419	1,225,159	3,357	76%
Fort Portal	7,822	1,535,675	4,207	54%
Hoima	8,868	599,244	1,642	19%
Ibanda	1,772	407,738	1,117	63%
Kabale	6,000	799,765	2,191	37%
Kamwenge	4,376	437,621	1,199	27%
Kanungu	4,528	543,072	1,488	33%
Kasese	3,827	1,304,331	3,574	93%
Kisoro	6,360	579,202	1,587	25%
Kyankwanzi	180	56,993	156	87%
Kyenjojo	3,020	169,981	466	15%
Lyantonde	2,788	641,097	1,756	63%
Masindi	4,000	995,397	2,727	68%
Mbarara	20,000	6,871,156	18,825	94%
Mitooma	814	217,570	596	73%
Mpondwe	6,535	495,367	1,357	21%
Ntoroko	1,120	132,047	362	32%
Ntungamo	3,126	502,731	1,377	44%
Rubirizi	30,000	275,463	755	3%
Ruhama	788	159,425	437	55%
Rukiga	368	69,069	189	51%
Rukungiri	2,116	263,701	722	34%
Rushere	470	187,891	515	110%
Sheema	4,330	415,511	1,138	26%
<b>Sub Total</b>	<b>129,427</b>	<b>19,415,749</b>	<b>53,194</b>	<b>41%</b>
<b>TOTAL</b>	<b>756,325</b>	<b>170,781,176</b>	<b>468,659</b>	<b>62%</b>

## ANNEX 2: Volume of Water Supplied (m³) and Water Sold (m³) for the FY 2022/23

Area	Water Supplied m3	Water Sold m3	Billing Efficiency (%)	NRW (%)
<b>Kampala</b>	101,923,095	60,333,830	59%	41%
<b>Central Region</b>				
Bugiri	101,446	91,553	90%	10%
Buwama	259,842	217,694	84%	16%
Bweyale	234,995	206,652	88%	12%
Entebbe	8,571,727	6,119,670	71%	29%
Iganga	850,505	693,666	82%	18%
Jinja	7,741,555	6,346,607	82%	18%
Kakumiro	56,225	36,015	64%	36%
Kalungu	195,458	147,284	75%	25%
Kamuli	183,457	160,773	88%	12%
Kapeeka	669,490	583,865	87%	13%
Kigumba	135,070	122,964	91%	9%
Kyotera	514,291	382,476	74%	26%
Lugazi	413,090	338,455	82%	18%
Luweero	820,416	705,335	86%	14%
Lwengo	276,974	165,174	60%	40%
Masaka	2,504,834	1,795,731	72%	28%
Mityana	833,062	544,941	65%	35%
Mpigi	209,093	170,083	81%	19%
Mubende	734,873	603,548	82%	18%
Nakasongola	96,559	63,018	65%	35%
Sembabule	428,948	395,399	71%	29%
<b>Sub Total</b>	<b>25,831,909</b>	<b>19,800,903</b>	<b>77%</b>	<b>23%</b>
<b>Eastern &amp; Northern Region</b>				
Bukedea	99,086	77,685	78%	22%
Kaabong	16,213	13,557	84%	16%
Kaberamaldo	75,398	67,013	89%	11%
Kapchorwa	285,417	188,573	66%	34%
Kotido	121,384	104,002	86%	14%
Kumi	450,969	356,584	79%	21%
Manafwa	184,720	148,215	80%	20%
Mbale	2,766,626	2,041,472	74%	26%
Moroto	294,045	253,667	86%	14%
Soroti	1,555,138	1,234,540	79%	21%
Tororo	1,635,198	1,259,931	77%	23%
<b>Sub Total</b>	<b>7,484,194</b>	<b>5,745,239</b>	<b>77%</b>	<b>23%</b>
<b>Northern Region</b>				
Adjumani	389,909	295,954	76%	24%
Apac	244,589	206,817	85%	15%
Arua	1,577,549	1,245,829	79%	21%
Gulu	1,906,951	1,441,584	76%	24%
Kitgum	354,766	272,390	77%	23%
Koboko	334,566	253,894	76%	24%
Lira	2,282,757	1,654,248	72%	28%
Moyo	197,941	172,687	87%	13%
Nebbi	564,647	454,359	80%	20%
Pader	198,328	155,530	78%	22%
Pakwach	341,243	245,176	72%	28%
<b>Sub Total</b>	<b>8,393,246</b>	<b>6,398,468</b>	<b>76%</b>	<b>24%</b>
<b>Western &amp; Southwestern Region</b>				
Bunyangabu	521,519	407,541	78%	22%
Bushenyi	977,272	708,883	73%	27%
Fort Portal	1,273,982	1,000,429	79%	21%
Hoima	564,180	416,182	74%	26%
Ibanda	381,639	308,019	81%	19%
Kabale	719,532	568,067	79%	21%
Kamwenge	517,734	353,671	68%	32%
Kanungu	543,072	401,401	74%	26%
Kasese	1,084,284	845,142	78%	22%
Kisoro	602,052	469,987	78%	22%
Kyankwanzi	55,976	54,699	98%	2%
Kyenjojo	136,739	108,360	79%	21%
Lyantonde	376,093	303,866	81%	19%
Masindi	938,334	700,538	75%	25%
Mbarara	6,599,046	4,059,946	62%	38%
Mitooma	199,650	151,781	76%	24%
Mpondwe	478,896	428,488	89%	11%
Ntoroko	104,026	79,456	76%	24%
Ntungamo	414,682	344,963	83%	17%
Rubirizi	275,463	210,937	77%	23%
Ruhama	166,557	129,931	78%	22%
Rukiga	68,732	58,955	86%	14%
Rukungiri	281,962	218,136	77%	23%
Rushere	241,302	205,566	85%	15%
Sheema	403,986	341,832	85%	15%
<b>Sub Total</b>	<b>17,926,709</b>	<b>12,876,776</b>	<b>72%</b>	<b>28%</b>
<b>Total NWSC</b>	<b>161,559,152</b>	<b>105,155,216</b>	<b>65%</b>	<b>35%</b>
<b>Total Other Areas</b>	<b>59,636,058</b>	<b>44,821,386</b>	<b>75%</b>	<b>25%</b>

### ANNEX 3: Status of NWSC Pipe Network (Km) for the FY 2022/23

Area	Water Mains (Km)		Sewer Mains (km)	
	New Extensions	Total Pipe Network	New Extensions	Total Pipe Network
<b>Kampala</b>	<b>108.7</b>	<b>3,949.1</b>	<b>2.3</b>	<b>304.0</b>
<b>Central Region</b>				
Bugiri	3.0	97.2	0.0	0.0
Buwama	0.0	215.0	0.0	0.0
Bweyale	0.0	188.5	0.0	0.0
Entebbe	8.8	521.8	5.7	69.4
Iganga	0.0	384.5	0.0	6.2
Jinja	15.0	859.9	1.8	91.4
Kakumiro	0.2	71.0	0.0	0.0
Kalungu	18.0	134.9	0.0	0.0
Kamuli	2.2	155.7	0.0	0.0
Kapeeka	18.1	169.7	0.0	0.0
Kigumba	10.0	243.7	0.0	0.0
Kyotera	10.0	241.6	0.0	0.0
Lugazi	16.0	236.9	0.0	0.0
Luweero	0.0	672.3	0.0	0.0
Lwengo	6.5	230.0	0.0	0.0
Masaka	10.1	379.0	0.8	27.2
Mityana	4.0	279.0	0.0	0.0
Mpigi	0.0	155.0	0.0	0.0
Mubende	0.0	290.4	0.0	0.0
Nakasongola	4.0	134.6	0.0	0.0
Sembabule	13.2	369.8	0.0	0.0
<b>Sub Total</b>	<b>139.1</b>	<b>6,030.4</b>	<b>8.3</b>	<b>194.1</b>
<b>Eastern Region</b>				
Bukedea	0.3	137.5	0.0	0.0
Kaabong	0.0	47.7	0.0	0.0
Kaberaido	11.3	96.3	0.0	0.0
Kapchorwa	0.0	306.3	0.0	0.0
Kotido	0.0	49.0	0.0	0.0
Kumi	7.1	620.1	0.0	0.0
Manafwa	0.0	109.3	0.0	0.0
Mbale	0.9	298.0	0.0	37.4
Moroto	0.0	489.1	0.0	0.0
Soroti	5.2	174.2	0.0	25.1
Tororo	0.0	86.0	1.6	36.7
<b>Sub Total</b>	<b>24.7</b>	<b>2,413.3</b>	<b>1.6</b>	<b>99.2</b>
<b>Northern Region</b>				
Adjumani	0.0	143.4	0.0	0.0
Apac	3.0	171.7	0.0	0.0
Arua	50.0	579.9	0.7	36.6
Gulu	5.9	306.1	0.5	18.1
Kitgum	5.9	145.7	0.0	0.0
Koboko	5.2	127.7	0.0	0.0
Lira	5.0	343.8	0.0	23.3
Moyo	2.0	87.4	0.0	0.0
Nebbi	15.9	140.7	0.0	0.0
Pader	8.0	283.3	0.0	0.0
Pakwach	5.0	206.4	0.0	0.0
<b>Sub Total</b>	<b>105.8</b>	<b>2,536.0</b>	<b>1.2</b>	<b>78.0</b>
<b>Western &amp; Southwestern Region</b>				
Bunyangabu	0.0	472.4	0.0	0.0
Bushenyi	32.4	237.6	0.0	0.0
Fort Portal	0.0	320.9	0.0	2.1
Hoima	0.6	275.6	1.5	10.1
Ibanda	20.6	321.7	0.0	0.0
Kabale	0.0	364.4	0.0	18.0
Kamwenge	4.9	502.4	0.0	0.0
Kanungu	10.4	508.5	0.0	0.0
Kasese	2.5	240.0	0.0	0.0
Kisoro	10.0	333.5	1.0	5.5
Kyankwanzi	0.0	26.0	0.0	0.0
Kyenjojo	21.0	101.0	0.0	0.0
Lyantonde	8.0	354.5	0.0	0.0
Masindi	9.5	337.6	0.0	16.2
Mbarara	7.6	826.8	0.7	34.7
Mitooma	2.0	110.3	0.0	0.0
Mpondwe	0.0	144.4	0.0	0.0
Ntoroko	3.4	76.1	0.0	0.0
Ntungamo	9.6	375.6	0.0	0.0
Rubirizi	21.0	130.9	0.0	0.0
Ruhama	11.9	292.4	0.0	0.0
Rukiga	0.0	154.0	0.0	0.0
Rukungiri	1.7	347.4	0.0	0.0
Rushere	12.1	437.7	0.0	0.0
Sheema	21.1	426.0	0.0	0.0
<b>Sub Total</b>	<b>210.2</b>	<b>7,717.6</b>	<b>3.2</b>	<b>86.7</b>
<b>TOTAL</b>	<b>588.5</b>	<b>22,646.3</b>	<b>16.5</b>	<b>761.9</b>



#### ANNEX 4: Status of Water Connections for the FY 2022/23

Area	New Water Connections	Total Accounts	Active Accounts	Inactive Accounts	Metered Accounts	% Inactive Accounts	% Metered Accounts
<b>Kampala</b>	21,329	411,750	356,851	54,899	411,750	13%	100%
<b>Central Region</b>							
Bugiri	118	1,869	1,389	480	1,869	26%	100%
Buwama	261	3,239	3,130	109	3,239	3%	100%
Bweyale	261	2,684	2,488	196	2,684	7%	100%
Entebbe	2659	46,407	39,118	7,289	46,407	16%	100%
Iganga	540	11,211	8,882	2,329	11,211	21%	100%
Jinja	1887	37,015	30,541	6,474	37,015	17%	100%
Kakumiro	84	1,120	1,041	79	1,120	7%	100%
Kalungu	175	2,810	2,467	343	2,810	12%	100%
Kamuli	134	3,661	3,024	637	3,661	17%	100%
Kapeeka	280	3,339	3,202	137	3,339	4%	100%
Kigumba	134	2,284	1,842	442	2,284	19%	100%
Kyotera	333	6,822	6,073	749	6,822	11%	100%
Lugazi	313	5,470	4,779	691	5,470	13%	100%
Luweero	605	11,517	10,098	1419	11,517	12%	100%
Lwengo	144	3,280	2,810	470	3,280	14%	100%
Masaka	979	19,086	15,360	3726	19,086	20%	100%
Mityana	536	7676	6744	932	7676	12%	100%
Mpigi	210	3178	2708	470	3178	15%	100%
Mubende	396	6,770	5,897	873	6,770	13%	100%
Nakasongola	51	1,478	1,369	109	1,478	7%	100%
Sembabule	395	2,931	2,768	163	2,931	6%	100%
<b>Sub Total</b>	<b>10,495</b>	<b>183,847</b>	<b>155,730</b>	<b>28,117</b>	<b>183,847</b>	<b>16%</b>	<b>100%</b>
<b>Eastern Region</b>							
Bukedea	85	1,280	975	305	1,280	24%	100%
Kaabong	-	559	411	148	559	26%	100%
Kaberaimaido	96	936	755	181	936	19%	100%
Kapchorwa	284	2,892	2,655	237	2,892	8%	100%
Kotido	82	668	441	227	668	34%	100%
Kumi	330	3,904	3,455	449	3,904	12%	100%
Manafwa	398	5,977	4,595	1,382	5,977	23%	100%
Mbale	1,507	22,283	18,151	4,132	22,283	19%	100%
Moroto	124	1650	1316	334	1650	20%	100%
Soroti	582	10,705	7791	2914	10,705	27%	100%
Tororo	695	15,367	10,682	4,685	15,367	30%	100%
<b>Sub Total</b>	<b>4,183</b>	<b>66,221</b>	<b>51,227</b>	<b>14,994</b>	<b>66,221</b>	<b>23%</b>	<b>100%</b>
<b>Northern Region</b>							
Adjumani	373	3,878	3,295	583	3,878	15%	100%
Apac	184	2,982	2,848	134	2,982	4%	100%
Arua	713	11,589	8,875	2,714	11,589	23%	100%
Gulu	1408	12,758	11,328	1430	12,758	11%	100%
Kitgum	236	5,031	4,341	690	5,031	14%	100%
Koboko	191	2,526	2,160	366	2,526	14%	100%
Lira	834	17,023	13,088	3935	17,023	23%	100%
Moyo	136	2,916	2,668	248	2,916	9%	100%
Nebbi	321	6,124	5,140	984	6,124	16%	100%
Pader	153	3,751	2,869	882	3,751	24%	100%
Pakwach	157	2,285	1,739	546	2,285	24%	100%
<b>Sub Total</b>	<b>4,706</b>	<b>70,863</b>	<b>58,351</b>	<b>12,512</b>	<b>70,863</b>	<b>18%</b>	<b>100%</b>
<b>Western &amp; Southwestern Region</b>							
Bunyangabu	251	5,007	4,320	687	5,007	14%	100%
Bushenyi	838	9,332	8,695	637	9,332	7%	100%
Fort Portal	706	13,064	12,002	1,062	13,064	8%	100%
Hoiima	277	7,015	5,647	1368	7,015	20%	100%
Ibanda	235	6,139	5,287	852	6,139	14%	100%
Kabale	386	8,053	6,337	1716	8,053	21%	100%
Kamwenge	468	6,431	5,962	469	6,431	7%	100%
Kanungu	411	6,530	5,764	766	6,530	12%	100%
Kasese	457	9,615	8,178	1437	9,615	15%	100%
Kisoro	369	5,329	4,964	365	5,329	7%	100%
Kyankwanzi	52	221	215	6	221	3%	100%
Kyenjojo	98	2,046	1,940	106	2,046	5%	100%
Lyantonde	136	3,231	2,683	548	3,231	17%	100%
Masindi	372	7,434	6,331	1103	7,434	15%	100%
Mbarara	2469	35,360	30,892	4468	35,360	13%	100%
Mitooma	315	2,850	2,700	150	2,850	5%	100%
Mpondwe	259	4,681	3,979	702	4,681	15%	100%
Ntoroko	77	831	679	152	831	18%	100%
Ntungamo	370	5,558	4,723	835	5,558	15%	100%
Rubirizi	151	2,145	1,946	199	2,145	9%	100%
Ruhama	162	2,595	1,643	952	2,595	37%	100%
Rukiga	129	1,252	1,231	21	1,252	2%	100%
Rukungiri	236	4,863	4,306	557	4,863	11%	100%
Rushere	192	2,860	2,788	72	2,860	3%	100%
Sheema	462	6,976	6,366	610	6,976	9%	100%
<b>Sub Total</b>	<b>9,878</b>	<b>159,418</b>	<b>139,578</b>	<b>19,840</b>	<b>159,418</b>	<b>13%</b>	<b>100%</b>
<b>TOTAL</b>	<b>50,591</b>	<b>892,099</b>	<b>761,737</b>	<b>130,362</b>	<b>892,099</b>	<b>15%</b>	<b>100%</b>

## ANNEX 5: Status of Pro-Poor Connections for the FY 2022/23

Area	New PSPs	Active PSPs	Inactive PSPs	Total PSPs
<b>Kampala</b>	1,060	5,378	2,532	7,910
<b>Central Region</b>				
Bugiri	12	64	13	77
Buwama	11	202	1	203
Bweyale	30	255	6	261
Entebbe	23	410	17	427
Iganga	49	638	24	662
Jinja	101	1385	71	1456
Kakumiro	4	69	3	72
Kalungu	10	91	0	91
Kamuli	10	183	22	205
Kapeeka	24	150	0	150
Kigumba	17	105	6	111
Kyotera	6	219	17	236
Lugazi	11	202	14	216
Luweero	25	263	26	289
Lwengo	11	178	17	195
Masaka	25	370	29	399
Mityana	25	369	0	369
Mpigi	14	71	3	74
Mubende	19	256	7	263
Nakasongola	5	72	0	72
Sembabule	30	166	1	167
<b>Sub Total</b>	<b>462</b>	<b>5,718</b>	<b>277</b>	<b>5,995</b>
<b>Eastern Region</b>				
Bukedea	4	47	0	47
Kaabong	0	14	3	17
Kaberamaido	4	49	4	53
Kapchorwa	26	126	13	139
Kotido	6	35	16	51
Kumi	25	151	7	158
Manafwa	41	266	38	304
Mbale	114	800	84	884
Moroto	6	68	42	110
Soroti	9	370	85	455
Tororo	70	825	331	1156
<b>Sub Total</b>	<b>305</b>	<b>2,751</b>	<b>623</b>	<b>3,374</b>
<b>Northern Region</b>				
Adjumani	2	77	14	91
Apac	12	260	3	263
Arua	7	272	69	341
Gulu	27	257	34	291
Kitgum	34	139	9	148
Koboko	7	137	8	145
Lira	44	685	123	808
Moyo	8	78	14	92
Nebbi	8	331	22	353
Pader	14	145	21	166
Pakwach	22	170	5	175
<b>Sub Total</b>	<b>185</b>	<b>2,551</b>	<b>322</b>	<b>2,873</b>
<b>Western &amp; Southwestern Region</b>				
Bunyangabu	8	379	52	431
Bushenyi	162	964	16	980
Fort Portal	12	399	45	444
Hoima	15	177	17	194
Ibanda	12	202	15	217
Kabale	47	299	58	357
Kamwenge	73	732	42	774
Kanungu	74	935	79	1014
Kasese	14	215	11	226
Kisoro	16	260	6	266
Kyankwanzi	8	34	0	34
Kyenjojo	9	31	2	33
Lyantonde	15	280	23	303
Masindi	6	285	26	311
Mbarara	40	562	81	643
Mitooma	62	330	3	333
Mpondwe	0	233	21	254
Ntoroko	51	105	0	105
Ntungamo	12	250	40	290
Rubirizi	9	211	30	241
Ruhama	43	197	98	295
Rukiga	48	205	7	212
Rukungiri	17	338	43	381
Rushere	9	178	2	180
Sheema	34	405	13	418
<b>Sub Total</b>	<b>796</b>	<b>8,206</b>	<b>730</b>	<b>8,936</b>
<b>Total</b>	<b>2,808</b>	<b>24,604</b>	<b>4,484</b>	<b>29,088</b>

## ANNEX 6: Status of Sewer Connections for the FY 2022/23

Area	New Sewer Connections	Total Sewer Connections		
		Active	Inactive	Total
<b>Kampala</b>	111	12,782	1632	14,414
<b>Central Region</b>				
Bugiri	0	0	0	0
Buwama	0	0	0	0
Bweyale	0	0	0	0
Entebbe	6	465	34	499
Iganga	2	190	45	235
Jinja	22	4,282	539	4,821
Kakumiro	0	0	0	0
Kalungu	0	0	0	0
Kamuli	0	0	0	0
Kapeeka	0	0	0	0
Kigumba	0	0	0	0
Kyotera	0	0	0	0
Lugazi	0	0	0	0
Luweero	0	0	0	0
Lwengo	0	0	0	0
Masaka	0	344	132	476
Mityana	0	0	0	0
Mpigi	0	0	0	0
Mubende	0	0	0	0
Nakasongola	0	0	0	0
Sembabule	0	0	0	0
Sub Total	30	5,281	750	6,031
<b>Eastern Region</b>				
Bukedea	0	0	0	0
Kaabong	0	0	0	0
Kaberaimaido	0	0	0	0
Kapchorwa	0	0	0	0
Kotido	0	0	0	0
Kumi	0	0	0	0
Manafwa	0	0	0	0
Mbale	19	2,523	311	2,834
Moroto	0	0	0	0
Soroti	2	427	117	544
Tororo	0	411	145	556
Sub Total	21	3,361	573	3,934
<b>Northern Region</b>				
Adjumani	0	0	0	0
Apac	0	0	0	0
Arua	1	231	23	254
Gulu	14	783	77	860
Kitgum	0	0	0	0
Koboko	0	0	0	0
Lira	1	431	137	568
Moyo	0	0	0	0
Nebbi	0	0	0	0
Pader	0	0	0	0
Pakwach	0	0	0	0
Sub Total	16	1,445	237	1,682
<b>Western &amp; Southwestern Region</b>				
Bunyangabu	0	0	0	0
Bushenyi	0	0	0	0
Fort Portal	0	228	20	248
Hoima	0	83	31	114
Ibanda	0	0	0	0
Kabale	19	669	178	847
Kamwenge	0	0	0	0
Kanungu	0	0	0	0
Kasese	0	0	0	0
Kisoro	13	190	11	201
Kyankwanzi	0	0	0	0
Kyenjojo	0	0	0	0
Lyantonde	0	0	0	0
Masindi	1	222	31	253
Mbarara	26	801	178	979
Mitooma	0	0	0	0
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
Rukiga	0	0	0	0
Rukungiri	0	0	0	0
Rushere	0	0	0	0
Sheema	0	0	0	0
Sub Total	59	2,193	449	2,642
<b>TOTAL</b>	<b>237</b>	<b>25,062</b>	<b>3,641</b>	<b>28,703</b>

## ANNEX 7: Commercial Performance for the FY 2022/23

Area	Billings (Ushs)	Collections (Ushs)	Arrears (Ushs)	C/B Ratio (%)	Debt Age (Months)
<b>Kampala</b>	322,331,238,346	301,873,542,528	64,834,083,960	94%	2.4
<b>Central Region</b>					
Bugiri	406,934,558	389,682,832	160,120,495	96%	4.7
Buwama	674,538,182	663,208,643	223,454,715	98%	4.0
Bweyale	889,911,693	835,188,556	272,641,397	94%	3.7
Entebbe	31,477,333,992	27,745,962,728	14,768,427,298	88%	5.6
Iganga	2,778,250,276	2,530,181,683	1,073,835,065	91%	4.6
Jinja	36,462,680,395	25,345,755,309	21,208,202,218	70%	7.0
Kakumiro	160,284,358	126,816,932	85,599,552	79%	6.4
Kalungu	631,495,257	577,615,104	291,291,893	91%	5.5
Kamuli	728,136,705	677,615,901	290,752,233	93%	4.8
Kapeeka	2,084,216,308	1,903,324,026	1,225,168,893	91%	7.1
Kigumba	556,244,476	527,405,100	282,802,159	95%	6.1
Kyotera	1,716,853,768	1,628,540,423	606,872,914	95%	4.2
Luqazi	1,510,963,086	1,497,577,335	586,410,073	99%	4.7
Luweero	3,144,569,642	2,953,034,409	1,091,784,967	94%	4.2
Lwengo	654,317,210	635,885,730	189,465,116	97%	3.5
Masaka	9,886,893,000	7,793,065,871	7,590,964,041	79%	9.2
Mityana	2,144,009,641	2,052,504,771	565,984,807	96%	3.2
Mpigi	950,920,529	854,356,976	275,412,821	90%	3.5
Mubende	2,730,032,114	2,481,078,629	1,539,251,318	91%	6.8
Nakasongola	270,457,047	231,444,639	149,567,390	86%	6.6
Sembabule	1,055,375,796	967,379,478	373,200,756	92%	4.2
<b>Sub Total</b>	<b>100,914,418,033</b>	<b>82,417,625,077</b>	<b>52,851,210,120</b>	<b>82%</b>	<b>6.3</b>
<b>Eastern Region</b>					
Bukedea	333,670,520	303,460,843	160,919,798	91%	5.8
Kaabong	60,573,314	53,231,334	132,651,573	88%	26.3
Kaberaido	293,346,787	274,799,579	117,541,909	94%	4.8
Kapchorwa	857,367,681	743,076,270	514,453,959	87%	7.2
Kotido	405,635,739	362,836,311	151,116,757	89%	4.5
Kumi	1,449,889,718	1,337,336,081	417,709,535	92%	3.5
Manafwa	671,731,974	576,178,642	683,022,859	86%	12.2
Mbale	10,886,019,885	10,203,690,214	8,106,603,269	94%	8.9
Moroto	1,055,337,895	872,321,006	874,256,108	83%	9.9
Soroti	5,691,507,076	5,292,317,610	2,749,802,488	93%	5.8
Tororo	6,078,973,856	5,224,332,492	4,056,205,212	86%	8.0
<b>Sub Total</b>	<b>27,784,054,444</b>	<b>25,243,580,380</b>	<b>17,964,283,466</b>	<b>91%</b>	<b>7.8</b>
<b>Northern Region</b>					
Adjumani	1,300,071,943	1,216,111,000	392,523,752	94%	3.6
Apac	813,640,193	794,093,472	183,971,502	98%	2.7
Arua	5,889,450,535	5,436,518,916	3,123,609,370	92%	6.4
Gulu	8,360,118,127	6,476,639,731	6,294,031,278	77%	9.0
Kitum	1,223,258,984	1,147,378,810	627,204,537	94%	6.2
Koboko	1,010,636,913	914,610,973	825,692,957	90%	9.8
Lira	7,320,202,757	6,622,872,066	3,425,539,030	90%	5.6
Moyo	753,153,626	707,456,762	217,121,584	94%	3.5
Nebbi	1,724,861,167	1,564,792,905	1,560,826,145	91%	10.9
Pader	659,722,464	571,599,817	539,950,330	87%	9.8
Pakwach	797,110,060	773,714,810	175,750,782	97%	2.6
<b>Sub Total</b>	<b>29,852,226,769</b>	<b>26,225,789,263</b>	<b>17,366,221,267</b>	<b>88%</b>	<b>7.0</b>
<b>West &amp; Southwestern Region</b>					
Bunyangabu	1,512,332,395	1,483,215,551	682,328,033	98%	5.4
Bushenyi	3,049,167,694	2,928,164,631	974,412,969	96%	3.8
Fort Portal	5,269,937,454	4,829,572,507	2,487,332,980	92%	5.7
Hoima	2,056,103,946	1,989,024,008	723,271,655	97%	4.2
Ibanda	1,431,333,774	1,342,666,401	677,658,550	94%	5.7
Kabale	3,137,514,292	2,925,573,114	1,122,500,024	93%	4.3
Kamwenge	1,419,579,078	1,261,090,645	522,332,165	89%	4.4
Kanungu	1,512,208,995	1,393,576,763	572,648,112	92%	4.5
Kasese	3,536,806,816	3,500,468,736	962,007,549	99%	3.3
Kisero	2,082,311,042	1,897,730,980	823,128,547	91%	4.7
Kyankwanzi	184,427,309	147,712,395	159,980,507	80%	10.4
Kyenjojo	420,487,286	353,123,905	228,644,413	84%	6.5
Lyantonde	1,290,033,374	1,196,209,659	465,405,437	93%	4.3
Masindi	3,970,138,083	3,358,960,387	4,084,652,868	85%	12.3
Mbarara	19,361,242,408	19,091,594,069	9,873,394,729	99%	6.1
Mitooma	589,938,016	578,513,796	156,512,545	98%	3.2
Mpondwe	1,461,449,003	1,445,484,856	527,490,629	99%	4.3
Ntoroko	250,976,508	197,331,639	165,084,541	79%	7.9
Ntungamo	1,497,612,196	1,541,514,662	413,532,850	103%	3.3
Rubirizi	782,486,898	742,996,625	265,176,881	95%	4.1
Ruhama	521,702,890	522,948,455	230,740,735	100%	5.3
Rukiga	243,009,404	258,124,368	55,626,744	106%	2.7
Rukungiri	979,260,686	860,290,860	354,096,028	88%	4.3
Rushere	958,104,597	900,455,240	365,983,115	94%	4.6
Sheema	1,465,591,080	1,351,213,806	504,448,146	92%	4.1
<b>Sub Total</b>	<b>58,983,755,217</b>	<b>56,097,558,058</b>	<b>27,398,390,753</b>	<b>95%</b>	<b>5.6</b>
<b>Grand Total</b>	<b>539,865,692,810</b>	<b>491,858,095,307</b>	<b>180,414,189,567</b>	<b>91%</b>	<b>4.0</b>



## ANNEX 8: Unit Cost Analysis (UGX.) for the FY 2022/23

Area	Volume of Water Produced m³		Total Costs (Ushs. "000") 2022/23			Cost per m³ (Ushs.)	
	2021/22	2022/23	Operating	Depreciation	Total	2021/22	2022/23
<b>Head Office</b>	-	-	<b>121,703,631</b>	<b>7,619,178</b>	<b>129,322,809</b>	-	-
Kampala	100,924,750	105,285,447	141,603,557	38,387,488	179,991,045	2,186	1,710
External Services	-	-	4,220,053	-	4,220,053	-	-
<b>Central Region</b>							
Bugiri	98,158	102,557	753,350	29,349	782,699	7,006	7,632
Buwama	-	320,474	971,113	1,505	972,618	-	3,035
Bweyale	236,291	235,668	902,971	171,363	1,074,335	4,607	4,559
Entebbe	9,122,825	9,654,746	11,091,859	3,637,639	14,729,498	1,503	1,526
Iganga	199,577	176,377	2,279,122	751,273	3,030,394	13,614	17,181
Jinja	8,933,293	9,442,126	10,909,917	2,176,324	13,086,242	1,595	1,386
Kakumiro	-	44,749	142,259	6,011	148,270	-	3,313
Kalungu	248,227	247,275	1,184,713	244,345	1,429,058	4,908	5,779
Kamuli	197,711	221,536	1,231,794	158,808	1,390,602	6,290	6,277
Kapeeka	638,478	733,885	1,928,294	311,582	2,239,876	2,482	3,052
Kigumba	157,122	134,583	1,030,983	74,403	1,105,386	5,990	8,213
Kyotera	682,668	663,678	1,888,989	424,702	2,313,691	3,618	3,486
Lugazi	478,471	413,090	1,266,777	889,691	2,156,468	5,715	5,220
Luwero	718,927	803,180	2,747,989	670,485	3,418,474	4,754	4,256
Lwengo	280,373	278,157	1,031,648	623,329	1,654,977	5,943	5,950
Masaka	2,756,998	2,698,779	5,926,985	2,088,788	8,015,773	2,802	2,970
Mityana	910,073	854,873	2,543,092	707,469	3,250,561	3,466	3,802
Mpigi	493,030	231,821	1,911,941	1,231,780	3,143,721	6,737	13,561
Mubende	724,734	744,938	2,352,747	1,459,875	3,812,622	5,098	5,118
Nakasongola	-	15,043	265,752	12,001	277,753	-	18,464
Sembabule	368,093	428,948	1,496,656	267,029	1,763,685	3,922	4,112
<b>Sub Total</b>	<b>27,245,049</b>	<b>28,446,483</b>	<b>53,858,951</b>	<b>15,937,750</b>	<b>69,796,701</b>	<b>1,977</b>	<b>2,454</b>
<b>Eastern Region</b>							
Bukedea	91,685	99,086	711,720	7,518	719,238	8,248	7,259
Kaabong	-	15,739	100,479	-	100,479	-	6,384
Kaberaido	94,219	75,398	707,789	6,029	713,818	5,241	9,467
Kapchorwa	504,431	408,623	447,427	542,258	989,685	2,993	2,422
Kotido	172,712	121,384	1,027,042	230,812	1,257,854	7,444	10,363
Kumi	501,059	536,765	1,786,111	212,796	1,998,907	3,846	3,724
Manafwa	247,148	215,921	1,194,191	108,497	1,302,689	3,255	6,033
Mbale	2,758,210	2,972,984	7,627,094	1,687,953	9,315,047	3,330	3,133
Moroto	323,995	320,978	1,167,978	156,960	1,324,937	4,180	4,128
Soroti	1,853,155	1,881,842	3,722,916	2,184,744	5,907,660	3,369	3,139
Tororo	1,561,718	1,701,091	4,790,764	4,790,764	9,581,527	3,442	5,633
<b>Sub Total</b>	<b>8,108,332</b>	<b>8,349,811</b>	<b>23,283,511</b>	<b>9,928,331</b>	<b>33,211,842</b>	<b>2,872</b>	<b>3,978</b>
<b>Northern Region</b>							
Adjumani	437,644	448,810	1,206,350	122,116	1,328,466	2,431	2,960
Apac	270,253	275,610	1,259,480	245,789	1,505,269	5,251	5,462
Arua	1,622,989	1,577,549	3,349,135	476,517	3,825,652	4,082	2,425
Gulu	1,959,273	2,027,222	5,251,707	2,822,579	8,074,286	4,094	3,983
Kitgum	405,200	390,700	1,066,757	308,333	1,375,091	4,653	3,520
Koboko	362,840	350,555	1,158,633	297,822	1,456,455	3,748	4,155
Lira	2,521,317	2,537,199	5,214,876	1,428,664	6,643,540	2,509	2,618
Moyo	221,887	219,152	811,714	176,672	988,387	4,331	4,510
Nebbi	792,024	838,658	2,293,608	415,129	2,708,737	2,929	3,230
Pader	263,267	205,783	1,568,140	490,577	2,058,717	6,931	10,004
Pakwach	346,233	412,449	769,142	23,589	792,731	2,091	1,922
<b>Sub Total</b>	<b>9,202,939</b>	<b>9,283,687</b>	<b>23,949,542</b>	<b>6,807,789</b>	<b>30,757,330</b>	<b>3,535</b>	<b>3,313</b>
<b>Western &amp; Southwestern</b>							
Bunyangabu	352,292	530,543	1,054,381	-	1,054,381	1,619	1,987
Bushenyi	1,479,274	1,225,159	3,572,823	3,450,898	7,023,721	4,918	5,733
Fort Portal	1,586,237	1,535,675	3,494,824	604,439	4,099,262	2,654	2,669
Hoima	692,496	599,244	1,835,684	437,593	2,273,277	3,431	3,794
Ibanda	400,243	407,738	865,836	273,017	1,138,853	3,292	2,793
Kabale	823,351	799,765	3,197,733	400,010	3,597,743	3,021	4,498
Kamwenge	570,893	437,621	1,982,095	390,759	2,372,854	3,501	5,422
Kanungu	566,763	543,072	1,481,407	382,311	1,863,717	2,961	3,432
Kasese	1,396,848	1,304,331	1,618,657	251,550	1,870,207	1,458	1,434
Kisoro	525,206	579,202	2,567,591	522,878	3,090,469	5,089	5,336
Kyankwanzi	54,601	56,993	410,571	16,420	426,992	8,065	7,492
Kyenjojo	-	169,981	507,879	13,579	521,458	-	3,068
Lyantonde	711,538	641,097	2,371,628	334,277	2,705,905	4,260	4,221
Masindi	1,121,815	995,397	2,570,851	857,044	3,427,895	2,810	3,444
Mbarara	6,411,768	6,871,156	12,316,377	2,435,947	14,752,324	2,230	2,147
Mitooma	-	217,570	907,633	32,864	940,498	-	4,323
Mpondwe	525,592	495,367	1,065,243	219,561	1,284,804	2,338	2,594
Ntoroko	142,066	132,047	788,702	699,636	1,488,339	4,988	11,271
Ntungamo	521,488	502,731	1,583,273	587,242	2,170,515	3,928	4,317
Rubirizi	277,264	275,463	841,966	5,791	847,757	2,406	3,078
Ruhama	190,030	159,425	1,354,254	240,824	1,595,079	6,830	10,005
Rukiga	-	69,069	891,711	40,607	932,318	-	13,498
Rukungiri	250,287	263,701	2,065,578	218,436	2,284,014	5,594	8,661
Rushere	144,151	187,891	1,752,521	280,809	2,033,330	14,046	10,822
Sheema	383,225	415,511	1,566,684	169,977	1,736,661	3,644	4,180
WESREC	-	-	587,671	10,989	598,660	-	-
<b>Sub Total</b>	<b>19,127,428</b>	<b>19,415,749</b>	<b>53,253,573</b>	<b>12,877,459</b>	<b>66,131,031</b>	<b>2,784</b>	<b>3,406</b>
<b>TOTAL</b>	<b>164,608,492</b>	<b>170,781,176</b>	<b>421,872,818</b>	<b>91,557,994</b>	<b>513,430,812</b>	<b>2,563</b>	<b>3,006</b>

## ANNEX 9: Break-even Analysis (UGX.) for the FY 2022/23

Area	Income ("000")		Operating Costs (Ushs. "000")		Working Ratio	
	2021/22	2022/23	2021/22	2022/23	2021/22	2022/23
<b>Head Office</b>	92,457,448	80,357,693	131,992,269	121,703,631	1.43	1.51
<b>Kampala</b>	250,230,468	275,710,049	145,204,929	141,603,557	0.58	0.51
<b>External Services</b>	2,550,061	3,169,764	3,169,103.00	4,220,053	-	1.33
<b>Central Region</b>						
Bugiri	340,258	372,520	669,556	753,350	1.97	2.02
Buwama	-	662,828	-	971,113	-	1.47
Bweyale	800,155	798,216	914,553	902,971	1.14	1.13
Entebbe	24,925,503	27,231,756	9,917,372	11,091,859	0.40	0.41
Iganga	2,470,966	2,464,164	1,985,477	2,279,122	0.80	0.92
Jinja	26,859,948	31,431,404	10,169,783	10,909,917	0.38	0.35
Kakumiro	-	146,793	-	142,259	-	0.97
Kalungu	493,582	578,637	1,216,454	1,184,713	2.46	2.05
Kamuli	577,318	672,239	1,086,427	1,231,794	1.88	1.83
Kapeeka	1,625,180	1,819,598	1,530,770	1,928,294	0.94	1.06
Kigumba	553,412	493,948	844,341	1,030,983	1.53	2.09
Kyotera	1,794,336	1,507,365	2,015,115	1,888,989	1.12	1.25
Lugazi	1,409,870	1,353,708	1,853,770	1,266,777	1.31	0.94
Luwero	2,672,702	2,797,712	2,716,289	2,747,989	1.02	0.98
Lwengo	639,199	584,865	1,046,309	1,031,648	1.64	1.76
Masaka	8,120,084	8,584,813	5,517,915	5,926,985	0.68	0.69
Mityana	1,937,948	2,008,861	2,387,959	2,543,092	1.23	1.27
Mpigi	1,325,698	841,926	2,180,083	1,911,941	1.64	2.27
Mubende	2,199,863	2,395,219	2,184,614	2,352,747	0.99	0.98
Nakasongola	224,977	243,688	540,761	265,752	2.40	1.09
Sembabule	815,293	943,883	1,153,562	1,496,656	1.41	1.59
<b>Sub Total</b>	<b>79,786,292</b>	<b>87,934,143</b>	<b>49,931,110</b>	<b>53,858,951</b>	<b>0.63</b>	<b>0.61</b>
<b>Eastern Region</b>						
Bukedea	175,369	297,936	378,058	711,720	2.16	2.39
Kaabong	-	51,390	-	100,479	-	1.96
Kaberamaido	243,629	271,910	485,685	707,789	1.99	2.60
Kapchorwa	670,607	776,231	922,535	447,427	1.38	0.58
Kotido	474,055	360,797	959,233	1,027,042	2.02	2.85
Kumi	1,127,033	1,346,254	1,674,236	1,786,111	1.49	1.33
Manafwa	585,655	597,121	802,935	1,194,191	1.37	2.00
Mbale	8,160,606	9,493,920	7,483,116	7,627,094	0.92	0.80
Moroto	830,170	923,466	1,175,257	1,167,978	1.42	1.26
Soroti	4,873,649	4,973,768	3,979,750	3,722,916	0.82	0.75
Tororo	4,729,947	5,286,665	4,731,785	4,790,764	1.00	0.91
<b>Sub Total</b>	<b>21,870,720</b>	<b>24,379,459</b>	<b>22,592,590</b>	<b>23,283,511</b>	<b>1.03</b>	<b>0.96</b>
<b>Northern Region</b>						
Adjumani	1,072,389	1,171,268	942,714	1,206,350	0.88	1.03
Apac	732,285	732,326	1,177,112	1,259,480	1.61	1.72
Arua	5,034,733	5,205,225	3,389,791	3,349,135	0.67	0.64
Gulu	6,154,137	7,315,755	5,093,001	5,251,707	0.83	0.72
Kitgum	1,161,538	1,077,790	1,544,503	1,066,757	1.33	0.99
Koboko	907,804	860,352	1,027,113	1,158,633	1.13	1.35
Lira	5,877,641	6,418,085	4,866,122	5,214,876	0.83	0.81
Moyo	653,454	668,353	846,155	811,714	1.29	1.21
Nebbi	1,487,914	1,529,922	1,790,113	2,293,608	1.20	1.50
Pader	606,270	584,709	1,315,958	1,568,140	2.17	2.68
Pakwach	580,994	699,170	709,889	769,142	1.22	1.10
<b>Sub Total</b>	<b>24,269,159</b>	<b>26,262,955</b>	<b>22,702,471</b>	<b>23,949,542</b>	<b>0.94</b>	<b>0.91</b>
<b>Western &amp; Southwestern</b>						
Bunyangabu	802,443	1,369,760	565,190	1,054,381	-	0.77
Bushenyi	2,872,767	2,696,113	3,777,121	3,572,823	1.31	1.33
Fort Portal	4,786,648	4,626,891	3,521,870	3,494,824	0.74	0.76
Hoima	1,866,205	1,795,061	1,903,188	1,835,684	1.02	1.02
Ibanda	1,187,542	1,251,756	1,088,250	865,836	0.92	0.69
Kabale	2,719,261	2,749,569	2,067,947	3,197,733	0.76	1.16
Kamwenge	1,142,314	1,258,597	1,663,199	1,982,095	1.46	1.57
Kanungu	1,201,828	1,352,670	1,281,736	1,481,407	1.07	1.10
Kasese	3,318,533	3,116,235	1,792,054	1,618,657	0.54	0.52
Kisoro	1,514,611	1,846,469	2,120,444	2,567,591	1.40	1.39
Kyankwanzi	147,721	166,422	386,524	410,571	2.62	2.47
Kyenjojo	-	368,750	-	507,879	-	1.38
Lyantonde	1,141,641	1,121,605	2,712,541	2,371,628	2.38	2.11
Masindi	3,337,587	3,616,709	2,342,879	2,570,851	0.70	0.71
Mbarara	15,460,125	16,826,197	11,824,372	12,316,377	0.76	0.73
Mitooma	-	536,736	-	907,633	-	1.69
Mpondwe	1,249,887	1,291,460	958,989	1,065,243	0.77	0.82
Ntoroko	198,630	218,249	701,521	788,702	3.53	3.61
Ntungamo	1,159,810	1,349,659	1,437,499	1,583,273	1.24	1.17
Rubirizi	606,709	701,325	690,075	841,966	1.14	1.20
Ruhama	451,055	467,128	1,067,075	1,354,254	2.37	2.90
Rukiga	-	220,991	-	891,711	-	4.04
Rukungiri	787,935	860,741	1,161,157	2,065,578	1.47	2.40
Rushere	902,907	862,115	1,726,720	1,752,521	1.91	2.03
Sheema	1,235,221	1,401,047	1,244,338	1,566,684	-	1.12
WESREC	-	173,625	-	587,671	-	3.38
<b>Sub Total</b>	<b>48,091,380</b>	<b>52,245,880</b>	<b>46,034,689</b>	<b>53,253,573</b>	<b>0.96</b>	<b>1.02</b>
<b>TOTAL</b>	<b>519,255,527</b>	<b>550,059,943</b>	<b>421,627,161</b>	<b>421,872,818</b>	<b>0.81</b>	<b>6.86</b>

## ANNEX 10: Number of Staff for the FY 2022/23

Area	Male	Female	Total Staff	% Female	Water Connections	Staff Productivity
<b>Head Office</b>	286	202	488	41%	-	-
<b>Kampala</b>	1,214	594	1,808	33%	411,819	4
<b>Central Region</b>						
Bugiri	10	3	13	23%	1,869	7
Buwama	12	10	22	45%	3,239	7
Bweyale/Kiryandongo	13	2	15	13%	2,700	6
Entebbe/Kajansi	77	63	140	45%	46,424	3
Iganga	30	17	47	36%	11,211	4
Jinja	98	36	134	27%	37,029	4
Kakumiro	3	1	4	25%	1,120	4
Kalungu	15	5	20	25%	2,810	7
Kamuli/Mbulamuti	16	3	19	16%	3,661	5
Kapeeka	14	9	23	39%	3,339	7
Kigumba	13	7	20	35%	2,284	9
Kyotera	29	11	40	28%	6,823	6
Lugazi	14	14	28	50%	5,470	5
Luweero	30	17	47	36%	11,517	4
Lwengo	5	12	17	71%	3,280	5
Masaka	56	26	82	32%	19,088	4
Mityana	21	7	28	25%	7,676	4
Mpigi	16	6	22	27%	3,178	7
Mubende	16	15	31	48%	6,770	5
Nakasongola	4	2	6	33%	2,117	3
Sembabule	22	7	29	24%	2,931	10
<b>Sub-Total</b>	<b>514</b>	<b>273</b>	<b>787</b>	<b>35%</b>	<b>183,847</b>	<b>4</b>
<b>Eastern Region</b>						
Bukedea	10	5	15	33%	1,280	12
Kaabong	4	1	5	20%	559	9
Kaberamaldo	8	3	11	27%	936	12
Kapchorwa	15	5	20	25%	2,892	7
Kotido	10	1	11	9%	668	16
Kumi	25	9	34	26%	3,904	9
Manafwa	15	7	22	32%	5,977	4
Mbale	83	30	113	27%	22,286	5
Moroto	12	3	15	20%	1,650	9
Soroti	38	12	50	24%	10,715	5
Tororo	48	17	65	26%	15,367	4
<b>Sub Total</b>	<b>268</b>	<b>93</b>	<b>361</b>	<b>26%</b>	<b>66,221</b>	<b>5</b>
<b>Northern Region</b>						
Adjumani	12	5	17	29%	3,878	4
Apac	20	6	26	23%	2,983	9
Arua	35	11	46	24%	11,591	4
Gulu	56	15	71	21%	12,780	6
Kitgum	21	5	26	19%	5,031	5
Koboko	12	4	16	25%	2,526	6
Lira	54	13	67	19%	17,023	4
Moyo	12	0	12	0%	2,916	4
Nebbi	21	8	29	28%	6,141	5
Pader	23	9	32	28%	3,751	9
Pakwach	12	2	14	14%	2,285	6
<b>Sub-Total</b>	<b>278</b>	<b>78</b>	<b>356</b>	<b>22%</b>	<b>70,863</b>	<b>5</b>
<b>Western &amp; Southwestern Region</b>						
Bunyangabu	16	9	25	36%	5,007	5
Bushenyi	45	11	56	20%	9,332	6
Fort Portal	31	15	46	33%	13,064	4
Hoima	16	8	24	33%	7,026	3
Ibanda	11	11	22	50%	6,139	4
Kabale	29	6	35	17%	8059	4
Kamwenge	26	7	33	21%	6,510	5
Kanungu	23	7	30	23%	6,530	5
Kasese	26	11	37	30%	9,623	4
Kisoro	20	5	25	20%	5,333	5
Kyankwanzi	4	0	4	0%	221	18
Kyenjojo	7	2	9	22%	2,607	3
Lyantonde	17	8	25	32%	3,232	8
Masindi	21	8	29	28%	7,434	4
Mbarara	100	60	160	38%	35,371	5
Mitooma	13	6	19	32%	2,850	7
Mpondwe	14	10	24	42%	4,682	5
Ntoroko	12	1	13	8%	831	16
Ntungamo	21	11	32	34%	5,558	6
Rubirizi	17	4	21	19%	2,145	10
Ruhama	14	5	19	26%	2,595	7
Rukiga	9	5	14	36%	1,252	11
Rukungiri	20	11	31	35%	4,867	6
Rushere	15	15	30	50%	2,860	10
Sheema	22	15	37	41%	6,978	5
<b>Subtotal</b>	<b>549</b>	<b>251</b>	<b>800</b>	<b>31%</b>	<b>159,418</b>	<b>5</b>
<b>TOTAL</b>	<b>3,109</b>	<b>1,491</b>	<b>4,600</b>	<b>32%</b>	<b>892,093</b>	<b>5</b>

## ANNEX 11: NWSC Operational Areas For The FY 2022/23 cont'd

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
CENTRAL REGION	1	Entebbe	Kakiri	Wakiso
			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
			Kapeeka	Nakaseke
			Semuto	Nakaseke
	14	Kapeeka	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



## ANNEX 11: NWSC Operational Areas For The FY 2022/23 cont'd

REGION	Administrative Area		Town/ Urban Centres	District
	20	Lwengo	Mabirizi	Lwengo
			Kyazanga	Lwengo
			Kinoni -Lwengo	Lwengo
			Katovu	Lyantonde
	21	Kakumiro	Kakumiro	Kakumiro
			Nyalweyo	Kakumiro
			Kasambya	Kakumiro
			Kikoola	Kakumiro
			Nkooko	Kakumiro
			Mpasaana	Kakumiro
			Kisiita	Kakumiro
NORTHERN REGION	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
			Kitgum	Kitgum
	6	Pader	Pader	Pader
			Pajule	Pader
			Patongo	Agago
			Kalongo	Agago
	7	Nebbi	Nebbi	Nebbi
			Paidha	Zombo
			Nyapea	Zombo
			Okollo	Nebbi
			Parombo	Nebbi
			Pakwach	Pakwach
	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	Kaberamaido	Kaberamaido	Kaberamaido
			Otuboi	Kalaki
			Atiriri	Amuria
			Kalaki	Kalaki

## ANNEX 11: NWSC Operational Areas For The FY 2022/23 cont'd

REGION	Administrative Area		Town/ Urban Centres	District
	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
	10	Kotido	Kotido	Kotido
	11	Kaabong	Kaabong	Kaabong
WEST & SOUTH WESTERN REGION	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
			Kyangyenyi	Sheema
	4	Mitooma	Mitooma	Mitooma
			Kashenshero	Mitooma
			Rutookyie	Mitooma
			Kabira	Mitooma
			Kanyabwanga-Omukabanda	Mitooma
			Bitereko-Iramira	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
	9	Fort Portal	Oruchinga	Isingiro
			Fort Portal	Kabarole
			Kichwamba	Kabarole
			Kiko	Kabarole
			Mugusu	Kabarole
	10	Kyenjojo	Kijura	Kabarole
			Kyenjojo	Kyenjojo
	11	Kasese	Katooke	Kyenjojo
			Kasese	Kasese
	12	Bunyangabu	Rugendabara	Kasese
			Kibiito	Bunyangabu
			Hima	Kasese
			Rubona	Kabarole
			Katebwa	Kabarole
			Kasunga-nyanja	Kabarole
			Rwimi	Bunyangabu
			Kicucu	Kabarole
	13	Masindi	Kabale-Kabarole	Kabarole
			Masindi	Masindi

## ANNEX 11: NWSC Operational Areas For The FY 2022/23 cont'd

REGION	Administrative Area	Town/ Urban Centres	District
	14	Kabale	Kabale
	15	Rukiga	Rukiga
	16	Kamwezi	Kabale
		Rukungiri	Rukungiri
		Kebisoni	Rukungiri
		Buyanja	Rukungiri
	17	Nyakagyeme-Rwerere	Rukungiri
		Kanungu	Kanungu
		Kihihi	Kanungu
		Kambuga	Kanungu
		Butogota	Kanungu
		Kanyampanga	Kanungu
		Kanyantorogo	Kanungu
		Nyamirama	Kanungu
		Kateete	Kanungu
		Nyakinoni	Kanungu
	18	Ibanda	Ibanda
		Rwenkobwa	Ibanda
	19	Kamwenge	Kamwenge
		Ishongororo	Ibanda
		Bisozi	Kamwenge
		Kahunge	Kamwenge
		Bigodi	Kamwenge
		Katalyeba	Kamwenge
		Kabuga	Kamwenge
		Rukooko	Kabarole
	20	Kanara	Kamwenge
		Lyantonde	Lyantonde
		Kasagama	Lyantonde
		Kaliro	Lyantonde
	21	Kinuka	Lyantonde
		Ntungamo	Ntungamo
		Omungyenye	Ntungamo
		Rubare	Ntungamo
		Kagarama	Ntungamo
		Rwentobo	Ntungamo
		Rweshemeire	Ntungamo
		Kyempene-Rugarama	Ntungamo
		Nyabihoko	Ntungamo
		Nyamunuka	Ntungamo
	22	Itojo	Ntungamo
		Kiziba	Ntungamo
		Rushere	Kiruhura
		Kiruhura	Kiruhura
		Kazo	Kazo
		Sanga	Kiruhura
	23	Kanyaruru	Kiruhura
		Kikatsi	Kiruhura
		Kinoni	Kiruhura
		Mpondwe -Lhubirha	Kasese
	24	Katwe	Kasese
		Kithoma	Kasese
		Harukungu	Kasese
		Ruhama	Ntungamo
		Kitwe	Bushenyi
	25	Kikagati	Isingiro
		Mirama Hills	Ntungamo
		Rukoni	Ntungamo
		Kanara	Ntoroko
		Rwebisengo	Ntoroko

## National Water & Sewerage Corporation - GRI G4 Content Index

		COVERED IN THIS REPORT	PAGE REFERENCE OR COMMENT
<b>STRATEGY AND PROFILE DISCLOSURES</b>			
<b>STRATEGY AND ANALYSIS</b>			
G4-1.	Statement from the most senior decision maker	YES	Page 24-25
G4-2.	Description of key impacts, risks and opportunities	YES	Coverage Map Page 11, Table 1-Page 12; Our Sustainability, Operational & Financial Report.
<b>ORGANIZATIONAL PROFILE</b>			
G4-1.	Name of organization	YES	Cover Page
G4-2.	Primary brands, products and/or services	YES	Pages 4, under our products & services. Report of Directors Page 112
G4-3.	Location of organization's headquarters	YES	Cover Page (Back page).
G4-4.	Number of (towns) where the organization operates	YES	Table 1; Key performance Indicators Row 1. Page 12
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	Map Page 11, Page 68 (Operational Performance) data categorised by regions, Social Sustainability Table 11; Page 47 & Annex 11-Page 178-179
G4-7.	Scale of the reporting organization. (About us )	YES	Government Parastatal-Page 8
G4-8.	Total number of employees and gender.	YES	Page 5 under employees, Table 1; 2 <sup>nd</sup> -Page 12-last row under financial performance last column FY 2022/23 Annex 10, Page 175
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 86; Figure 21.
G4-11.	Significant changes during the reporting period regarding the organization's size, structure, ownership or its supply chain	YES	Operational Performance Report Page: 68-84; Financial Performance Report; Page 107-164, Annexes.
G4-12.	Precautionary approach or principle is addressed by the organization.	YES	Our Governance & Leadership & Sustainability Report (36-47 & Page 48-66 respectively)
G4-13.	Precautionary Approach	YES	Governance Report (Page 48-66) & Our risk & their management, Page 9.
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, WEP-WG, HCDP, WACOCO, UBTEB, SWAS Clubs, Rotary Clubs etc. Table 8; Page 42.
<b>IDENTIFIED MATERIAL ASPECTS AND BOUNDARIES</b>			
G4-1.	List of all entities included in the organization's consolidated financial statements or equivalent documents	YES	Pages :108-110
G4-2.	Explanation of the process of defining report content and the Aspect boundaries	YES	Page :8- About this Report.
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.
<b>STAKEHOLDER ENGAGEMENT</b>			
G4-24.	List of stakeholder groups engaged by the organization	YES	Pages 34-35; Table 4; Stakeholder Engagement Materiality.
G4-25.	Basis for identification and selection of stakeholder with whom to engage	YES	Page 48; 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 42-43 Governance Report page 48, NWSC Act & Water Ac
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; Pages 42-43



## 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 ( 107-127 Financial State-ments)
G4-30.	Reporting cycle.	YES	Cover Page/Financial Statements/ Operational Performance. (103-127)
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 184-186.
G4-32.	Report an "in accordance" option that the organization has chosen.	YES	Page No.8; 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. Page 8
<b>GOVERNANCE</b>			
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.48-66
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. 48 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. 48 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. 48 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). Table 4-row on Government.
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. 49, Table 12
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.44- The Board Chairman NWSC is the overall Head and Managing Director manages the daily operations of the Corporation. (Governance Report Page 48).
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. 48(Appointment of the Board is done by the Minister of Water & Environment; Under Board composition.
G4-41.	Processes in place for the highest governance body to ensure conflicts of interest are avoided and managed.	YES	Page 52-55. (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 48-66
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 57).
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 57).

## 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. Board is responsible for preparing 3-year Corporate Plan according to the NWSC Act.
<b>INCLUDE THE HIGHEST GOVERNANCE BODY'S ROLE IN THE IMPLEMENTATION OF DUE DILIGENCE PROCESSES.</b>			
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 51.
G4-47.	The frequency of the highest governance body's review of economic, environmental and social impacts, risks and opportunities.	YES	Board meetings. Pages 52-56; 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	Review reports are usually presented to the Board 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 (48-52).
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 56-Directors Remuneration (Table 20)
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 , Financial Management Act which guide the operations and procedures of NWSC
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-NWSC Act & Water Act.
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	-
<b>ETHICS AND INTEGRITY</b>			
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.1-7 (Mission, Vision and core values)-NWSC Act.
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	Customer Perspective Page 83-84; 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 83-84)-We listen to our customers/ Whistle blower policy available.
<b>DISCLOSURES ON MANAGEMENT APPROACH</b>			
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 and Governance Report Page 48-66-Internal reporting mechanisms e.g. Daily reports, weekly reports, Monthly & quarterly reports.
G4-DMA	Report why the Aspect is material. Report the impacts that make this Aspect material.	YES	Operational & Financial Reports (Pages 68- 164)
G4-DMA	Report how the organization manages the material Aspect or its impacts.	YES	Sustainability Report 36-47.

## National Water & Sewerage Corporation - GRI G4 Content Index Cont'd

		COVERED IN THIS REPORT	PAGE REFERENCE OR COMMENT
<b>ECONOMIC INDICATORS</b>			
<b>ECONOMIC PERFORMANCE, INCLUDING MARKET PRESENCE AND INDIRECT ECONOMIC ASPECTS.</b>			
<b>G4-EC1</b>	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 38-Financial & Economic Sustainability.
<b>G4-EC2</b>	Financial implications and other risks and opportunities for the organization's activities due to climate change.	YES	Statement of Financial Position, Income Statement. Table 11-environmental & ecological sustainability.
<b>G4-EC3</b>	Coverage of the organization's defined benefit plan obligations.	YES	-Provident Fund. (Page 44-45) -Page 39-Our Social Sustainability Report.
<b>G4-EC4</b>	Financial assistance received from government.	YES	Note No.8 Page-145; UGX. 410.9 Billion.
<b>G4-EC5</b>	Ratios of standard entry level wage compared to local minimum wage at significant locations of operation.	YES	Graduate Trainees paid Ushs.260,000 (which is double of the minimum wage of Ushs.130,000)
<b>G4-EC6</b>	Proportion of senior management hired from the local community at locations of significant operation.	YES	EMM Members on Page 64-66).
<b>G4-EC7</b>	Development and impact of infrastructure investments and services supported.	YES	Pages 97-106 Implementation of Infrastructure Development Projects.
<b>G4-EC8</b>	Significant indirect economic impacts, including the extent of impacts.	YES	Our Value Creation Model, Page, 32-33. Table 11: Sustainability Performance Table. Page 47.
<b>G4-EC9</b>	Proportion of spending on local suppliers at significant locations of operation.	YES	Being implemented under the BUBU Policy; Bankers; Lawyers etc. Pages (108-110).
<b>ENVIRONMENTAL INDICATORS</b>			
<b>ENVIRONMENTAL PERFORMANCE, INCLUDING MATERIALS, ENERGY, WATER, BIODIVERSITY, EMISSIONS, EFFLUENT &amp; WASTE, COMPLIANCE AND TRANSPORT.</b>			
<b>G4-EN1</b>	Materials used by weight or volume.	YES	Weight provided in detailed operational reports, Note 19, inventories, chemicals, fuel & lubricants , etc.
<b>G4-EN2</b>	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).
<b>G4-EN3</b>	Energy consumption within the organization.	YES	UGX. 79.6 billion Electricity costs, page 161 under Schedule of Expenditure No.3.
<b>G4-EN6</b>	Reduction of energy consumption.	YES	Page 47; Table 11 under Environmental & Ecological Sustainability.
<b>G4-EN7</b>	Reductions in energy requirements of products and services.	YES	Table 11- On Page 47 & under Schedule of Expenditure No.3.
<b>G4-EN8</b>	Total water withdrawal by source.	YES	Annexed 1; 3 <sup>rd</sup> Column page 166 (170 Million Cubic metres).
<b>G4-EN8</b>	Water sources significantly affected by withdrawal of water.	YES.	Utingo River in Gulu , R. Rwizi, Affected by climate change and human activities.
<b>G4-EN10</b>	Percentage and total volume of water recycled and reused.	YES	Table 11 under Environmental & Ecological Sustainability. Line 2, (Page 47).
<b>G4-EN11</b>	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
<b>SOCIAL INDICATORS – HUMAN RIGHTS</b>			
<b>HUMAN RIGHTS PERFORMANCE, INCLUDING STRATEGY &amp; MANAGEMENT, NON-DISCRIMINATION, FREEDOM OF ASSOCIATION, CHILD LABOUR AND FORCED LABOUR</b>			
<b>G4-HR3</b>	Total number on incidents of discrimination and corrective action taken.	NO	N/A

## National Water & Sewerage Corporation - GRI G4 Content Index Cont'd

		COVERED IN THIS REPORT	PAGE REFERENCE OR COMMENT
<b>G4-HR4</b>	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
<b>G4-HR5</b>	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
<b>G4-HR6</b>	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
<b>G4-HR9</b>	Total number and percentage of operations that have been subject to human rights reviews or impact assessments.	NO	N/A
<b>SOCIAL INDICATORS – SOCIETY</b>			
<b>SOCIETY PERFORMANCE, INCLUDING COMMUNITY, CORRUPTION, PUBLIC POLICY AND COMPLIANCE</b>			
<b>G4-SO9</b>	Percentage of new suppliers that were screened using criteria for impacts on society.	NO	-
<b>G4-SO10</b>	Significant actual and potential negative impacts on society in the supply chain and actions taken.	NO	-
<b>SOCIAL INDICATORS – PRODUCT RESPONSIBILITY</b>			
<b>PRODUCT RESPONSIBILITY, INCLUDING CUSTOMER HEALTH &amp; SAFETY, PRODUCTS &amp; SERVICES, MARKETING &amp; COMMUNICATION AND CUSTOMER PRIVACY</b>			
<b>G4-PR1</b>	Percentage of significant product and service categories for which health and safety impacts are assessed for improvements.	YES	-Page 85-87 (Quality Assurance).
<b>G4-PR5</b>	Results of surveys measuring customer satisfaction.	YES	Customer Satisfaction survey report (89%)-Figure 3, Page 13.



## Office Addresses and Contacts

### HEAD OFFICE

Plot 3 Nakasero  
P.O Box 7053 Kampala  
Tel: 0313-315-101/102  
Email: [info@nwsc.co.ug](mailto:info@nwsc.co.ug)  
Website: <http://www.nwsc.co.ug>  
Twitter: @nwsc  
Facebook: 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, 6<sup>th</sup> 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

2<sup>nd</sup> 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

1<sup>st</sup> 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









**National Water & Sewerage Corporation**  
3 Nakasero, P. O. Box 7053 Kampala - UGANDA  
Tel: +256 313 315 101/102  
Email: [info@nwsc.co.ug](mailto:info@nwsc.co.ug)  
[www.nwsc.co.ug](http://www.nwsc.co.ug)

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