THE UNITED REPUBLIC OF TANZANIA

MINISTRY OF WATER

With a Summary of Water Sector Progress since 2007/2008

Prepared for the Joint Water Sector Review 2011
Dar es Salaam: August 2011.
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<td>AFD</td>
<td>French Development Agency</td>
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<td>African Development Bank</td>
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<td>BADEA</td>
<td>Arab Bank for Economic Development in Africa</td>
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<td>BICO</td>
<td>The Bureau for Industrial Cooperation</td>
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<td>BWB</td>
<td>Basin Water Boards</td>
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<td>Basin Water Offices</td>
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<td>CAG</td>
<td>Controller and Auditor General</td>
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<td>Community Owned Water Supply Organisations</td>
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<td>Chief Parliamentary Draftsman</td>
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<td>Civil Society Organizations</td>
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<td>Community Water Supply and Sanitation Programme</td>
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<td>DAWASA</td>
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<td>DAWASCO</td>
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<td>Drilling and Dam Construction Agency</td>
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<td>DFID</td>
<td>Department for International Development</td>
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<td>DFTs</td>
<td>District Facilitation Teams</td>
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<td>Eastern and Southern Africa Management Institute</td>
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<td>GPS</td>
<td>Global Positioning System</td>
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<td>HICTU</td>
<td>Head Information Communication Technology Unit</td>
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<td>HIV/AIDS</td>
<td>Human immunodeficiency virus/ Acquired immune deficiency syndrome</td>
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<td>HTM</td>
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<td>Implementing Agencies</td>
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<td>Joint Water Commission</td>
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<td>KfW -</td>
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<td>Regional Secretariats</td>
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<td>SWAp</td>
<td>Sector Wide Approach</td>
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<td>Tanzania Electrical Supply Company</td>
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<td>UN Habitat</td>
<td>United Nations Habitat</td>
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<td>USD</td>
<td>United States Dollar</td>
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<td>WASH</td>
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<td>WB</td>
<td>World Bank</td>
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<td>Water Development and Management Institute</td>
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<td>WSSR</td>
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WSWG - Water Sector Working Group
WUAs - Water User Associations
WUGs - Water User Groups
WWF - World Wildlife Fund
ZAMCOM - Zambezi Basin Commission
Preface

Over the past decade, the Government embarked in implementing sector reforms through formulation of the National Water Policy (NAWAPO 2002), formulation of the National Water Sector Development Strategy (NWSDS 2006-2015), preparation of the Water Sector Development Programme (WSDP 2006-2025); and enactment of two water legislation; the Water Resources Management Act Number 11 of 2009 and the Water Supply and Sanitation Act Number 12 of 2009. While the NAWAPO provides the general direction on integrated water resources management, cost recovery principles in provision of water supply and sewerage services in urban areas, and participation of beneficiaries in contributing capital investments and management of operations and management costs for sustainability of rural water schemes; the NWSDS sets out strategies for implementation of the policy directives. The WSDP charts out planned activities for policy implementation countrywide through the sector-wide approach (SWAP); and the legislation establishes sector institutions and gives them legal mandates in executing their roles and responsibilities.

Sector reforms takes cognizance of the necessity to link sector plans into country’s socio-economic policies such as the Tanzania’s Development Vision 2025, which targets increase access to clean and safe water in rural areas to 90% and universal access in urban areas by 2025; MKUKUTA II (2010-2015) and MDGs (by 2015) that have inherited MKUKUTA I targets in both urban and rural areas with new targets on small towns (increase from 53% in 2010 to 57% by 2015) and Dar es Salaam (increase coverage from 55% in 2010 to 75% by 2015). The target for sewerage coverage is to increase from 18% in 2010 to 22% by 2015. In order to achieve these targets; joint efforts are strengthening of institutional capacities including capacities in financial management and contract management; and effective use of improved systems (functional MIS and integrated M&E framework) for improving program execution efficiency.

As the sector finalizes implementation of WSDP phase I in 2011/2012, I urge all implementing agencies to increase their commitment in program implementation so as to facilitate attainment of sector targets by 2012 and more specifically by 2015, putting in mind failures in achieving the sector targets in 2010.

The water sector status report for 2010/2011 is amongst major agenda for the 6th Joint Water Sector Review in October 2011. It highlights what transpired during implementation of WSDP since its commencement in July 2007 up to June 2011. It is an evaluation report that informs programming for WSDP phase II (2012 -2017). I would like to take this opportunity to welcome all stakeholders to note the challenges and constraints we encountered during implementation of WSDP phase I (2007-2012) and join hands in reflecting the way forward by enhancing our partnerships in the thrust of meeting the agreed undertakings and actions.

Eng. Christopher N. Sayi
Permanent Secretary
Ministry of Water
Executive Summary

During the last decade, the Government of Tanzania (GoT) embarked on a major water sector reform process; through approving a forward-looking National Water Policy (NAWAPO - 2002), that promotes an integrated approach to water resources management and advocates efficient provision of Water Supply and Sanitation Services. In 2006, knowing the need for significant increase of investments in water supply and water resource management; the Government adopted a sector-wide approach to planning (SWAP) through the Water Sector Development Programme (WSDP) that is guided by the National Water Sector Development Strategy (2006). The Programme supports public service and local government reforms and supports investments in other water-using and related sectors such as agriculture, energy, environment, mining, fisheries, and lands and supports development of shared water resources through inter-country joint basin management. The Government put in place new water laws in 2009 to reinforce the new institutional arrangements as well as guide sector practice and development. An enhanced dialogue mechanism between GoT sector agencies, development partners, and civil society was put in place since 2006 for ensuring inclusiveness and adherence to the best practices, MoU and other agreed procedures.

The WSDP is implemented through the four WSDP components, which are Water Resources Management implemented in all 9 Basin Water Offices; Rural Water Supply and Sanitation implemented in all 132 Local Government Authorities; Urban Water Supply and Sewerage implemented in all 19 regional headquarters; DAWASA/DAWASCO, 109 district/small towns’ utilities and 7 National Projects; and Institutional Strengthening and Capacity Building for ensuring sustained institutional and staff competence in programme implementation. Programme implementation started in 2007 but in actual fact, most of WSDP projects are only now moving to construction status. Prior to this, implementation was mainly on Quick Wins Projects; Earmarked Projects and projects that were ongoing at the start of the program.

The Water Sector Status Report 2010/2011 gives an assessment of implementation for the period of four years July 2007 to June 2011, with aim of informing stakeholders on the status of WSDP progress, achievements from implementation of planned interventions, lessons learnt and challenges faced so far. The report also assesses levels of outcomes (service delivery) from achieved outputs and analyzes institutional capacity in relation to its impacts on performance. The thrust of the report is to facilitate discussions in the annual Joint Water Sector Review with a view of improving the pace in executing the program interventions during the final year of WSDP phase I; and guide the formulation WSDP Phase II as well as providing inputs into the 2012/2013 Government Budget Guidelines.

Program Financial Commitments, Disbursements and Expenditure

At the beginning, the GOT in collaboration with other stakeholders committed USD 951 million to finance WSDP Phase I of five year period from 2007/2008 to 2011/2012. The GoT agreed to contribute USD 251 million, equivalent to 26% and DPs agreed to contribute USD 700 million, equivalent to 74%. By June 2010, the total commitment reached USD 1,204,218,825 (an addition of USD 253,218,825). By June 2011 further commitments were received that increased total commitments to USD 1,387,247,801. Additional commitment is 46% of the original commitment.
By June 2011, a total of USD 745,024,379 was disbursed; out of which USD 122,646,268 was from the Government, and USD 215,923,887 through water basket account and USD 321,245,327 was disbursed to earmarked projects. The disbursement is equivalent to 62% percent of the total revised commitments.

Of the disbursed amount, USD 30,135,024 was for Water Resources Management; USD 220,884,973 for Rural Water Supply and Sanitation; USD 441,724,496 for Urban Water Supply and Sewerage and USD 36,407,097 was for Institutional Strengthening and Capacity Building. The amount of USD 15,872,789 was disbursed to the WSDP Holding Account at BoT but by 30 June 2011, it was not disbursed to components through exchequer due to that fact that AfD Funds were disbursed late in June 2011.

Out of USD 729.15 million that were disbursed to components, USD 697 million were spent, equivalent to 96% leaving the balance of USD 31.86 million which is still in the LGAs and Basins. Verification of all unpaid outstanding invoices will finally establish the correct figure.

The balance amounting to USD 459,194,446 (USD 658,096,012 if all unconfirmed commitments are taken into consideration) whereby USD 128,353,732 is from the Government; USD 125,876,113 from the basket, and USD 154,964,601 from earmarked funding is still available for use during the remaining period of 2011/2012.

Implementing agencies own revenue collection, which include water billing, sewerage billing, economic water user fee, water permit application fee, and TANESCO Royalty; totaled Tshs. **231.02 billion** (equivalent to USD **154 million**). Collection by IAs is as follows: Basins - Tshs. 4.0 billion, UWSAs – Tshs. 157 billion and LGAs – Tshs 70 billion for water services including community contribution.

For all three year of WSDP implementation the MOW Management has been conducting annual external financial audits, quarterly internal financial audits, with Technical and special audits conducted in 2010 in compliance with Public Finance Act of 2001 reversed 2004, MOU, PIM and Financial Management Addendum. Also procurement audit reviews to measure compliance to the PPRA was done in 2009.

**Procurement**

WSDP phase I planned to execute a total of 815 contracts. By June 2011, out of 815 planned contracts, 417 (51%) were awarded; and out of the awarded contracts, 285 contracts (68%) were implemented and 186 Contracts (32%) were in progress. 344 contracts (49%) were not initiated. Of all the contracts; 670 contracts planned under the basket funding, 48 under earmarked funding and 97 under the GOT funding. Summary for each component is presented below:

**Water Resources Management Component:** The total of 64 contracts was planned for WSDP phase I for WRM component. Up to August 2011, 38 contracts (59%) were awarded, out of which 3 contracts (8%) were completed. 26 contracts were uninitiated. Although this may be interpreted as weak contract management in the Component, the fact is that consultants in the field were found to be rare in the market and it took time to prepare executable specifications.
Rural Water Supply and Sanitation Component: This component is implemented with a relatively high number of implementing agencies and actors (Local Government Authorities, Regional Secretariats, under the coordination of Prime Minister’s Office; Regional Administration and Local Government – PMO-RALG in collaboration with the Ministry of Water); therefore it required relatively high initial costs for preparation and ensuring proper understanding of relative roles, accounting and reporting. Procurement of consultants initially started using the PPA but after affirming on the Basket arrangements, WB guidelines were to be used for any consultancy contract that exceeded USD 100,000, and therefore in 2007/2008 the exercise had to start afresh. Out of 457 planned contracts for component 2; 256 contracts (56%) were awarded; of which 214 (84% of the awarded contracts) were completed. This performance includes earlier projects that were transferred from the Rural Water Supply and Sanitation Project. It also includes quick wins and the design of drilling of boreholes. The complex projects such as construction of dams and water point mapping were prolonged due to their complexity.

Urban Water Supply and Sewerage Component: In the context of capacity building and monitoring, the Ministry’s PMU in collaboration with Department of Urban Water Supply and Sewerage Services has been reviewing procurement processes, documentation and decisions made on various activities. Bulk allocation of funds was for investments works. Out of 219 planned contracts, 145 were awarded (66%) and 87 uninitiated. Out of the 145 awarded contracts, 58 contracts (40%) were completed and 87 in progress. This is an indication of weak capacity in contract administration and management in this component due to a combination of learning the newly required procurement compliance while at the same time ensuring effectiveness in the procurement management.

Component 4: Institutional Strengthening and Capacity Building: Bulk allocation of funds was for goods. Out of 76 planned contracts, 32 contracts (42%) were awarded; and out of those awarded, only 10 contracts (31%) were completed. 44 contracts (58%) were uninitiated contracts. This may be interpreted as weak capacity in contract administration and management in this component but some of the activities were fairly complex in their implementation due to the fact that they required adequate preparations which took longer period than anticipated.

Water Resources Management

From July 2007 up to June 2011; progress so far involves construction of head quarter office for Lake Nyasa (40% of completion with expectation of completion by November 2011). Consultancy design and tender documents for other Basins has been prepared. All 30 vehicles for basins have been procured and handed to Basins in 2010; 35 out of 90 planned motorcycles have been procured and handed to Basins in 2010; 64 out of 66 planned computers, accessories and other office equipment including photocopiers; 11 sets out of 12 planned sets of operational equipment systems (geographical information systems and mapping equipment/hydro networks/laboratory/communication) have been procured and delivered, but they are still waiting installation. The 12th set for ground water monitoring is yet to be received.
For monitoring stations, the WSDP Component I conducted inspection, cross section survey and preparation of design and bills of quantities (BoQ) for rehabilitation and construction of 362 hydrometric stations and identification of more sites feasible for water quality stations installation. A total of 50 monitoring equipment have been procured and installed in 50 hydrometric stations during the FY 2010/2011. 53 (57%) out of 93 WUAs that were planned were formed in all Basins. A total of 256 Water User Groups (WUG) have been established; and 37 District Facilitation Teams (DFTs) have been formed to oversee WRMA adherence in Basins and spearheading formulation of WRM by laws in their Districts; and 170 staff of various professions was recruited in the Basins. In efforts to strengthen WUAs; in 2008/2009 55 bicycles and 23 motorcycles were provided to WUAs in Rufiji, Wami/Ruvu and Pangani Basins to facilitate Water Resources Monitoring.

Environmental flow assessments in Pangani, Rufiji and Wami/Ruvu Basins were completed in 2009; their findings and recommendation provide inputs in the preparation of integrated water resources management plans, The number of water rights issued in FY 2007/2008 was 4,951 (against 15,021 planned) and in 2008/2009 was 397 (against 412 planned). A total of 2,459 water users/abstractions were inspected during this time. The number of water use permits issued in FY 2009/2010 was 222 (against 390 planned) and two (2) against 576 planned for 2010/2011. The decline in granting water user permits was due to institutional reorganizations in accordance to the requirements of the new WRMA and its regulations, which require even previously registered water rights to be re-registered for re-granting of water use permits in lieu of water rights. Since 2009/2008 to 2010/2011 a total of 3,753 wells were drilled and registered. Preparation of IWRMPs is in various stages as detailed in the report.

On trans-boundary water resources, Tanzania ratified the Agreement on the Joint Water Commission between Tanzania and Mozambique in 2009 and the Zambezi Basin Commission in 2010; signed the Tanzania/Malawi MoU in March/April, 2011 for implementation of the works to stabilize the Songwe River; continued the implementation of the Nile Basin Initiative agreed activities as well as the LVEMP II activities.

On dam safety, the survey in 2009 found at total of 639 dams; most of them in poor conditions (54% were without crest weir, 65% eroded upstream slope; 66% eroded downstream slope, 55% eroded up/down stream slope and 53% without riprap; 47% of the dams have a reduced capacity, 23% have settled embankments, 21% are leaking dams and 7% are failed or silted up). There are no early warning instrumentation for almost all dams. The study categorized dams that require immediate rehabilitation. The Draft Dam Safety Regulations, guidelines, and dam safety database, have been developed.

On water quality, the water quality management and pollution control strategy was finalized in July 2011; water pollution control action plans prepared and implemented in all water basins; a total of 16,478 water samples from the water sources intended for domestic use were collected and analyzed during 2006/2007 - 2010/2011. A total of 14,948 water samples were found to be within the allowable national standards. The chemical reagents for all 16 water laboratories have
also been delivered. And 15 vehicles out 16 planned to support water quality monitoring activities were delivered.

**Rural Water Supply and Sanitation Management Support**

By June 2011, out of 68 offices planned for rehabilitation, 65 offices, equivalent to 96% performance, were rehabilitated; and out of 44 new offices planned to be constructed, 63 offices, equivalent to 143% performance, were constructed. 120 motor vehicles, 252 motorcycles, 124 printers, 111 computers, 116 scanners were procured and supplied to LGAs; 21 motor vehicles, 20 printers, 21 computers and 20 scanners were procured and supplied to Regional Secretariats. The contract for water point mapping was signed in November 2010 and work started in January 2011, after covering 40 LGAs in March 2011, work was stalled for two months because of delays in fund disbursement; and resumed in June 2011 after disbursement of fund was done. By August 2011, 61 LGAs was covered, with expectation to complete the activity as planned in December 2011.

A total of 2,921,830 people were sensitized on sanitation and hygiene; a total of 3,604 demonstration latrines were built, 4,989 artisans trained 10,628 san-plats casted and 19,163 school sanitation clubs formed.

**Rural Water Supply and Sanitation Investments**

130 LGAs (except Simanjiro and Morogoro District Councils) had procured and signed contracts with consulting firms. By June 02011, out of 6,573 planned sub projects, 4,560 were implemented, which is about 69.4%. Out of the 4,560 subprojects, 9,546 water points were constructed/ rehabilitated (23% of planned 41,900 water points), serving an additional population of 2,386,500.

In 10 program villages in each LGA, studies find preference for hand pump schemes is still low. Out of 506 villages studied, 210 villages (41.5%) opted for gravity schemes, 270 villages (53.4%) opted for pumped schemes and 26 villages (5.1%) opted for hand pumped schemes. Educating the people on the unit costs of investments and operations and maintenance costs of various technologies before they choose the technology is essential for sustainability.

55 LGAs (42%) have completed drilling of test boreholes as their main water source and they are currently designing for construction of water schemes; 38 LGAs have signed works contracts and are continuing with drilling of boreholes; 12 LGAs have advertised the tenders for construction of water schemes, 10 LGAs have been granted no objection to engage contractors for drilling of boreholes; 32 LGAs have been granted no objection for advertising the tenders for construction of water schemes, 3 LGAs have completed studies and design reports, ready for floating tender for construction; 5 LGAs have completed preliminary reports including scoping studies and 6 LGAs are in early stages of data collection, hydrological surveys and choice of technology options. As a result, a total of 843 boreholes were drilled in 80 LGAs during 2010/2011, of which 578 (69%) boreholes are productive and have been developed. 16 medium size dams in semi arid areas were constructed; and construction/rehabilitation of the other 9 medium sized dams is ongoing.
MOHSW coordinates implementation of the National Sanitation Campaign in RWSS programme areas with separate sanitation budget from the Program. The School WASH is implemented in close collaboration with MOEVT. Progresses in these areas are reported by the respective ministries.

Water supply coverage increased from the coverage of 55% in 2006 to 57.1% in 2008 and to 58.7 in December 2009, declined to 57.8% in December 2010. Increase in early years is explained by implementation of quick win projects in LGAs. The decline in late years is due drying of water sources as a result of droughts in various parts of the country in 2008/2009; and inadequate continuity in implementation after completing the implementation of quick win projects while population continued to increase annually.

Urban Water Supply and Sewerage Management Support

Out of 155 planned rehabilitation of offices, only 1 office for Musoma has been rehabilitated; construction of UWSA offices in Babati is 30% in progress, and Sumbawanga is at design stage. However, 4 new offices (Vwawa, Kibiti, Misungwi and Ikwiriri) have been constructed to cater for shortage of office accommodation and construction of 9 offices in small towns (Mpwapwa, Utete, Kilosa, Kibagwe, Mvomero, Turiani, Gairo, Masasi and Nachingwea) is in early stages of preparations. Lengthy process of acquiring of land title deed is the main reason for delays in office rehabilitation/construction.

On goods, a total of 85 computer sets, equivalent to 22% of the planned 390 computer sets were procured. Each computer set for UWSA offices consisted of (1) Desktop computer, (1) Printer, (1) UPS, (1) Photocopier and (1) scanner); and for DUWSAs, each set consisted of (1) Desktop computer, (1) Printer and (1) UPS. Out of the 170 GIS and mapping equipment including meters, laboratory equipment and communication/networking equipment planned; only 25,000 meters were procured and house connection materials for 5,000 water meters and laboratory equipments in Iringa. Out of 30 vehicles planned, a total of 32 vehicles (107%) were procured and Out of 490 planned; 160 were procured (33%).

A total of 72 design contracts were signed between 2006/2007 and 2010/11; 19 were for expansion of water supply and sewerage in UWSAs and 53 were for improving water supply services in Small Towns and National Projects. Out of these, 30 contracts (42%) were completed by June 2011.

Out of the 21 events of training that were planned, 14 (67%) events were organized and training/studies conducted.

Urban Water Supply and Sewerage Investments

A total of 112 immediate projects were implemented in DUWSAs, Small Towns and National Projects. ESIA, design and preparation of tender documents for Construction of Kidunda Dam started in August 2010; the preliminary report submitted in June 2011, with recommendations in that to install the 22MW power production plant. Supervision and works contract, ESIA, and compensation activities for lower and upper Ruvu, and trunk mains to university reservoirs and from Kibaha to Kibamba are in final stages with works expected to commence by end of 2011. Study on non-revenue water in Dar es Salaam was completed in June 2011 and performance
based contracts for the implementation of recommended measures to reduce non revenue water prepared. Construction of 19 boreholes was completed; construction in ongoing for 5 others. Also implementation of expansion of water supply services in groups I to IV towns, and in district head quarters and small towns (group V), was ongoing though in varied progress ranging from 20% to 90% in some of the towns.

By June 2010, end mark for MKUKUTA I implementation, the services were at 84% on water supply services in the 19 urban regional headquarters which were defined by MKUKUTA to represent urban sector. This didn’t include the coverage in district head quarters and small towns, which stood at 53% and coverage in Dar es Salaam, which according to the Minister’s Speech to the 2010 Budget Parliament Session, it stood at 55%. MKUKUTA targets could not be realized due to various reasons, including delayed implementation of planned investment sub projects. Status on various operational indicators such as number of both water supply and sewerage connections, average hours of services and length of distribution network is provided in the main report.

Institutional Strengthening and Capacity Building

Much of progress in this component is partly provided in component 1, 2 and 3 reports. However, progress worth noting includes preparation of the corporate strategic plan and client service charter, which were completed in November 2009 and May 2010 respectively. Out of 5 building blocks planned for rehabilitation during WSDP Phase I at Ministry Headquarters; 4 building blocks with a total of 37 offices able to accommodate a total of 112 staff have been completed; construction of the Maji House has been waiting no objection from the WB for more than 8 months. Out of 250 vehicles planned for WSDP strengthening, a total of 244 vehicles have been delivered and distributed to implementing agencies (goods reported under component 4 include those reported under individual components). Delivery of (6) Toyota Land Cruiser Hard Top vehicles is expected by end of October 2011. Out of 802 planned motorcycles for WSDP phase I, 407 motorcycles have been procured and distributed to implementing agencies.

The contract for supply of digital projectors (16), and printers (241), Scanner (170), digital camera (43), digital duplicator (1), TV set – 21 inches (2), TV set – 36 inches (10), Satellite dish, (11), DVD recorder and player (11), (316) of desk top computers, (113) lap top computers, (4) servers, 1 Unit of Plotter; and External mass Storage (24) was signed in April 2009. By December, 2009; all items were procured and delivered to MoW, BWOs, DUWSAs, and RSs; except (17) Units of heavy duty Photocopiers, (112) units of medium duty photocopiers, facsimiles (175), and 2 Units of Digitizer. MoW is reviewing the contract document in order to take actions against the supplier. In addition to these equipments, one unit of heavy-duty generator for power production was procured and delivered in 2009.

Water Sector Programme MIS platform was completed and launched in October 2010. Posting or loading data into the MIS by MoW, LGA’s, BWO’s, UWSSA’s, National Water Projects and all other implementing agencies, was completed in August 2011. As it is now fully functional, the system is able to produce WSDP activity reports, planning and budgeting reports, procurement and contract management reports and financial expenditure reports.
On sector coordination, out of the planned meetings, performance of Water Sector Working Group (WSWG) meetings is 81%; TWGs meetings (75%) Three TWG meetings were extraordinary meetings. On the National Water Board; members were nominated in 2010 and the board held its first meeting on 26th May 2011. Performance of Joint Water Sector Review (JWSR) meetings have been so far 100%.

On personnel capacity, a total of 628 staff new employees of different professional including civil engineers, environmental engineers, economists, hydrologists, hydro geologist, statisticians, computer analysts, human resources and administrative officers, drivers, secretaries and community development officers; were recruited and deployed to MoW departments, Basin Water Offices and LGAs. This is 80.41% of the planned 781 staff for recruitment; the gap is due to scarcity of qualified candidates in the market. More gaps are being filled in LGAs through redeployment of Staff from former RCUs. A total of 1717 staffs from MoW and Basins were trained on various disciplines as part of implementation of sector capacity development framework.

Safeguards

By June 2011; there were 700 approved sub projects which qualified for environmental and social screening, out of these 233 projects have been screened (29 category A, 36 category B and 168 category C). Some of these projects activities shall require displacement of people, and hence need for compensation. Projects that need a Resettlement Action Plan are nine (9).

Implementation of Undertakings

Although most of undertakings were agreed long after the budget has been approved, the status of more than 70% overall achievement indicates seriousness on the part of implementers of the program.

Analysis of Progress from National Surveys

Percentage households in urban areas using protected sources of water increased from 77 percent in 2007 when WSDP commenced to 80 percent by 2010 (3% increase); and from 40.4 percent to 47.9 in 2010 (7.5% increase) in rural areas. The increase in these outcomes is mainly attributed to WSDP implementation especially the implementation of quick win projects in rural areas.

On sanitation, use of the pour flush toilets have increased from the average of 8% in 2007 to 15.3% in 2010 in urban areas, and from 1% to 1.6% rural areas. In contrast; the use of the traditional pit latrine decreased from 87.2% in 2007 to 79.7% in 2010, indicating either the shift towards improved sanitation facilities or abandoning the use of toilets in some parts of the country; the observation which requires more research. The increase in the use of flush toilets in both urban and rural areas is an indication of the improvements made in increasing availability of water supply services in those areas.

Lessons Learnt. Emerging Issues and Challenges
Lessons learnt include the importance of the functional MIS that is linked to an effective M&E framework in producing and sharing reports with reliable data and information; importance of using surveys and census data for analysis and decision making as an addition to improved routine data systems as a result of MIS; and the importance of continuing with joint annual sector performance assessments, mid-term reviews and end of the phase evaluations.

The emerging issues during program implementation included increasing water related conflicts, climate change variability reducing water flows, adherence to safeguards guidelines; water pollution from mining sites and contract management as one of the areas that require special attention.

Amongst major challenges that affected implementation of planned program activities was stalling of normal disbursements of funds since March 2010. With exception of funds for payments of outstanding certificates; no funds were disbursed from DPs for the component activities. This caused delays in implementation or postponement of some of the planned activities for financial year 2010/11 and 2011/2012. The counter effects of this problem include increasing costs due to accruing interests as per contractual terms. This has caused not only slow pace of implementation and non-completion of ongoing works but also it has caused some contractors to totally demobilize. Furthermore, the sector still faces capacity and systems constraints that have been affecting proper contracts management, delays and stoppages in contractual executions. Other factors affecting program implementation include long term preparatory period required for infrastructure projects and changes in the unit costs per capita over time that have been reducing the levels of planned budgets.

**Key Areas for WSDP II**

(i) Implementation of priority investments for WRM including climate change adaptation measures such as water storage dams;

(ii) Implementation of Capacity Development Plans (basin Offices, Staff Recruitment and Training) for all components assuming that most of equipment were acquired during WSDP Phase I;

(iii) Increasing the use of soft loan packages in grade A UWSAs, Public Private Partnerships and prioritized basket funds in financing priority investments with more focus on upgrading grade B & C UWSAs, Dar es Salaam, District Headquarters and Small Towns;

(iv) Completing the implementation of prioritized 10 villages in each District, and rolling out the interventions to other priority villages considering equity (other districts may need more villages);

(v) Implementation of sanitation campaign in both urban and rural areas under the coordination of the Ministry of Health and social Welfare;

(vi) Strengthen the Coordination Unit within PMO-RALG to have water experts, in the same way Education, Health, Agriculture and other sectors are fairing. The unit should be staffed by experienced government water experts;
(vii) Insist on adherence to the Paris Declaration on aid effectiveness that advocate for use of national systems including the use of national procurement regulations and guidelines;

(viii) Change the consultancy contracts package awarding basis to regional, rather than district. A regional approach has the advantage of reducing the number of procurement processes, reducing the considerable transaction costs for all concerned and ensuring that qualified resources are not spread too thin. The phasing of the awarding of contracts should also be considered so that bids are rejected as the winning firm already has too many contracts;

(ix) Combine geophysical surveys and drilling contracts;

The key areas are important inputs to the undertakings that will be finally agreed during the JWSR.

Way Forward

The following is the way forward for WSDP: 2011/2012 and beyond:

i) Prepare and approve WSDP Phase II;

ii) Complete works spilled over to WSDP phase II; including all areas where studies were done in phase I but work could not start due to fund deficits, delays in fund disbursements or delays in procurement;

iii) Due to high unit costs for public sewer systems; explore the possibilities of using decentralized sewerage and simplified sewers including promoting onsite disposal;

iv) Enact a new financing paradigm for sewerage based on the investment principles of ‘users pay’ and ‘revenue collected locally should be invested locally’.

v) Integrate Water Sector Management Information System (MIS) and M&E functions to ensure constant updating of data and information including physical progress reporting.

vi) Strengthen ICT infrastructure and use standards to handle IT systems in the water sector.

vii) Start the use of electronic document management solutions; including the use of e-records as a prerequisite to handle all WSDP documentations covering tenders, contracts and financial documents;

viii) Harmonize implementation approaches by various actors at the community level;

ix) Implement Electronic Fleet Management and Control System for effective utilization and use of vehicles and/or transport facilities in the Ministry or WSDP vehicles.
WATER SECTOR STATUS REPORT 2010/2011

1. INTRODUCTION

1.1 Background of WSDP

During the last decade, the Government of Tanzania (GoT) embarked on a major water sector reform process; through approving a forward-looking National Water Policy (NAWAPO - 2002), that promotes an integrated approach to water resources management and advocates efficient provision of Water Supply and Sanitation Services. In 2006, knowing the need for significant increase of investments in water supply and water resources management; the Government adopted a sector-wide approach to planning (SWAP) through the Water Sector Development Programme (WSDP) that is guided by the National Water Sector Development Strategy (2006). The Programme supports public service and local government reforms and supports investments in other water-using and related sectors such as agriculture, energy, environment, mining, fisheries, and lands and supports development of shared water resources through inter-country joint basin management. The Government has put in place new water laws in 2009 to reinforce the new institutional arrangements as well as guide sector practice and development. An enhanced dialogue mechanism between GoT sector agencies, development partners, and civil society was put in place since 2006 for ensuring inclusiveness in addressing the bottlenecks.

The WSDP is financed through two distinct funding mechanisms: a basket fund using common implementation arrangements for external and internal funds; and ‘earmarked’ projects by specific Development Partners. The summary on financial commitments, disbursements and expenditure status is provided in chapter three of this report.

The Water Sector Development Programme is the main financing mechanism for the water sector in Tanzania. The programme consolidates sub sector investment portfolio into three sub-sector components; and added component on institutional strengthening and capacity development. The four WSDP components are:

(i) **Component 1**: Water Resources Management implemented in all 9 Basin Water Offices under coordination of MoW;

(ii) **Component 2**: Rural Water Supply and Sanitation implemented in all 132 Local Government Authorities under coordination of MoW through Regional Secretariats and PMO-RALG;

(iii) **Component 3**: Urban Water Supply and Sewerage implemented in all 19 regional headquarters; DAWASA/DAWASCO, 109 district/small towns’ utilities and 7 National Projects under coordination of MoW and under regulation by EWURA; and

(iv) **Component 4**: Institutional Strengthening and Capacity Building for ensuring sustained institutional and staff competence in programme implementation under coordination of MoW.

The programme development objective is to “strengthen sector institutions for integrated water resources management and improve access to water supply and sanitation services”. The ultimate
objective is to help deliver the Millennium Development Goals and to achieve the targets under the National Strategy for Growth and Poverty Reduction - MKUKUTA.

Programme implementation started in 2007 but in actual fact, WSDP projects are only now moving to construction. Prior to this, implementation under the WSDP has comprised of:

(i) **Quick Wins Projects** – predominantly simple works where the rapid releases of development funds, which were disbursed to make noticeable improvements in the provision of water services in both rural and urban areas.

(ii) **Earmarked Projects** – schemes identified for funding by individual Development Partners (DPs) and procured and managed under DP’s own procurement processes and procedures.

(iii) **On-Going Projects** – schemes started before the WSDP was finalized and supported by GoT local funds and/or earmarked funds.

1.2 The 2010/2011 WSSR

Water Sector Status Report 2010/2011 gives an assessment of implementation for the period of four years, since July 2007 to June 2011, with the purpose of informing stakeholders on the status of WSDP progress, achievements from implementation of planned interventions, lessons learnt and challenges faced so far. The report also assesses levels of outcomes (service delivery) from achieved outputs and analyzes institutional capacity in relation to its impacts on performance. The thrust of the report is to facilitate discussions in the annual Joint Water Sector Review with a view of improving the pace in executing the program interventions during the final year of WSDP phase I; and assist in guiding the formulation WSDP Phase II as well as providing inputs into the 2012/2013 Government Budget Guidelines.

1.2.1 Scope and Purpose of the Report

Water Sector Status Report 2010/2011 draws inputs from the implementation of four WSDP components operating under SWAP framework. The report derives data and information from WSDP periodical implementation progress reports; and uses those reports to measure effectiveness of interventions including constraints and other issues that underpin program performance.

The scope of this report bounds itself within the data and information reported during the period from July 2007 up to June 2011; as documented in the WSDP quarterly physical implementation reports, quarterly IFRs, quarterly procurement reports, semiannual reports, annual reports, JWSR proceedings, annual external financial audit reports, quarterly internal audit reports, Special Audit Report of 2010, The Technical Audit Report of 2010 and various other reports as prepared and jointly shared with WSDP Development Partners. The report also gets its technical analytical inputs from national surveys conducted by NBS in 2007 (HBS), and 2010 (TDHS); various research papers and various water sector studies. Within this literature boundary, various reports that were done before July 2007 are just referred when necessary.
1.2.2 Structure of the report

The Report is divided into 9 Sections. After introduction, section 2 presents the summary of the Midterm Review findings and recommendations as well as the summary of the restructuring plan. Section 3 presents the financial performance of WSDP in relation to commitments, disbursements and expenditure from July 2007 to June 2011 while section four presents status of WSDP procurements, contracts signed and unsigned; and their status on execution including issues on contract management. Section 5 clarifies on the Implementation of planned activities against targets for period of July 2007 to June 2011. It summarizes assessment of planned activities against planned targets by components including adherence to safeguards and provides an estimation of outcomes based on invested infrastructure. Section 6 analyzes the results from national surveys, followed by section 7 that elaborates on lessons learnt since program commencement in 2007 to date, such as the need to improve reporting through the functional MIS that requires to be linked to an effective M&E framework; and discusses immerging issues and opportunities for further improvements. Section 8 presents key areas for WSDP phase II and introduces draft undertakings. The last section presents the way forward consisting of next steps after the JWSR 2011.
2 MID TERM REVIEW AND RESTRUCTURING PLAN

2.1 Findings and Recommendations of the Mid Term Review of March-April 2010

The WSDP Mid Term Review (MTR), undertaken in March 2010 was a comprehensive review of all aspects of WSDP at the midpoint of Phase 1 of programme implementation. It explored four programme components as well as their implementation framework. The main focus of the review was to come up with strategic and organizational issues, while analyzing and identifying solutions.

The review came up with 20 recommendations, which touched the development and immediate objectives; implementing entities’ capacity constraints; planning, budgeting and procurement bottlenecks to sanitation and hygiene aspects. On the basis of MTR findings, a Joint mid-term review mission of March-April 2010 recommended restructuring the WSDP by suggesting new realistic targets; revise financing plan, work plan, procurement plan, disbursement projections; the results framework and performance indicators on the ground of prioritization of interventions and activities within the available financial envelope.

Summary of main recommendations:

Recommendation 1: Costs for the evaluation of properties and actual compensations, where deemed necessary, should be incorporated into the overall water resources sub-project cost.

Recommendation 2: The MTR should revise the definition of access to sanitation and the role of WSDP, vis-à-vis promotion, should be defined with regard to its contribution to national targets.

Recommendation 3: Government should enact a new financing paradigm for sewerage based on the investment principles of ‘users pay’ and revenue collected locally should be invested locally’.

Recommendation 4: School WASH targets should not be included in the WSDP results framework.

Strategic Action 5: UWSAs should use the MOWI/EWURA tool for investment planning to prepare their prioritized investment plans to allow MOWI to prioritize WSDP financing across UWSAs.

Recommendation 6: The MTR should set a component development objective, immediate objectives as well as verifiable outcomes for the Institutional Strengthening and Capacity Building component.

Recommendation 7: Release of funds to the holding account should be based on the condition of submission of semi-annual physical and financial reports instead of quarterly reports.

Recommendation 8: Every LGA should establish a water and sanitation implementation committee to work under the district water and sanitation team.
**Recommendation 9:** Ongoing informal twining of UWSA with DUWSAs/STs/NPs within the region should continue until such time that the outcome of the clustering study has been agreed upon.

**Recommendation 10:** The MTR should consider how to address capacity constraints in the PMO-RALG and it should propose a practical solution to meet both the expectations and practical considerations of all stakeholders.

**Recommendation 11:** The MTR should consider how to address capacity constraints in the Regional Secretariats and propose a practical solution to meet both the expectations and practical considerations.

**Recommendation 12:** Future budget allocations to districts for sanitation should be based on good performance and that district to district learning activities are used to enhance capacity building and to engage the private sector in training so as to tap the appropriate expertise at the local level.

**Recommendation 13:** The MTR should review the TOR and performance of the TWGs, WSWG, JSM and JWSR and make suggestions for restructuring, if changes are deemed necessary.

**Recommendation 14:** Internal Audit reports should continue to include information from IAs on the last quarter returns, however information from 132 LGAs will be from the previous to last quarter.

**Recommendation 15:** World Bank should identify which issues have caused most delays in providing a ‘No Objection’ and inform the IAs accordingly on the areas where extra care is needed.

**Recommendation 16:** World Bank should investigate the option of fixing variable thresholds for IAs, on the basis of the IA’s past record in conducting procurement to a high standard. Such a system would provide incentives to IAs to ‘do a good job’ and to be recognized as ‘Class A’ IAs.

**Recommendation 17:** In Phase 2 all procurement should follow national procurement regulations and guidelines in line with the Paris Declaration on aid effectiveness. DPs with additional demands should be located outside the water basket and managed by the DP as an earmarked project.

**Recommendation 18:** PMU and World Bank should use electronic procurement, especially with regard to receiving technical and financial bid documents in soft copy only, to avoid scanning.

**Recommendation 19:** The MTR should review the budget allocations made to each of the four WSDP components and the criteria used to determine these allocations.
**Recommendation 20:** Per capita cost of sewerage is very high and UWSAs should promote onsite disposal if possible. UWSAs should also explore the possibilities of using decentralized sewerage.

### 2.2 WSDP Restructuring Plan

The discussions of the Medium Term Review Report during the Mid Term Review Joint Supervision Mission held from 22nd March to 1st April 2010; resulted in the general recommendation to restructure WSDP; which started in June 2010 up to June 2011 when the restructuring plan was approved on 30th June 2011.

**Areas of Restructuring Focus**

On the basis of MTR findings, available financing envelope and time left before completion of WSDP Phase I (by June 2012), restructuring was done carefully on the following areas of focus:

(i) Reviewing Programme implementation (financing commitments, disbursements, interventions implemented, achievements and challenges) from 2007 to 2010;

(ii) Revising the financing plan including extension of bilateral financing agreement with IDA (from 29th February 2012 to 30th June 2012) to match the WSDP Phase I closing date;

(iii) Revising the WSDP work plan, procurement plan and disbursement projections for each WSDP component for 2010/2011 and 2011/2012;

(iv) Reviewing the results framework and performance indicators;

(v) Agreeing on realistic targets to meet by 2012 and prioritize interventions and activities to meet those targets;

(vi) Revising the unit costs for all programme components in accordance to unit cost changes that have occurred overtime and has been affecting planned activities because their assumptions were as per 2007 base prices;

(vii) Revising the WSDP coordination structure to increase coordination effectiveness and efficiency; and

(viii) The WSDP Development Objective, which is to ‘strengthen sector institutions for integrated water resources management and improve access to water supply and sanitation services’ was agreed to continue remaining relevant.

**Summary of the Restructuring Plan**


The revised financing plan analyzed financial commitments and disbursements made up to June 2010 and allocated financing levels up to June 2012 based on quantification of the costs of
prioritized activities. As discussed in preceding sub-sections, after disbursements and utilization of funds, the balance amounting to USD 627,766,060, whereby USD 146,423,261 from the Government; USD 253,939,320 from the basket and USD 227,403,479 from earmarked funding, equivalent to 50% of total commitments, was still available for use during FYs 2010/2011 and 2011/2012. These funds have been allocated as shown in the table here under.

Table 1: Allocation of Local and Foreign Financial Resources as Per 2010/2011 and 2011/2012 Work Plan

<table>
<thead>
<tr>
<th>WSDP COMPONENTS</th>
<th>2010/2011 Local</th>
<th>2010/2011 Foreign</th>
<th>2011/2012 Local</th>
<th>2011/2012 Foreign</th>
<th>Total (Two years) Local</th>
<th>Total (Two years) Foreign</th>
<th>TOTAL LOCAL + FOREIGN SOURCES</th>
</tr>
</thead>
<tbody>
<tr>
<td>Component 1</td>
<td>1.898</td>
<td>11.639</td>
<td>10.153</td>
<td>22.789</td>
<td>12.051</td>
<td>34.428</td>
<td>46.479</td>
</tr>
<tr>
<td>Component 2</td>
<td>9.323</td>
<td>41.328</td>
<td>36.261</td>
<td>84.135</td>
<td>45.584</td>
<td>125.463</td>
<td>171.047</td>
</tr>
<tr>
<td>Component 3</td>
<td>8.181</td>
<td>99.416</td>
<td>73.818</td>
<td>188.452</td>
<td>81.999</td>
<td>287.867</td>
<td>369.867</td>
</tr>
<tr>
<td>Component 4</td>
<td>2.468</td>
<td>10.213</td>
<td>7.781</td>
<td>19.91</td>
<td>10.249</td>
<td>30.124</td>
<td>40.373</td>
</tr>
<tr>
<td>TOTAL</td>
<td>21.87</td>
<td>162.596</td>
<td>128.013</td>
<td>315.286</td>
<td>149.883</td>
<td>477.882</td>
<td>627.766</td>
</tr>
</tbody>
</table>

Table 2: Distribution of Financial Resources by Source of Fund as per 2010/2011 and 2011/2012 Work Plan

<table>
<thead>
<tr>
<th>WSDP COMPONENT</th>
<th>BASKET/AFDB</th>
<th>EARMARKED</th>
<th>GOT</th>
<th>Budget as per W/Plan</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Component 1</td>
<td>33.307</td>
<td>1.459</td>
<td>11.713</td>
<td>46.479</td>
<td>7.5%</td>
</tr>
<tr>
<td>Component 2</td>
<td>104.738</td>
<td>20.725</td>
<td>45.584</td>
<td>171.047</td>
<td>27%</td>
</tr>
<tr>
<td>Component 3</td>
<td>146.574</td>
<td>141.294</td>
<td>81.999</td>
<td>369.867</td>
<td>59%</td>
</tr>
<tr>
<td>Component 4</td>
<td>21.457</td>
<td>8.667</td>
<td>10.249</td>
<td>40.373</td>
<td>6.5%</td>
</tr>
<tr>
<td>TOTAL</td>
<td>306.076</td>
<td>172.145</td>
<td>149.545</td>
<td>627.766</td>
<td>100%</td>
</tr>
</tbody>
</table>

The financial resources have been allocated more to component 3 over and above the original 54% allocation level, because of the existence of signed contracts and ongoing earmarked projects.

(ii) Revised WSDP priorities by June 2012

The revised priorities during 2010/2011 and 2011/2012 include the signed contracts; investment contracts that are under procurement process for increasing water supply and sanitation service coverage in rural and urban areas; making operational the Sector MIS; Implementation of Capacity Development Plans and implementation of the sanitation campaign in collaboration with the Ministry of Health.

(iii) Revised WSDP Targets by June 2012

Strengthened Basin Water Boards; increased rural access to clean and safe water from 58.7% in 2009 to 60.5%; increased access to clean and safe water in 19 regional centers from 84% in 2009
to 90%; in DAWASA water supply service areas, from 68% in 2009 to 72%; and in small towns and areas serviced by national water projects from 53% in 2009 to 56%; 50% of households in the program villages to have access to improved sanitation facilities and operational water quality management and pollution control mechanism in place.

(iv) Revised WSDP Coordination Structure

- Creating the new Unit in the MoW specifically for efficient and effective WSDP coordination under the leadership of the full Director;
- Adopting the new WSDP component wise Technical Working Groups (TWGs) instead of the former Thematic Working Groups; so that they focus more attention to the progress of each of the WSDP components;
- Introducing the WSDP Steering Committee (senior members from Government and DPs) for overall oversight, approvals of work plans and disbursement schedules to IAs; The Steering Committee meets twice in a year;
- Reestablishing the Water Sector Working Group (WSWG) to be the sector dialogue consultative forum between MOW, other relevant Ministries, Institutions, Development Partners and other stakeholders;
- Maintaining the Annual Joint Water Sector Review;
- Maintaining the Semi Annually Joint Supervision Missions, and embed them in the MoU;

(v) Work Plan and Procurement Plan

The work plan for the next two years of implementation (2010/2011 and 2011/2012) and its disbursement projections was reviewed and agreed. Also, the five years procurement plan (July 2007 to June 2012) was reviewed; concluded and will continue to operate within the previously agreed arrangements.

(vi) Disbursement Projections

Disbursement projections have been reviewed in conformity with the financing plan. Disbursement of funds will be based on the six months cash flow projections as per work plan and procurement plan; and will be detailed in the quarterly IFRs. The disbursement schedules will be approved by SC.

(vii) Components Restructuring

Due to reorganization of Technical Working Groups and adoption of the Sanitation and Hygiene MoU; the sub- component of sanitation campaign was agreed to operate under the coordination of Ministry of Health and Social Welfare although its funding levels were assigned under component 2. Also, the management of the safeguards sub-component was agreed to be shifted from component 4 to component 1. Restructuring plan was approved at the WSWG on 30th June, 2011.
3 FINANCIAL PERFORMANCE (JULY 2007 – JUNE 2011)

3.1 WSDP Commitments vs Disbursements

In 2006, the GoT adopted SWAP framework for implementation of WSDP (2006 -2025). The GOT in collaboration with other stakeholders committed funds to finance the programme in a first phase of five year period from 2007/2008 to 2011/2012 at a base estimated cost of USD 951 million whereby the GoT agreed to contribute USD 251 million equivalents to 26% and DPs agreed to contribute USD 700 million, equivalent to 74%. During implementation, more commitments were received. By June 2010 during restructuring stage the total commitment was USD 1,204,218,825, demonstrating a commitment increase of USD 253,218,825. From June 2010 to June 2011 further commitments were received that increased total commitments to USD 1,387,247,801 an increase of USD 436,247,801 (46%) from the original commitment of USD 951,000,000. However, some of these new commitments are yet to be confirmed.

The WSDP is financed through two distinct funding mechanisms: a basket fund using common implementation arrangements for external and internal funds; and ‘earmarked’ projects by specific Development Partners.

By June 2011, a total of USD 745,024,379 have been disbursed to the programme for implementation; out of which USD 122,646,268 was disbursed by the Government, and USD 215,923,887 was disbursed through water basket account and USD 321,245,327 was disbursed to earmarked projects. The disbursement is equivalent to 62% percent of the total revised commitments. The balance amounting to USD 459,194,446 (USD 658,096,012 if all unconfirmed commitments are taken into consideration) whereby USD 128,353,732 is from the Government; USD 125,876,113 from the basket, and USD 154,964,601 from earmarked funding is still available for use during the remaining period of 2011/2012.

The table and two figures below provide details on the status with regard to original commitments, revised commitments and actual disbursements.

Table 3: Original WSDP Commitments, Revised Commitments and Actual Disbursements

<table>
<thead>
<tr>
<th>Source</th>
<th>Original Commitments</th>
<th>Revised Commitment</th>
<th>Actual Disbursement As At June 2011</th>
<th>Performance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Government of Tanzania</td>
<td>251,000,000</td>
<td>251,000,000</td>
<td>122,646,268</td>
<td>49%</td>
</tr>
<tr>
<td>Total Government</td>
<td>251,000,000</td>
<td>251,000,000</td>
<td>122,646,268</td>
<td>49%</td>
</tr>
<tr>
<td>World Bank (IDA)</td>
<td>200,000,000</td>
<td>200,000,000</td>
<td>117,683,414</td>
<td>59%</td>
</tr>
<tr>
<td>Germany/KfW</td>
<td>70,000,000</td>
<td>66,200,000</td>
<td>49,437,040</td>
<td>75%</td>
</tr>
<tr>
<td>Dutch Government</td>
<td>60,000,000</td>
<td>39,600,000</td>
<td>20,594,536</td>
<td>52%</td>
</tr>
<tr>
<td>French Development Agency</td>
<td>0</td>
<td>36,000,000</td>
<td>28,208,897</td>
<td>78%</td>
</tr>
<tr>
<td>Total Basket (Foreign)</td>
<td>330,000,000</td>
<td>341,800,000</td>
<td>215,923,887</td>
<td>63%</td>
</tr>
<tr>
<td>African Development Bank</td>
<td>80,000,000</td>
<td>135,208,897</td>
<td>85,208,897</td>
<td>63%</td>
</tr>
<tr>
<td>MCC</td>
<td>207,000,000</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>JICA</td>
<td>83,000,000**</td>
<td></td>
<td>29,923,127.7</td>
<td>82%</td>
</tr>
<tr>
<td>Germany/KfW</td>
<td>76,800,057</td>
<td></td>
<td>68,875,514.9</td>
<td>90%</td>
</tr>
<tr>
<td>BADEA</td>
<td>28,760,000</td>
<td></td>
<td>6,631,554.0</td>
<td>23%</td>
</tr>
<tr>
<td>IDA (DAWASA)</td>
<td></td>
<td></td>
<td>813,811.2</td>
<td>100%</td>
</tr>
<tr>
<td>Source: Quarterly IFRs</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>-----------------------</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>* Performance of AfDB in phase I of RWSSP was 100%; the 63% performance bases on the inclusion of RWWSP Phase II, of which disbursements are to be effected after meeting precedent conditions.</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>** The total of USD 83,000,000 on earmarked by others (JICA, French Government, AfDB, Water-Aid, GEF, IUCN, WWF, Swiss Government, SECO, BADEA, IDA, UN Habitat, etc) was not broken down by sources of funds.</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

![Figure 1: Summary of Commitments vs Actual Disbursements](image-url)
Even though overall WSDP financial performance measured as a ratio of disbursement to commitment is 62%, the largest share of the funds released was from earmarked funds. This brings out the issue of equity in provision of water services.

This could form a part in the way forward chapters! I suggest that deleting

The trend shows that actual disbursement for government is 49% while basket partners are 63%. It was expected that with average approved budget of 20% per year the overall actual disbursement would have been around 80%, however, the first two years of implementation was mainly procurement of consultants and then designing of water schemes which took long time to accomplish.

3.2 WSDP Approved Budgets vs Actual Disbursements

According to the Memorandum of Understanding signed between Government of Tanzania and Development Partners on the implementation of Water Sector Development Programme, the Government is providing Development Partners with a three-year rolling work plan and budget within the Medium Term Expenditure Framework (MTEF), which is used by DPs to set their funds commitments in support of Government plans and priorities. The commitments are included in the budgeting process that ends with approved budgets each year. The approved budget is used to prepare disbursement schedules.

To facilitate this process, the Development Partners have been indicating to the Government by December 31 of each year, proposed contributions for each subsequent fiscal year based on the agreed WSDP quarterly disbursement projection. The Government reflects confirmed commitments by the Development Partners in the sector MTEF and annual budget estimates, in addition to its own funds. However, there has been some off budget financing because other partners do come on board after budget implementation has started.
Table 4: Approved Budget vs Actual Disbursements

<table>
<thead>
<tr>
<th></th>
<th>Approved</th>
<th>Actual</th>
<th>Percentage of Budget against disbursement</th>
</tr>
</thead>
<tbody>
<tr>
<td>Government of Tanzania</td>
<td>138,670,716</td>
<td>122,646,268</td>
<td>88%</td>
</tr>
<tr>
<td>World Bank (IDA)</td>
<td>200,157,399</td>
<td>117,683,414</td>
<td>59%</td>
</tr>
<tr>
<td>Germany/KfW</td>
<td>84,301,880</td>
<td>49,437,040</td>
<td>59%</td>
</tr>
<tr>
<td>Dutch Government</td>
<td>75,304,851</td>
<td>20,594,536</td>
<td>27%</td>
</tr>
<tr>
<td>French Development Agency</td>
<td>77,507,641</td>
<td>28,208,897</td>
<td>36%</td>
</tr>
<tr>
<td>African Development Bank</td>
<td>80,000,000</td>
<td>85,208,897</td>
<td>100%</td>
</tr>
<tr>
<td>US-Millennium Challenge Account</td>
<td>150,204,962</td>
<td>2,780,000</td>
<td>214%</td>
</tr>
<tr>
<td>Others</td>
<td>318,465,327</td>
<td>15,872,789</td>
<td></td>
</tr>
<tr>
<td><strong>Total WSDP</strong></td>
<td>806,347,449</td>
<td>745,024,379</td>
<td>92%</td>
</tr>
<tr>
<td>Less: Funds Still in BoT Holding</td>
<td>15,872,789</td>
<td>15,872,789</td>
<td></td>
</tr>
<tr>
<td><strong>Total Released to Component</strong></td>
<td>729,151,590</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: Restructuring Plan 2011, IFRs

Figure 3: Approved Budget vs Actual Disbursements 2007-2011
Source: Restructuring Plan 2011, IFRs

3.3 Status of Disbursement by Components

Table below summarizes the total released to components from July 2007 to June 2011. The total WSDP disbursement amount up to June 2011 was USD 745.2 million. However, only US$ 729.1 million, which corresponds to 98% of the total disbursement, has been released to components. The remainder, USD 15.8 million, is still in the BoT Holding account. The reason for this amount to remain in the bank account was due to late disbursement which occurred toward the end of financial 2010/2011.

Table 5: Funds Released to Components as of June 2011 in Tanzanian Schillings

<table>
<thead>
<tr>
<th>COMPONENT</th>
<th>EAASKET FUND</th>
<th>GOT CONTRIBUTION</th>
<th>AfDB</th>
<th>TOTAL DISBURSEMENT</th>
</tr>
</thead>
<tbody>
<tr>
<td>COMPONENT 1</td>
<td>5,222,677,181</td>
<td>32,950,233,873</td>
<td>5,848,783,140</td>
<td>44,021,694,194</td>
</tr>
<tr>
<td>COMPONENT 2</td>
<td>87,954,770,164</td>
<td>76,314,046,602</td>
<td>38,247,401,525</td>
<td>299,436,277,359</td>
</tr>
<tr>
<td>COMPONENT 3</td>
<td>335,740,770,939</td>
<td>132,161,013,678</td>
<td>108,687,559,722</td>
<td>576,589,344,339</td>
</tr>
<tr>
<td>COMPONENT 4</td>
<td>11,278,786,402</td>
<td>31,526,122,447</td>
<td>6,625,483,213</td>
<td>49,430,392,062</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>440,197,004,686</td>
<td>272,951,416,600</td>
<td>159,409,227,600</td>
<td>969,477,707,954</td>
</tr>
</tbody>
</table>
Source: Restructuring Document 2011, MTR, IFRs

### Table 6: Funds Released to Components as of June 2011 in USD

<table>
<thead>
<tr>
<th>COMPONENT</th>
<th>EARMARKED FUNDS</th>
<th>BASKET FUND</th>
<th>GOT</th>
<th>ADB</th>
<th>TOTAL DISBURSEMENT</th>
</tr>
</thead>
<tbody>
<tr>
<td>COMPONENT 1</td>
<td>1,030,617</td>
<td>24,604,470</td>
<td>4,499,937</td>
<td>0</td>
<td>30,135,024</td>
</tr>
<tr>
<td>COMPONENT 2</td>
<td>59,311,212</td>
<td>56,984,927</td>
<td>29,426,785</td>
<td>75,162,050</td>
<td>220,884,973</td>
</tr>
<tr>
<td>COMPONENT 3</td>
<td>253,344,979</td>
<td>104,967,485</td>
<td>83,622,032</td>
<td>0</td>
<td>441,724,496</td>
</tr>
<tr>
<td>COMPONENT 4</td>
<td>7,768,520</td>
<td>23,541,063</td>
<td>5,097,514</td>
<td>0</td>
<td>36,407,097</td>
</tr>
<tr>
<td>TOTAL</td>
<td>321,245,327</td>
<td>210,097,945</td>
<td>122,646,268</td>
<td>75,162,050</td>
<td>729,151,590</td>
</tr>
</tbody>
</table>

Note 1: Average Exchange rate Used for GoT is 1 USD to TSHS 1,299.75

Note 2: USD 9,036,972 was from AfDB

Source: Restructuring Document 2011, MTR, IFRs

Figure 4: Funds Disbursements to Components in Million USD July 2007 to June 2011

Source: Restructuring Document 2011, MTR, Quarterly IFRs

### Table 7: Disbursements against Revised Commitments as of June 2011 in USD

<table>
<thead>
<tr>
<th>COMPONENT</th>
<th>REVISED ALLOCATION</th>
<th>DISBURSEMENT IN USD AS AT JUNE 2011</th>
<th>% OF DISBURSEMENT AGAINST REVISED ALLOCATION</th>
<th>% OF COMPONENT DISBURSEMENT AGAINST TOTAL DISBURSEMENT</th>
</tr>
</thead>
<tbody>
<tr>
<td>COMPONENT 1</td>
<td>96,105,358</td>
<td>30,135,024</td>
<td>31%</td>
<td>4%</td>
</tr>
<tr>
<td>COMPONENT 2</td>
<td>364,888,484</td>
<td>220,884,973</td>
<td>60%</td>
<td>30%</td>
</tr>
<tr>
<td>COMPONENT 3</td>
<td>673,938,171</td>
<td>441,724,496</td>
<td>65%</td>
<td>61%</td>
</tr>
<tr>
<td>COMPONENT 4</td>
<td>69,386,812</td>
<td>36,407,097</td>
<td>52%</td>
<td>5%</td>
</tr>
<tr>
<td>TOTAL</td>
<td>1,204,218,825</td>
<td>729,151,590</td>
<td>60%</td>
<td>100%</td>
</tr>
</tbody>
</table>

Source: Restructuring Document 2011, MTR, IFRs
Table 8: Original Allocation vs Actual Allocation

<table>
<thead>
<tr>
<th>Component</th>
<th>Cost US$m</th>
<th>% of Total Original Allocation</th>
<th>% of component disbursement against total disbursement</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Strengthening of WRM Framework</td>
<td>75</td>
<td>8%</td>
<td>4%</td>
</tr>
<tr>
<td>2. Scaling up of Rural WSS Services to meet MDGs</td>
<td>290</td>
<td>31%</td>
<td>30%</td>
</tr>
<tr>
<td>3. Scaling up of Urban WSS Services to meet MDGs</td>
<td>510</td>
<td>54%</td>
<td>61%</td>
</tr>
<tr>
<td>4. Institutional Strengthening and Capacity Building</td>
<td>58</td>
<td>6%</td>
<td>5%</td>
</tr>
<tr>
<td>5. Unallocated</td>
<td>18</td>
<td>2%</td>
<td>0%</td>
</tr>
<tr>
<td><strong>TOTAL FUNDS</strong></td>
<td><strong>951</strong></td>
<td><strong>100%</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>

Figure 5: WSDP Original Allocation Percentages vs Actual Allocations

3.3.1 Criteria of Funds Disbursements to Implementing Agencies within Components

(i) Component 1 Strengthening of WRM Framework

Allocation in basins was based on signing of Financial Resources Utilization Agreements, basin issues to be addressed such as occurrence of conflicts in the basin, water governance such as number of water user associations to be established; management and of Basin Water Offices such as area operationally covered by the Basin; and the last was 20% equal share. All nine basins have completed business plans. The disbursement for this component was very low at 04% for four years period because most of the activities of Water Resource management were complex and involved a lot of assessment before tender advertisement, which caused delays in procurement processes.

(ii) Component 2 Scaling up Rural WSS:

The main criteria for funds disbursements to component 2 included the use of the formula approach in resources allocation which considered un-served population and the required technology in the LGA as stipulated in the Project Implementation Manual. Out of the initial USD 290 million allocated for RWSSP at the start of the project, USD 220 million had been
disbursed by GOT and DPs, as of June 2011. Details are provided under section 5.2 of this report.

(iii) Component 3 Scaling up of Urban WSS:

The allocation of funds to UWSA and DUWSAs was based on technical viability of proposed projects; financial and economic viability assessment such NPV and IRR; social viability including extension of services to the urban poor; performance indicators and Financial Resources Utilization Agreements (FRUAs). Component 3 disbursements reached 61% as at June 2011 against the expected 54% in the original plan because many contracts have been signed and ready to be implemented.

(iv) Component 4 Institutional Strengthening and Capacity Building:

The total amount disbursed/utilized under the Component 4 since the WSSP became effective in July 2007 to June 2011 is US$ 35 million (51 percent of the revised allocated total cost of US$ 69 million per Restructuring Plan). Based on the revised budget (basket commitment) of US$69 million for this Component, the remaining available balance is about US$34 million (if the original basket commitment is maintained). Component four disbursements were low because capacity building strategy was not ready. Capacity development plans is in place, hence the demand for funds to be used in the remaining period will be high.

3.4 Funds from other sources including IAs own Revenues

WSDP financial performance includes implementing agencies own revenue collection and other sources as part of the funding expected to contribute in achieving intended targets. These include Water billing, sewerage billing, economic water user fee, water permit application fee, TANESCO Royalty and other sources and other operating revenue. In the reporting period a total of TSHS 231.02 billion (Approx USD 154 million) was collected from various sources by IAs. This figure does not include LGAs and UWSAs collection for 2010/2011. However, one area of concern is the community contribution which shows that it is decreasing from TSHS 151 million in 2007/2008 to a low TSHS 34.16 million in 2010/2011. The reason for this declining is lack of sensitization exercise due to lack of funds. For the period between July 2007-June 2011, Basins collected TSHS 4.011 billion; UWSAs, TSHS 156.97 billion; and LGAs collected TSHS 231.02 billion.

Detailed presentation on other sources for each category of implementing agencies is provided here under.

3.4.1 Basin Water Offices

Project appraisal document pointed out that financial goal of NAWAPO in the WRM sub-sector is to promote the development of an equitable system of water user charges and levies in order to finance the costs associated with proper water resources management of the country. Generating adequate financing for WRM has remained the most challenging aspect of river basin management. Without adequate financing, it is difficult for the BWOs to function effectively and carry out its duties of promoting the optimal, sustainable, and equitable development and use of water resources.
The collection of water use fees for all nine basins was Tshs 676 millions in 2007/2008, Tshs 837 millions in 2008/2009, Tshs 1,174 millions in 2009/2010 and Tshs 1,323 millions in 2010/2011. Generally this shows an average increase in collection of 26% per annum. This will help BWO to develop financial sustainability and autonomy.

In summary the four years collections from July 2007/08 to June 2011 were as follows:

Table 9: Basin’s Revenue Collections July 2007 to June 2011 in Tshs.

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>RUKWA</td>
<td>28,658,949</td>
<td>53,512,860</td>
<td>32,418,539</td>
<td>71,870,368</td>
<td>186,460,536</td>
</tr>
<tr>
<td>PANGANI</td>
<td>233,305,691</td>
<td>197,804,794</td>
<td>305,174,391</td>
<td>164,259,815</td>
<td>900,544,891</td>
</tr>
<tr>
<td>LAKE VICTORIA</td>
<td>62,104,319</td>
<td>73,585,179</td>
<td>78,537,781</td>
<td>167,763,140</td>
<td>382,290,419</td>
</tr>
<tr>
<td>RUFUJI</td>
<td>142,910,317</td>
<td>122,351,897</td>
<td>158,234,144</td>
<td>282,853,732</td>
<td>706,350,090</td>
</tr>
<tr>
<td>LAKE TANGANYIKA</td>
<td>21,972,913</td>
<td>23,383,083</td>
<td>18,603,242</td>
<td>31,295,860</td>
<td>95,255,128</td>
</tr>
<tr>
<td>INTERNAL</td>
<td>0.00</td>
<td>22,201,275</td>
<td>68,838,795</td>
<td>103,187,634</td>
<td>194,227,704</td>
</tr>
<tr>
<td>RUVUMA</td>
<td>68,808,252</td>
<td>41,937,530</td>
<td>103,842,204</td>
<td>214,587,986</td>
<td></td>
</tr>
<tr>
<td>WAMI RUVU</td>
<td>155,808,650</td>
<td>256,375,029</td>
<td>451,186,811</td>
<td>334,522,372</td>
<td>1,197,892,862</td>
</tr>
<tr>
<td>LAKE NYASA</td>
<td>31,332,806</td>
<td>19,173,745</td>
<td>20,036,717</td>
<td>63,763,871</td>
<td>134,307,139</td>
</tr>
<tr>
<td>TOTAL</td>
<td>676,093,645</td>
<td>837,496,114</td>
<td>1,174,967,970</td>
<td>1,323,359,026</td>
<td>4,011,916,755</td>
</tr>
</tbody>
</table>

Source: WSDP Annual Reports

Figure 6: Basin Revenue Collections July 2007 to June 2011 in Tshs.

The figure above shows that Revenue collection in Wami Ruvu has always been high except in year 2007/2008 where Pangani Basin had the highest revenue collection. The revenue includes Economic Water User Fees, Water Permit Application Fees, TANESCO Royalty and other sources. Another Basin with high revenue collection is Rufiji. On the contrary, Lake Nyasa, Lake Tanganyika and Lake Rukwa are the lowest in revenue collection due to various reasons; such as nature of economic activities in the basin, levels of water demand in the basin and the general level of the economic status in the basin catchments. The funds collected in the Basins are used to finance regulatory and operational functions. Collection of Water User Fee for supporting the BWO operation continues to improve and is on target as it was reported in JSM Aide Memoir of September 2010. However, UWSAs which are supposed to pay for the water they sell are not willing to pay, this affects BWOs additional revenue.

Study on water resources management financing options: A study on water resources management financing options that includes analysis on fees and charges has not been finalized due to delays in financing, which implies that, combination of charges that were previously in
use basing on the repealed Water Utilization and Control Act of 1974 amended in (2002) are still charged. This study will provide a rationale and guidance for addressing the varied WRM financing needs in all basins, each of which has different combination of water users (and hence, different possible source of financing for WRM). The findings from this study will be used to define combinations of user fees, charges, and levies for each of the basins based on their respective profiles of users and beneficiaries. The new Water Resource Management Act 2009 has established National Water Board which will develop a plan for fully financing of the BWOs, which will be endorsed and signed by the GoT.

3.4.2 Local Government Authorities (LGAs)

LGAs source of income includes funds from LGAs’ own budget, community contribution, grants and direct loans for water sub-projects like TASAF, WWF, and other NGOs. During the four years a total of TSHS 70 Billion was realized from those sources. The table below shows funds from other sources for a period of four years.

Table 10: LGAs and other sources of funds

<table>
<thead>
<tr>
<th>Type</th>
<th>2007-2008</th>
<th>2008-2009</th>
<th>2009-2010</th>
<th>2010 - 11</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Community Contribution</td>
<td>151,301,135</td>
<td>90,934,525</td>
<td>70,153,816</td>
<td>34,160,000</td>
<td>346,549,476</td>
</tr>
<tr>
<td>LGAs</td>
<td>232,603,893</td>
<td>936,260,775</td>
<td>1,389,946,224</td>
<td>2,005,275,218</td>
<td>4,764,086,110</td>
</tr>
<tr>
<td>NGOs, TASAF, etc</td>
<td>1,125,052,468</td>
<td>48,313,529,476</td>
<td>6,601,645,986</td>
<td>8,885,697,963</td>
<td>64,925,925,893</td>
</tr>
<tr>
<td>Total</td>
<td>1,508,957,496</td>
<td>49,540,724,776</td>
<td>8,261,746,026</td>
<td>10,925,133,181</td>
<td>70,036,561,479</td>
</tr>
</tbody>
</table>

Source: RWSS April 2011 report.

3.4.3 Urban Water Supply and Sewerage Authorities

The financial goal of NAWAPO in the urban water supply and sewerage sub-sector is for the UWSAs to recover the full cost of investments and O&M through tariff revenues. To achieve this goal, WSDP has been supporting Utilities through strengthening of utility management, preparation of business plans and cost recovery strategies through performance contracts both for small town and urban water supply systems.

The main source of revenue of the utilities is the sales of water supply and sewerage services which constitute their core business. In the years under review (2007/2008, 2008/2009, 2009/10 and 2010/11) total revenue generated by all UWSAs was Tshs. 157.0 billion this represents an average increase of 26% per annum. Generally the performance in revenue generation was good in that there was an increasing trend in total revenue generated during the years under review and the preceding three years.

Table: Revenue Generation for Regional UWSAs (In Million TSHS)

<table>
<thead>
<tr>
<th>Category</th>
<th>Revenue type</th>
<th>2007/08</th>
<th>2008/09</th>
<th>2009/10</th>
<th>2010/11</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>Category A</td>
<td>Water Billing</td>
<td>23,844</td>
<td>28,688</td>
<td>30,775</td>
<td>38,442</td>
<td>121,749</td>
</tr>
<tr>
<td></td>
<td>Sewerage Billing</td>
<td>1,204</td>
<td>1,385</td>
<td>1,753</td>
<td>2,148</td>
<td>6,490</td>
</tr>
<tr>
<td></td>
<td>Other Operating Revenues</td>
<td>3,385</td>
<td>6,827</td>
<td>5,546</td>
<td>2,000</td>
<td>17,758</td>
</tr>
</tbody>
</table>
The analysis of revenue/billing trend for all Regional UWSAs reveals that the billing performance by the Utilities has sustained an increased trend as reflected by an increase in billing amounts for water, sewerage and other operating revenue from the year 2007/08 to 2010/11. During the above mentioned period, water billing rose from TSHS 25.7 billion to TSHS 41.6 billion, sewerage billing rose from TSHS 1.2 billion to TSHS 2.1 billion. However other operating revenues declined from TSHS 3.6 billion to TSHS 2.3 billion. The total revenue rose from 30.5 billion to 46.1 billion. Many factors contributed to the billing increase. Key among the factors is the overall increase in customer base. The percentage of collection used for investment for category A UWSAs was at an average of 10.0%. Mbeya had the highest investment of 20.8% with Shinyanga having the lowest percentage of zero. For Categories B and C investment average figure was 6.35% with Bahati and Singida having the highest and lowest investment percentages figures 10% and 3% respectively. O&M % was 34% for Category B & C UWSAs and 37% for Category A UWSAs of the total expenditures. Total Revenue Collection by UWSAs equivalent to 23 percent of the total WSDP Disbursement.

### Figure 7: Revenue Generation by Regional UWSAs


3.4.4 DAWASCO Revenues collection for three years (2007-2010)

DAWASCO has shown a substantial growth during the lifetime of WSDP Programme. Revenues collected during the Programme have maintained a growing trend from TSHS 18.56 billion in
2007/08 to **TSHS 33.42** Billion in 2009/10 an increase of above 70%. The table below gives the details of the revenue collected.

Table 12: DAWASCO Revenue collection in Billion Tshs

<table>
<thead>
<tr>
<th>Category</th>
<th>Revenue type</th>
<th>2007/08</th>
<th>2008/09</th>
<th>2009/10</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>Category A</td>
<td>Water Billing</td>
<td>17.33</td>
<td>17.02</td>
<td>31.80</td>
<td>66</td>
</tr>
<tr>
<td>Category A</td>
<td>Sewerage Billing</td>
<td>1.23</td>
<td>1.02</td>
<td>1.33</td>
<td>4</td>
</tr>
<tr>
<td>Category A</td>
<td>Other Operating Revenues</td>
<td>0</td>
<td>0.61</td>
<td>0.29</td>
<td>1</td>
</tr>
<tr>
<td>TOTAL</td>
<td></td>
<td><strong>18.56</strong></td>
<td><strong>18.648</strong></td>
<td><strong>33.42</strong></td>
<td><strong>71</strong></td>
</tr>
</tbody>
</table>

Source: EWURA reports, DAWASA’s 2007/08 Financial Statements

3.5 WSDP Expenditure Performance by Components

For the 4 years of implementation a total of USD 729.15million were disbursed to components for the implementation of Water sector activities. Of the all amount USD 697 million were spent equivalent to 96% leaving the balance of USD31.86 million which is still in the LGAs and Basins. However, there are unpaid bills from contracts variations and outstanding contracts which are still being worked at to establish the correct figure. This would show actual contracts outstanding debts for WSDP.

Table 13: Expenditure of Disbursed Funds and Balances

<table>
<thead>
<tr>
<th>SNO</th>
<th>COMPONENT</th>
<th>FUNDS DISBURSED (USD)</th>
<th>EXPENDITURE (USD)</th>
<th>BALANCE (USD)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>COMPONENT 1</td>
<td>30,135,024</td>
<td>28,928,363</td>
<td>1,206,661</td>
</tr>
<tr>
<td>2</td>
<td>COMPONENT 2</td>
<td>220,884,973</td>
<td>190,230,762</td>
<td>30,654,211</td>
</tr>
<tr>
<td>3</td>
<td>COMPONENT 3</td>
<td>441,724,496</td>
<td>442,724,496</td>
<td>0</td>
</tr>
</tbody>
</table>
3.6 Results from Audit Trails

For all three year of WSDP implementation the MOW Management has been conducting financial audits, Technical and special audits in compliance to Public Finance Act of 2001 reversed 2004, MOU, PIM and Financial Management Addendum.

(i) External Financial Audits

The summary of WSDP Programme Financial Auditor’s Opinions is as tabulated below:-

<table>
<thead>
<tr>
<th>SNO</th>
<th>FISCAL YEAR</th>
<th>OPINION FROM EXTERNAL AUDITORS</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>2007/08</td>
<td>Qualified Audit Opinion</td>
</tr>
<tr>
<td>2</td>
<td>2008/09</td>
<td>Unqualified Audit Opinion</td>
</tr>
<tr>
<td>3</td>
<td>2009/10</td>
<td>Qualified Opinion</td>
</tr>
</tbody>
</table>

The Financial Audit of the programme was conducted in conformity with international accounting standards where various findings and recommendation were raised. The reports were responded as per finance regulation and management responses were shared to Development Partners in accordance with the Dialogue mechanism and Project Implementation Manual arrangement. Recommendations of auditors have been useful in helping to regulate financial performance of the Programme from time to time. Some of the External Auditors’ recommendations include:-

- The need for timely release of funds by GOT and DPs, to improve effective monitoring and supervision to ensure that there is effective implementation of the WSDP programme.
- The necessity of improving contract Management in WSDP projects especially at District levels.


The Technical Audit was done on a selected sample of implementing Agencies and projects under WSDP. The management response on findings has been prepared and action plan to implement recommendations developed. Some of the key findings and recommendations include:-

- The need to improve the linkage between approved budget, MTEF, work plan and procurement plan;
- The need for a functional Management Information System. The absence of it in early stage caused difficult in managing financial resources;
• The need to implement CD Plans. Inadequate capacity in contract and financial management has caused variations in WSDP performance.


The WSDP Special Audit was conducted in August-September 2010. Some of the findings and recommendations were:

• Executive Agencies audited were performing acceptably within their semi autonomous roles, however, DDCA will need to improve their governance and systems if they are to become financially autonomous as planned

• Capacity building exercise is inevitable to ensure that all Implementing Agencies and departments are aware of the WSDP reports they are required to produce.

The MoW prepared action plan for implementation of recommendation, of which its implementation is underway.

(iv) Procurement Audit Reviews

Procurement Audit reviews has been taking place despite of the fact that External Audits give expression their opinion on procurement. PPRA did a survey in 2009 in accordance to the procurement performance indicators at this time Ministry of Water obtained 70% in complying with PPA 2004 and its Regulations. Improvement has been done in most cases. Also another survey has been done by PPRA for the procurement which was carried out during 2009/10 whose results are being awaited from PPRA.

In all audits conducted there were no findings related to gross WSDP funds mismanagement or theft.
4 STATUS ON IMPLEMENTATION OF FIVE YEARS PROCUREMENT PLAN (JULY 2007 – JUNE 2011)

4.1 WSDP Procurement Management Standards

WSDP Procurement standards comply with governing laws and procedures in the public sector and respective financing agreements. The key ones in this regard include the Public Finance Act, 2001 and the Public Procurement Act, 2004, and the World Bank Procurement Guidelines. The agreed procedures for the procurement of goods, services and works under the Programme are outlined in Section 9 of the WSDP Memorandum of Understanding. The Article specifies the governing frameworks, eligible expenditures, procurement planning and reporting including consequences of mis-procurements. The requirements in the article are further elaborated by the Program implementation Manual (PIM) and the WB’s project appraisal document (PAD).

The objective is to promote effectiveness and quality assurance in the procurement transactions and achievement of value for money in the water sector procurements. In this regard methods which allow fairness, equity, transparency and feasibility assessment on value for money or the lowest evaluated bids taking into account prevailing circumstances in the market and buying entity requirements or the lowest evaluated bids. The methods detailed in the PIM ensure bidding competitiveness using both the International Competitive Bidding (ICB) and the National Competitive Bidding (NCB) methods. ICB is applied with a prior review of the World Bank and issue of No Objection on related documentations, terms and conditions and decisions for bidding process, contracting and contract management. NCB is applied for items of low value or simple transactions which require a post review of the World Bank and should use the Public Procurement Act (2004), the Public Procurement Regulations (2005) and the relative standard bidding documents issued by the PPRA. While in Consultancy Services use methods of selection of Quality and Cost Based Selection (QCBS), the Quality and Least Cost Based Selection (CBS), Quality and Fixed Budget Selection and the Quality Based Selection (QBS). Also, the MOU allows delegation of procurement authority to autonomous implementing agencies such as the WBOs, UWASAs and LGAs with an initial review and support of the PMU and Tender Board of the Ministry of Water, to facilitate timeliness and appropriateness in decision making process.

4.2 Status of Measures for Risk Mitigation in WSDP Procurement

Procurement planning in WSDP assists the sequencing and planning of flow of resources for the programme. The implementation of an item in the procurement plan ends with delivery and approval of a good or a service by the user or recipient with the quality of a good or a service depending to the level of contract management. Procurement planning for WSDP phase I took into accounts estimated costs and related risks and their mitigation measures. The risks assessed during the program design and their status of implementation is summarized herein below:

<table>
<thead>
<tr>
<th>Risk Factor</th>
<th>Action to Mitigate Risks</th>
<th>Status</th>
<th>Remarks</th>
</tr>
</thead>
<tbody>
<tr>
<td>Weak PMU at the MOW</td>
<td>(a) Strengthen PMU by appointing at least two (2) procurement specialists from the existing experienced staff before</td>
<td>Two procurement professionals were deployed, two were recruited to the Unit and three were replaced by transfers from other departments.</td>
<td>Sustaining competences may be hindered by the fact that procurement personnel rotate from one</td>
</tr>
<tr>
<td>Risk Factor</td>
<td>Action to Mitigate Risks</td>
<td>Status</td>
<td>Remarks</td>
</tr>
<tr>
<td>-------------</td>
<td>-------------------------</td>
<td>--------</td>
<td>---------</td>
</tr>
<tr>
<td>effectiveness of the Water Sector Support Project</td>
<td></td>
<td></td>
<td>organization to another.</td>
</tr>
<tr>
<td>(b) Streamline the function and role of PMU, Ministry of Water in accordance with the PPA (2004)</td>
<td>A new structure with an independent procurement unit was adopted.</td>
<td></td>
<td>The Stores, Materials and Asset Management Unit has yet to be moved from the current PMU Offices.</td>
</tr>
<tr>
<td>(c) Improve the filing and record system kept by the PMU by adopting the one practiced by RWSSP</td>
<td>Two containers of 20feet each are being refurbished to accommodate documents</td>
<td></td>
<td>Training staff in records management, codification and installing a LAN system for PMU to support the retrieval and accessibility must be developed</td>
</tr>
<tr>
<td>(d) Carry out workshops on PPA(2004), Regulations and World Bank Guidelines to procurement staff, heads of departments, members of procurement units and Tender Boards, during implementation</td>
<td>Implemented as follows: 34 persons comprising of PMU staff and the key technical departments in MOW were trained in Application of World Bank Guidelines. All (7) seven members of the Tender Board, MOWI were trained in application of PPA,2004. 180 persons comprising of District Water Engineers, Regional Administrative Secretariat staff and some key staff in Ministry of Water in procurement process management</td>
<td></td>
<td>Impact assessment on the training so far implemented is under way</td>
</tr>
<tr>
<td>(e) Train RAS engineers in procurement and procurement plan to act as trainers of their respective LGAs, utilities and WBOs, during implementation</td>
<td>Not Yet</td>
<td></td>
<td>Appropriate training programme is being designed</td>
</tr>
<tr>
<td>Weak LGAs in procurement and use of regulations prepared based on PPA(2001)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(a) Revise the 2003 regulations applicable to the local government in accordance with the new PPA(2004), by PMO-RALG during implementation</td>
<td>Not Yet</td>
<td></td>
<td>The risk is minimized by applying PPA,2004 regulations, 2005 in all WSDP procurements undertaken by LGAs</td>
</tr>
<tr>
<td>(b) Recruit qualified district water engineers to provide technical support to the process, by PMO-RALG during implementation</td>
<td>Recruited about 98 district water engineers</td>
<td></td>
<td>Sustaining competencies in LGAs due to poor or limited working conditions and job satisfaction.</td>
</tr>
<tr>
<td>(c) Train supplies officer in procurement of works and selection of consultants, contract management and administration, by MOW during implementation</td>
<td>Implemented as part of the 180 participants</td>
<td></td>
<td>Training and retraining must be continued to ensure that new ones acquire appropriate skills and competencies.</td>
</tr>
<tr>
<td>(d) Train supplies officers in preparation of procurement plan and data management, by MOW and RAS before disbursement</td>
<td>Trained one staff from PMU, Ministry of Water in computerized file and electronic records management</td>
<td></td>
<td>Further training shall be designed and implemented after the training impact assessment</td>
</tr>
<tr>
<td>Risk Factor</td>
<td>Action to Mitigate Risks</td>
<td>Status</td>
<td>Remarks</td>
</tr>
<tr>
<td>-------------</td>
<td>-------------------------</td>
<td>--------</td>
<td>---------</td>
</tr>
<tr>
<td>(c)</td>
<td>Train members of the tender board in basic procurement, by MOW RAS during implementation</td>
<td>Trained as part of the 180 personnel and MOW MTB members</td>
<td>-do-</td>
</tr>
<tr>
<td>(f)</td>
<td>Hire consultants to provide technical design, procurements and contract management, to LGAs which qualify, MOW &amp; RAS before disbursement</td>
<td>Designs and supervision was outsourced and some of the key staff were trained among the 180 staff from MOW, RAS &amp; LGAs</td>
<td>A review on the impact and identification of future intervention is necessary</td>
</tr>
<tr>
<td>(g)</td>
<td>Prior review to the first NCB Contracts of each LGA, by MOW during implementation</td>
<td>Implemented and regular supervision on implementation of Contracts has been made</td>
<td>This</td>
</tr>
</tbody>
</table>

### Weak procurement at the Utilities and WBOs

<table>
<thead>
<tr>
<th>Action to Mitigate Risks</th>
<th>Status</th>
<th>Remarks</th>
</tr>
</thead>
<tbody>
<tr>
<td>(a)</td>
<td>Establish the PMU in accordance with the new PPA(2004) in respective utilities and WBOs before disbursements</td>
<td>The organization structures provide for an independent PMUs Utility Authorities(UWASAs) have PMU and only six (6) WBOs have tender boards and PMUs</td>
</tr>
<tr>
<td>(b)</td>
<td>Train supplies officers in procurement of works and selection of consultants, contract management and administration, respective UWASAs and WBOs</td>
<td>None</td>
</tr>
<tr>
<td>(c)</td>
<td>Train supplies officers in preparation of procurement plan and data management, by MOW and RAS during implementation</td>
<td>Some key staff were trained among the 180 trainees</td>
</tr>
<tr>
<td>(d)</td>
<td>Train members of the tender board in basic procurement by MOW and RAS during implementation</td>
<td>-do-</td>
</tr>
<tr>
<td>(e)</td>
<td>Recruit key staff including procurement specialists of newly established WBOs</td>
<td>A procurement specialist and competent PMU staff in respective newly established WBOs were recruited accordingly</td>
</tr>
<tr>
<td>(f)</td>
<td>Establish acceptable filing and record systems, respective UWASAs and WBOs before disbursements</td>
<td>A filing staff is established based on institutional requirements</td>
</tr>
</tbody>
</table>

### Absence of a Procurement plan

<table>
<thead>
<tr>
<th>Action to Mitigate Risks</th>
<th>Status</th>
<th>Remarks</th>
</tr>
</thead>
<tbody>
<tr>
<td>Prepare a procurement plan of the first 24months, by all implementing agencies</td>
<td>Compiled and implemented. However there were delays in completion due to lack of adequate competencies.</td>
<td></td>
</tr>
</tbody>
</table>

### Absence of a Procurement manual

<table>
<thead>
<tr>
<th>Action to Mitigate Risks</th>
<th>Status</th>
<th>Remarks</th>
</tr>
</thead>
<tbody>
<tr>
<td>Procurement manual prepared as a volume of the PIM by MOW</td>
<td>Completed and discussed during negotiations.</td>
<td></td>
</tr>
</tbody>
</table>
4.3 Status of Implementation of the WSDP Procurement Plan

The overall status of implementation of the WSDP Procurement Plan is as shown in the table below:

Table 16: Planned Contracts, Awarded Contracts and Uninitiated Contracts

<table>
<thead>
<tr>
<th>PARTICULARS</th>
<th>Planned Contracts</th>
<th>Contracts Awarded</th>
<th>Contracts Not Initiated</th>
<th>Completed Contracts</th>
<th>Contracts in Progress</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>No of Contracts</td>
<td>Cost in Million USD</td>
<td>No of Contracts</td>
<td>Cost in Million USD</td>
<td>No of Contracts</td>
</tr>
<tr>
<td>Basket Fund</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Goods</td>
<td>87</td>
<td>43.951</td>
<td>75</td>
<td>39.296</td>
<td>12</td>
</tr>
<tr>
<td>Works</td>
<td>340</td>
<td>375.155</td>
<td>128</td>
<td>193.351</td>
<td>211</td>
</tr>
<tr>
<td>Consultancy</td>
<td>238</td>
<td>115.594</td>
<td>194</td>
<td>232.833</td>
<td>44</td>
</tr>
<tr>
<td>Non-Consultancy</td>
<td>5</td>
<td>4.187</td>
<td>0</td>
<td>0.000</td>
<td>5</td>
</tr>
<tr>
<td>Sub-Total Basket Fund</td>
<td>670</td>
<td>539.837</td>
<td>398</td>
<td>465.482</td>
<td>272</td>
</tr>
<tr>
<td>Earmarked Financing</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Goods</td>
<td>5</td>
<td>10.280</td>
<td>4</td>
<td>9.970</td>
<td>1</td>
</tr>
<tr>
<td>Works</td>
<td>15</td>
<td>221.520</td>
<td>8</td>
<td>94.190</td>
<td>7</td>
</tr>
<tr>
<td>Consultancy</td>
<td>28</td>
<td>49.860</td>
<td>26</td>
<td>40.370</td>
<td>2</td>
</tr>
<tr>
<td>Sub-Total Earmarked Financing</td>
<td>48</td>
<td>281.660</td>
<td>38</td>
<td>144.530</td>
<td>10</td>
</tr>
<tr>
<td>GOT Financing</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Goods</td>
<td>10</td>
<td>1.283</td>
<td>0</td>
<td>0.000</td>
<td>10</td>
</tr>
<tr>
<td>Works</td>
<td>59</td>
<td>186.840</td>
<td>24</td>
<td>41.040</td>
<td>35</td>
</tr>
<tr>
<td>Consultancy</td>
<td>22</td>
<td>3.605</td>
<td>11</td>
<td>2.926</td>
<td>11</td>
</tr>
<tr>
<td>Non-Consultancy</td>
<td>6</td>
<td>0.655</td>
<td>0</td>
<td>0.000</td>
<td>6</td>
</tr>
<tr>
<td>Sub-total GOT Funding</td>
<td>97</td>
<td>198.363</td>
<td>35</td>
<td>43.949</td>
<td>62</td>
</tr>
<tr>
<td>Grand total</td>
<td>815</td>
<td>1,019.860</td>
<td>471</td>
<td>653.963</td>
<td>344</td>
</tr>
</tbody>
</table>

Table 16 above shows that out of 815 planned contracts, 417 were awarded; and out of those, 285 contracts were implemented and 186 Contracts were in progress. 344 contracts were not initiated. These are further categorized as 670 Contracts planned under the Basket Funding, 48 under earmarked funding and 97 under the GOT financing. A further analysis based on the respective Components is outlined below.

4.4 Implementation of Procurement Plan by WSDP Components

Strengthening Water Resources Management and Development Framework: The Component is financed by the basket fund with an allocation of US$ 36.857 million for procurement of goods, works, consultancy and non-consultancy inputs, with the highest allocation of USD16.144million to consultancy services. The total of 64 contracts was planned for WSDP phase 1. Up to August 2011, 38 contracts were awarded, out of which 3 contracts were completed. 26 contracts were uninitiated. The table below summarizes the status.
Table 17: Procurements Status for WSDP Component 1

<table>
<thead>
<tr>
<th>PARTICULARS</th>
<th>Planned Contracts</th>
<th>Contracts Awarded</th>
<th>Contracts Not Initiated</th>
<th>Completed Contracts</th>
<th>Contracts in Progress</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>No of Contracts</td>
<td>Cost in Million USD</td>
<td>No of Contracts</td>
<td>Cost in Million USD</td>
<td>No of Contracts</td>
</tr>
<tr>
<td>Basket Fund</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Goods</td>
<td>12</td>
<td>14.242</td>
<td>10</td>
<td>12.851</td>
<td>2</td>
</tr>
<tr>
<td>Works</td>
<td>10</td>
<td>6.274</td>
<td>2</td>
<td>1.575</td>
<td>8</td>
</tr>
<tr>
<td>Consultancy</td>
<td>41</td>
<td>16.144</td>
<td>26</td>
<td>11.509</td>
<td>15</td>
</tr>
<tr>
<td>Non-Consultancy</td>
<td>1</td>
<td>0.197</td>
<td>0</td>
<td>0.000</td>
<td>1</td>
</tr>
<tr>
<td>Sub-Total Basket Fund</td>
<td>64</td>
<td>36.857</td>
<td>38</td>
<td>25.435</td>
<td>26</td>
</tr>
</tbody>
</table>

The performance in Table 17 above shows that out of 64 planned contracts, 38 were awarded and 26 uninitiated. Out of 38 awarded contracts, 3 were completed addition 3 completed and 35 in progress indicating that implementation of contracts is at 8%. Although this may be interpreted as weak contract management in the Component, the fact that the consultancies require a minimum of twelve months, the goods relate to complex inputs for water quality assurance and survey equipment which are rare in the markets and took time to specify and works awaited for design services to be completed; are major reasons for delays. Also, specification of the consultancy contract took long than anticipated and that procurement of consultancy service requires a longer time since it is necessary to shortlist before requesting for proposal since all the technical services under this component were relatively more complex. Most of consultancy contracts, especially those for studies and detailed design of Water Basin Offices and Laboratories before actual works contracts were fairly complex and required appropriate preparations, technical competency and capability and competent supplies. These are among the key reasons which hindered effectiveness in the management of the procurements in component 1.

Component 2; Rural Water Supply and Sanitation: The Component is allocated a total of USD 246.38 million financed by the basket fund, earmarked donors and the GOT for procurement of goods, works, and consultancy services and non-consultancy services as shown in table 18 below with a bulk allocation of USD 166.9 million (68% of financial resources) for infrastructure development. This component is implemented with a relatively high number of implementing agencies and actors (Local Government Authorities, Regional Secretariats, under the coordination of Prime Minister’s Office; Regional Administration and Local Government – PMO-RALG in collaboration with the Ministry of Water); therefore it required relatively high initial costs for preparation and ensuring proper understanding of relative roles, accounting and reporting. Procurement of consultants initially started using the PPA but after affirming on the Basket arrangements, WB guidelines were to be used for any consultancy contract that exceeded USD 100,000, and therefore in 2007/2008 the exercise had to start afresh. The status so far is presented in the table below:
Table 18: Procurements Status for WSDP Component 2

<table>
<thead>
<tr>
<th>PARTICULARS</th>
<th>Planned Contracts</th>
<th>Contracts Awarded</th>
<th>Contracts Not Initiated</th>
<th>Completed Contracts</th>
<th>Contracts in Progress</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>No of Contracts</td>
<td>Cost in Million USD</td>
<td>No of Contracts</td>
<td>Cost in Million USD</td>
<td>No of Contracts</td>
</tr>
<tr>
<td>Basket Fund</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Goods</td>
<td>0</td>
<td>0.000</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Works</td>
<td>260</td>
<td>136.867</td>
<td>94</td>
<td>66.089</td>
<td>166</td>
</tr>
<tr>
<td>Consultancy</td>
<td>120</td>
<td>54.482</td>
<td>120</td>
<td>66.676</td>
<td>0</td>
</tr>
<tr>
<td>Non Consultancy</td>
<td>4</td>
<td>3.970</td>
<td>0</td>
<td>0.000</td>
<td>4</td>
</tr>
<tr>
<td>Sub Total - Basket Fund</td>
<td>400</td>
<td>195.319</td>
<td>222</td>
<td>132.765</td>
<td>178</td>
</tr>
<tr>
<td>Earmarked Financing</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Goods</td>
<td>0</td>
<td>0.000</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Works</td>
<td>1</td>
<td>2.200</td>
<td>0</td>
<td>0.000</td>
<td>1</td>
</tr>
<tr>
<td>Consultancy</td>
<td>6</td>
<td>16.710</td>
<td>5</td>
<td>12.940</td>
<td>3</td>
</tr>
<tr>
<td>Sub-Total Earmarked Financing</td>
<td>7</td>
<td>18.910</td>
<td>5</td>
<td>12.940</td>
<td>3</td>
</tr>
<tr>
<td>GOT Financing</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Goods</td>
<td>2</td>
<td>0.533</td>
<td>0</td>
<td>0.000</td>
<td>2</td>
</tr>
<tr>
<td>Works</td>
<td>36</td>
<td>27.810</td>
<td>21</td>
<td>22.860</td>
<td>15</td>
</tr>
<tr>
<td>Consultancy</td>
<td>10</td>
<td>3.810</td>
<td>8</td>
<td>2.140</td>
<td>2</td>
</tr>
<tr>
<td>Non Consultancy</td>
<td>0</td>
<td>0.000</td>
<td>0</td>
<td>0.000</td>
<td>0</td>
</tr>
<tr>
<td>Subtotal GOT Funding</td>
<td>56</td>
<td>32.353</td>
<td>29</td>
<td>22.860</td>
<td>21</td>
</tr>
<tr>
<td>Grand total</td>
<td>457</td>
<td>246.38</td>
<td>256</td>
<td>169.805</td>
<td>201</td>
</tr>
</tbody>
</table>

Table 18 summarizes that out of 457 planned contracts for component 2; 256 contracts (56%) were awarded; of which 214 (84% of the awarded contracts) were completed. This performance includes earlier projects that were transferred from the Rural Water Supply and Sanitation Project. It also includes quick wins and the design of drilling of boreholes. The complex projects such as construction of dams and water point mapping were prolonged due to their complexity.

Component 3; Urban Water Supply and Sewerage: The Component is allocated a total of USD 674.04 million financed by the basket fund, earmarked donors and the GOT in accordance with the amounts shown in Table … below with a bulk of allocations amounting to 587.5million (87%) for infrastructure investments in improving urban water supply and sanitation services. In the context of capacity building and monitoring, the Ministry’s PMU in collaboration with Department of Urban Water Supply and Sewerage Services has been reviewing procurement processes, documentation and decisions made on various activities. The implementation of status on the Component is as shown in the table below:
The performance in table 19 above shows that out of 219 planned contracts, 145 were awarded and 87 uninitiated. Out of the 145 awarded contracts, 58 were completed and 87 in progress indicating that implementation of contracts were at 40%. This is an indication of weak capacity in contract administration and management in this component due to a combination of learning the newly required procurement compliance while at the same time ensuring effectiveness in the procurement management.

Component 4: Institutional Strengthening and Capacity Building: The Component is allocated a total of USD 62.58 million financed by the basket fund, earmarked donors and the GOT in accordance with the amounts shown in table 20 below, with bulk of the allocations to goods. Details on items for procurement are provided under section 5.4 of this report. Status of implementation is as shown in the table below:

### Table 19: Procurements Status for WSDP Component 3

<table>
<thead>
<tr>
<th>PARTICULARS</th>
<th>Basket Fund</th>
<th></th>
<th></th>
<th>Earmarked Financing</th>
<th></th>
<th>GOT Financing</th>
<th></th>
<th></th>
<th>Subtotal Earmarked Funding</th>
<th></th>
<th>Subtotal GOT Financing</th>
<th></th>
<th>Grand total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>No of Contracts</td>
<td>Cost in Million USD</td>
<td>No of Contracts</td>
<td>Cost in Million USD</td>
<td>No of Contracts</td>
<td>Cost in Million USD</td>
<td>No of Contracts</td>
<td>Cost in Million USD</td>
<td>No of Contracts</td>
<td>Cost in Million USD</td>
<td>No of Contracts</td>
<td>Cost in Million USD</td>
<td>No of Contracts</td>
</tr>
<tr>
<td>Basket Fund</td>
<td>56</td>
<td>6.390</td>
<td>51</td>
<td>4.420</td>
<td>5</td>
<td>1.970</td>
<td>48</td>
<td>4.110</td>
<td>3</td>
<td>0.310</td>
<td>51</td>
<td>4.420</td>
<td>5</td>
</tr>
<tr>
<td>Goods</td>
<td>55</td>
<td>6.390</td>
<td>51</td>
<td>4.420</td>
<td>4</td>
<td>1.700</td>
<td>48</td>
<td>4.110</td>
<td>2</td>
<td>0.310</td>
<td>51</td>
<td>4.420</td>
<td>3</td>
</tr>
<tr>
<td>Works</td>
<td>8</td>
<td>0.270</td>
<td>0</td>
<td>0.000</td>
<td>0</td>
<td>0.000</td>
<td>0</td>
<td>0.000</td>
<td>0</td>
<td>0.000</td>
<td>0</td>
<td>0.000</td>
<td>0</td>
</tr>
<tr>
<td>Consultancy</td>
<td>55</td>
<td>6.390</td>
<td>51</td>
<td>4.420</td>
<td>2</td>
<td>0.870</td>
<td>48</td>
<td>4.110</td>
<td>1</td>
<td>0.110</td>
<td>51</td>
<td>4.420</td>
<td>3</td>
</tr>
<tr>
<td>Non Consultancy</td>
<td>51</td>
<td>4.420</td>
<td>32</td>
<td>124.750</td>
<td>3</td>
<td>5.770</td>
<td>29</td>
<td>138.974</td>
<td>2</td>
<td>8.080</td>
<td>31</td>
<td>124.750</td>
<td>3</td>
</tr>
<tr>
<td>TOTAL</td>
<td>156</td>
<td>261.290</td>
<td>110</td>
<td>262.310</td>
<td>46</td>
<td>9.886</td>
<td>51</td>
<td>9.886</td>
<td>3</td>
<td>0.310</td>
<td>51</td>
<td>4.420</td>
<td>3</td>
</tr>
<tr>
<td>Earmarked Financing</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Goods</td>
<td>3</td>
<td>0.680</td>
<td>2</td>
<td>1.070</td>
<td>1</td>
<td>0.850</td>
<td>3</td>
<td>1.720</td>
<td>3</td>
<td>0.680</td>
<td>3</td>
<td>1.070</td>
<td>1</td>
</tr>
<tr>
<td>Works</td>
<td>14</td>
<td>219.320</td>
<td>8</td>
<td>94.190</td>
<td>9</td>
<td>59.210</td>
<td>3</td>
<td>5.770</td>
<td>5</td>
<td>86.414</td>
<td>8</td>
<td>94.190</td>
<td>9</td>
</tr>
<tr>
<td>Consultancy</td>
<td>21</td>
<td>33.120</td>
<td>19</td>
<td>28.240</td>
<td>1</td>
<td>3.000</td>
<td>0</td>
<td>0.000</td>
<td>20</td>
<td>28.240</td>
<td>19</td>
<td>28.240</td>
<td>1</td>
</tr>
<tr>
<td>Subtotal Earmarked Funding</td>
<td>38</td>
<td>253.520</td>
<td>35</td>
<td>153.500</td>
<td>7</td>
<td>97.310</td>
<td>9</td>
<td>6.850</td>
<td>35</td>
<td>153.500</td>
<td>35</td>
<td>153.500</td>
<td>7</td>
</tr>
<tr>
<td>GOT Financing</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Goods</td>
<td>6</td>
<td>0.680</td>
<td>3</td>
<td>1.040</td>
<td>3</td>
<td>0.850</td>
<td>0</td>
<td>0.000</td>
<td>3</td>
<td>0.680</td>
<td>3</td>
<td>1.040</td>
<td>3</td>
</tr>
<tr>
<td>Works</td>
<td>17</td>
<td>153.950</td>
<td>8</td>
<td>18.180</td>
<td>14</td>
<td>135.770</td>
<td>0</td>
<td>0.660</td>
<td>2</td>
<td>17.530</td>
<td>14</td>
<td>135.770</td>
<td>0</td>
</tr>
<tr>
<td>Consultancy</td>
<td>7</td>
<td>5.280</td>
<td>6</td>
<td>4.630</td>
<td>6</td>
<td>0.650</td>
<td>0</td>
<td>0.000</td>
<td>1</td>
<td>0.650</td>
<td>6</td>
<td>4.630</td>
<td>6</td>
</tr>
<tr>
<td>Non Consultancy</td>
<td>0</td>
<td>0.000</td>
<td>0</td>
<td>0.000</td>
<td>0</td>
<td>0.000</td>
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<tr>
<td>Subtotal GOT Financing</td>
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<td>9</td>
<td>18.180</td>
<td>20</td>
<td>160.400</td>
<td>2</td>
<td>0.660</td>
<td>20</td>
<td>160.400</td>
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Table 20: Procurements Status for WSDP Component 4

<table>
<thead>
<tr>
<th>PARTICULARS</th>
<th>Planned Contracts</th>
<th>Contracts Awarded</th>
<th>Contracts Not Initiated</th>
<th>Completed Contracts</th>
<th>Contracts in Progress</th>
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<tbody>
<tr>
<td></td>
<td>No of Contracts</td>
<td>Cost in Million USD</td>
<td>No of Contracts</td>
<td>Cost in Million USD</td>
<td>No of Contracts</td>
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<tr>
<td>Basket Fund</td>
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<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Works</td>
<td>5</td>
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<tr>
<td>Sub-Total Basket Fund</td>
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<tr>
<td>Earmarked Financing</td>
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<tr>
<td>Goods</td>
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<td>GOT Financing</td>
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<td>Goods</td>
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<td>2</td>
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<td>21</td>
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<tr>
<td>Grand total-Component 1</td>
<td>76</td>
<td>62.58</td>
<td>32</td>
<td>34.081</td>
<td>44</td>
</tr>
</tbody>
</table>

The performance in Table 5 above shows that out of 76 planned contracts, 32 contracts (42%) were awarded; and out of those awarded, only 10 contracts (31%) were completed. 44 contracts (58%) were uninitiated contracts. This may be interpreted as weak capacity in contract administration and management in this component but some of the activities were fairly complex in their implementation due to the fact that they required adequate preparations which took longer period than anticipated.

4.5 Challenges on the procurement processes

The major challenge is how to expedite the speed of procurement processes especially to the new institutions like Basins and Small Towns (capacity building); and strengthening the monitoring and evaluation capabilities to enable effective contract administration and management to all implementing agencies. The integrated M&E framework and the fully functional MIS for the Water Sector are key aspects for addressing the challenge. Other challenges include how to resolve the issue of unreliable flow of funds to implementing agencies, which have been attributing to contractual disputes and suspension of services by contractors thus resulting into the costs such as prolonging the implementation of planned interventions and interest charges.
5 STATUS ON WSDP PLANNED ACTIVITIES VS TARGETS (JULY 2007 – JUNE 2011)

5.1 COMPONENT 1: WATER RESOURCES MANAGEMENT

The overall objective of Water Resources Management is to facilitate sustainable management and development of surface and underground water resources through integrated principles that meet social and economic needs. The component strives to implement activities within three subcomponents which are:

(i) Strengthening Basin Level Water Resources Management
(ii) Integrated river and lake basin management and development plans
(iii) Priority water resources infrastructure investments

Progress achieved in each of the planned activities and targets is summarized here under.

5.1.1 Strengthening Basin Level Water Resources Management

(a) Providing operational support to the BWOs

(i) Rehabilitation/construction of offices

The plan was to construct/rehabilitate 36 offices including Water Basin Offices, Water laboratories, Catchment and Water Users Association offices in all water basins. The aim was to have at least 9 Basin offices for each Basin completed at the average cost of USD 85,000 for each office.

From July 2007 up to June 2011: Basins have been categorised into three zones of implementation to facilitate easy procurement of consultancies and contracts management. Zone one (Lake Nyasa, Rufiji, Ruvuma and Lake Rukwa Basins), zone two (Wami/Ruvu and Pangani Basins), and zone three (Lake Tanganyika, Lake Victoria and Internal Drainage Water Basins). Three Consulting Firms have been procured to prepare designs, Bills of Quantities (BOQs), tender documents and carryout supervision of the construction of Basin Water Offices and sub-offices in the three zones no single office amongst planned rehabilitation/construction offices has been completed. Progress on this activity includes construction of head quarter office for Lake Nyasa, which started in August 2010 and as of 30th June 2011; the work had reached 40% of completion, with expectation of completion by November 2011... For the other basins, Preliminary outputs including designs and tender documents has been prepared and submitted to PMU-MoW for review.

(ii) Provision of goods

The plan was to purchase 30 motor vehicles, 90 motorcycles, 66 computers, accessories and other office equipment including photocopiers; 12 operational equipment systems (geographical information systems and mapping equipment/hydro-networks/lab/comm,) and installation; and procurement/installation of gauging stations.
All 30 vehicles for basins have been procured and handed to Basins in 2010, including 6 more vehicles (making the number of vehicles to be 4 for each Basin). These were provided so as to strengthen Basin Offices especially in law enforcement, monitoring and capacity building of WUAs.

35 out of 90 planned motorcycles have been procured and handed to Basins in 2010; 64 out of 66 planned computers, accessories and other office equipment including photocopiers were received and distributed to basins; 11 sets out of 12 planned sets of operational equipment systems (geographical information systems and mapping equipment/hydro networks/laboratory/communication) have been procured and delivered to basins awaiting installation. The 12th set for ground water monitoring is yet to be received.

(ii) WRM monitoring

The water resources monitoring stations survey conducted in the FY 2007/2008 revealed that: out of 442 rivers gauging stations only 167 were operational; among 418 rains gauging stations only 180 were operational. Out of 67 meteorological stations, 57 were operational; Out of 203 Water Quality and Pollution Stations, only 190 were operational and among 64 observation boreholes, only 55 were operational. This situation cripples effective water resource monitoring and affects regular production of reliable water resources data for different users.

In addressing this issue, the component, carried out inspection, cross section survey and preparation of design and bills of quantities (BoQ) for rehabilitation and construction of 362 hydrometric stations and identification of sites feasible for water quality stations installation from the F/Y 2008/2009 to 2009/2010. As of 30th June 2011, 11 sets of monitoring equipment have been procured that have facilitated installation of 38 hydrometric stations during the FY 2010/2011. The equipment includes hydrometric, climatic, ground water and water quality monitoring systems, and land survey equipment.

(iii) Assisting BWOs, Basin Water Boards and water user groups in carrying out their respective roles

This activity involved formation and strengthening of Water Users Associations (WUAs) and Catchment Committees. A total of 53 WUAs (57%) was formed compared to the target of 93 WUAs. The WUAs are distributed as follows: Basin Water Boards (27) in the Rufiji Basin, (6) in Pangani, (11) in Wami/Ruvu, (2) in Lake Victoria (3) in Ruvuma and one each for IDB, Lake Tanganyika, Lake Nyasa and Lake Rukwa. WUAs are important in enforcement of WRMA and regulations so as to avoid water use conflicts. As the first step towards formation of WUAs, in total, 256 Water User Groups (WUG) have been established in Lake Tanganyika (34 WUGs), Ruvuma Basin (62 WUGs), Lake Nyasa (1 WUG), Rufiji Basin Water Offices (26) and Internal drainage (44 WUGs). A total of 37 District Facilitation Teams (DFTs) have been formed to oversee WRMA adherence in Basins and spearheading formulation of WRM by laws in their Districts.

In efforts to strengthen WUAs and DFTs; 55 bicycles were provided to 5 WUAs including in Rufiji Basin to monitor water use in Kimani sub-catchment and Iringa DFT was trained on water sources protection in 2008/2009. During the 2009/2010 financial year, five WUAs (Ilonga,
Mkonda, Wami, Miyombo and Sangata) were provided with one motorcycle each, to facilitate Water Resources Monitoring in Wami/Ruvu Basin, while in Pangani Basin each of the six WUAs of Zigi-Mkulumuzi, Nyumba ya Mungu Dam downstream, Kikuletwa Juu, Kikuletwa Chini, Sanya Kware, and Karanga Weruweru were provided with Motorcycle. Also, Rufiji Basin facilitated 12 WUAs with Motorcycle each. The WUAs are Mitu, Kihansi Juu, Kihansi Kati, Kihansi Chini, Mporo, Mlowo, Mambi, Gwili, Kioga, Mswiswi, Ikuo and Chimala.

From the figure above, formation of WUAs declined from 2009/2010 due to inadequate WSDP disbursements.

Since the concept of the catchment and sub-catchment committees as per the WRMA has just been adopted, no basin has as yet established or appointed catchment/sub-catchment committees. However, the Rufiji and Pangani basins have established sub-catchment fora for some catchments and there are plans to appoint the members of the respective catchment committees. Rufiji has one catchment council (The Great Ruaha Catchment Committee) and Pangani is in the process of establishing one (Kikuletwa Catchment Forum). There are 11 sub-catchments councils in the Great Ruaha and 4 in the Kikuletwa.

(iv) Training and Recruitment of Staff as Part of Capacity Building

As part of capacity building, new staff continued to be recruited in from July 2007 to June 2010 as follows: 27 in the F/Y 2007/2008; 44 in the F/Y 2008/2009; and 99 in the F/Y 2009/2010. Also, a total of 170 staff were recruited including Hydrologists, Hydro-geologists, Environmental Engineers, Economists, Community Development Officers, Supplies Officers and Technicians for the WRM component. Figure 8 shows a trend on training for WRM staff.
(v) **Provision of technical advisory services for inter alia the preparation of river or lake basin plans, and the development of sustainable financing options for BWOs**

The component has identified need of specialized assistance from well experienced experts as part of capacity building. Between 2009 and 2010, five critical areas were identified and individual consultants were engaged. These areas are Integrated Water Resources Management, Dams Safety Management, Trans-boundary Water Resources Management, Financial Management and Water Resources Information System Management. Training for water quality staff covered Laboratory Statistical Analysis, Assessment of Laboratory Competence, Procurement, Basic Laboratory Practices, Best Laboratory Practices, and Use of Water Quality Analytical Manuals. Technical assistance in these areas is expected to bridge the existing knowledge gap between the retiring senior officers and the remaining staff who are less familiar with.

For the development of sustainable financing options for BWOs; the consultant has been procured and signed the contract in May 2010. The consultant stopped work in July 2010 due to delayed payments as a result of non-disbursements of WSDP funds since March 2010. After payment of outstanding invoice in January 2011, the consultant immediately resumed work and submitted inception report and work plan in June 2011.

(vi) **Provision of training to BWOs in inter alia business planning, financial management, and administration**

Training was among the areas identified as gaps on the implementation of activities relating to Water Resources Management. In the FY 2007/2008 a total of 84 staff were trained in Integrated Water Resources Management (IWRM), Water governance, procurement and contract
management, financial management, monitoring and evaluation, programme management, and physical and financial WSDP reporting formats.

Also District Facilitation Teams were trained on water resources management and protection in Lake Tanganyika Basin. In FY 2008/2009 the focus was in the use of data handling software’s, public awareness issues and procurement. A total of 162 Water Basin staff were trained in Microsoft Access, CRISTAL software (Used to assess climate change vulnerability), preparation of communication strategy, Trans-boundary Water Resources Management and general procurement skills. Stakeholders Meetings were also conducted. During the FY 2009/2010, a total 490 Water Basin Staff attended various trainings, workshops and seminars, while in 2010/2011 the training attended were mainly on Cooperate Management, Preparation of ESIA, Environmental Engineering, Environmental Flows Assessment, AUTOCAD, HYDATA software, Water quality assurance and quality Control, Capacity Development Plans, Water Resources Management Act, environment conservation, office and personnel management, Geographic Information System (GIS) and Database Management.

All Basin Water Boards have prepared Business Plans and shared with DPs. Basins have also prepared annual hydrological reports which will act as statistical abstracts of water resources data and information for each basin countrywide. The documents may be used as a guide to planning and decision making for sustainable management of the water resources.

(b) improving the capacity of BWOs to carry out water resource monitoring, assessment and enforcement including

(i) Provision of hydrometric, climatic, ground water and water quality monitoring systems, and land survey equipment: The status is as reported under (a) (ii) above.

(ii) Financing of equipment operation and maintenance costs: Survey and installation of river gauge, rain gauge and dam monitoring equipment, service office equipment, pay for computers, photocopiers, fax etc; Fuel and maintenance of vehicles and motorcycles repair for BWOs has been done.

(iii) Provision of technical advisory services to inter alia assist BWOs in carrying out a water resource assessment including environmental flow requirements: Status is as follows:

Environmental Flow Assessment (EFA) Study in Pangani Basin: The study, which was commissioned in 2005 and completed in 2009, used a modified-DRIFT EFA method to assess environmental flows in relation to social-economic data to inform on water allocation processes. The study found that most rivers in the Pangani system are in moderate health judging from the estuaries that are highly degraded, although they are still able to support a reasonable level of aquatic life and human water needs; most of the rivers were found to be susceptible to droughts during dry seasons hence affecting irrigation needs; most of them were found with very high nutrients, high turbidity and low dissolved oxygen indicating low level of protection. As a climate change adaptation measure, the study recommended construction of water storage facilities as a security
measure for both dry season water shortages and reducing water shortage impacts on irrigation, the environment and to get prepared for climate change.

Environmental Flow Assessment Study in Wami/Ruvu Basin: The study, which was done in 2007, used the Savanna River Method for general processes, Building Block Method for quantitative data collection as well as flow requirement estimation, and Ecological Limits of Hydrologic Alteration (ELOHA) method for considering a regional approach. The study found emerging human threats to the Wami/Ruvu estuary including the Saadani National Park, mangroves and fishery resources, due to growth of nearby human settlements; which posed human pressure of increased water withdrawals and human socio-economic activities. It recommended further study on the hydrology and hydrogeology of Wami sub-basin including water quality examination of salinity intrusion, sediment delivery, flow seasonality, and water requirements of riparian vegetation, fish and terrestrial animals; and collecting more detailed socio-economic information on human water use.

Water Resources Assessment Study in the Internal Drainage Basin: The study, which started in 2007 and completed in 2007, confirmed the presence of high fluoride concentrations and salinity in the basin groundwater sources. The study also found poor data management, inadequate equipment and shortage of personnel in the basin. The survey confirmed presence of dental fluorosis but it was not clear if the source was from the use of trona (sodium carbonate-sodium bicarbonate) in cooking or drinking water. The study recommended institutional capacity building for the basin groundwater development in the basin should be planned in low saline risk areas using distribution maps of Electrical Conductivity (EC) and Total Dissolved Solids (TDS) basing on hydrogeological analysis; and that full scale epidemiological investigation should be conducted to determine the effects of daily used of fluoride contaminated trona (sodium carbonate-sodium bicarbonate) for possible restriction. The concentration of fluoride in trona ranged from 200 to 7,000 mg/kg.

(iv) Strengthening the enforcement capacity of BWOs to inter alia review and register water users, issue water use permits, monitor compliance and undertake conflict resolution: During the FY 2007/2008, a total of 4,951 water rights were issued out of 15,021 planned. In the FY of 2008/2009, a total of 397 water rights were granted in all nine BWOs out of the planned 412 and 2,459 water users/abstractions were inspected during this time. During the FY 2009/2010, a total of 222 water use permits were issued out of 390 planned while In 2010/2011, 2 out 576 planned water use permits were granted in Lake Tanganyika Water Basin Office. The decline in granting water user permits was due to institutional reorganizations in accordance to the requirements of the new WRMA and its regulations, which require even previously registered water rights to be re-registered for re-granting of water use permits in lieu of water rights.
Conflict Resolution and Law Enforcement: Through awareness raising and engagement with stakeholders and dialogue processes by BWOs the type, nature and extent of water conflicts have been reduced significantly. In the FY 2008/2009 a total of 25 water use conflicts out of 27 were resolved and 6 defaulters were prosecuted while in the FY 2009/2010 a total of 18 conflicts were resolved, two defaulters were sentenced 6 months, two warned not to destruct water sources and four cases are in process in Wami/Ruvu Basin. One case on vandalism of gauging station is in progress, eight people have been jailed for six months and six fined for destruction of water sources. Ten cases for illegal abstractions are ongoing in Rufiji Basin. During the FY 2010/2011 a total 17 water use conflicts were resolved out 21 reported in Pangani (11), Wami/Ruvu (2), Internal Drainage (6), Lake Nyasa (1) and Rufiji Water Basin (1).

MOW is making arrangements to translate the Water Resources Management Act (2009) into simple easily understandable Swahili version for dissemination to WUAs through the basins. Rufiji Basin with the assistance of WWF has already translated WRM Act (2009) in Kiswahili.
Improving the capacity of BWOs to undertake water quality management and pollution control through:

(i) Development of a water quality management and pollution control strategy: The water quality management and pollution control strategy has been prepared by the consultant who submitted the final report in July 2011. Action Plan to implement the priority activities will be prepared to guide Basins implementation by December 2011.

(ii) Development of a river and lake condition classification system: This activity was done concurrently with the studies reported under (b)(iii) above.

(iii) Setting of permanent water quality standards and improving compliance with water quality management and pollution control

(iv) Water pollution control action plans have been prepared and has started being implemented in all water basins.

(d) Protecting important water sources including water catchments, ground water recharge areas and wetlands

TOR to procure a consultant to classify water bodies in the Wami and Ruvu Rivers system prepared, demarcation of Chamwino well field completed, map for protection of Kimbiji aquifer prepared, demarcation of Nala catchment area on progress, Kizinga, Kimbiji/Mpera and Makutupora areas identified for demarcation, ToR for valuation of properties along Kizinga river valley prepared, Consultant was procured, Valuation was done, Situational Analysis report prepared and presented to stakeholders meeting, Final report submitted, demarcation work is on going for Makutupora sub basin (100 sign boards installed), in Wami/Ruvu Water Basin in collaboration with Njombe District council has started up a processes to declare Lihogosa swamp as protected water source, Little Ruaha River has been protected and demarcated in Rufiji Basin, demarcation of Mpolo River on progress and Environmental Flow Assessment has been done at Great Ruaha Catchment in Rufiji Water Basin; Protection processes for Lake Babati, Maisaka, Mwankoko, Irao well fields and Mount Kwaraa have started, 1000 trees were planted at Makomero Village and training on land use and acquisition for water projects and ESIA conducted at Babati, 36 WUGs were visited and encouraged on conservation of Water Resources in Internal Drainage Water Basin.

(e) Supporting water demand management

(i) Development of a public awareness education campaign: Information and policy dissemination was done through implementation of the sector communication strategy, which started in 2009 with dissemination of simplified or popular version of the National Water Policy in both print and electronic media to the public (including the launching and updating of the Water Sector Website www.maji.go.tz). These efforts have been done at the National Level. The results of these improvements include increased demand for services and increased stakeholder participation in the sector. At Basin level, each basin have prepared a stakeholder communication strategy that guides stakeholder public awareness campaigns.
(ii) **Management of upstream water uses in water stressed basins:** Amongst water stressed Basins are Rufiji and Pangani Basins where cross sector demands have been on the increase, resulting in various water demand conflicts. The Basins have been conducting environmental flow studies and climate change studies that gear at advising best methodologies of controlling illegal abstractions, water allocations and to provide inputs in the preparation of integrated water resources management plans. Water resources assessment was done in 4 districts and Kagera Sugar Company within Lake Victoria Basin. The aim was to assess their intakes amount of water abstracted, capacity of their pumps and durability of pump house.

(iii) **Setting and revising water user charges and monitoring of river flows:** new charges are waiting completion of the WRM financing options study that is currently underway. On monitoring river flows; environmental flow assessment was done in Great Ruaha from eastern wetland to Ruaha National Park. Final stakeholder workshop has been conducted, and the team is now preparing the final draft. River flow measurement was done thrice in 29 stations and four times for Ruvu-Morogoro Road Bridge and Wami-Mandera.

(iv) **Management of ground water and surface water:** Review and Updating of Permits Register is being done by Basin Water Offices in accordance to Section 69(1) of the WRMA. This work is to last for the first two years since commencement of the Act. A Work Plan for Implementing Water Resources Management Act, 2009 has been prepared and is being implemented. All the basins have continued to register water permit (right) applications and to issue grants accordingly. Recording of unregistered rights continues according to section 51(1) to 51(5), and 52(1) to 52(2). Reference shall be made to WRMA Section 69 (1).

Regulations for controlling drilling activities are under preparation. Identification of and updating information on drilling companies work is a continuous activity. So far there are a total of 116 registered drilling companies operating in the country whose activities need to be appropriately regulated. Basin Water Boards have been mandated to monitor for compliance of water drilling permits conditions at their areas of jurisdiction.

(v) **Hydro-geological Investigations, Surveys and Drilling Supervision**

Hydro-geological investigations and supervision of drilling activities had been carried out in all basins. In the year 2007/2008, 447 drilling sites and in the FY 2008/2009, 318 sites were surveyed by the Drilling and Dams Construction Agency. In the FY 2009/2010, hydro-geological investigations for 796 sites were carried out in all basins while supervision of drilling sites was conducted in Lake Victoria (93), Lake Nyasa (11), Pangani Basin (117), Ruvuma (147), Rufiji (33), Lake Rukwa (134), Internal Drainage (168), Wami/Ruvu (30) and Tanganyika (63). In 2010/2011 WRM carried out hydro-geological investigations and supervision of drilling activities where 733 site were surveyed – Pangani (120), Wami/Ruvu (70), Rufiji Basin (42) Ruvuma Basin (33), IDB (142), Lake Rukwa (120),, Lake Nyasa (50), Lake Tanganyika (52), and Lake Victoria (104). Hydrological investigations are demand driven, conducted when applied by the government and non government institutions, private companies and individuals.
Figure 5. shows an increasing trend of requirement, due to increase in awareness campaigns conducted in the Water Sector Development Program.

Since the start of the program, the number of drilled wells has been increasing. In the FY 2007/2008, 749 wells were drilled, in the financial year 2008/2009, 1,128 wells were drilled. During the FY 2009/2010, 914 wells were drilled and the 2010/2011, 962 wells were drilled, therefore since 2009/2008 to 2010/2011 a total of 3,753 wells were drilled and registered. However, experience show that there are many unregistered water sources including water wells. WRM component has started re-registering all water users in all basins. It is expected that, once this exercise is completed, the total number of drilled wells will rise. Figure 18 shows a trend of the registered drilled wells which shows an abrupt increase from 2008 to 2009 which may be associated with quick wins projects implementation followed by decrease and gradual increase which may be connected to the WSDP funds release and slow moving tendering processes.
5.1.2 Integrated River and Lake Basin Management and Development Plans

(i) The target of this activity was preparation of five integrated river basin management and development plans for the Rufiji, Pangani, Wami/Ruvu, Ruvuma and Internal Drainage river basins; and four integrated lake basin management and development plans for the Lake Victoria, Tanganyika, Nyasa and Rukwa basins using Capacity Building Grants. Internal Drainage Basin inception report was accepted. The consultant have started task one which is to review / Inventories of current water use status, the work has been done by 54%. Task one includes establish inventory of water available, assessment of current water use by each sector, inventories of institutional infrastructure water management, review social and economic status and Water usage inventory database. The task two has been done by 61% which is Water Resources Assessment, Catchment Characteristic review, Hydrological / Hydrological Studies, Water Quality assessment, Environmental assessment, Review status of hydraulic infrastructure and management system Report Water Resources assessment while task three has been done by 20% which is Sector / Thematic water plan preparation the activities done under task three includes Review central and sector policies, district and national water plan for present and future and Preparation of sectoral current water allocation and management Plan, generally the work done IWRM Plans for Internal Drainage is 35%

(ii) In Rufiji Basin Water Offices inception report has been completed. Task one has been done by 50% which is all about detailed review of relevant documentation. All relevant reports/documents collected and reviewed and information summarized by sub-basin. Task two involves stakeholder visits and surveys of important infrastructure sites and facilities in each sub-basin; the work has been done by 42%. Task three which is data collection and database development has been done by 57%. The overall work done is 40% for Rufiji Water Basin.

(iii) In Wami Ruvu; the consultant is current implementing phase one and two water potential, water balance analysis, preparation of hydro-geological map, assessment of extractable yield of ground water resources and preparation of progress reports, the work has been done by 40% of the total work, activities under the two phases includes survey on land use and water use and water facilities, hydro-geological survey, survey on Surface water, Water quality analysis, survey water permits and environmental survey.

5.1.3 Priority Water Resources Infrastructure Investments

The target is strengthening water resource management by BWOs, through the provision of Capital Development Grants to finance WRM Subprojects. Progress so far includes:

(i) Drilling of thirty (30) production boreholes in Hai and Rombo Districts within Pangani Basin will be executed during 2011/2012;

(ii) Drilling of 20 Boreholes (12 in Kimbiji and 8 in Mpera – starting with Mpera well field) will be executed during 2011/2012;
During phase one of WSDP, feasibility study and ESIA for construction of Kidunda Dam was completed in May 2011. Detailed design and construction will be done during WSDP using phase II.

Pre-feasibility study has been carried out for Mwamapuli and Kasese water resources management. This activity will be conducted in the preparation of IWRM&D plans.

Detailed Survey for Ndembera dam in Rufiji Basin was completed. The Expression of Interest has been advertised for the feasibility study and design of the dam as well as Social and Environmental studies. The EoI has been opened and evaluated.

Studies on water resources potential in Mount Kilimanjaro-Lake Chala and Lake Jipe system (Pangani Basin), design of systems for the improvement of different water uses on Himo River Catchments, design system for water resources assessment in Magereza - Ngaramtoni well field, Arusha Town well-field and Lake Duluti, Conservation of Sokolo Spring. Technical meetings were held under GWI Running Dry Project in Arusha to be incorporated in IWRM&D study.

Situational Analysis for formulation of Management strategy and implementation of the Water Resources Management in Kizinga catchments in Wami Ruvu Basin was completed.

Studies on water resources potential in Mount Kilimanjaro-Lake Chala and Lake Jipe system (Pangani Basin), design of systems for the improvement of different water uses on Himo River Catchments, design system for water resources assessment in Magereza - Ngaramtoni well field, Arusha Town well-field and Lake Duluti, Conservation of Sokolo Spring. Technical meetings were held under GWI Running Dry Project in Arusha to be incorporated in IWRM&D study.

Situational Analysis for formulation of Management strategy and implementation of the Water Resources Management in Kizinga catchments in Wami Ruvu Basin was completed.

Study and assessment of dams with capacities over 50,000m³ has been completed for seven basins of Pangani, Rufiji, Victoria, Wami/Ruvu, Internal Drainage, Ruvuma and Tanganyika. A total of 639 dams were identified and information concerning their status has been put in the database. Bills of quantities to rehabilitate 18 dams in the Internal Drainage Basins have been prepared.

Management of Trans-Boundary Waters

Management of the shared trans-boundary water resources is being done through joint basin bodies as coordinated through regional integration bodies such as SADC, EAC and AMCOW. Important interventions under trans-boundary water resources include activities related to the formation and strengthening of joint institutions for coordinating shared water resources in the trans-boundary basins. Progress made since 2007 up to June 2011 include:

(i) **Zambezi Basin Commission (ZAMCOM):** The Agreement on the Establishment of the Zambezi Basin Commission was ratified by the Parliament of the United Republic of Tanzania on 8th February 2010, which facilitated the Commission to officially enter into force. This triggered the kick off of implementation of the IWRM Strategic activities as prioritized in the Zambezi Basin work plan and budget.

(ii) **Songwe River Basin Development Programme:** Tanzania signed the MoU on 8th March, 2011, while Malawi signed on 5th April, 2011. After ADB’s no objection, the Request for Expression of Interest in the provision of Consultancy Services on Detailed Design of Works for stabilization of Songwe River was advertised on 15th July, 2011.
(iii) **Nile Basin Initiative:** Under this initiative; the Kagera Integrated River Basin Management and Development Strategy document have been jointly prepared; national Stakeholder mapping was conducted including formation of women’s forum, fishers’ forum and association of eminent elders; protocol on the Nile-COM that guides the use of the Decision Support System (DSS); as a basin-wide planning tool which enables decision makers to select the optimum investment planning options and best water resources management practices at national and regional levels, was adopted in July 2009; and various capacity building interventions including training was done. The initiative also have implemented various water supply sub projects benefiting 10,000 people in Kayanga town, Karagwe district; and construction of Bisarwi small holder irrigation dam providing water for irrigation, livestock and domestic purposes to over 5000 residents. The initiative has also acquired equipment for hydro meteorological monitoring stations along Mara River were provided; and agro forestry projects were established in Rulenge and Ngara Districts.

(iv) **Lake Victoria Environmental Management Project (LVEMP) II:** LVEMP II commenced implementation in 2009/2010. Achievements include wetlands management intervention measures for Mabubi (Plant vetivar grass) and Rubana wetlands and monitoring of demonstration plots at Bubinza, Magu and Nyatwali in Bunda. World Wetland Day, Maji Week, and World Environment Day were used to conduct awareness campaigns on the importance of wetland and environment conservation. The project has also been testing water samples in the lake catchment (including fish processing industries, and mines) as water quality monitoring measures. The project also has been conducting Water hyacinth Management activities including its manual removals and multiplication of weevils and mites; and releasing them in rivers and ponds/dams in the Lake Victoria catchments as a biological control measure.

**On water conservation:** LVEMP has constructed 6 check dams at Nyamikoma in Musoma District, design and construction of 220m long cut-off drains, 4 catchment committees were visited and trained at Shigala, Chamugas and Mwibagi on sustainability of soil and water conservation activities; and 40 farmers were trained at Nyamatembe and Shigala catchment areas, Chamugas, Mayega and Lukungu villages (Kalemela catchment) on selection of appropriate pesticides, proper storage, application and safe disposal of chemical wastes. Other activities included formation of District Facilitation Teams (DFTs), appointment of District LVEMP Focal Officers; Construction of Artificial Wetland to Treat Municipal Effluents in Mwanza City; construction of Sewerage Facilities in Mabatini and Igogo area of Mwanza City; and developing ecosystem monitoring procedures.

(v) **Joint Water Commission between Tanzania and Mozambique (JWC):** The Parliament of the United Republic of Tanzania ratified the Agreement on the Joint Water Commission between Tanzania and Mozambique in 2009, allowing the Commission to enter into force. The Water Resources Support Project for the Ruvuma Basin is ongoing. Amongst its projects, implementation of Namatuhi Irrigation Project was completed in 2010.
5.1.5 Dam Safety Management

For Dam Safety regulatory and monitoring purposes; the dam inventory exercise to identify dams with a safety risk was carried out in 2008/2009. The exercise covered all the Basins with an exception of Lake Nyasa and Rukwa, where there were no dams. The exercise found a total of 639 Dams in Tanzania Mainland as at September 2009. A report on dam inventory, visual evaluation and classification of dams in Tanzania has been prepared.

During the inventory, evaluation of dam conditions was undertaken too, the evaluation was divided into three components, and elements evaluated were: (1) Embankment - Embankment settlement, Leakage, Erosion of the crest, Erosion of upstream slope, Erosion of downstream slope, Availability of ant-hills or holes, Availability of bushes, General maintenance; (2) Spillway - Crest weir (if available), Bottom protection, Bottom erosion, Bottom disposition, Availability of bushes, and (3) Reservoir - Retention capacity, Siltation, Floating weeds.

The survey reveals that the generally the condition of the dams is poor. The outcome of survey shows that 54% are without crest weir, 65% eroded upstream slope 66% eroded downstream slope, 55% eroded up/down stream slope and 53% without riprap. The rest of the dams have the following problems, 47% of the dams have a reduced capacity, 23% have settled embankments, 21% are leaking dams and 7% are failed or silted up. There are no early warning instrumentations for almost all dams. The major achievements so far is categorization of dams that require immediate rehabilitation, decisions of the required priority investments for construction of new dams, preparation of Draft Dam Safety Regulations and guidelines and development of the dam safety database.

5.1.6 Water Quality Compliance and Strengthening Water Laboratories

During the period of 2006/2007 to 2010/2011, a total of 16,478 water samples from the water sources intended for domestic use, were collected and analyzed. The results showed that 14,948 water samples were found to be within the allowable national standards.

Monitoring the quality of water supplied in urban areas was carried out by the laboratories under Water Quality Services Division. Water treatment Chemicals were also checked their efficacy and that they are within acceptable standards; and that effluents discharged to the water bodies are within the allowable limit (pollution control). From July 2006 to June 2011, a total of 72 samples of Aluminium Sulphate and 62 samples of Calcium Hypochlorite from Urban Water Supply Authorities and private companies were checked and advised accordingly. A total of 956 wastewater samples from wastewater treatment facilities were analyzed and 868 found to be within the recommended effluent standard for the wastewater to be discharged into the environment. Advice was appropriately provided for compliance.
Figure 15: Comparison of Results of Analyzed Water Samples

**Strengthening Water Laboratories:** three lots of laboratory equipment and instruments have been delivered; the remaining nine lots will be received before end of November 2011. Training was among the areas identified as gaps in the implementation of activities relating to water quality management, thus water laboratory staff under Water Quality Services Division were enriched with skills and knowledge through different training courses as shown in the graph below. Training for water quality staff covered Laboratory Statistical Analysis, Assessment of Laboratory Competence, Procurement, Basic Laboratory Practices, Best Laboratory Practices, and Use of Water Quality Analysis Manuals.

Figure 16: Status of Training Provided to Water Quality Staff

**5.1.7 WRM Challenges**

(ii) WRM processes are challenging and need time to be understood and responsibilities, risks and costs for WRM interventions should be spelled out clearly from the beginning of the intervention to maintain credibility.
There is generally lack or inadequate water storage capacity in the country to mitigate water resources variability and impact of Climate changes to water resources which compounds water insecurity.

Climate change has a strong impact on the water resources of Tanzania. Basin institutions still have not developed strong capacity to cope with climate change and extreme events. Climate change adaptation measures need to be mainstreamed in the basin management system.

Synchronisation of the annual budget process between the Basin Water Boards and MOW to annul the prevailing problem whereby approved Board budgets are not consolidated in the MOW budget due to differences in budget timings. BWB should review their planning to rectify this situation.

There have been delays in disbursement of WSDP funds resulting in delays in commencement of consultancies/studies and contractual works. It is recommended that disbursements of funds flow in line with the schedule of activities to avoid unnecessary payments for overheads and penalties.

Many of the consultancies/studies require close supervision by MOW and Basin Offices. Personnel at national and basin levels need to be trained on contract and consultancy management skills.

Implementation of IWRM Plans and Disaster Management (droughts and floods) as stipulated in the WRM Act 11 (2009) will require additional costs.

There is a chronic shortage of adequate capacity in human resources and working tools in the basin offices. More recruitment is needed to bring BWOs to the required staffing levels and the delivery of tools needs to be hastened.

Inadequate office facilities (buildings and furniture) - for WRM in most basins is actually impaired by the shortage/absence of office facilities.

The institutional framework at basin level is yet to be effectively put in place. While NAWAPO, NWSDS and WRMA all recognise importance of BWB, catchment and sub catchment committees, WUAs and WUGs, only BWB are legally in place in all basins.

The protection of water sources is being hindered by need to compensate properties and relocate affected residents that requires large amounts of financial resources that otherwise could be used for other purposes. This is also delaying the start of other contractual works.

5.2 COMPONENT 2: RURAL WATER SUPPLY AND SANITATION

The overall objective of rural component is to improve the provision of clean and safe water supply services and promotion of improved hygiene and sanitation services in rural areas through
Local Government Authorities (LGAs), participation of beneficiaries in implementation of subprojects and management of rural water schemes through effective local water user entities, private sector participation in investments and operation of rural water schemes through contracts with communities.

The interventions that were planned to be carried out were categorized in two sub components, namely the management support and investments in various water supply and sanitation sub projects. Status of interventions in the two sub components is provided here under:

5.2.1 Local Government Authorities Management Support

The strategic objective on management support was to strengthen the capacity of Local Government Authorities by providing Capacity Building Grants to finance the interventions presented in chronology here under. The summary of status of implementation is provided after each intervention.

(i) Build the capacity of District Water and Sanitation Teams to prepare DWSPs and appraise RWSS Subprojects proposed by communities, through the provision of technical advisory services, rehabilitation and construction of offices, and provision of goods, such as vehicles, motor cycles, computers and office equipment. Status is as follows:

- **Provision of technical advisory services:** All LGAs have established a District Water Sanitation Team. It was a precondition for LGAs to access the capital development grants. Each LGA signed participation agreement with Regional Secretariat and Prime Minister’s Office Regional Administration and Local Government (PMO-RALG). Under the agreements the LGAs are required to prepare three year rolling plans and to inform village councils of the indicative figures for their share of the Capital Development Grants. Management support for strengthening DWSTs in preparing district water supply and sanitation plans and in upgrading the rural water supply and sanitation projects is done by the consultants in place in 130 LGAs out of 132 LGAs. The remaining 2 LGAs are in the process of procuring the consultants. These consultants also provide operation and maintenance guidance and training to beneficiary communities to ensure sustainability of rural water schemes and also promoting ownership and use of improved hygiene and sanitation facilities.

  Also the MoW is in final stages of engaging a Programme Management Support consultant for component 2. One of its tasks is to train DWSTs so that they effectively support communities. Also, LGAs receive technical support from the Regional Secretariats. Up to June 2011, 130 LGAs completed preparation of DWSPs and mainstreamed them within their MTEFs, while 2 have draft plans they use for budgeting while waiting technical support from consultants to finalize them. In addition, the Capacity Development Plans for each LGAs have been prepared. These Plans will guide the institutional capacity development especially in hiring and training of staff.

- **Rehabilitation and construction of offices:** under this activity, rehabilitation of 68 offices and construction of 44 new offices in LGAs was planned. By June 2011, out of 68
offices planned for rehabilitation, 65 offices, equivalent to 96% performance, were rehabilitated; and out of 44 new offices planned to be constructed, 63 offices, equivalent to 143% performance, were constructed.

- **Provision of goods, such as vehicles, motor cycles, computers and office equipment:** under this activity, it was planned to procure 111 vehicles, 222 motorcycles and 222 computers with complete accessories. By June 2011, achievements are far beyond planned targets. 120 motor vehicles, 252 motorcycles, 124 printers, 111 computers, 116 scanners were procured and supplied to LGAs; 21 motor vehicles, 20 printers, 21 computers and 20 scanners were procured and supplied to Regional Secretariats. More vehicles, motorcycles, computers and office equipments will be required in phase two due to the increase of number of LGAs and RSs from 121 LGAs and 21 RSs during commencement of the program to 154 LGAs and 24 RSs respectively.

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<tr>
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</tr>
</thead>
<tbody>
<tr>
<td>Office Rehabilitation for LGAs</td>
<td>42</td>
<td>3</td>
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<td>3</td>
<td>63</td>
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<td>Vehicle for LGAs</td>
<td>0</td>
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<td>104</td>
<td>16</td>
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<td>252</td>
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<td>252</td>
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<tr>
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<td>0</td>
<td>0</td>
<td>111</td>
<td>0</td>
<td>111</td>
</tr>
<tr>
<td>Printers for LGAs</td>
<td>0</td>
<td>0</td>
<td>111</td>
<td>13</td>
<td>124</td>
</tr>
<tr>
<td>Scanners for LGAs</td>
<td>0</td>
<td>0</td>
<td>111</td>
<td>5</td>
<td>116</td>
</tr>
<tr>
<td>Office Rehabilitation for RSs</td>
<td>0</td>
<td>2</td>
<td>0</td>
<td>0</td>
<td>2</td>
</tr>
<tr>
<td>Vehicle for RSs</td>
<td>0</td>
<td>0</td>
<td>21</td>
<td>0</td>
<td>21</td>
</tr>
<tr>
<td>Computers for RSs</td>
<td>0</td>
<td>0</td>
<td>21</td>
<td>0</td>
<td>21</td>
</tr>
<tr>
<td>Printers for RSs</td>
<td>0</td>
<td>0</td>
<td>20</td>
<td>0</td>
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<tr>
<td>Scanners for RSs</td>
<td>0</td>
<td>0</td>
<td>20</td>
<td>0</td>
<td>20</td>
</tr>
</tbody>
</table>

(ii) **Undertake water point mapping for tracking community water points (as part of Management Information System)**

It was planned to harmonize the two rural water supply and sanitation databases that were developed through World Bank and GIZ financing. The two databases were to be harmonized with the new initiative of improving rural water supply infrastructure monitoring – the water point mapping. Through execution progress, it was agreed that water point mapping should be able to cater for the desired outcome of improved rural water supply and sanitation management information system through linking the water point mapping results in tracking functionality of water points into the overall sector functional MIS. The contract for water point mapping was signed in November 2010 and work started in January 2011, after covering 40 LGAs in March 2011, work was stalled for two months because of delays in fund disbursement; and resumed in
June 2011 after disbursement of fund was done. By August 2011, 61 LGAs was covered, with expectation to complete the activity as planned in December 2011. It is envisioned that when water point mapping is fully operational, District Water Engineers will periodically enter updated water point data and information they get from village executive officers electronically into the functional sector MIS.

(iii) **Strengthen the capacity of communities to operate and maintain water and sanitation services**

A total of 605 community training events for building the capacity of water user entities were planned country wide. However, priority was given to formation and registration of water user entities, which was achieved through formation and registration of 1952 water user entities. The cumulative details showing trends in the formation of COWSOs since 2007 to 2011 are shown in the table below.

<table>
<thead>
<tr>
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<th></th>
<th></th>
<th></th>
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</tr>
</thead>
<tbody>
<tr>
<td>WUAs</td>
<td>213</td>
<td>263</td>
<td>649</td>
<td>700</td>
<td>1825</td>
</tr>
<tr>
<td>Water Companies</td>
<td>21</td>
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<td>18</td>
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<td>Board of Trustees</td>
<td>5</td>
<td>6</td>
<td>15</td>
<td>21</td>
<td>47</td>
</tr>
<tr>
<td>Corporation Sole</td>
<td>0</td>
<td>0</td>
<td>1</td>
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<td>2</td>
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<tr>
<td>WUGs</td>
<td>4,257</td>
<td>4,257</td>
<td>4,653</td>
<td>4,653</td>
<td>17820</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>4496</strong></td>
<td><strong>4547</strong></td>
<td><strong>5336</strong></td>
<td><strong>5393</strong></td>
<td><strong>19772</strong></td>
</tr>
</tbody>
</table>

(iv) **Provide training to Districts and communities on hygienic practices, sanitation, and Human Immuno-Deficiency Virus/Acquired Immune Deficiency Syndrome mitigation and prevention measures**

During the period from July 2007 to June 2011; A total of 2,921,830 people were sensitized on sanitation and hygiene; a total of 3,604 demonstration latrines were built, 4,989 artisans trained, 10,628 san-plats casted and 19,163 school sanitation clubs formed. The approach has been a mix of methods (given the multiple actors involved), and each method includes different definitions and standards; and the results cause more operational questions including the methodologies and measurements for sensitization results. As a result, a new sub-component on the sanitation campaign was introduced during WSDP restructuring. The details on the sanitation sub-component are provided under investments section.

<table>
<thead>
<tr>
<th>Year</th>
<th>Water Points</th>
<th>Beneficiaries</th>
<th>Latrines</th>
<th>Sensitised People</th>
<th>Artisans trained</th>
<th>School sanitation clubs formed</th>
<th>Sanplats produced</th>
</tr>
</thead>
<tbody>
<tr>
<td>2007-2008</td>
<td>2,603</td>
<td>650,750</td>
<td>-</td>
<td>885,867</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>2008-2009</td>
<td>3,618</td>
<td>904,500</td>
<td>370</td>
<td>646,042</td>
<td>1,211</td>
<td>289</td>
<td>871</td>
</tr>
</tbody>
</table>
The strategic objective on investments in RWSS Subprojects was to provide technical advisory services in designing and construction supervision with the aim of increasing the coverage of water supply services and promotion of the use of improved household sanitation technologies and hygienic behavior in rural areas. The list of planned interventions and summary of status is provided here under:

(i) **Procurement of technical and facilitation service providers to assist communities in carrying out designs and supervision of works**

In November 2007, the MoW organized training on WB procurement guidelines to all LGAs, after training, all LGAs conducted evaluations of expressions of interests from the technical facilitation, design and supervision bidders. Status is that by June 2011, 130 LGAs out of 132 LGAs had procured and signed contracts with consulting firms. The detailed report or regions with LGAs in brackets is Arusha (7), Dar es Salaam (3), Dodoma (6), Iringa (8), Kagera (8), Kilimanjaro (7), Lindi (6), Manyara (5), Mara (5), Mbeya (8), Morogoro (5), Mtwara (6), Mwanza (8), Pwani (5), Ruvuma (5), Shinyanga (8), Singida (4), Tabora (6), and Tanga (9). Only Simanjiro and Morogoro District Councils are yet to engage the consultants while Musoma Municipality will use the same consultant with Musoma Urban Water Supply and Sewerage Authority.

(ii) **Construction of rural water supply and sanitation infrastructures**

In the original design, it was planned to drill boreholes (deep and shallow wells) with hand pumps/windmills, construct gravity schemes, construct pumped schemes, construct small dams for water supply and construct rainwater harvesting schemes. Communities were required to select affordable technologies, of which implementation was to be done by contractors supervised by consultants and respective LGAs except for dams, of which MoW provided part of supervision due to lack of expertise on dam construction at regional and council levels. The main purpose was to establish water sources to drought prone areas in the country. Identification and selection of areas for construction of such dams was based on demand of respective LGAs, and they were implemented as earmarked sub projects. The status is as follows:

**Construction/Rehabilitation of Water Supply Projects**: From July 2007 to March 2011, Out of 6,573 planned sub projects, 4,560 were implemented, which is about 69.4%. Out of the 4,560 subprojects, 9,546 water points were constructed/ rehabilitated (23% of 41,900 water points that was originally planned during program design but it was reviewed on the course of implementation), serving an additional population of 2,386,500. The annual outputs are summarized here under:

- There was 0% outputs against the planned 3,900 water points for 2006/2007 because commencement of WSDP was delayed to 1st July 2007.

### Table: Investments in RWSS Subprojects

<table>
<thead>
<tr>
<th>Year</th>
<th>Total</th>
<th>Water Supply</th>
<th>Sanitation</th>
<th>Total</th>
<th>Water Supply</th>
<th>Sanitation</th>
<th>Total</th>
<th>Water Supply</th>
<th>Sanitation</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>2009-2010</td>
<td>2,056</td>
<td>514,000</td>
<td>1,027</td>
<td>1,219,416</td>
<td>2,652</td>
<td>17,133</td>
<td>4,908</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2010-2011</td>
<td>1,269</td>
<td>317,250</td>
<td>2,207</td>
<td>170,505</td>
<td>1,126</td>
<td>1,741</td>
<td>4,849</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>9,546</td>
<td>2,386,500</td>
<td>3,604</td>
<td>2,921,830</td>
<td>4,989</td>
<td>19,163</td>
<td>10,628</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
• In 2007/2008, out of 1,478 planned sub projects, 1,246 (84%) were completed, with 2,603 additional water points (37% of 7000 planned water points) serving additional 650,000 people;

• in 2008/2009, out of 2,470 planned sub projects, 1,736 (70%) were completed, with 3,618 additional water points (52% of planned 7000 water points) serving an additional 904,500 people.

• In 2009/2010, out of 1,192 planned sub projects, 837 subprojects (70 %) were completed, with 2,056 additional water points (17% of planned 12,000 water points) serving additional 514,000 people.

• In 2010/2011, out of 1,433 subprojects planned, 741 subprojects (52%) were completed, with 1,269 additional operational water points installed (11% of planned 12,000 water points), serving an additional 317,250 people.

The major reason for a big variation between the planned outputs against very low actual outputs includes the use of more funds for investments in quick win water schemes than anticipated. During programme design, it was anticipated that low costing hand pump technology would be chosen by communities and that this technology will constitute about 48% of the technologies. But in actual ground; only about 4% of the chosen technologies were hand pumps. Most communities opted for highly costing technologies that in-turn increased the unit costs putting the estimated results in disarray.

• Studies and Designs in the 10 Villages Programme: In the ongoing studies and designs in 10 program villages in each LGA, preference for hand pump schemes is still low. Out of 506 villages studied, 210 villages (41.5%) opted for gravity schemes, 270 villages (53.4%) opted for pumped schemes and 26 villages (5.1%) opted for hand pumped schemes. Steps are being taken through restructured WSDP and in WSDP phase II, to ensure that the selected projects
are economical viable including more focus in educating the people on the unit costs of investments and operations and maintenance costs of various technologies before they choose.

Most of investments implemented comprised of simple subprojects with average project unit cost of USD 50,000, mostly relying on an already existing water sources and not requiring sophisticated design. A large percentage of these projects were earmarked projects.

- **Status of Consultancies:** with regard to the status of activities so far in the 10 villages per LGA; out of the 130 that have engaged consultants, by 15 August 2011, 55 LGAs (42%) have completed drilling of test boreholes as their main water source and they are currently designing for construction of water schemes; 38 LGAs have signed drilling contracts and are continuing with drilling of boreholes; 18 LGAs have advertised the tenders for construction of water schemes, 10 LGAs have been granted no objection to engage contractors for drilling of boreholes; 29 LGAs have been granted no objection for advertising the tenders for construction of water schemes, 3 LGAs have completed studies and design reports, ready for floating tender for construction; 5 LGAs have completed preliminary reports including scoping studies and 6 LGAs are in early stages of data collection, hydrological surveys and choice of technology options. As a result, a total of 843 boreholes were drilled in 80 LGAs during 2010/2011, of which 578 (69%) boreholes are productive and have been developed.

- **Status on Construction/Rehabilitating Medium Size Dams in Dry Areas:** Implementation was also done in the construction of Dams, where for the period from 2007 to June 2011, 16 medium size dams in semi arid areas: Ugunga (Urambo), Kinyambwiga (Bunda), Moita and Ingamuriak (Monduli), Emboret (Simanjiro) Amasatwa (Kiteto), New Sola (Maswa), Mugumu (Serengeti) and Nyashtanda (Misungwi)and Katoro (Geita) Bulenya (Igunga), Mti Mmoja (Monduli), Masuguru (Bagamoyo), Ingodin (Longido) and Nyanbele and Salama Kati (Bunda), were constructed; and construction /rehabilitation of the other 9 medium sized dams of Habiya, Nyambari, Seke Ildidi, Wegero, Iguluba, Kawa, Sasajila, Matwiga, and Mwanjoro is ongoing.

(iii) **Expand the existing supply chain of private retail outlets to ensure the availability of equipment such as water pumps and spare parts; and maintenance services for RWSS sub-projects**

The experience from in the implementation of RWSS project showed that private sector was still weak to implement hand pump supply chain. MoW has prepared a proposal that assesses the experience with the existing private sector based hand pump supply chains which will be shared by other stakeholders. However, most of activities under this intervention has been shifted to WSDP Phase II.

(iv) **Sanitation marketing including promotion of improved household sanitation technologies**

Following joint consensus at the Joint Water Sector Review of September 2009; the MoU on implementation of Sanitation and Hygiene activities in Tanzania was prepared. By November 2010, all Ministries responsible for Sanitation and Hygiene (Ministry of Water, Ministry of
Health and Social Welfare, Ministry of Education and the Prime Minister’s Office; Regional Administration and Local Government) have signed the Memorandum of Understanding for Sanitation and Hygiene.

According to the MoU, MOHSW will coordinate implementation of the National Sanitation Campaign in RWSS programme areas with separate sanitation budget from the Program while School WASH will be implemented in close collaboration with MOEVT. The National Sanitation Campaign and School WASH will include:

- Concepts and Messages;
- Community Lead Total Sanitation (CLTS) – Engagement of Households and Communities – target 2 million household latrines through private initiative;
- Engagements of Masons – training in construction and household sales of sanplats;
- Experiential events to draw attention to sanitation;
- Radio – national reach through well-known sources;
- Development of training and promotional material;
- Impact Evaluation (IE) – conduct a baseline to estimate the causal impact; and establish village and school registers by communities;
- School WASH (hand washing and sanitation facilities – in at least two schools per district (total: 264 schools); and
- Sanitation awareness campaigns will be provided to an estimated 10 million people in selected rural communities.

To prepare the ground for implementation basing on policy guidance, the sanitation and hygiene policy, which is being formulated in collaboration with stakeholders, is in Cabinet stage; the school WASH strategic plan developed by MoHSW in 2008 is being reviewed and School WASH guidelines and a toolkit have been developed.

5.2.3 Achievements vs Planned (MKUKUTA) Targets

The Rural Water Supply and Sanitation component planned to increase access to clean and safe water supply from 54% in 2003 to 65% in June 2010, which is equivalent to addition of 8.0 million new beneficiaries in rural areas by 2010. On the part of sanitation, the target was to increase the percentage of population with basic sanitation from 90% in 2003 to 95% by 2010 and increase school sanitation facilities to cover 100% of schools. These targets were derived from MKUKUTA I during programme design. A total of USD 292 million was committed for implementation of this component from development partners and the Government for a period of five years of phase I of WSDP (2006/2007 to 2011/2012). By December 2010, the status on targets was as follows:

The increasing trend in water supply coverage that was experienced as a result of implementation of quick win projects in LGAs, moving from the coverage of 55.7% in 2006 to 57.1% in 2008 and to 58.7 in December 2009, declined to 57.8% in December 2010 due to various reasons; including drying off of water sources as a result of droughts in various parts of the country in 2008/2009; and inadequate continuity in implementation after completing the implementation of quick win projects while the population increase was not matching with the
levels in investments. Implementation of large sub projects was delayed due to delays in procurements of consultants which had to be re-done in 2008/2009.

![Figure 18: Trends in Rural Water Supply Coverage Based on Infrastructure Capacity](image)

Proportion of rural population with access to basic sanitation has increased from 90% at commencement of the programme in 2007 (HBS 2007) to 93% in 2010 (TDHS 2010), indicating that MKUKUTA target of 95% basic sanitation was not achieved. However, the definition of basic sanitation includes simple facilities that lack basic requirements to protect health, such as a washable slab. Ministry of Education and Vocational Training data for January 2009 showed that only 35% of schools had basic sanitation and only one out of ten schools has water supply service.

Only 10% of program village committees were registered as legal entities by June 2011, compared to the target of 80%;

Only 40% of program districts had fully staffed RWSS teams implementing a fully participatory district water development plan by June 2011, compared to the target of 100%. This was due to non completion of studies by consultants.

### 5.2.4 Assessment against MDG Targets

The MDG trajectory for water supply coverage in rural areas was supposed to increase by at least by 1.53% per year since the year 2000 (the millennium summit year), which implies that it was supposed to increase from 48% in 1990 to 51% in 2000, to 55.9% in 2003, to 63.24% in 2008, and to 66.4 in 2010; so as to attain the 74% anticipated MDG service coverage by 2015. According to the routine data system, the actual trend indicates an increase from 48% in 1990, to 51% in 2000, to 53% in 2003 to 57.1% in 2007, to 57.8% in 2010. This is an increase of 9.8% during the 1990-2010 period. This means that, in order to meet the MDG target of 74%, there still remain 16.2% of people without access that are supposed to be covered with service by 2015. This indicates that attaining MDG target for water supply service in the rural areas is off track.
Regional population service coverage shows that although the overall current trend of water supply coverage data in the rural areas did not cope with the MKUKUTA and MDGs targets, there are 4 regions (Dar es Salaam, Iringa, Kilimanjaro, Mtwara and Tanga), that have surpassed the required MKUKUTA target of 65% coverage by 2010 as shown in figure 19. The regions of Arusha, Kigoma, Mbeya, Mwanza, and Coast have services coverage above 60%. It is expected that not all the regions can also reach the revised sub sector target of acquiring 60.5% coverage by 2012. Kagera, Lindi, Manyara, Mara, Morogoro, Rukwa, Ruvuma, Shinyanga, Singida and Tabora regions have coverage below 60%. Lindi and Tabora region have coverage of less than 45 which are 40.1% and 38.9% respectively.

Figure 19: Rural Water Supply Service Coverage in Regions of Tanzania Mainland – December 2010
Reorganization of Activities as Agreed in Joint Fora

As a result of technical consultations done in various joint supervisions and during the 5th JWSR in September 2010, the activities for component 2 had to be reorganized. The organization included dropping of some of the activities in favour of other new activities. The dropped activities included the following:

(i) **Innovation Window**: This is a research oriented activity whereby a consultant is hired to prepare a proposal of a project which does not cost more than USD 50,000. Due to financial resources constraints it was not prioritized.

(ii) **Hand pump supply chain**: Due to the change in technology mix that led to communities to choose high costing technologies instead of cheaper one that required the effort, the activity has been postponed to later stages of program implementation.

The new activities that were highly prioritized include:

(i) **Water Point Mapping**: Progress on this activity is reported under management support sub-section of this report.

(ii) **Programme Management Support Consultancy**: Programme Management Support Consultant is for provision of technical support to the Department of Rural Water Supply and Sanitation. Focus area includes reviewing various reports on implementation of the RWSS component, updating operation and maintenance procedures and guidelines for rural water supply schemes; reviewing specifications, manuals, sample bidding documents, and sample contract documents for assuring technical and construction quality through formulation of standards, guidelines and procedures for carrying out of quality control for the rural water supply sub-sector. The assignment will include transfer of knowledge to MoW sector staff.

(iii) **Consultancy on Enhancing Private Sector Support Services**: In order to enhance involvement of the private sector, a consultant will be procured to identify shortfalls in different segments of the private sector and propose measures.

(iv) **National Sanitation Campaign**: This is a new sub-component added as clarified under 5.2.2 (iv).

5.2.5 Challenges

(i) Procurement led to significant delays in the acquisition of consultancy services for the RWSSP, which further delayed the preparation of the main contract works which will only start in 2011/2012 (in the fifth which is the final year of phase I of the programme).

(ii) **Sanitation**: Sanitation and hygiene as a sub-sector has lagged much behind water supply for many years from attention point of view as well as from budget point of view, although there is a huge gap between the required facilities in schools and public areas. This requires an urgent comprehensive response. With the great success in the increase in primary school enrolment, the number of primary school pupils increased by almost 6
month between 2002 and 2006, which translates into an increased demand for almost
240,000 additional latrine pits. It is estimated that investment costs to bring all schools up
to the national standard for School WASH would not be less than USD 2 million per
district. The current level of financing available from WSDP is sufficient to build one
toilet block for a school of 500 children in each district.

(iii) **Technology Options:** Due to increase in the level of development in rural areas, the shift
in the selection of water supply technologies by communities from the program
preference of hand pump schemes to piped scheme has resulted in increasing the
investment unit costs. More precautions are required as we move to WSDP II where we
need to provide more education on the unit costs of investments and operational and
maintenance costs to communities who have the responsibility on sustainability.

(iv) **Climate change:** Some of the projects which their sources were providing adequate
water services to the communities have been drying up during dry season. This situation
affects coverage and therefore decreasing the service levels.

(v) **Financing gap:** After conducting feasibility study and detail design to the water projects
in 10 villages in each LGA, the available financing is not adequate to meet demand. More
efforts are required to solicit more funds to close the gap if the undertaking is going to be
fully implemented. In phase II, there is need to revisit the criteria for financial distribution
between components taking into consideration existing service coverage and the
proportion of people living in the rural and urban areas.

(vi) **Capacity:** The capacity of LGAs in terms of human resources, equipments and systems
is still inadequate to meet the requirements. More LGAs and RSs are being established
and the available facilities are not sufficient to the LGAs and RS already in place. The
capacity development plans developed are the start points for capacity building but
resources are the problem that needs special attention.

(vii) **Low capacity of the private sector in executing civil works:** There is low participation
of private sector in construction activities. This was evidenced during construction of
small scale schemes (quick wins) and boreholes drilling (for 10 villages) whereby in
some LGAs re-advertisement had to be made.

5.3 **COMPONENT 3: URBAN WATER SUPPLY AND SEWERAGE**

The overall objective of the Urban Water Supply and Sewerage Component is to improve service
provision in the DAWASA service area that includes Dar es Salaam, Kibaha, Bagamoyo and
some parts of Mkuranga; UWSAs that comprise 19 regional headquarters; 109 District
Headquarters and small towns and areas serviced by 7 National Projects. The 19 Urban Water
Supply and Sewerage Authorities, which provide water supply and sewerage service in the urban
regional headquarters other than Dar es Salaam, Coast, District Headquarters and Small Towns
are graded under three categories of A, B and C as follows:

(i) **Category ‘A’:** Authorities which cover full costs of their respective operation and
contribute to investment. In this category are Arusha, Mbeya, Morogoro, Moshi,
(ii) **Category ‘B’**: Authorities that meet operational and maintenance costs and salaries for permanent staff with the exception of part of energy bills and investment. The authorities are Bukoba, Kigoma, Sumbawanga, Babati and Singida authorities which were promoted to category B from C effectively from July 2006.

(iii) **Category ‘C’**: Authorities that meet operational and maintenance costs but are subsidized with electricity, salaries of permanent staff and investment costs. Only Lindi UWSA is in this category.

The interventions that were planned to be carried out were categorized in two sub components, namely the management support and investments in various water supply and sewerage sub projects. Status of interventions in the two sub components is provided here under:

5.3.1 **Urban Water and Sewerage Authorities Management Support**

The thrust of this sub-component includes strengthening the capacity of Urban Water and Sewerage Authorities through the provision of Capacity Building Grants for:

(i) **Rehabilitation and construction of offices**

The WSDP originally planned to rehabilitate **155 offices** in all WSSAs (2006/2007 – 5 offices; 2007/2008 – 50 offices; 2009/2010 – 40 offices and 2010/2011 – 10 offices); and to construct 2 new offices in Babati and Sumbawanga. By June 2011, the planned construction of UWSA offices in Babati is 30% in progress, and Sumbawanga is at design stage. Construction of 9 offices in small towns (Mpwapwa, Utete, Kilosa, Kibaiga, Mvomero, Turiani, Gairo, Masasi and Nachingwea) is in early stages of preparations but they are within the ongoing signed contracts. However, 4 new offices (Vwawa, Kibiti, Misungwi and Ikwiriri) have been constructed to cater for shortage of office accommodation although this was done in addition to planned constructions. On rehabilitation, out of 155 planned, only 1 office for Musoma has been rehabilitated. Delays in acquisition of title deed for land ownership are the main reasons for slow implementation of construction/rehabilitation activities.

(ii) **Office equipment support such as computers, photocopiers, geographical information systems and mapping equipment, communication and networking equipment, laboratory equipment**

WSDP plan was to acquire 390 computer sets and 170 units for GIS and mapping equipment including meters, laboratory equipment, and communications and networking equipment. Status is as follows:

**Computers**: In 2007-2009, Iringa, Kigoma, Shinyanga, Songea, Lindi, Mtwara, Musoma, Singida, Sumbawanga and Bukoba UWSAs procured 4 computer units each while Babati procured 3 computers. Each computer set for UWSAs consisted of (1) Desktop computer, (1) Printer, (1) UPS, (1) Photocopier and (1) scanner. By the end of December 2009, a total of 42 computer sets for selected DUWSAs were delivered and handed to DUWSAs. Each computer
set for DUWSAs consisted of (1) Desktop computer, (1) Printer, (1) UPS. Up to June 2011, the Program has procured a total of 85 computer sets, equivalent to 22% of the 390 computers planned.

GIS and mapping equipment including meters, laboratory equipment, and communications and networking equipment: The Program planned to procure 170 GIS and mapping equipment including meters, laboratory equipment and communication/networking equipment planned. In the course of implementation, the priority shifted to the meters as one of the measures to reduce non-revenue water. Thus, 25,000 meters were procured (Dodoma – 3500; Morogoro – 3000; Shinyanga – 5300; Iringa – 1500; Babati – 1300; Musoma – 1300; Mtwar – 1300; Singida – 1300; Sumbawanga – 1500; Tabora -1200; Songea – 1200; Bukoba – 1000 and Lindi – 500).

In addition, Iringa procured laboratory equipments as well as house connection materials for 5,000 water meters. Procurement of pipes and fittings for the customer connection to the new distribution system in Shinyanga Municipal and Kahama was done in order to provide water services to new areas.

(iii) Operational equipment support such as vehicles, motorcycles, meter testing and leak detection equipment:

WSDP plan was to acquire 30 vehicles, 490 motorcycles; purchasing of meter testing and leak detection equipment was to be made on demand. Status up to June 2011 is as follows:

Vehicles: Out of 30 vehicles planned, a total of 32 vehicles (107%) were procured. Procurement process for vehicles started in 2007/08 and in 2008/09. The distribution is as follows: 2 Station Wagon and 2 Double Cabin Pick-up for each 9 of the towns of Bukoba, Babati, Shinyanga, Lindi, Musoma, Iringa, Songea, Mtwar, Singida and Sumbawanga. In 2009/10, the component procured 5 Pick - up double cabins and 5 land cruisers for each of the eight DUWSAs of Kilwa Masoko, Makete, Uramb, Vwawa, Misungwi, Iungu, Bariadi and Bunda as well as two National Projects of Makonde and HTM. Also 2 vehicles were procured for Kigoma UWSA.

Motorcycles: Out of 490 planned; 160 were procured (33%). In 2008/09 Iringa, Songea, Babati, Lindi, Mtwar, Musoma, Shinyanga, Singida, Sumbawanga and Bukoba UWSAs procured (4) motorcycles each (40 motorcycles). In 2009/10, 120 Motorcycles for (100) DUWSAs were purchased and were handed over to selected DUWSAs. The availability of vehicles and motorcycles facilitated the UWSAs and DUWSAs towards providing services.

Meter testing and leak detection equipment: Tabora, Iringa, Babati, Mtwar, Musoma, Shinyanga UWSAS procured ultrasonic flow meters, leak and metal detector while Lindi Purchased 2 sets each ultrasonic flow meters, leak & metal detector. Both Iringa and Dodoma UWSAs procured sewer cleaning tools while Iringa procured 2 cesspit emptier trucks and Dodoma bought one cesspit emptier truck.

(iv) Provision of technical advisory services to assist the UWSAs in activities including network modeling, reduction of “unaccounted for water”, establishment of management information systems, customer databases and billing systems,
sanitation policy, financial management, human resources management, preparation of investment plans

WSDP planned to procure 90 consultancy contracts for design and supervision and 21 training events for water utilities. Status is as follows:

**Consultancies for design and supervision:** A total of 72 design contracts were signed between 2006/2007 and 2010/11: 19 were for expansion of water supply and sewerage in UWSAs and 53 were for improving water supply services in Small Towns and National Projects. Out of 72 signed, 30 contracts (Babati, Kigoma, Lindi,Tabora, Dodoma, Shinyanga, Tanga,Songea and Moshi UWSAs; Urambo, Sikonge, Uyui, Karatu, Katesh, Orkesumet, Kilwa Masoko, Same, Mwanga, Kahama, Ushiroombo, Pangani, Muheza, Chalinze, Loliondo, Kisarawe, Mkuranga, Kilindoni, Kasulu, Kishapu and Maswa), equivalent to 42%, were completed by June 2011.

In 2006/07 before start of WSDP, Design and construction supervision was signed for Iringa in GIV and Chalinze in GV. During the start of WSDP in 2007/08 designs of 4 towns namely Babati, Lindi, Mtwar, and Sumbawanga had been completed for Immediate Works. Preparation of procurement for consultants took place in the year. In 2008/09 a total of 24 design contracts were signed. These were Lindi, Babati, Kigoma and Musoma for Group I, Tabora and Morogoro for Group II on sewerage, Dodoma, Arusha, Moshi and Tanga, for Group III on sewerage, Shinyanga, Iringa on sewerage for Group IV, Makete, Mafinga, Kilolo, Ludewa, Makambako, Kasulu, Kilwa Masoko, Mbenga, Namtumbo, Tunduru, Sikonge, Urambo. In the same financial year the designs of Mbeya was completed.

In 2009/10 Consultancy design contracts were signed to implement studies and design in 37 towns, distributed as follows: Seven (7) towns of Group I under EU-Water Facility/KfW (namely Babati, Bukoba, Musoma, Lindi, Kigoma, Mtwar and Sumbawanga); one for Morogoro in Group II for NRW; four (4) towns were in Group IV (namely Mwanza, Iringa, Mbeya and Songea for sewerage); and 22 towns in Group V (namely Mbenga, Namtumbo, Tunduru, Sengerema, Geita, Magu, Nansio, Misungwi, Rujewa, Vwawa, Kasumulu, Mbalizi, Kyela, Tunduma, Mtowe, Tukuyu, Itumba, Njombe, Mafinga, and National Projects of Makonde, HTM and Wanging‘ombe). For DAWASA, Consultancy services were procured for Kidunda Dam, NRW project, Lower Ruvu water Treatment plant and 55 km transmission main pipe from Lower Ruvu Treatment Plant to University Reservoirs. In 2010/11, the design contracts were signed for sewerage in Musoma in Group I, Dodoma in Group III, Tarime, Mugumu, Mugango/Kiabakari in Group V.
On the Contracts for Supervision of construction works, twenty (20) contracts were signed and none of them have been completed. The contracts were for Lindi, Mtwara, Babati, Sumbawanga, Dodoma, Kibaiga, Turiani, Gairo, Mvomero, Ikiriri, Kibiti, Masasi/Nachingwea and National Project of Chalinze, Singida, Morogoro, Lower Ruvu, test borehole drilling for community water supply and Sanitation for Dar-es-Salaam Community water supply; Supervision of Drilling of Deep Boreholes at Kimbiji and Mpera, Igunga and Bariadi.

**Training and studies for water utilities:** Out of the 21 events of training that were planned, 14 (67%) events were organized and training/studies conducted. The status of trainings/studies with corresponding period of event is as provided here under:

- Provide guidelines to UWSAs and DUWSAs on development and management of commercial water supply
- and strengthening institutional capacity through training at national, regional and district levels (2007/2008)
- Conduct needs assessment for uplifting rural water supply schemes of Chalinze, Maswa, Mugango/Kiabakari and Wanging’ombe into commercial entities (2008/2009)
- Professional training in the field of IFRs (2009/2010)
- Provide technical assistance to UWSAs and DUWSAs (annually)
- Preparation of capacity Development plans (2009/2010)

Programme Coordination and Technical Assistance to DAWASA, DAWASCO and MORUWASA (2010/2011)
Professional training in the field of entrepreneurship, business planning, corporate governance, customer care, labour law, customer billing, accounting and IFRS, marketing and Finance for non financials were conducted to about 300 staff from regional, district UWSAs and National projects (2008/2009)

Rapid assessment of DUWSAs, Small towns and National projects in order to build a reliable database for these authorities was conducted. In addition, the consultant to carry out studies for clustering strategy has finalized the assignment and submitted the proposal for clustering that include pilot models (2008/2009).

Tariff study KASHWASA (2008/2009)


Consultancy services for the sanitation and hygiene promotion campaign for Utete and Mpwapwa towns(2009/2010)


(v) Promoting sanitary practices through sanitation marketing, school sanitation and hand washing programme

For DUWSAs, creation of sanitation clubs, sanitation promotion through demonstration/information centers and training of sanitation masons were planned; for UWSAs, the plan was for production of information, education and communication materials like documentaries, fliers, publications and media campaigns. In 2010/11 it was rearranged to implement hygiene/hand-washing promotion/school sanitation by utilities from their own sources especially during Maji week and toilet day.

5.3.2 Investments in UWSS Subprojects

In this sub-component, the aim is strengthening the delivery of water and sanitation services by Category A, B and C UWSAs, DAWASA area, District Headquarters, Small towns and National Projects through the provision of Subloans and/or Capital Development Grants to finance investments in UWSS Subprojects.

The capital investment was divided into the following categories:

(i) DAWASA (for Dar-es-Salaam Investment)
(ii) Group I: Towns of Babati, Bukoba, Musoma, Lindi, Mtwar, Sumbawanga and Kigoma
(iii) Group II: Towns of Tabora and Morogoro
(iv) Group III: Towns of Arusha, Dodoma, Moshi and Tanga

(v) Group IV: Towns of Mbeya, Mwanza, Iringa, Songea, Shinyanga and Singida

(vi) Group V: 109 District town utilities/Small Towns and 7 National Projects

In those groups, the plan was to implement immediate works (quick wins) that could yield quick results in improving water supply services to customers; while preparing the long term construction works. The status is as provided here under:

(a) **Immediate works (quick wins)**

(i) A total of 112 immediate projects were implemented in DUWSAs, Small Towns and National Projects. The summary of immediate works implementation for each year with specific project areas in brackets is provided in the following paragraphs.

(ii) During 2007/08 a total of 40 Quick win/immediate works were implemented in 35 DUWSAs/Small Towns (Chamwino, Makete, Ilula, Kilolo, Karagwe, Mwanga, Same, Kilwa Masoko, Nachingwea, Bunda, Tarime, Kibaya, Orkesumet, Tunduma, Vwawa, Sengerema, Geita, Nansio, Misungwi, Masasi, Kisarawe, Mkuranga, Mbinga, Malampaka, Ushirombo, Mwanze, Mpanda, Namanyere, Manyoni, Sikonge, Nzega, Handeni, Korogwe, Pangani and Muheza); and in 5 National Projects (Wanging’ombe, Makonde, Chalinze, Maswa and Handeni Trunk Main project).

(iii) During 2008/2009 a total of 41 Quick win/immediate works were implemented in 37 DUWSAs/Small Towns (Ilula, Njombe, Ludewa, Makambako, Mafinga, Ngara, Kibondo, Same, Himo, Kilwa Masoko, Nachingwea, Liwale, Namtumbo, Mangaka, Bunda, Mugumu, Orkesumet, Mbulu, Tunduma, Mlowo, Tukuyu, Rujewa, Mbalizi, Kyela, Chunya, Nansio, Misungwi, Magu, Nanyamba, Kilindoni (Mafia), Isaka, Mpanda, Namanyere, Nzega, Urambo and Mombo); and in 4 National Projects (Makonde National water project, Kahama Shinyanga National project, Maswa National project, Handeni Trunk Main project).

(iv) In 2009/2010, a total of 31 Quick win/immediate works were implemented in 28 DUWSAs/Small Towns (Monduli, Chato, Kibondo, Kasulu, Mwanga, Himo, Mugumu, Tunduma, Mlowo, Chunya, Kasumulu, Itumba-Isongole, Sengerema, Misungwi, Lamadi, Ngudu, Chiwambo, Nanyamba, Mikumi, Mahenge, Kahama, Isaka, Kahama Manyoni, Urambo, Handeni, Pangani, Muheza and Kilindi) and 3 National Projects (Kahama/Shinyanga National project, Makonde National water project and Handeni Trunk Main project).
Figure 21: Implementation of Immediate Works in Utilities

(b) Construction Works

WSDP planned to implement priority activities in UWSAs, DUWSAs, Small Towns and National Projects for the purpose of improving water supply and sewerage services in respective areas. The priority interventions and status is provided here under:

(i) Expansion and WSS services in Dar es Salaam – construction of Kidunda dam to regulate Ruvu river, dedicated trunk main to University Reservoir, augmentation of treatment capacity and expansion of network to un-served areas: Status is as follows:

- **Kidunda Dam:** ESIA, design and preparation of tender documents for Construction of Kidunda Dam started in August 2010. The consultant submitted preliminary report with technical recommendations in June 2011. The MoW management approved the report recommendations including installation of the 22MW power production plant. Final report, and works contract will be in place by December 2011.

- **Expansion of Lower Ruvu Plant and Construction of the Trunk Main from Kibaha to Kimara and Expansion of Upper Ruvu Plant and Construction of the Trunk Main to the University Reservoirs:** Supervision and works contract, ESIA, and compensation activities are in final stages. Works for the two projects is expected to start before end of 2011.

- **Non-Revenue Water in Dar es Salaam:** The consultant for studying the extent and causes for high non-revenue water levels submitted report in June 2011. At the end of June 2011; recommendations from the study were being analyzed to determine the performance based contracts for the implementation of recommended measures to reduce non revenue water.

- **Expansion of network to un-served areas:** The planned works include laying 1032 kilometers of network pipes and construction of 60 kiosks for supplying water to 13,400 new beneficiary household-customers in Bunju, Tegeta, Boko, Mabwepande, Mpiji,
Mapinga, Kerege, Buma, Matimbwa, Kiromo, Bgamoyo, Mbezi, Kibamba and Kiluvya. A total of 70 bulk meters were installed, 40 kiosks constructed, 31 public stand points installed and 13,328 customers connected. The design of major works was completed in June 2011 and engagement of the works and supervision consultants were in final stages.

- **Construction and Rehabilitation of Boreholes:** The plan was to construct 24 new deep boreholes in Mburahati (2), Kimara (8), Chang’ombe (6), Sandali (3), Mtoni (1), Mbagala (1), Vijibweni (2), and Gerezani (1); and rehabilitation of 9 boreholes at Mtoni (3), Kigogo Darajani (1), Mwenbeyanga (2), Ilala Boma (1), Buguruni Hostel (1), and Uhuru (1). Up to June 2011, while rehabilitation of boreholes was ongoing; construction of 19 boreholes was completed and construction of 5 boreholes was ongoing Chang’ombe (2) and Kimara (3).

- **Community water supply and sanitation systems in peri urban and low income settlements of Dar es salaam project under BTC:** The project aims at improving the living condition of the communities in peri urban low income settlements of Dar es Salaam city. The results and the status of implementation is outlined below:-

  **Result:** 60 water supply systems have been designed and installed; hygiene practices and pilot sanitation facilities and services improved in a sustainable manner; three advocacy workshops and three awareness workshops conducted; as well as training of communities on fundamental hygiene practices; the Community Owned Water Supply and Sanitation Organization (COWSSO) were trained to manage, operate and maintain the water supply and sanitation facilities and services in an efficient, transparent and sustainable manner and are accountable to the users. Furthermore, innovative models of O&M by COWSSO and innovative technical options for water and sanitation infrastructure and services were documented and disseminated on city, national and international levels and information water supply and sanitation policies and integrated water resources management (IWRM) are disseminated on local level.

(ii) **Rehabilitation and expansion of WSS services in 7 Group I Towns** – these are Towns that have not previously received significant assistance therefore urgently required assistance. These are Bukoba, Kigoma, Babati, Lindi, Mtwara, Musoma, and Sumbawanga: Status is as follows:

- **Sumbawanga:** Construction works to improve water supply systems which involves drilling of 10 new boreholes plus power supply and collector mains and rehabilitation works continue. The progress of rehabilitation works is 31%.

- **Mtwara:** The progress of works is at 60%. The activities involved rehabilitation of existing well field, refurbishment of Mtawanya booster pumping station and transmission main, , limited works at Mangamba treatment plant, and providing minor extension to the existing network.

- **Babati:** The project involved drilling of 10 boreholes, Construction of three storage tank, construction of treatment plant, laying of transmission and distribution pipeline.
• **Lindi**: The general progress of work is at 60%. The activities involved supply and installation of approximately 47 Km. pipeworks (50mm to 250mm diameters), procurement of power supply to Kitunda well fields, construction of 680m³ storage tank at Kitunda, construction of 4 no break pressure tanks, supply and installation of 380 consumer and bulk meters, supply 2,650 domestic meters to be installed by LUWASA, replacement of two booster pumps and development of Kitunda wells.

• **Bukoba, Kigoma and Musoma**: Implementation is planned for 2011/2012 and beyond.

(iii) **Rehabilitation and expansion of WSS services in 2 Group II Towns – Towns that have received limited assistance but still need substantial support to develop long term solutions.** These include Morogoro and Tabora:

- **Tabora**: Contract for installation of bulk water meter at Igombe station, zone water meter and construction of meter chambers is completed.

- **Morogoro**: Procurement of contractor for rehabilitation of Water Supply System has been completed and contract signed on 15th December 2010. Procurement of supervision consultant is also completed (MCC); works are now in progress.

(iv) **Rehabilitation and expansion of WSS services in 4 Group III Towns– Towns that have received substantial assistance to date.** These include Arusha, Dodoma, Moshi and Tanga:

- **Dodoma**: Contract for supply and installation of electromagnetic flow meters, manometer, valves and fittings and construction of Reinforced concrete flow meter chambers and valve spindle surface covers is completed. Tender for water supply and sewerage project for UDOM has been advertised (prequalification stage). Evaluation completed and submitted to World Bank for approval. Most of the works for Arusha, Moshi and Tanga will be implemented in 2nd phase of WSDP.

(v) **Rehabilitation and expansion of WSS services in 6 Group IV Towns– Towns that have on-going assisted projects.** These include Mbeya, Mwanza, Iringa, Songea, Shinyanga and Singida: Status is as follows:

- **Mwanza** - Construction of sewerage system which involves sewer pipe laying, pump station, three oxidation ponds, two sludge settling tanks, and manholes is at 99%.

- **Iringa** - Construction of a water treatment plant and associated structures and rehabilitation of existing network is at 90% for transmission work, 98% for distribution works and 98% to completion of civil works.

- **Mbeya** – Contractor suspended work due to outstanding payment on 13/09/2010 and resumed on 6/12/2010. The expansion of water supply and sewerage network in Mbeya is at
98% complete for storage tanks, distribution network is at 75%, transmission main is at 80% and construction of intake is at 98%.

- **Singida** - Rehabilitation and expansion of water supply continues and it is approximately 25%.

(vi) Rehabilitation and expansion of WSS services in around 131 Group V Small Towns—These include 93 gazetted townships, 32 un-gazetted small towns and 6 national schemes which have reached various stages of utility management: Status is as follows:

- **Chalinze** - Construction works for Chalinze water supply project phase II (package F &H under financing from BADEA and OFID and package J under financing from Chinese government) continues and it is 50% for Package F, 65% for Package J and 70% for Package H. Lot 1, 4, 5 and 6 which is under WSDP; contractors are at mobilization stage.

- **Igunga** - Rehabilitation and expansion of phase I water supply is completed. Phase II continues with the construction of treatment plant in which the progress is at 85%.

- **Bunda** - Construction of phase I of water supply works is completed; Design and preparation of tender documents for phase II is in progress.

- **Misungwi** - Rehabilitation and expansion of water supply immediate works is completed.

- **Mpwapwa and Utete** - Construction of water supply and sanitation projects is completed.

- **Ikwiriri and Kibiti** - Construction of water supply systems are at 68% and 78% respectively.

- **Mvomero, Gairo, Kilosa and Turiani as well as Masasi and Nachingwea** - The contracts has been signed and contractors are at mobilization stage. However the contractors have not been paid their advance payment.

### 5.3.3 Progress on Output and Estimated Outcomes against MKUKUTA Targets

The targets for urban water supply and sewerage for the period from 2007 to 2010 were derived from MKUKUTA. The targets were to increase access to water supply from 73% in 2003 to 90%; and increase coverage of sewerage facilities to the urban population from 17% in 2003 to 30%. By June 2010 (end MKUKUTA I implementation), water supply coverage was 84% in the 19 urban regional headquarters which were defined by MKUKUTA to represent urban sector. The coverage in district head quarters and small towns reached 53% and coverage in Dar es Salaam reached 55%. MKUKUTA targets could not be realized due to various reasons, including delayed implementation of planned investment sub projects. The brief summary of the performance attained by Urban Water supply and sewerage authorities for the period from July 2007 to June 2011 is presented here under.
(i) **Trends of Water Supply Service Coverage in the 19 UWSAs**

In 2006/07 the population served in the 19 UWSAs was 80%. The trend of population served increased by 2% yearly up to 2009/10. The population coverage maintained at 86% in 2010/11 as per figure below.

![Coverage](image)

**Figure 22: Status of Water Supply Coverage in the 19 UWSAs**

*Source: UWSAs Annual Reports*

(ii) **Number of household connected to water Supply and sewerage systems**

The number of household connected to water supply system in UWSAs has been increasing from 196,619 in 2007/2008; to 216,261 in 2008/09 (10%); to 234,468 in 2009/10 (7.8%); and to 254,236 in 2010/2011 (8%). In DAWASCO, the trend has also been increasing from 135,495 in 2007/08 to 140,706 in 2008/09 (3.8%); decreased to 90,374 in 2009/2010 (decrease 35.8%) and again increased to 122,990 in 2010/2011. The decrease of 2009/2010 can lead to questioning the reliability of the customer survey conducted that year.

![Number of Household Water Connections](image)

**Figure 23: Number of Household Water Connections**

*Source: Annual UWSAs Reports*

The trend of house connection in general for both UWSA and DAWASCO had a positive increase from 2007/08 to 2008/09 and decrease in 2009/10 was due to removal of abandoned house connections of DAWASCO.

**Number of household connected to sewerage systems**
The number of household connected to sewerage system in UWSAs has been increasing from 15,515 in 2007/2008; to 16,780 in 2008/09 (8.2%); to 17,843 in 2009/10 (6.3%); and to 19,209 in 2010/2011 (8%). In DAWASCO, the trend has also been increasing from 16,230 in 2007/08 to 17,254 in 2008/09 (6.3%); to 17,682 in 2009/2010 (8.4%) and to 18,415 in 2010/2011.

Figure 24: Trends in Sewerage Connections

Source: UWSAs Annual Reports

(iii) Length of water supply and sewerage infrastructure rehabilitated or constructed

The number of water supply and sewerage infrastructure rehabilitated or constructed is measured by the number of kilometers of network increase. In UWSAs, the length of water supply infrastructure network increased from 3,947.60 kilometers in 2007/08; to 4,280.50 kilometers in 2008/09 (8.4%); to 4,617.40 kilometers in 2009/10 (7.8%) and to 4,834 kilometers of water supply network in 2010/2011. In DAWASCO, the length of water supply infrastructure network increased from 1,496 kilometers in 2007/08; to 1,528 kilometers in 2008/09 (2.1%); to 1600 kilometers in 2009/10 (4.7%) and to 1658 kilometers of water supply network in 2010/2011.

Figure 25: Trends in the Length of Water Supply System Infrastructure

Source: UWSAs Annual Reports

For sewerage, the length of infrastructure network in UWSAs increased from 336.67 km in 2007/08; to 370.11km in 2008/09; to 390.05km in 2009/10. In DAWASCO, the length increased from178km in 2007/08; to 188km in 2008/09 and to 238km in2009/10.

(iv) Number of Kiosks constructed

The trends in construction of kiosks in UWSAs were 1,369 in 2007/08; increased to 1,594 in 2008/09 decreased to 1,522 in 2009/2010. In DAWASCO, the number of kiosks was 167 in
2007/08, increased to 195 in 2008/2009 and remained the same in 2009/10. Each kiosk is
designed to serve about 60 beneficiaries.

(v) Number of average hours of service

Average hours of service for UWSAs increased from 18.54 to 18.58 in 2007/08 to 2008/09 respectively being an increase of 0.21%. Between 2008/09 and 2009/2010 the average hours of service increased from 18.58 to 19.85 being an increase of 6.8%. Average hours of service for DAWASCO increased from 8 to 9 in 2007/08 to 2008/09 respectively being an increase of 12.5%. Between 2008/09 and 2009/2010 the average hours of service remained the same.

(vi) Decreasing rate of Non Revenue Water

The average Non Revenue Water (%) in UWSAs has been decreasing from 37.03% in 2007/08 to 36.21% in 2008/2009; to 35.79% in 2009/2010 and to 32.5% in 2010/2011. In DAWASCO, Non Revenue Water (%) increased from 55 in 2007/08 to 56.7 in 2008/2009; but decreased to 53.7% in 2009/2010.

5.3.4 Challenges in the UWSS

- Inadequate qualified staff in small town utilities and national projects led to difficulties in implementation of immediate works projects.

- Procurement procedure in which the time required for the proposal to be processed between UWSAs, MoWI and World Bank for No Objection is often too long causing delays in the execution of projects.

- Shortage of funds that led to omitting the implementation of some projects including projects for the towns that has finished studies example Tabora (Urambo and Sikonge), Babati (Orkesumet, Karatu and Katesh), Tanga (Muheza and Pangani)

- Delay by UWSAs in acquiring title deeds for construction of offices for utilities.

- Delay and inadequate release of funds contributes to delay in payment to contractors and service providers which resulted to payment of extra (interest) funds as a result of mishandlings of contract conditions. The delay also caused some of the projects like the study for Kidunda dam and construction of Kibaigwa water supply project ceases to start as the consultant and contractors are not yet paid the advance payment.

- Accumulation of unpaid electricity bills for the utilities, leading to power cut by TANESCO resulting in shortage of water supply to the service area.
5.4 COMPONENT 4: INSTITUTIONAL STRENGTHENING AND CAPACITY BUILDING

The Sector Institutional strengthening and Capacity Building component provide capacity building grants to support efficient implementation of the Water Sector Development Program. The component focuses on institutional transformation of the role of the Ministry by strengthening its policy formulation, oversight and capacity building roles to other implementing agencies. The support includes strengthening the legal framework, provide technical and managerial assistance, support the development of infrastructures, providing working tools, and assisting in developing human resources skills and knowledge.

The overall objective of this component is to provide support to Sector Institutional Strengthening and Capacity Building; provide regulatory, coordination and administration services that facilitate sector development and investment; and strengthening participation of service providers in the water and sanitation services. To realize this objective, the components activities are divided around four intervention areas. Planned activities and progress on each intervention area is provided here under:

5.4.1 Support for Operationalization of the new role of the Ministry of Water

(i) Technical assistance to facilitate the Ministry’s role (development of the 10-year corporate strategy, preparation of corporate charter and development of MIS: Preparation of the corporate strategic plan and client service charter was completed in November 2009 and May 2010 respectively; and subsequently approved by MoW Management. The ICT unit was established in 2007 with 3 staff, currently it has been evolved into a vibrant unit with 10 technical staff.

(ii) Rehabilitation and construction of office accommodation at Ubungo: Out of 5 building blocks planned for rehabilitation during WSDP Phase I at Ministry Headquarters; 4 building blocks with a total of 37 offices able to accommodate a total of 112 staff have been completed and are being used; rehabilitation of Block D have not yet started. The rehabilitated building blocks include construction of one new block for sanitation and hygiene facilities.

(iii) Construction of MoW Headquarters Building: Contract for the design and supervision of new office building was signed in April, 2009 and site hand over was done in July, 2009. Detailed design of the new building was approved in October 2010, tender documents and pre - qualification documents for the procurement of contractor for construction was submitted to WB for no objection since December 2010. However, no objection from WB is yet to be granted.

(iv) Procurement of Vehicles for MoW, BWOs, LGAs and RSs: The contract to procure 250 vehicles was signed in June, 2009, and by June 2011, a total of 244 vehicles have been delivered and distributed to implementing agencies. This includes 182 vehicles that have been procured and delivered to BWOs (30); LGAs (120); UWSAs (32), RS (21) and MoW departments, units, executive agencies (41). Delivery of (6) Toyota Land Cruiser Hard Top vehicles is expected by end of October 2011.
(v) **Procurement of motorcycles for BWOs, LGAs and RSs:** Out of 802 planned motorcycles for WSDP phase I, 407 motorcycles have been procured and distributed to implementing agencies. These constitute the number reported under relevant component sections. The contract for supply of 407 motorcycles was signed in April 2009, although delivery of goods did not start until September 2009 when the 407 motorcycles were delivered to MoW and immediately distributed to implementing agencies.

(vi) **Procurement of Computers, communication and other office equipment for MOW, RSs, LGAs, BWOs, DUWSAs:** The contract for supply of digital projectors (16), and printers (241), scanner (170), digital camera (43), digital duplicator (1), TV set – 21 inches (2), TV set – 36 inches (10), Satellite dish, (11), DVD recorder and player (11), (316) of desk top computers, (113) lap top computers, (4) servers, 1 Unit of Plotter; and External mass Storage (24) was signed in April 2009. By December, 2009; all items were procured and delivered to MoW, BWOs, DUWSAs, and RSs; except (17) Units of heavy duty Photocopiers, (112) units of medium duty photocopiers, facsimiles (175), and 2 Units of Digitizer. MoW is reviewing the contract document in order to take actions against the supplier. In addition to these equipments, one unit of heavy-duty generator for power production was procured and delivered in 2009.

(vii) **Installation of Management Information Systems (MIS):** Water Sector Programme MIS platform, an electronic system tool for producing accurate and timely data from the planning aspects of the project to financial reporting through the entire processes in project implementation, was completed and launched in October 2010.

**Installation of Management Information Systems (MIS):** Water Sector Programme MIS platform, an electronic system tool for producing accurate and timely data from the planning aspects of the project to financial reporting through the entire processes in project implementation, was completed and launched in October 2010. The fully functional operational MIS modules include:

- **MIS Frame:** The Frame of the system addresses navigation paths to all modules. It ensures that navigating within the system follows a logical path based on a given functional module. This module is fully functional.

- **Planning and Budgeting:** This module offers definition of projects, project targets as well as project activities. It also offers the project planning activity amount, Source funds commitment and donor disbursement functions. This module is fully functional and all components 1-4 covered.

- **Procurement Management:** This module offers management of project procurement activities, annual plans, procurement planning, tenders and tender activities. This module is fully functional and all components 1-4 covered.

- **Contract Management:** This offers management of contracts that includes suppliers, contract awards, list of contracts, contract amounts, contract lots, contract payments schedules and awarded contracts. This module is fully functional and all components 1-4 covered.
- **Financial Management:** The module offers management of financials. They include program fund releases, component funds releases, implementing entity funds releases, contract expenditures, non-contract expenditures and addendum/variations. This module is fully functional and all components 1 – 4 covered.

- **Reporting:** The reporting capability of this system cuts across all functional areas. The system is now able to generate the following reports: project planning related reports such as budget estimates by components, project budgets and activity budgets. Other reports include procurement plans, procurement plan activities, signed contracts, and unsigned contracts. Other critical reports that the system generate are funds commitments, disbursement performance by source categories, funds release vs expenditures by components, funds release vs expenditures by implementing entities and varying release and expenditure reports. These reports can be in the form of summary or detailed depending on the user requirements and they can be exported to excel or word documents. The IFR reports for all components can now be generated through the system and some of the reports under IFR include uses of funds by component, expenditures by contract subject to post review, expenditure by contract subject to prior review, Sources and uses of funds, etc.

Posting or loading data and information into the MIS by MoW, LGA’s, BWO’s, UWSSA’s, National Water Projects and all other implementing agencies, was completed in August 2011. As it is now fully functional, the system is able to produce WSDP activity reports, planning and budgeting reports, procurement and contract management reports and financial expenditure reports. To facilitate best use of the system for accurate data and information inputs, group training were conducted to all implementing agencies involving Basin Water Officers and Accountants from Basin Water Offices; District Water Engineers and Accountants from LGAs, Technical and Financial Managers from UWSAs, and Accountants and other operational technical officers from various departments at MoW.

Verification of loaded data to reduce error margin of the system was done with external support from World Bank in July 2011. Data entry referred to exchequer releases, warrant of funds, confirmed allocation of funds, payment vouchers (PVs) and cheque slips, bank statements, contract documents, WSDP periodic reports, MTEF/Memoranda of Budget, and other relevant documents.

An operational web based Water Sector Programme MIS is accessed from anywhere in the world through url: www.mowimis.go.tz or you access Ministry website www.mowi.go.tz and then you get Water Sector MIS. For reporting only all stakeholders can use the following authentications to access various reports at any place any time: **username** – maji; **password** – maji.

Training of DPs/NGOs that was done in August/September 2011 has enabled getting accurate earmarked funding into the MIS.

**Other Activities under MIS**
Preparation of ICT Strategy for the Ministry: The strategy that constitutes ICT architecture data and information management; public access; business application; hardware and software; ICT governance, capacity building, procedures and processes was prepared and approved by MoW in 2010.

Scale up Water Sector Programme MIS to cover M&E functions: After making the MIS fully functional, linkages with M&E framework for continuously updating data and information in the MIS has started.

Design, develop and implement electronic document management system (e-Records): The design of an electronic document management system is also completed and will become operational once DMS equipment is procured. This will be one of the most important IT systems to improve services delivery and records management electronically and will be linked to the sector PMIS in order to get electronic files and documents on plans, contracts, and other important documents and files for M&E functions. The DMS will also facilitate enhanced storage and quick retrieval of various records with regard to water sector development services. Procurement of the DMS equipment is planned to be done during 2011/2012.

5.4.2 TA for Strengthening of Sub-Sector Planning and Operational Capacities

(i) Components Program Management Support: four consultants for Water Resources Management are in place since May, 2009; working in the areas of dam safety, transboundary water resources management, water resources information management, and capacity building. Also, a consultant for Urban Water Supply division from EGIS International started work in June, 2010. The three technical specialists for Procurement, Financial Management and Monitoring and Evaluation have been procured and started work in April 2011 (for procurement specialist) and June 2011 (for FM and M&E specialists). The program support technical consultancy for Rural Water Supply and Sanitation is expected to be in place at the time of the JWSR.

(ii) Development of regulations and sub sector operational procedures and guidelines (including environmental management monitoring): After enactment of the two water legislation by Parliament of the United Republic of Tanzania, namely the Water Resources Management Act No. 11 of 2009 and the Water Supply and Sanitation Act No 12 of 2009 (on 28th April 2009); the laws were accented by the President of United Republic of Tanzania on 12th May 2009 and officially started operating on 1st August 2009. Preparation of 41 regulations for the Water Resources Management Act and 11 regulations for Water Supply and Sanitation Act started in 2009. On the regulations for WRM, 14 regulations on WRMA have been completed, 8 are under research, while 11 regulations are in drafting stage. Preparation of 8 regulations has not yet started. On the part of Water Supply and Sanitation; 3 regulations have been completed and 8 requires research.
5.4.3 Support sector coordination, and performance monitoring

(i) Support for the operations of the Sector Working Group and National Water Board: Up to June 2011, a total of 13 Water Sector Working Group (WSWG) meetings out of 16 planned meetings (81%); and out of 24 Thematic Working Groups (TWGs) (Planning and Financing TWG, Performance Monitoring TWG, Sanitation and Hygiene TWG and Institutional Strengthening and Capacity Building), only 18 (75%) were held, depicting a satisfactory status for both WSWG and TWG meetings. After changing the former TWGs from Thematic TWGs into Technical Working Group to facilitate more technical guidance on programme implementation (Water Resources Management, Rural Water Supply and Sanitation, Urban Water Supply and Sewerage, and Capacity Development, Fiduciary and Monitoring TWGs); one round of TWG meetings were held in December 2010. Three TWG meetings were extraordinary meetings. On the National Water Board; members were nominated in 2010 and held its first meeting on 26th May 2011.

(ii) Annual sector reviews and stakeholder consultation: Since the commencement of the WSDP in 2007/2008 a total of five successfully Joint Water Sector Review (JWSR) meetings were held. The meetings involved various water Sector stakeholders; including representation from MoW, PMO-RALG, MoHSW, MoEVT, MoF, MCDGC, Development Partners (DPs), Civil Society Organizations (CSOs), Regional Secretariats, Local Government authorities, Urban Water Supply and Sewerage Authorities, District Urban Water Supply and Sanitation Authorities, National Projects and the Energy and Water Utilities Regulatory Authority (EWURA). The meetings discussed various issues, including making follow up on the implementation of agreed actions and undertakings, discussing physical progress for programme implementation and receive various reports from other stakeholders who work together with the Ministry.

(iii) Annual technical and financial audits: The first Technical Audit for 2007/2008 conducted by the NAO was replaced by the WSDP Technical Audit for three years (2007/2008, 2008/2009 and 2009/2010) that was conducted by the independent consulting firm (ATKINS International in collaboration with RSM Ashvir). The professional mix of the independent consulting firm in conducting the technical audit was more favored by stakeholders, because of the technical audit focus on auditing value for money, procurement and safeguards adherence. The NAO has been conducting Annual Financial audits each year in accordance to the timeframes provided in the MoU although mostly has been submitted with delays. The details on opinions of the financial audits and technical audits are provided in section 3 of this report.

As a follow up to the CAG’s Annual Financial Audit report of 2008/2009, the CAG office conducted the special audit of WSDP in August and September 2010; which was extensively presented and discussed during the JWSR in September, 2010. The MoW has prepared management responses and action plans for both Special Audit and Technical Audit for implementation of their recommendations as a way of strengthening financial management and contract management capacities.
(iv) Development and Implementation of Communication Strategy - Strengthening the Information, Education and Communication Unit: The Government Communication Unit (GCU) was established in 2007 as fully fledged unit. The unit prepared media materials on NAWAPO, NWSDS and WSDP for dissemination using simplified languages, documentaries, posters, fliers and pamphlets, radio and TV programmes, as a way of implementing the WSDP communication strategy. By June 2011, a total of 93 radio and TV programmes, advertisements, comedy and drama series were aired; and more than 40,000 copies of posters, fliers and cartoon booklets were disseminated until June, 2011. WSDP Communication Strategy was developed and disseminated to LGAs, WSSAs, and Basin Water Offices. The implementation of the strategy is going on at all levels.

5.4.4 Support for sector capacity building

(i) Recruitment of skilled manpower to fill the gaps in all essential fields: up to June 2011; a total of 628 new employees of different professional including civil engineers, environmental engineers, economists, hydrologists, hydro geologist, statisticians, computer analysts, human resources and administrative officers, drivers, secretaries and community development officers; were recruited and deployed to MoW departments, Basin Water Offices and LGAs. This is 80.41% of the planned 781 staff for recruitment, which means that 19.6% of new staff was not recruited due to scarcity of qualified candidates in the market. More gaps are being filled in LGAs through redeployment of Staff from former RCUs.

(ii) Training of water sector staff: By June 2011, a total of 1717 staffs from MoW and Basins were trained on various disciplines as part of implementation of sector capacity development framework. In addition to the 5 staff trained in 2007/2008, the number increased up to 726 in 2008/2009 and 956 in 2009/2010, mainly due to availability of funds in 2008/2009 and 2009/2010 compared to 2007/2008. The process to conduct impact assessment of training activities is underway.

(iii) Sector staff Augmentation: For redeployment and transfer of 182 staff from the former RCUs offices and BWOs to the LGAs; confirmation of staff requirements and their budgets from LGAs was received by June 2011. Redeployment by transfer is being processed.

(iv) Capacity Development Framework and Capacity Development Plans: The Capacity Development Framework for the Water Sector in Tanzania was prepared and adopted in August 2008, followed by adoption and dissemination of Guidelines for preparation of Capacity Development (CD) Plans in October 2008. Using the guidelines, each implementing agency including MoW departments and executive agencies prepared its CD plan after rigorously conducting its self capacity needs assessment. The CD plans were submitted by May 2010 to facilitate their inclusion in the Budget starting with FY 2010/2011. A total 15 of CD Plans were developed by MoW divisions, units and agencies at MoW headquarters, 132 CD Plans were developed by the Local Government Authorities, 19 CD plan and 95 CD plan from the Regional Water Authorities and Small Towns Water Authorities respectively, and 9 were developed by the Basin Water Offices. Some outputs of CD plans includes training of staff, improved participation of staff into
work processes, improved customer care relations and improved working environment through provision of some working tools.

(v) Executive Agencies: (A) Drilling and Dam Construction Agency (DDCA): Until June 2011, earthwork machines and equipments [(1) bulldozer and (1) excavator], groundwater equipments [(4) resistivity meter, (2) magnetometer, (2) electromagnetic, (2) logging machines and accessories], soil laboratory equipments, [(1) Triaxial machine complete, (2)], permeability device, [(1) CBR loading, (1) Universal sample Extruder, (2) speed moisture test, (1) dynamic penetrometer and accessories]], design equipments [(AutoCAD, lisCAD and archiCAD software, (1) theodolite, (1) total station, (1) automatic level, (4) desk top computers, (2) laptop, (4) laser printer and (6) GPS)] and support vehicles [(4) double cabin 4WD pickup and 3 Support trucks)] have been procured for DDCA. The Contracts for supply drill rigs has been signed and the goods are expected to be delivered on October 2011. In enhancing its management capacity, the DDCA Chief Executive Officer was appointed in March, 2011 together with two acting Technical support Manager and business support Manager.

(B) Water Development and Management Institute (WDMI): The Water Resources Institute was transformed into Water Development and Management Institute (WDMI) in 2008 under Government Order 138 of August 2008 and Executive agencies Act, Cap 345. The transformation meant that WDMI is to be an independent/autonomous institution by 2015, when the number of courses, infrastructures and students enrolled will be increased.

In order to improve service delivery, four motor vehicles was procured and delivered in July, 2010. Also the first consignments 85% of library books was delivered in April, 2011. Delay in the delivery of books was caused by unavailability of products in the market. The first consignment of laboratory equipments and chemicals reagents was delivered in March, 2011. On infrastructure, preparation of tender documents for the purchase, installation and training of users for MIS equipments was completed in April, 2011; submission awaits the approval of Procurement plan. Expression of Interest for the design and supervision of classrooms, hostel blocks, laboratories and conference hall was completed and submitted to WB for no objection in May, 2011.

To address the administrative challenges, MoW appointed the board of directors in August, 2009. The CEO was appointed in February, 2011 together with three acting directors (for Administration and Finance, Research and Studies). As part of its transformation the WDMI has been implementing the capacity Building projects under EU/GTZ project on Human resources and organizational Development in the Water Sector. Under this program, a report on market needs and demand has been prepared, five short courses have been identified and their curricula developed for on the job staff training: curriculum for Degree in Water Resources Engineering and Diploma course in Irrigation was completed and sent to NECTA for approval in January, 2011; (delete this; it is repeated in para 2 under B)
(C) Maji Central Stores (MCS): The process to transform MCS has started. A consultant to conduct a study on the relevance of MCS in 2010 and the report was submitted to MoW in August 2011. Study recommendations will inform further steps.

(vi) Support of the NGOs and CBOs

In February 2010, training on the role of CSOs and CBOs in implementing WSDP was conducted in Arusha. 65 CBOs and CSOs attended the workshop. The workshop resolutions included CBOs and NGOs participation in WSDP activities in their Districts including sharing their plans and budgets to augment District activities; participating in Monitoring and Evaluation of the WSDP projects; participation in awareness raising to the communities for enhancing ownership of water schemes for sustainability; and keeping in touch with the MoW for them to understand the annual budgets and other WSDP information including simplified versions of policies, strategies and water legislation for further awareness to communities. CBOs and NGOs who attended recommended commencement of dialogue mechanism at district level for them to be on board with implementation processes at lower levels.

Challenges

- The main challenges under component 4 is mainstreaming of CD Plans since the majority IAs, even some DPs, consider the CD Plans parallel with other activities;
- There is also shortage of office accommodation at MoW Headquarters and Basins.

5.5 ADHERENCE TO SAFEGUARDS POLICIES AND GUIDELINES

Safeguards constitute measures for ensuring that programme implementation is carried out in an environmentally and socially sustainable manner. WSDP has three safeguard policies, namely, Environmental Assessment, Involuntary Resettlement and International Waterways. Both policies are adhered in line with various national policies and legislations in the country.

The project implementers are provided with environmental and social screening tools that enable them to identify, assess and mitigate potential environmental and social impacts of the priority infrastructure investments. In its course of implementation, WSDP planned to achieve institutional strengthening in environmental and social perspectives for effective implementation of WSDP and application of environmental and social management measures (assessed through the environmental checklists) to the preparation of a comprehensive ESIA and/or RAPs. Progress on the planned activities is provided here under:

(i) Capacity building of sector staff on application of environmental and social safeguards (ESMF, RPF) in WSDP projects:

- MOWI has enhanced the capacities of 15 environmental desk officers responsible for environment issues to become trainers of trainees in March 2009, and a comprehensive
training for all implementing agents, was conducted through nine basin water offices between May – August 2009.

- MoWI in collaboration with National Environment Management Council (NEMC) and the Ministry of Lands and Housing Settlement (MoLHS) conducted training to 375 government officers from the Water Basins, District Councils, Zonal Irrigation, Urban Water Authorities and Regional Secretariats in Environmental Management Act, Environmental Impact Assessment – EIA, Environmental and Social relevant Safeguards, among them were Environmental and Social Management Framework – ESMF, Resettlement Policy Framework – RPF, International water ways, Dam safety and Water resources safeguards. Also, safeguard reference manuals were disseminated. As a result of training, increased flow of screened reports and EIA studies were experienced during 2009/10 and 2010/2011. Results are shown in the table below:

<table>
<thead>
<tr>
<th>No</th>
<th>Basin name</th>
<th>Basin staff</th>
<th>Regional water experts</th>
<th>UWSAs Officials/ National Projects</th>
<th>District water engineers</th>
<th>District Environmental coordinators</th>
<th>Communit y development Officers</th>
<th>Zonal irrigation officers</th>
<th>Total No. of participa nt</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Rufiji</td>
<td>7</td>
<td>3</td>
<td>1</td>
<td>14</td>
<td>15</td>
<td>2</td>
<td>2</td>
<td>57</td>
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<td>2</td>
<td>Pangani</td>
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<td>2</td>
<td>19</td>
<td>11</td>
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<td>2</td>
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<td>2</td>
<td>40</td>
</tr>
<tr>
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<td>2</td>
<td>13</td>
<td>10</td>
<td>2</td>
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<tr>
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<td>Wami-Ruvu</td>
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<td>7</td>
<td>2</td>
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<td>1</td>
<td>6</td>
<td>12</td>
<td>7</td>
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<td>30</td>
</tr>
<tr>
<td>7</td>
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<td>6</td>
<td>1</td>
<td>2</td>
<td>8</td>
<td>8</td>
<td>8</td>
<td>2</td>
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</tr>
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<td>8</td>
<td>L. Tanganyka</td>
<td>9</td>
<td>2</td>
<td>2</td>
<td>9</td>
<td>11</td>
<td>9</td>
<td>2</td>
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</tr>
<tr>
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<td>2</td>
<td>10</td>
<td>7</td>
<td>9</td>
<td>1</td>
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<td>80</td>
<td>11</td>
<td>375</td>
<td></td>
</tr>
</tbody>
</table>

(ii) Tracking the application of safeguard guidelines in the project life cycle that is to identify, assess and mitigate potential environmental and social impacts of the priority infrastructure investments:

- An environmental and social screening exercise has been undertaken for 9 projects out of 16 projects including basin office buildings, out of which three (3) projects fall under category “A” which are Kimbiji well field, Kidunda and Ndembera dams and the remaining 7 (Office building) are of category C. ToR for ESIA and Environmental Audit for rehabilitation of 19 dams in IDB has been prepared and approved by MTB and submitted to WB for further action.

- A total of 9 mines and 43 Industrial wastewater works were inspected for compliance. All Mines have undertaken the Environmental Impact Assessment and use the Environmental Management Plan (EMP) to administer the environmental obligations. Amongst finding was the need to update their Environmental Management Plans (EMP). Industries that were established before the enactment of Environmental Management Act Cap 191; were asked to undertake Environmental Audits, and ensure self-wastewater quality monitoring and reporting to each respective Basin water office.
There were 151 subprojects from 33 districts, 36 subprojects qualified for full EIA and remaining 115 were of category C. However, it was noted that the EIA reports submitted were not exhaustive enough and they lacked necessary detailed assessment. The Ministry has called upon he consultants to collect their reports for rectification of necessary shortfalls as a short-term measure and training conducted as explained earlier to enhance the LGAs’ review and supervision capacity.

For Urban Water Supply; 50 approved projects out of which 19 have been screened and 16 qualified for full EIA the remaining 3 were of category C. Process to undertake EIA for the 16 projects is at different stages.

Screening of Projects: By June 2011, there were 700 approved sub projects which qualified for environmental and social screening, out of these 233 projects have been screened of which 41 were from Component I, 173 Projects from component II, and 19 projects from component III. Projects from the three components which are not yet screened are 467. Once a project is screened the category is assigned as A, B, & C. There are 29 projects of category A and 36 projects category B while 168 have been Categorized as ‘C’ including (20) projects which were screened but not categorized at first instant. The screening is an ongoing process and is always done by Implementing Entities (IEs). The screening is taking a slow pace due to some reasons including delayed or limited allocation of resources, for DWST to execute field assessments. Some of these projects activities shall require displacement of people, and hence the need for compensation. Projects that need a Resettlement Action Plan are nine (9).

Table 25: WSDP Projects Listed for Screening and Environmental Assessments

<table>
<thead>
<tr>
<th>Components</th>
<th>Categories</th>
<th>Unverified category</th>
<th>Screened</th>
<th>Not screened</th>
<th>Total</th>
<th>RAP Required</th>
</tr>
</thead>
<tbody>
<tr>
<td>WRM (DWR) I</td>
<td>A 14 B 19 C 8</td>
<td>0</td>
<td>41</td>
<td>2</td>
<td>43</td>
<td>3</td>
</tr>
<tr>
<td>CWS (DRWS) II</td>
<td>7 9 157 0</td>
<td>173</td>
<td>434</td>
<td>607</td>
<td>3</td>
<td></td>
</tr>
<tr>
<td>CWSS (DUWS)</td>
<td>8 8 3 0</td>
<td>19</td>
<td>31</td>
<td>50</td>
<td>3</td>
<td></td>
</tr>
<tr>
<td>TOTAL</td>
<td>29 36 168 0</td>
<td>233</td>
<td>467</td>
<td>700</td>
<td>9</td>
<td></td>
</tr>
</tbody>
</table>

(iii) General environmental and social aspects

Sanitation, Hygiene and Safeguards: The preparation of guidelines for sanitation, hygiene and safeguard issues is finalized and disseminated to RSs and LGAs to facilitate proper field work implementation of sanitation, hygiene and safeguard issues. Emphasis was given by RSs and LGAs to use the guidelines during implementation of subprojects at community level.

Information, Education and Communication Strategy: In collaboration with the Information, Education and Communication section a course was organized for about 200 Community Development Officers in Dar es Salaam, from LGA, BWOs, and Public relation Officers from UWSAs. The participants were trained on application of Communication Strategy and the use of the ESMF and RPF documents in line with project appraisal activities. Participants were enlightened and were given copies of relevant documents and leaflets for future reference and dissemination.
• **Poverty and Social Impact Analysis:** DAWASA and other UWSAs have been providing safe, affordable and sustainable water supply services to low income unplanned settlements in their designated service areas through implementation of community based schemes such as boreholes, kiosks and lifeline tariffs in specified criteria. 95% of these schemes are run by communities through Water User Associations (WUAs), Community Based Organizations (CBOs) and Water committees. All schemes have bank accounts and DAWASA/UWSAs continue to monitor them monthly. To ensure sustainability DAWASA/UWSAs offer free technical support as well as Financial and Management training when needed.

• **Inspections for Water Pollution Control:** Lake Rukwa basin in collaboration with NEMC and the LGAs investigated complaints regarding pollution of Zira and Lupa rivers in Chunya district and provided “STOP ORDER” for Epoch Gold Mine Company which was mining of Alluvial Gold in Zira and Lupa rivers. The basin also conducted industrial inspection for New Mbeya Textile Factory and Mbeya Cement Company Ltd. The inspection observed serious environmental problems from New Mbeya Textile where effluents were discharged into Songwe river catchment untreated and causes detrimental effects to the ecosystem. Basin offices have given August 1st, 2011 a deadline for all to apply for a discharge permit; failure to that legal action shall be constituted.

The main challenge under safeguard is insufficient number of registered consultants capable for conducting ESIA in the country. This calls for prudent measures for enforcement of registration of environmental experts.

5.6 **Status on Implementation of JWSR Undertakings**

Joint Water Sector Review meetings are part of the water sector review activities in Tanzania. The review process and the Joint Water Sector Review meeting established the basis of a joint process for performance monitoring and priority setting in the water sector based on a mechanism of continuous partnership dialogue between all stakeholders, including GoT, DPs, civil society and the private sector. Thus, JWSR gives DPs and Got a unique opportunity to discuss identified sector challenges with all key stakeholders and agree on actions to move the sector forward. The JWSR meetings which constitute various sector stakeholders have been conducted annually from 2007-2010 during the first quarter of each fiscal year. Each JWSR meeting deliberated upon before finally agreeing on a list of undertakings for implementation within the coming financial year after which another Joint Water Sector Review would be conducted. However, the implementation of undertakings has been facing challenges, such as:

(i) Most of them were agreed after the budget has been approved, hence faced inadequate financing for implementation;

(ii) reorganization of TWGs which resulted from restructuring also affected implementation of some of the undertakings especially those related to sanitation and hygiene that are now required to be coordinated through MoHSW; and

(iii) Most of undertakings were not originally included in the procurement plan (PP), hence needed re-adjustments of PP which consumed much time for decision and implementation.
Despite those challenges, status of implementation of agreed undertakings remains to be impressive. With most of them having been implemented as shown by figure 26 here under.

Figure 26: Status of Implementation of JWSR Undertakings
6 STATUS ON THE USE OF WATER AND SANITATION FACILITIES AS ANALYZED BY NATIONAL SURVEYS

6.1 Water Supply Services

Increasing access to improved source of water is one of the Millennium Development Goals that Tanzania has adopted. Findings from national surveys conducted by the National Bureau of Statistics (NBS) in 2004/2005 (Tanzania Demographic Health Survey-TDHS); 2007 (Household Budget Survey – HBS) and 2010 (Tanzania Demographic Health Survey-TDHS); show that access to clean and safe water in Tanzania from the perspective of analyzing the WSDP indicators of “percentage households using protected sources of water” and “percentage population with access within 30 minutes – for a round trip of fetching water” is improving at a reasonable pace.

Access to improved sources of water (piped water, protected wells, and protected springs) is very important because the use of un-improved sources (unprotected wells, rivers or streams, ponds, lakes, or dams) is directly related to infections of waterborne diseases, such as diarrhea and dysentery. Also, reduction in time spent in collecting water is vital because it avails productive time for economic activities, including school attendance. Also work absenteeism is reduced and hygiene and sanitation standards get improved when less time is used in fetching water of the required quantities. The time spent collecting water is also important in analyzing gender issues, especially the work load burden on the female members and children.

6.1.1 Trends in Percentage households using protected sources of water

As shown in the figure below, percentage households using protected sources of water increased from 77 percent in 2007 when WSDP commenced to 80 percent by 2010 in urban areas (3% increase); and from 40.4 percent when the program commenced in 2007 to 47.9 in 2010 (7.5% increase). The increase in these outcomes is mainly attributed to WSDP implementation especially the implementation of quick win projects in rural areas. Figures below illustrate the trends.

![Figure 27: Percentage of Households Using Protected Sources of Water](image)

Source/Note: the figure for 2004 comes from the TDHS 2004/5; that for 2007 comes from the HBS 2007, while the figure for 2010 refers to the TDHS 2010. The urban figure for 2007 does not include Dar es Salaam. The figure for Dar es Salaam for 2007 is 85 percent; and had it been included, it would have raised the overall average for the urban area.
6.1.2 Percentage of population with access within 30 minutes

There is remarkable progress in terms of the percentage of population with access within 30 minutes, particularly in the rural areas (Figure 2). The proportion of the urban population with access in improved sources of water within 30 minutes increased from 68 percent in 2007 to about 72 percent in 2010. Similarly, proportion of the rural population with access within 30 minutes increased from 27.6 percent in 2007 to 46.5 percent in 2010. Table 1 reveals that in 2010, about 52.3 percent of the entire population had access within 30 minutes as compared to 39 percent in 2007.

![Figure 28: Access to Water within 30 Minutes of one Round Trip](image)

**Source/Note:** the figure for 2004 comes from the TDHS 2004/5; that for 2007 comes from the HBS 2007, while the figure for 2010 refers to the TDHS 2010. The urban figure for 2007 does not include Dar es Salaam. The figure for Dar es Salaam for 2007 is 81 percent; and had it been included, it would have raised the overall average for the urban area.

<table>
<thead>
<tr>
<th></th>
<th>TDHS 2004/2005</th>
<th>HBS 2007</th>
<th>TDHS 2010</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Urban</td>
<td>Rural</td>
<td>Total</td>
</tr>
<tr>
<td>Percentage HH using protected source</td>
<td>75.3</td>
<td>45.1</td>
<td>53</td>
</tr>
<tr>
<td>Percentage of Population with access within 30 minutes</td>
<td>67.5</td>
<td>28.5</td>
<td>39</td>
</tr>
</tbody>
</table>

**Sources:** TDHS 2004/5, HBS 2007 and TDHS 2010.

6.2 Sanitation Services

A trend analysis of outcomes related to sanitation faces methodological challenges, in terms of comparability, especially after the HBS 2007, where issues of household sanitation in the questionnaire explicitly incorporated the distinction between improved and unimproved pit latrines. Since then, the definition of access to sanitation should only include households which
have access to a pit latrine with a washable slab. The TDHS 2010 incorporates these changes, making its results level comparable to those from the previous surveys. In order to allow reasonable comparability, in the analysis that follows,

(i) Flush/pour flush to piped sewer system; Flush/pour flush to septic tank; Flush/pour flush to pit latrine in TDHS 2010, were combined to form what was termed Pour Flush Toilet in the previous surveys

(ii) Pit latrine with slab and Pit latrine without slab/open pit as well as Any facility shared with other households in TDHS 2010, were combined to form what was termed Pit Latrine in the previous surveys

(iii) Responses on No facility/bush/field in TDHS 2010 were interpreted to mean No latrine which appeared in the previous surveys

(iv) Ventilated improved pit (VIP) latrine for 2010 is as reported in the TDHS 2010.

With data recorded during the surveys, the trends show that ownership and use of improved sanitation facilities have increased in both rural and urban areas; while the use of the pour flush toilets have increased from the average of 8% in 2007 to 15.3% in 2010 in urban areas, the use of pour flush toilets in rural areas increased from 1% to 1.6% during the same period. In contrast; the use of the traditional pit latrine decreased from 87.2% in 2007 to 79.7% in 2010, indicating either the shift towards improved sanitation facilities or abandoning the use of toilets in some parts of the country; the observation which requires more research. The increase in the use of flush toilets in both urban and rural areas (see figures below) is an indication of the improvements made in increasing availability of water supply services in those areas. The three figures below illustrate the trends.

![Figure 29: Household Ownership and Use of Pit Latrines](source: TDHS 2004/5; HBS 2007, and TDHS 2010.)
Figure 30: Household Use of Pour Flush Toilet


Figure 31: Households without a Toilet


Table 27: Data Trends on Access to Improved on-site sanitation Facilities

<table>
<thead>
<tr>
<th></th>
<th>TDHS 2004/2005</th>
<th>HBS 2007</th>
<th>TDHS 2010</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Urban</td>
<td>Rural</td>
<td>Total</td>
</tr>
<tr>
<td>Pit Latrine</td>
<td>76.7</td>
<td>82</td>
<td>80.6</td>
</tr>
<tr>
<td>VIP</td>
<td>12.1</td>
<td>0.9</td>
<td>3.8</td>
</tr>
<tr>
<td>Pour Flush Toilet</td>
<td>8.8</td>
<td>0.4</td>
<td>2.6</td>
</tr>
<tr>
<td>No Toilet</td>
<td>2.4</td>
<td>16.7</td>
<td>12.9</td>
</tr>
</tbody>
</table>

LESSONS LEARNT

7.1 System Constraints and Actions Taken

7.1.1 Importance of the Functional MIS that is Linked to an Effective M&E Framework

Substantial improvements in the program reporting are expected to be done through a functional MIS platform, which was completed and launched since November 2010. Training for data and information loading into MIS from 2007 to date and on its utilization in producing WSDP progress reports for Components 1, 3, 4 and part of Component 2, were completed in March 2011. Zonal trainings to facilitate roll out of the MIS into all Local Government Authorities was completed on 31st July 2011. Staff in all implementing agencies including Water Engineers, Planning Officers, Accountants, Basin Water Officers, Financial and Technical Managers, Business Managers and National Projects managers has been trained on how to load data and how to upload reports from the MIS. The MIS now is functional and can produce various reports including authentic budgetary, procurement, contracts and expenditure reports.

Planning and Budgeting Reports includes summary of planned projects or activity reports, the activity or projects budget reports, WSDP component budget report; Procurement Management Reports includes summary of procurement plan reports describing the planned number of procurement of goods, works, and consultancies, and the planned amounts; Contract Management Reports constitutes the list of all contracts containing information on contracts for goods, works, and consultancies as well as their amounts, which can be provided for signed and for un-signed contracts. Also, the system produces Financial Management Reports the disbursement performance; components funds vs allocation; funds released to implementing agencies; implementing agencies expenditure; and interim financial report.

The integrated M&E framework, when fully linked to the MIS will cater for the quest for continuous updating of data and information in the MIS. The M&E system will observe trends and patterns; keep program activities on schedule; and will measure progress towards achieving both intermediate and long term goals. For effective WSDP implementation, the system will advise decision makers about planning (prioritizing of activities), organizing resources (allocation of human, financial and material resources), supervising (leading and directing) and controlling the implementation at all levels.

Monitoring at Community Level: beneficiaries at community level have a role of monitoring the use of public funds; activities of consultants, contractors and district level officers such as training, drilling and other civil works, spare parts or repairs, level and quality of services; functionality of facilities; to ensure that public funds are used to for outputs and services in a sustainable manner. Also, they have a role of monitoring how facilities are functioning, how they are being used and monitoring land use practices including making sure those facilities are protected against encroaching.

Monitoring at District Level: the District monitors compliance of contractors to the contractual terms, and does this in partnership with beneficiary communities. Those are parameters against which the district itself monitored (by regional and national levels) as an addition to budget compliance, budget performance and adherence to policy, legal, regulatory and technical guidelines.
Monitoring at Basin Level: Basin Water Boards monitors the water permits compliance by water users; monitors water quality and quantity; and monitors enforcement of water legislation. Those are parameters against which it is itself monitored (by national level) as an addition to budget compliance and performance.

Monitoring at UWSA level: Monitoring of UWSA will continue as stipulated in the Water Supply and Sanitation Act No. 12 of 2009, DAWASA Act of 1997 and the Energy and Water Utilities Regulatory Act No. 11 of 2001; as well as using indicators provided in Section 12.1 of Operation guidelines for urban water supply and sewerage authorities (UWSAs), Annex 18 of PIM. EWURA is mandated to monitor both economic (tariff and cost related aspects), service performance levels and all other indicators, and is also mandated to keep the data and information database (Majls) always updated. UWSAs are responsible in preparing monthly, quarterly, semi-annual and annual progress reports; and submitting them to both EWURA and MoW.

MoW Headquarter Level Monitoring: Monitoring at the ministry HQ will be done through assessing the timeliness of updating their respective information modules in the sector MIS. Sector MIS Administrator will be responsible for assessing and reporting on new updates to the HICTU who will share the update information vertically with the Permanent Secretary, copying the DPS, heads of departments and units. In order for the operational Sector MIS to timely produce correct reports, a dedicated officer in each WSDP component lead department needs to be nominated and linked to M&E. MIS and WPCU to ensure that the MIS is continuously updated by entering weekly and monthly data and information updates.

The enhancements and follow up oversights to the normal field monitoring routines will be the semiannual Joint Supervision Missions with joint group visits with specific checklists; budget performance monitoring activities such as budget execution reports and public expenditure reviews; TWGs, WSWG and SC advisory oversight. Each level need to conduct its activities based on its monitoring plan. The routine M&E system will continue producing the following reports:

(i) The general WSDP quarterly implementation progress report;
(ii) The quarterly Interim Financial Report (IFR);
(iii) The quarterly Internal Audit Reports;
(iv) The Annual Water Sector Status Report;
(v) Annual Financial External Audit Report; and
(vi) Annual WSDP Technical Audit (value for money, procurement and safeguards).

7.1.2 Importance of Census and Surveys

The household surveys and census complement routine system in an important way, especially in monitoring outcomes and impacts. Nationally representative surveys undertaken by the National Bureau of Statistics (NBS) will continue to provide feedback to WSDP on the use of infrastructure in both rural and urban areas. MOW and WSDP will follow the Census and
Survey calendar as agreed in the Tanzania Statistical Master Plan (TSMP). The surveys in question are the National Panel Survey, National Population and Housing Census; Household Budget Survey (HBS) and the Tanzania Demographic and Health Survey (TDHS).

7.1.3 Sector Performance Assessments and Programme Evaluation

Joint Water Sector Performance Assessment (PAF): As required by JAST arrangements and basing the jointly agreed guiding note, each year the Water Sector Performance will be assessed using the jointly agreed criteria that focus on compliance to commitments; progress on sector indicators and progress on joint dialogue mechanism.

Program Evaluation: each after half of the 5 year phase, a midterm evaluation will be conducted to determine relevance of implementation processes, followed by the full ex-post end of the 5 year evaluation to determine impacts due to program implementation basing on results compared with baseline data. Ex-post evaluation will need to be outsourced to external evaluators.

7.2 Emerging Issues

- Increasing emergence of water related conflicts;
- Climate variability & change causing insufficient rains that exacerbate decrease in water flows;
- Increased requirements for adherence to safeguards guidelines;
- Increasing water pollution from mining sites;
- Limited human resources with requisite knowledge in IWRM, negotiation skills, conflict resolution, social assessment, water resources economics, statisticians and international water law;
- The issue of contract management is protruding as one of the areas that require special attention.

7.3 Outstanding Challenges

The challenges that have in one way or another contributed to the slow implementation of the planned activities included:

- With exception of funds for payments of outstanding certificates; no funds were disbursed from DPs for the component activities since March 2010; hence delay in implementation or postponement of some of the planned activities for financial year 2010/11 and 2011/2012, due to delayed or nonpayment of contractors, consultants and service providers. The counter effects of this problem include increasing costs due to accruing interests as per contractual terms. This has caused not only slow pace of implementation and non-completion of ongoing works but also it has caused some contractors to totally demobilize;
• Lack of operational funds for the fully functional MIS in terms of consultancy and training is a challenge which if not resolved, may affect the sustainability of the MIS in future. Based on software development process, the issue of capacity building is a continuous especially during the initial stages of the implementation process;

• Inadequate working facilities like office facilities (offices, furniture, computers and stationeries) and transport facilities to facilitate the implementation of activities such as monitoring and data collection;

• Inadequate water monitoring equipments, tools for data collection and other working facilities (office accommodation facilities, gauging stations for water resources monitoring and data collection equipments);

• Human resources capacity constraints in the IAs (Basins, LGAs, District Towns and Small Towns), especially in financial management, procurement and engineering professions, as well as weaknesses in contract management;

• Long process of procurement of consultants for remaining 8 LGAs for implementation of WSDP;

• Inadequate funding has hampered smooth monitoring of environmental issues, carrying environmental audits and implementation of proposed mitigation measures;

• Non- responsive biddings for advertised EOIs for example river classifications and ground water pumping equipments;

• Inadequate baseline data on sanitation in program villages;

• Inadequate knowledge in conducting environmental screening and filling of environmental screening forms (safeguards); and

• Low awareness of communities on the importance of community contribution to capital investments as well as O&M.

7.4 Opportunities

• The functional MIS for improved quality of reporting and MoW ICT Strategy for guiding future development of acceptable ICT systems;

• The operational integrated M&E framework;

• Approved restructuring plan;

• An operational water quality management and pollution control mechanism;

• Water legislation and regulations;

• Capacity Development Plans in each implementing agency;

• The sanitation MoU;

• The revised WSDP MoU;

• Enhanced Dialogue Mechanism; and
8 KEY AREAS FOR WSDP II AND PROPOSED DRAFT UNDERTAKINGS

8.1 Key Areas for WSDP Phase II

Based on the main policy messages from sections 1 to 7 of this report, the following are key areas to be highly considered as the basis for developing WSDP phase II:

(i) Implementation of priority investments for WRM including climate change adaptation measures such as water storage dams;

(ii) Implementation of Capacity Development Plans (including Staff Recruitment and Training) for all components assuming that most of equipment were acquired during WSDP Phase I;

(iii) Increasing the use of soft loan packages in grade A UWSAs, Public Private Partnerships and prioritized basket funds in financing priority investments with more focus on upgrading grade B & C UWSAs, Dar es Salaam, District Headquarters and Small Towns;

(iv) Completing the implementation of prioritized 10 villages in each District, and rolling out the interventions to other priority villages considering equity (other districts may need more villages);

(v) Implementation of sanitation campaign in both urban and rural areas under the coordination of the Ministry of Health and social Welfare;

(vi) Strengthen the Coordination Unit within PMO-RALG to have water experts, in the same way Education, Health, Agriculture and other sectors are fairing. The unit should be staffed by experienced government water experts;

(vii) Insist on adherence to the Paris Declaration on aid effectiveness that advocate for use of national systems including the use of national procurement regulations and guidelines;

(viii) Change the consultancy contracts package awarding basis to regional, rather than district. A regional approach has the advantage of reducing the number of procurement processes, reducing the considerable transaction costs for all concerned and ensuring that qualified resources are not spread too thin; and

(ix) Combine geophysical surveys and drilling contracts.

8.2 Proposed Undertakings for 2011/2012

(i) Summarizing the key outstanding WSDP phase I interventions that consequently will spill over to WSDP phase II or agreeing on the extension period for WSDP phase I

(ii) Preparation of WSDP Phase II (including annexes – PIM, implementation guidelines etc)

(iii) Implement immediate measures for strengthening of contract management in all implementing agencies
(iv) Link M&E framework with the functional MIS for ensuring continuous updating of data and information

(v) Preparation and approve projects write-up template for use by UWSAs who will be accessing soft loans from both Government and Commercial Banks

(vi) Preparation of WSDP II support arrangements (MoU, bilateral financing agreements and addendums – basket and earmarked, procurement arrangements, dialogue mechanism etc; basing on experiences of WSDP phase I

(vii) Completing water point mapping including its mechanism for data updating on functionality and linking it to the functional MIS to improve infrastructure monitoring and quality reporting.
9 WAY FORWARD

The following is the way forward for WSDP: 2011/2012 and beyond:

(i) Prepare and approve WSDP Phase II;
(ii) Complete works spilled over to WSDP phase II; including all areas where studies were done in phase I but work could not start due to fund deficits, delays in fund disbursements or delays in procurement;
(iii) Due to high unit costs for public sewer systems; explore the possibilities of using decentralized sewerage and simplified sewers including promoting onsite disposal;
(iv) Enact a new financing paradigm for sewerage based on the investment principles of ‘users pay’ and ‘revenue collected locally should be invested locally’.
(v) Integrate Water Sector Management Information System (MIS) M&E functions to ensure constant updating of data and information including physical progress reporting.
(vi) Strengthen ICT infrastructure and use standards to handle IT systems in the water sector.
(vii) Start the use of electronic document management solutions; including the use of e-records as a prerequisite to handle all WSDP documentations covering tenders, contracts and financial documents;
(viii) Harmonization of implementation approaches at the community level;
(ix) Implement Electronic Fleet Management and Control System for effective utilization and use of vehicles and/or transport facilities in the Ministry or WSDP vehicles.
References
Annexes

ANNEX 1: STATUS OF IMPLEMENTATION OF JWSR UNDERTAKINGS 2007-2011

STATUS OF IMPLEMENTING 1ST JWSR UNDERTAKINGS 2007

Planned/agreed undertakings:

1) Operationalise the NWSDS, WSDP and the Basket Fund, and facilitate approval of Water Legislation;

2) Operationalise mechanisms by which funds will be channeled from MoF to Implementing authorities and agencies;

3) Reflect the financial requirements of the WSDP in the budget for 2007/2008 and MTEF projections for subsequent FYs;

4) Secure full funding of the WSDP (up to 2010) from domestic and foreign resources, and / or prioritize interventions according to resources availability;

5) To put in place mechanisms to ensure agreed output and outcome indicators in the performance monitoring framework can be regularly measured including establishing baseline information;

6) Implement proposed sector dialogue mechanism, including the establishment of MoW dialogue and coordination team, water sector working group and thematic working groups; and

7) Initiate immediate sensitization and training for staff of the implementing agencies (LGAs, BWOs, UWSAs and Executive Agencies) in issues related to new roles and responsibilities as well as new funding arrangements.

The implementation status:

- The review process of the new Principle Water Bills was initiated and the milestones for reviewing process submitted to Parliament; whereas the Draft NWSDS was submitted to the Cabinet Secretariat and the Inter-Ministerial Technical Committee (IMTC) for endorsement. Also MoW website www.maji.go.tz was established and became operational. All the effectiveness conditions were fulfilled and the WSDP became adopted. Sector dialogue mechanism (JWSR, WSWG and TWG) put in place; and some DPs (IDA and Germany through KfW) started contributing to the basket account;

- A mechanism of channeling WSDP funds from MoF to implementing authorities and agencies was established by MoF creating new sub-Item numbers in Government Financial Statistics (GFS – Classification / codes to UWSAs, BWOs and LGAs and three separate special holding accounts were opened by Ministry of Finance at Bank of Tanzania. MoW

- Key performance indicators for tracking progress in water sector development were reviewed and agreed upon and a new water accessibility indicator was adopted.
- WSDP Capacity Development Framework study initiated, 123 employees trained in various fields and 220 employees including 98 engineers recruited and allocated to Districts and Regional Secretariats.

**STATUS OF IMPLEMENTATION OF 2nd JWSR UNDERTAKINGS 2008**

**Planned/agreed undertakings:**

1) Accelerate sector reforms and strengthen WSDP coordination and management Tasks Status of Implementation

2) Facilitate approval of the NWSDS and Water Legislation so as to effectively guide the implementation of the WSDP and fully harmonize the WSDP, NWSDS and related action plans

3) Develop and promote a comprehensive framework for communication and advocacy for more private sector and CSOs participation

4) Implement the performance monitoring framework Tasks Status of Implementation

5) Develop and propose an equity monitoring system, and prepare a sector equity report

6) Enhance dialogue between MOWI and MoHSW in order to agree on sanitation

7) Finalize and implement a strategy for mainstreaming HIV/AIDS mitigation measures in water sector service provision

**The implementation status:**

- Cabinet approved the institutional framework for managing water resources as well as water supply and sanitation services whereby a total of 289 water user associations in all 9 basins were established. For the rural WSS a total of 70 water user entities were established. Also, some draft regulations such as groundwater regulations were developed based on draft bills.

- The Institutional Strengthening and Capacity Development Framework document finalized and disseminated. As a follow up, guidelines for implementations of the CD framework was developed and two workshops for Basin Water Officers and Zonal Irrigation Engineers were conducted to operationalize the Capacity Building strategy.

- To ensure efficiency in decision making, PCT has been put under supervision of Deputy Permanent Secretary instead of the Directorate of Policy and Planning as it was in the initial stages of programme implementation, and a short term consultant commissioned to assist
PCT in performing its duties. Also, PCT members were provided with Job descriptions, fully furnished office accommodation and telephone;

- CSOs through their local umbrella organization (TAWASA-NET) participated in all sector working group meetings and for the first time, CSOs prepared a sector urban - rural equity report;

- The National Steering Committee on Sanitation was established comprising of MoEVT, MoWI, MoHSW and PMO-RALG to discuss and agree on demarcation of roles and responsibilities; Budget allocation for sanitation activities in the rural water supply and sanitation sub sector (LGAs) increased to Tshs 4.47 billion compared to Shs 2.5 billion allocated and disbursed during 2007/2008. Also, a sanitation focal person was appointed in both rural and urban water supply sub sectors.

- A HIV/AIDS work plan for the water sector prepared and shared with the relevant TWG (sanitation and hygiene) in order to formulate and adopt a comprehensive water sector HIV/AIDS operational plan. 21 Focal Point Officers and 24 peer educators have been trained from the MOWI headquarters and water basins. Financial support to some employees living with HIV and AIDS provided.

**STATUS OF IMPLEMENTATION OF 3rd JWSR UNDERTAKINGS 2009**

**Planned/agreed undertakings:**

1) WSDP FY 2009/2010 budget Preparation informed by sector Performance monitoring data, including equity data

2) Ensure FY 2009/2010 budget reflects all GoT and DPs commitments; and the FY 2008 /2009 supplementary budget capture all DPs commitments

3) Develop a comprehensive regularly updated annual procurement plan

4) Conduct a study into equitable resource allocation

5) Review procedures for WSDP financing and reporting modalities to remove obstacles in flow of funds

6) Strict compliance with requirement and processes determined in the WSDP MoU using common implementation arrangement (water basket)

7) Timely preparation of the JWSR 2009, including submission of the water sector status report in August 2009

8) A single harmonized database with reliable baseline to be established by March 2009 and providing data by next JWSR

9) Information on budgets, disbursements, plans and expenditure is accessible at all levels and in a user-friendly format
10) Conduct a full review of monitoring framework and information systems

11) Establish MoU with clearly defined roles and responsibilities of key actors in sanitation between MoHSW, MoWI, MoEVT & PMORALG, including financing responsibilities, modalities and priorities

12) Initiate participatory IWRM planning processes

13) The Capacity Development Plan should be operational by April 09

14) Develop a mechanism for conducting research / sharing research findings

**Implementation status:**

GoT and DPs firmed up their commitments on time in the FY 2009/2010 budget, and MoFEA increased the ceiling from TSHS 36.5 million to TSHS 50.5 Million with adequate resources allocation to rural Water sub-sector.

A single harmonized database with reliable baseline data has been established and is in use. Also the sector performance monitoring data (new definitions) have been fed into MKUKUTA monitoring. The water point mapping exercise has been completed in 55 districts and the remaining districts should be completed early in 2010. WaterAid was contracted in July 2009 to conduct a full review of monitoring framework and systems to ensure consistency of definition and accuracy of data, including data on sanitation, water resources management and water supply services. CD Plans were prepared and incorporated into Budget 2009/2010.

**STATUS OF IMPLEMENTATION OF 4th JWSR UNDERTAKINGS 2010**

**Planned /Agreed undertakings:**

1) Design and make operational the WSDP computer based contract and finance data base (“Management Information System”) to support sector planning, budgeting and reporting

2) The WSDP Work Plan for FY 2010/2011 will be Objective Based (in line with the NWSDS)

3) WSDP Budgets Prepared transparently (in response to performance, demand and equity)

4) All Implementing Partners including the MoWI in Full Compliance with the WSDP MoU

5) The Water Sector Performance Monitoring and Learning System is in place and operational

6) Baseline Data (for all sub-sectors) has been entered onto the national water sector database

7) Performance Information Publicised

8) Human Resource Plan for the Water Sector prepared jointly by MOWI/PMO-RALG

9) Capacity Building Plans for each implementing agency in place

10) Comprehensive Study on Sanitation, with proposals for scaling up is done
11) WSDP support to Sanitation and Hygiene is focused on the programme areas

12) Make Operational the Coordination Mechanism for Sanitation/ Hygiene

**Implementation status:**

- The sector MIS have been developed for improved reporting. The system is now fully functional;
- MTEF for the period 2010 to 2013 was prepared. MoW completed mid-term review in 30.03.10 whereby it was agreed that MOWI should prepare a restructuring plan for the remainder of WSDP Phase 1;
- Technical Audit Report FY 08/09 completed and report submitted in 31st January 2011. As a follow up, MoW prepared Management responses and Action plan;
- Preliminary survey for Baseline data collection for Integrated Water Resource Management existing networks in all 9 basins completed;
- Minimum staffing levels for LGAs has been prepared and approved. Deployment of former RCU Staff to LGAs is underway; and all IAs have prepared Capacity Development Plans. The MoU on sanitation and hygiene was signed in November 2009 by all Ministries (MoWI, MoHSW, PMO-RALG and MoEVT). Also, WSDP sanitation and hygiene guidelines were completed and disseminated to LGAs.

**STATUS OF IMPLEMENTATION OF 5th JWSR UNDERTAKINGS FY 2011**

**Planned/Agreed undertakings:**

1) Preparation of Basin communication plans on Water Resources Management Act, regulations and water use permit and discharge permits register for enhancing basin stakeholder awareness

2) Guideline on the technological mix taking into account, choice for sustainability, efficiency and achievement of sector targets; reviewed and disseminated

3) Facilitate the establishment and registration of WUEs and build the capacity of these WUEs on management and accountability

4) Complete the review of the Lease Contract between DAWASA and DAWASCO leading to sustainable service delivery in Dar es Salaam, and prepare draft amendment of the DAWASA Act and subsequent regulations and submission to Minister of Constitutional Justice.

5) Clustering

6) Publish Performance Monitoring Data for 21 small towns/district utilities and NPs

7) Align future transfer of funds to IAs with compliance to reporting obligations
8) Full documentation of arrears of advances that were provided to IAs by December 2010

9) Draft the key elements of the possible WSDP phase II (2012/13 – 2016/17) on the basis of lesson learnt from WSDP phase I and activities identified in the NWSDS logical framework (Linking with other sectors, irrigation, mining, lands, environment)

10) Quarterly Monitoring of CD Plans’ implementation to implementing agencies needs to be thoroughly done

Implementation status:

- All nine Basins prepared communication plans and have been included in the 2011/2012 basin’s budget and work plans. Also guidelines on technology mix has been updated and disseminated to stakeholders; Guideline on establishment and registration of WUEs prepared;

- Lease Contract between DAWASA and DAWASCO has been revised and submitted to EWURA for approval. A Team of experts reviewed DAWASA Act and prepared proposal for amendment of the Act. Regulations for clustering have been approved by Chief Parliamentary Draftsman (CPD); waiting for internal government approvals. 21 small towns/district utilities and NPs IEs have started to publish their Performance Monitoring Data;

- Alignment of transfer of funds to IAs with compliance to reporting obligations done through IFRs Q4 2009/2010 and Q1 2010/2011.

- The concept note about the key elements of the possible WSDP phase II (2012/13 – 2016/17) on the basis of lesson learnt from WSDP phase I and activities identified in the NWSDS logical framework has been prepared, discussed and shared with DPs. The multi-professional consulting firm will be procured to technically guide WSDP phase II formulation.