

Association of Private Water Operators of Uganda

Access to drinking Water and Sanitation

Role of Local Private Initiatives

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Outline of Issues

- Introduction
- Objectives of APWO-Ug
- Appraisal of 2005/06
- Key Challenges
- Plans and Prospects
- Recommendations
- Conclusion

Introduction

- APWO-Ug was established in Dec 2003 with support of GTZ-Ug
- It inaugurated was by the Hon. Minister Kahinda Otafire in August 2004
- It has ten (10) member companies managing 57 towns of the 180 in Uganda (of which 63 gazetted)

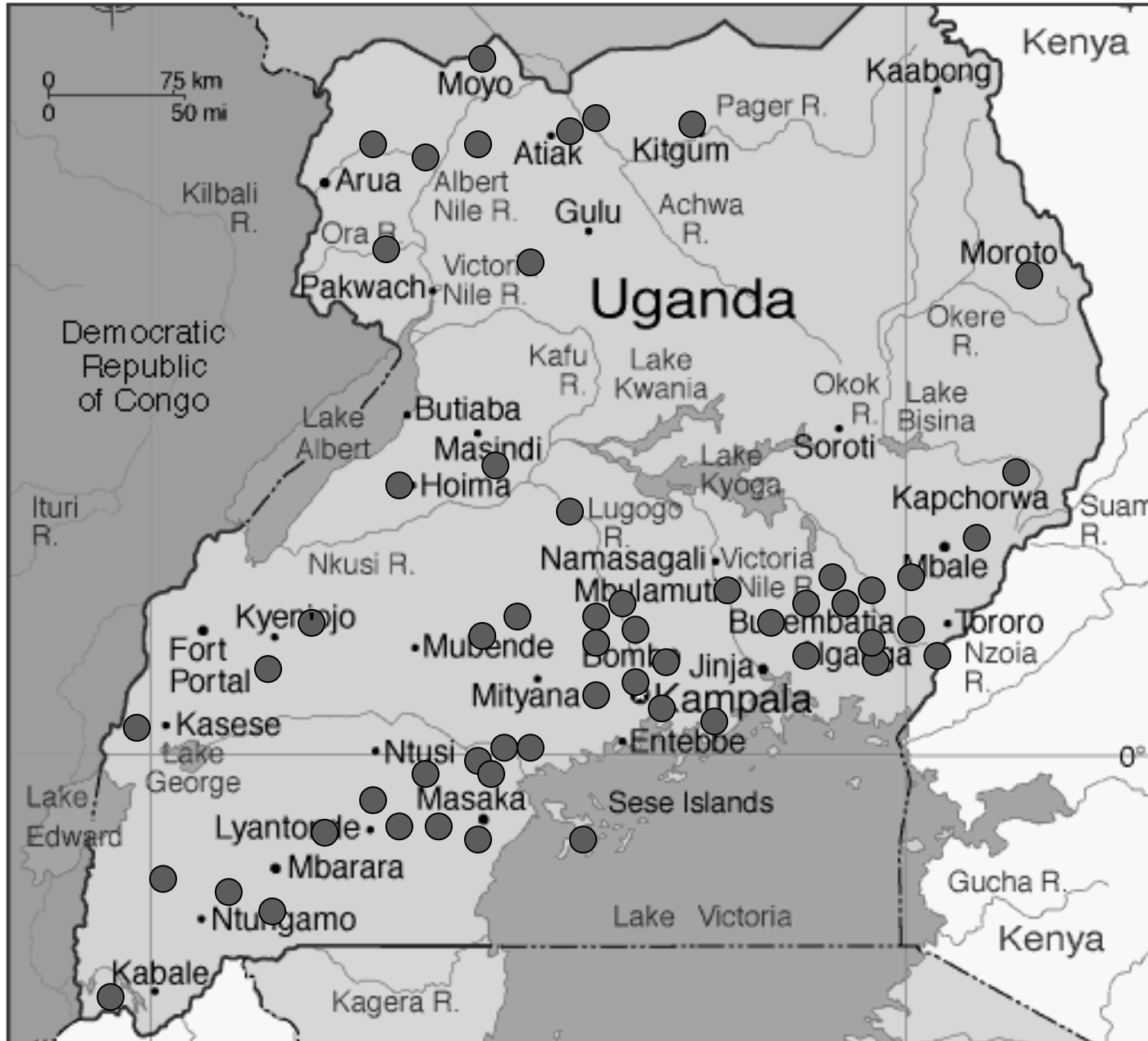
APWO-Ug Member Companies

COMPANY	WATER SUPPLY SYSTEMS MANAGED
Able Holdings Ltd	Moyo,Adjumani,Pekele, Laropi
Irumu and Associates Ltd	Masindi, Mubende, Hoima
Bright Technical Services Ltd	Bukomansimbi, Kalungu, Lukaya and Kisoro
George and Company	Ibanda, Kyenjojo, Paliisa, Semuto and Wobulenzi
Jowa Engineering Services Ltd	Budadiri, Bugiri, Dokolo, Kaberamaido, Kapchorwa, Katakwi, Kumi, Lwakhakha and Ngora
Kalebu Ltd	Bombo, Busia and Luwero, Nakasongola and Nkokonjeru
Kikaaya Establishments Ltd	Nakawuka
WSS Services (U) Ltd	Bundibugyo, Kalangala, Kalisizo, Katwe-Kabatoro, Kinoni, Kyazanga, Lyantonde, Mbirizi, Ntungamo, Rakai and Rukungiri
Trandint Ltd	Busolwe, Budaka, Kasambya and Kibibi
Bika Ltd	Kakiri,Busembatia,Buwenge,Iganga,Kaliro,Kamuli,Kibiga,Wakiso

Country Background

- Country popn is approx. 26million
- Current Popn in Urban Small Towns approx 2million at a growth rate is at 3.2%
- Over all water coverage in 180 Urban Small Towns 36%
- Water coverage in the 57 towns under APWO-Ug is 63%

TOWNS OPERATED BY APWO-UGANDA



● Approximate location of Small town contracts

OBJECTIVES OF APWO-UGANDA

- To co-ordinate POs to have a common voice on issues that affect their effectiveness in delivery of sustainable & efficient water and sanitation services.
- To pool resources both internal and external to help facilitate the efficiency and effectiveness of water and sanitation management services in small towns.
- To advocate for the interests of member companies

Objectives ... *Cont'd*

- To network with similar organisations – locally & internationally
- To work hand in hand with relevant government and donor agencies in the water sector towards attainment of MDGs and PEAP (Poverty Eradication Action Plan)
- Set standards and Quality assurance guidelines to ensure that private water operators offer satisfactory services

Appraisal 2005/06

- Inauguration of the Association in August 2004
- Procurement of secretariat equipment i.e. Computer and printer with support of GTZ-Ug
- Initiated APWO-Ug magazine "*The Operator*" 3 issues published to-date
- Improved commitment of member companies to the association as well as the national water sector activities
- Representation and participation in the International & National Water Multi-stakeholder Dialogues
- Successfully went through the preliminary stage of the Public Private Partnership water facility grant application to facilitate association plans & implementation
- Acquired membership with Aquafed

Performance measures

- Metering to reduce on the UFW and ensure payment for the cost of service – 93% metering
- Customer care and sensitization
- Maintenance of Water supply system – functionality is at 93%
- Effective utilization of government grants to extend water services – improved access (0.5km)
- Water quality testing and dosing – 95% of samples in conformity
- Proper record keeping and regular reporting – availability of national data for assessing coverage

Status of performance - Towns under POs

Parameter	Base Year 04/05	Current year 05/06
Water Supplied (m3)	2,767,049	2,532,012
Water Sold (m3)	2,257,649	1,927,868
UFW (%)	18.4	20.7
Total number of Connections	16,061	18,944
Active Connections	13,096	16,076
New Connections made	2,444	2,600
Extensions made (m)	75,784	82,421
Collection Efficiency (%)	86.0	84.7
Staff per 1000 Connections	31	26



★ Power Blackouts

★ Ageing Infrastructure

Key Issues

Lack of streamlined policy frameworks for private sector engagement, e.g.

- De-gazetting of towns to the Public Sector – Abrupt, Inadequate compensation, Uncertain Business environment
- Non inclusion in key policy/legal documents such as the Water Act
- Restrictions on PSP investment in water systems
- Tariff setting mechanism – no consultation of Pos, no technical input, non reflective of the reality on ground
- Sector governance, participation, accountability and transparency issues i.e. corruption

Issues cont.../d

- Delayed payment of management fees resulting from low rate investment by government, low tariff (not O&M cost recovery), delayed by govt institutions
- Inadequate regulation mechanisms in the entire Water and Sanitation sector.
 - Inadequate resource/capacity (Local Authorities & DWD) to facilitate performance monitoring for both Private and Public sector
- Lack of representation on key Water sector Committees to create linkages to the sector mainstream – communication gap

Issues cont.../d

- Political influence and interference in day-to-day operational issues including bidding and contract procurement processes, Debt collection, water extension
- National power crisis – load shedding reducing hours of production by 304 hours/month on average
- Lack of resources to facilitate planned activities like training, secretariat logistics (Mgt fees payment delays)

Plans & Prospects

- Secure funds to through PPP, EU facility water grant, GTZ-Ug to support secretariat and APWO-Ug planned activities
- Implementation of the GPOBA programme under the World Bank - January 2007.
- Implement joint training programs in partnership with IFC in Dec 06
- Implement the communication strategy in partnership with government and other stakeholders

Plans & Prospects cont.../d

- Register with Private Sector Foundation to access subsidized services on training, investment costs
- Raise APWO profile through dialogues with key stakeholders in the Water and Sanitation Sector in order create awareness
- Constitutional amendment to streamline association membership
- Engagement with the Water Dialogues to contribute to resolving national/global perception on PSP in Water and Sanitation sector

Conclusion

- Access distance is 0.5 km still long distance for women and children
- APWO-Ug is and will remain a strong partner in the provision of water and sanitation services in Uganda.
- We wish to thank GTZ for their continued support to the Association

**THANK YOU & MERRY X-
MAS WITH A
PROSPEROUS NEW YEAR
2007!**