



## Which externally funded projects under the Ministry of Water and Environment are most at risk?

### Overview

The Ministry of Water and Environment (MWE) contributes to three programmes in the third National Development Plan (NDP III): Agro-Industrialization, Human Capital Development, and Natural Resources, Environment, Climate Change, Land and Water Management.

The programme interventions are implemented through projects funded by both Government of Uganda (GoU), and Development Partners (DPs). The MWE was implementing 14 externally funded development projects in the FY 2021/22.

This briefing brief examines seven of the 14 projects to establish their progress towards achievement of set targets, and constraints to timely implementation. The projects selected have been implemented for at least two years, and were also monitored by the Budget Monitoring and Accountability Unit (BMAU).

### Key Issues

1. Non-achievement of outcome targets.
2. Lengthy donor approval processes owing to requirements for a no-objection at all stages.
3. Land acquisition challenges for infrastructure components.
4. Poor planning as some projects were over committed, and funded without readiness.

partners such as the International Development Association (IDA), and the African Development Bank (AfDB), among others, for the financing of development projects in the sector.

Despite massive investments in projects, these have not translated into the achievement of some outcome targets. For instance, in FY 2021/22 access to safe water supply in rural areas was 68% against the 70% target, while in urban areas access was 71.6% against 72%. On the other hand, forest cover performed at 12.5% against the 13% target. Wetland cover has stagnated at 8.9% from FY 2019/20 to FY 2021/22.

Non-achievement of these targets was due to the delayed completion of planned project outputs. At the projects' start, procurements dragged resulting from lengthy donor approval processes, and design reviews. While during implementation, land acquisition challenges, and slow contractors affected the works progress. Additionally, natural conditions such as the lockdown due to COVID-19, and flooding from heavy rains also hindered smooth progress. Table 1 provides an overview of the performance of selected projects.

### Introduction

The Government of Uganda through Vision 2040, the National Development Plan III, and the Water and Environment Sector Strategic Development Plan 2018-2030, targets to achieve the following intermediate outcomes in the water and environment sector: increased access to safe water supply, increased forest and wetland coverage, improved climate change adaptation, and increased storage capacity of water for irrigation among others.

The achievement of these outcomes require huge infrastructure investments. As such the GoU over the years has acquired funds from development

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**Table 1: Project Profiles and Achievements as of 31<sup>st</sup> June 2022**

Project	Start Date	End Date	Time Elapsed	Development Partners	Total project Value (Bn)	Cumulative Release (Bn)	Major Expected Outputs	Status of Implementation	Remarks
<b>Project 1559:</b> Drought Resilience in Karamoja Sub-Region	July 2019	June 2024	3 Years (60%)	Germany Federal Republic	113.56	8.53  (7.51% of total project value)	<ul style="list-style-type: none"> <li>Four communal valley tanks constructed.</li> <li>16 multipurpose earth dams designed</li> <li>Two small-scale irrigation schemes constructed.</li> </ul>	Two valley tanks in Moroto and Kotido districts progressed to 55%. Procurement was ongoing for the design of seven earth dams, and one medium-scale irrigation scheme.	The project experienced delays in procuring consultancy services for design and supervision.
<b>Project 1666:</b> Development of Solar Powered Irrigation and Water Supply Systems (WSS)	July 2020	June 2025	2 Years (40%)	International Development Association	476.73	41.01  (8.60% of total project value)	<ul style="list-style-type: none"> <li><b>Urban Water:</b> 133 solar-powered water supply schemes developed.</li> <li><b>Rural Water:</b> 302 solar-powered water supply schemes developed.</li> <li><b>Water for production:</b> 252 solar-powered Small Scale Irrigation Schemes constructed.</li> </ul>	<ul style="list-style-type: none"> <li><b>Urban Water:</b> Completed feasibility studies.</li> <li><b>Rural Water:</b> Completed feasibility studies, detailed designs ongoing.</li> <li><b>Water for production:</b> Feasibility studies and designs ongoing.</li> </ul>	Funds were secured without project readiness i.e. lack of feasibility studies and detailed designs. Additionally, there was delayed procurement of consultancy services. Thus no work done in two years.
<b>Project 1529:</b> Strategic Towns Water Supply and Sanitation	July 2019	June 2024	3 Years (60%)	African Development Bank	146.18	98.63  (67.47% of total project value)	<ul style="list-style-type: none"> <li>Piped Water Supply Systems (PWSS) constructed in 10 towns (Buikwe, Bundibugyo, Kayunga-Busaana, Dokolo, Kamuli, Kapchorwa, Kyenjojo-Katooke, and Nakasongola).</li> <li>Three (3) Fecal Sludge Management Facilities (FSMF) constructed</li> <li>34 public and institutional water-borne toilets constructed.</li> </ul>	<ul style="list-style-type: none"> <li>PWSS constructed to the following levels: Buikwe (15%), Bundibugyo (70%), Kayunga-Busaana (85%), Dokolo (100%), Kamuli (0%), Kapchorwa (40%), Kyenjojo-Katooke (78%), and Nakasongola (75%)</li> <li>FSMF (0%)</li> <li>19 (55.8%) water-borne toilets were constructed.</li> </ul>	The project was slowed due to lengthy donor approval procedures, undertaking design reviews, and delayed acquisition of land for project components.
<b>Project 1530:</b> Integrated Water Resources Management and Development (IWMDP)	July 2019	June 2024	3 Years (60%)	International Development Association; and Germany Federal Republic	918.00	209.17  (22.78% of the total project value)	<ul style="list-style-type: none"> <li><b>Urban Water:</b> Eight water schemes in Busia, Namasale, Namungalwe-Kaliro, Kyegegwa-Mpara-Ruyonza, Rukungiri, Rwashamaire, Nyamunuka, Butaleja-Busolwe-Budaka-Kadama-Tirinyi-Kibuku constructed.</li> <li><b>Rural Water:</b> Bitsya and</li> </ul>	<ul style="list-style-type: none"> <li><b>Urban Water:</b> Only one PWSS in Busia constructed to 45%.</li> <li><b>Rural Water:</b> No construction works yet.</li> <li><b>Water Resources Management:</b> Four CMPs</li> </ul>	Commencement of works was delayed partly due to the lengthy donor approval requirements that dragged procurements. Additionally, time was lost due to the COVID-19 lockdown.

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Project	Start Date	End Date	Time Elapsed	Development Partners	Total project Value (Bn)	Cumulative Release (Bn)	Major Expected Outputs	Status of Implementation	Remarks
							<p>Nyamugasani WSS constructed; 16 Rural Growth Center solar-powered schemes constructed.</p> <ul style="list-style-type: none"> <li>• <b>Water Resources Management:</b> Four catchment management plans (CMPs) prepared; Six micro Catchment Management Plans prepared; Four priority catchment management investments implemented; 12 monitoring stations constructed; Water Information System Phase II rolled out; Two dry deposition monitoring stations established.</li> </ul>	were prepared; draft CMPs for the six micro catchments prepared; procurement for the construction of the 12 monitoring stations completed; the rollout of the Water Information System was 5% completed; Installation of the two dry deposition equipment not done.	
<b>Project 1531:</b> South Western Cluster (SWC)	July 2019	June 2024	3 Years (60%)	IDA and the Government of France	519.940	135.64 (26% of total project value)	<ul style="list-style-type: none"> <li>• Water treatment works in Masaka, Mbarara, refurbished and upgraded;</li> <li>• New water treatment plant in Kagera constructed.</li> </ul>	0% physical works progress. The project was at the bid evaluation stage	Slow project progress due to delayed design reviews, and the absence of external consultants during the COVID-19 lockdown.
<b>Project 1534:</b> Water and Sanitation Development Facility North-Phase II (WSDF-N)	July 2019	June 2025	3 Years (50%)	European Union; and Germany Federal Republic	172.73	48.11 (27.85% of total project value)	New water schemes constructed in 14 towns, 12 refugee settlements, and 36 Rural Growth Centres; 10 water schemes rehabilitated; 120 public and institutional toilet facilities constructed; Five regional faecal sludge treatment facilities constructed.	Overall, the project progressed in only six towns: Odramacaku (63%), Moyo TC (10%), Padibe TC 100%, Bibia-Elegu (68.6%), Lacekochot (39%); One faecal sludge in Yumbe District under construction was at 38.5% completion.	Project affected by delayed design reviews, extensions to unplanned areas, especially during construction of Padibe Water Supply Scheme, land acquisition challenges, and over-commitment on outputs.
<b>Project 1417:</b> Farm Income Enhancement and Forestry Conservation Programme Phase II (FIEFOC II)	July 2016	June 2023	6 Years (85.7%)	International Development Association	400	361.87 (90.46% of total project value)	Five new irrigation schemes developed; 50km access roads constructed; Five Farmer Based Management Organisations (FBMO) formed.	Four schemes completed except Wadelai which was ongoing at 85% physical progress. Access roads within scheme areas constructed, and FBMOs formed.	The project was affected by heavy rains/flooding; lengthy procurements; slow contractors; and a change of site for the Wadelai Irrigation Scheme.



## Factors affecting project performance

**Lengthy donor approval processes:** The majority of development partner-funded projects are subjected to processes that require approval by the donors at all stages. In some cases, the approvals are not prompt hence leading to serious delays to kick start project implementation. For example, in FY 2019/20, the procurement for consultancy services under the Integrated Water Resources Management and Development Project was not completed due to approval constraints by the World Bank.

**Design changes:** Due to the increasing demand for safe water supply, the MWE continuously reviews scheme designs by expanding water pipe networks and/or increasing system capacities. These reviews are sometimes done during construction and take longer to complete, hence leading to delayed completion of project works. For instance, under the Water and Sanitation Development Facility - North Project, the completion of Padibe Water Supply System in Lamwo District was delayed partly due to extensions to unplanned areas. On the other hand, the refurbishment of Masaka and Mbarara water treatment works under the South Western Cluster Project had not commenced due to delayed completion of design reviews.

**Land acquisition:** The lengthy land acquisition processes for the installation of project components, coupled with contentions on hiked compensation amounts affect the timely implementation of projects. For example, under the Farm Income Enhancement and Forestry Conservation Programme Phase II Project, the construction of the Wadelai Irrigation Scheme in Packwach District was not completed in FY 2021/22 due to land acquisition challenges among others.

**Poor planning:** This was due to over commitment on planned outputs, and project non-readiness. For example, the Water and Sanitation Development Facility North Project had 62 piped systems to be constructed in six years. Yet only one scheme was completed and four were ongoing after three years of project implementation. Equally, the Development of the Solar Powered Irrigation and Water Supply System Project planned for 687 schemes, and the project was funded before readiness.

## Project ranking

All the seven projects assessed were behind schedule, hence unlikely to achieve all expected outputs in time. The delay could result in increased project costs due to inflation, and increased cost of construction materials among others. Table 2 presents the project risk ranking based on achievements in the time spent.

**Table 2: Projects ranked by level of risk**

Project	Risk Level
South Western Cluster (SWC)	High
Development of Solar Powered Irrigation and Water Supply Systems	
Water and Sanitation Development Facility North-Phase II (WSDF-N)	
Integrated Water Resources Management and Development (IWMMDP)	
Drought Resilience in Karamoja Sub-Region	Moderate
Strategic Towns Water Supply and Sanitation	
Farm Income Enhancement and Forestry Conservation Programme Phase II (FIEFOC II)	Low

## Conclusion

All the projects apart from FIEFOC II were far from achieving their output targets. The South Western Cluster and Development of Solar Powered Irrigation and Water Supply System Projects were most at risk with zero physical works in over two years. Lengthy donor approval processes, poor planning, and design reviews were key constraints to timely implementation.

## Recommendations

1. The MWE and Development Partners should devise mechanisms to ensure timely project procurement approval processes.
2. The MWE should adhere to approved original scheme designs, while the Urban Water Authorities embark on expansions.
3. The Ministry of Lands Housing and Urban Development should fast-track costing of the Land Acquisition Resettlement and Rehabilitation Policy.

## References

Public Investment Plan FY 2021/22; MWE Quarterly Performance Reports FYs 2016/17 – 2022; BMAU Reports, Ministerial Policy Statements.

Budget Monitoring and Accountability Unit,  
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[www.finance.go.ug](http://www.finance.go.ug)