



CSO POSITION PAPER ON THE WATER AND ENVIRONMENT SECTOR BUDGET FY2018/19

*The paper is based on the analysis of the FY 2018/19 Ministerial
Policy Statement for the Water and Environment sector
FY2018/19*



Developed by the Civil Society Budget Advocacy Group and Submitted to the
Parliament Committee on Water and Environment sector.

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1.0 BACKGROUND

Since 2004, CSOs under the umbrella of CSBAG have been engaging Government in influencing the budget process to ensure that both local and national budgets respond to the development needs in the country and aspirations of the poor and vulnerable groups of people in Uganda. The ideas in this position paper reflect the continuous engagements of the civil society on the broader performance of the water and environment sector as an engine of social, economic and democratic transformation. Specifically, this paper is an outcome of the critical analysis of the Ministerial Policy Statement for FY 2018/19 as informed by official statistics obtained from numerous Government performance reports, research by state and non-state actors, Sector Annual Reviews, and grassroots real-life experiences.

1.1 Introduction

The Water and Environment Sector provides key services for the attainment of the overall targets of the Second National Development Plan (NDP II) and Vision 2040, supporting Hydro Power Production, agricultural production and productivity, industrial development, tourism development, mitigation of climate change effects, domestic use and creating a healthy living through a clean environment.

The Vision for the Water and Environment sector is “**Sound management and sustainable utilisation of water and environment resources for the present and future generation,**” and a mission, “**to promote and ensure the rational and sustainable utilisation, development and effective management of water and environment resources for socio-economic development of the country**”.

In the Ministerial Policy Statement (MPS) FY 2018/19, the sector seeks to achieve the following objectives;

- To ensure availability and access to safe and clean water as well as hygienic sanitation facilities in rural areas country-wide
- To provide safe water and improved sanitation facilities in small towns, large towns, municipalities and the cities through Ministry of Water and Environment and the National Water and Sewerage Corporation (NWSC)
- To provide and ensure functionality of multi-purpose water for production facilities to enhance production and productivity, contributing to socio-economic transformation as well as mitigation of the effects of climate change and disaster risks
- To ensure that the water resources of Uganda are equitably shared and wisely used for sustainable socio-economic development
- To coordinate and monitor implementation of Uganda's Climate Change Policy and the respective international agreements for the increased resilience of Uganda's population to climate change and disaster risks.
- To promote and ensure sound environmental management and prudent use of the environment and natural resources in Uganda
- To provide data and information on weather, climate and climate change to support sustainable social and economic development of the economy

The MPS further appropriates the sector budget to key sector institutions to achieve the above objectives. The institutions include; Ministry of Water and Environment, National Environment Management Authority (NEMA) and the Uganda National Meteorological Authority.

1.2 Compliance with NDP II

The sector required financing is estimated at 6 times the current level of available funds. The sector requires approximately UGX 6 Trillion to finance the plans if it is

to achieve the NDP II and Vision 2024 targets. This further erodes the minimal sector achievements in the face of the high population growth and urbanization rate.

1.3 Sector performance, budget allocations trends and key achievements

1.3.1 Performance and achievements

Water, Sanitation and Hygiene

The average access to safe water was estimated at 70% in rural areas and 71% in urban areas with the sector targeting to improve this performance to 72% and 80% in rural and urban respectively for the FY 2018/2019. There is a notable decline in the functionality of rural water supplies from 86% to 85% which government wants to improve to 86% in FY 2018/2019. With regard to sanitation, 86% of the urban population has access to basic sanitation while access to basic rural sanitation is at 80%. In schools, the pupil: stance ration is estimated at 71:1 against the national standards of 40:1 presents a decline of 1% from 2016. Only, 35% of the pupils have access to hand washing facilities, which puts the lives of the pupils at risk of water-borne diseases such as diarrhoea leading to absenteeism. The national cumulative storage water for production increased from 37.2 million cubic meters to 38.9 million cubic meters.

Environment and natural resources

The forest coverage has reduced to 9% from 11% in 2016 and 12 % of the forests

are under strict nature reserve while the national wetland coverage is at 10.9%.

Water for production

As at December 2017, the sector had made progress in implementation as witnessed in ongoing drilling of production wells and rehabilitation of broken boreholes in several districts to increase access to safe water in rural areas, ongoing piped water systems were also reported in Pabbo, Loro, Pacego, Paloga among others to increase access to urban water supply.

13 valley tanks were being constructed in the districts of Katakwi (20%), Apac (30%), Otuke (10%), Lwengo, Isingiro, Kazo and Kiboga (30%), and 8 small-scale irrigation schemes under construction to increase access to water for production. The Ministry issued 10 new drilling permits and renewed 25 drilling permits, assessed 24 Environmental Impact Assessment (EIA) Reports under the water resources management programme.

1.3.2 Sector trends and Budget allocations for FY 2018/19

The sector requires approximately UGX 6 Trillion to finance its plans if it is to achieve the NDP II and Vision 2024 targets. However, the percentage share has remained an average constant of 3% over the last five years.

The budget outlay for the Water and Environment sector for FY 2018/19 amounting to UGX 1,257.46 billion of which UGX 709.69 billion is On Budget while UGX 547.8 billion is Appropriation in Aid (AIA)

Table: 1 Allocations for 2018/19

Vote	Uganda Shillings in Billions			
	GoU Dev't	Donor - Dev't	AIA	Total
019-Ministry of Water & Environment	263.71	316.30	0	599.797
0150-National Environment Management Authority	0.92	0.00	11.73	24.335
0157-National Forestry Authority	5.88	0.00	24.18	35.550
0302-Uganda National Meteorological Authority	14.96	0.00	1.48	28.017
501-850-Local Governments	51.59	0.00	0	59.380
National Water and Sewerage Corporation	0.00	0.00	510.38	510.380
Total	337.05	316.3	547.8	1,257.46

Source MWE MPS FY 2018/19

2.0 WATER AND ENVIRONMENT SECTOR KEY ISSUES FOR FY 2018/19

2.1 Underfunding to Natural Resources Management

Despite the country's dependency on natural resources for economic development, for example, forest cover and wetlands, protection of these resources is still low as evidenced from the low financing to the protection and restoration of natural resources, for example, forest cover. Natural resources are faced with high levels of encroachment and depletion, leading to increased levels of floods and mudslides, high effects of climate change as the weather cycles are reversed.

The total allocation to Natural Resources Management is UGX 143.289bn of which UGX 133.605bn is earmarked for Farm Income Enhancement and Forestry Conservation Project Phase II (FIEFOC II) which rehabilitates and restores irrigation systems thereby leaving only UGX 9.684bn for restoration and protection of natural resources. On this, the Ministry intends to reclaim and protect 300ha of degraded wetlands of 330km.

Recommendation

- Despite the efforts being made by the Ministry, the fund allocated to this cause is still low. The Ministry, together with NEMA should prioritize the protection of natural resources from encroachment and resettlement.
- An additional UGX 15bn should be provided to tree planting, critical wetland restoration and enforcement activities on fragile ecosystems to contain and reduce the climate change effects in the country.
- In addition, MWE should implement the WESG guideline for allocation of 3% of all water supply system infrastructures to catchment protection which will help protect natural resources.

2.2 Limited access to safe water in both rural and urban areas

While functionality is reported at 86% and 92% in rural and urban areas respectively, it is believed to be lower than 30% on the scale of reliability due to poor operation and maintenance especially in rural water supply systems particularly point water sources such as boreholes. Whereas government policy is to gradually phase out point water sources in favour of piped systems, more than 60% of the population

relies on these less reliable point water sources that are prone to frequent break down thus affecting access to safe water especially for the poor and vulnerable groups.

According to the MPS, an additional UGX 80bn is required to provide piped water to all small towns and Rural Growth Centers (RGCs) countrywide, and UGX 55bn is required to increase rural water supply coverage by serving 60,000 villages below national coverage, and to roll out the shift from hand pumps to solar powered mini piped water in rural areas to support transformation and reduce congestion.

Despite these increases however, the increase in allocation for both rural and urban water supply does not match with the general population growth rate of 3.2% and 5.9% for urban population growth (UBOS 2014), indicating that the sector will still be challenged with limitations in access to safe water both in rural and urban areas.

Recommendation

In order to align investment priorities with the sector policy reform direction, MWE should stop investing in new borehole construction but rather reallocate these funds to support operation (major repairs) and maintenance of the existing non-functional infrastructure while maintaining the current trend of investment in piped water supply systems. This will gradually phase out water point sources but also transition the country into the basic service level for water supply as per the SDG commitment, to also meet the demands of a growing population.

2.3 Reduced donor support

The Joint Water and Environment Sector Support Programme (JWESSP 2013-2018) is coming to an end in June 2018. The main changes in development partner

support refer to the fact that (i) some partners are substantially ending their support to the sector (or are changing their areas of support) and (ii) future funding arrangements under the next Joint Programme are going to allow less flexibility.

Recommendation

Finalize the design and implement the Joint Water and Environment Sector Support Programme (JWESSP) to increase donor support to the MWE.

2.4 Environmental Impact Assessment on refugee settlement communities

Uganda has opened its borders to provide refugee settlement to over one million refugees from its neighbouring countries including South Sudan, Rwanda and Congo. These have flooded the country in large numbers and occupied vast acres of land as provided. The refugees have freely accessed trees and forests, cutting them down to get firewood for their home use, they have utilised and accessed water sources, in many cases witnessing and over utilisation of the available water points. Little has been done to assess the effect of refugee settlement on the environment which is majorly negative in many instances though not evidently assessed.

Recommendation

The Ministry of Water and Environment together with the National Environment Management Authority (NEMA) should undertake an Environmental Impact Assessment (EIA) to assess the effect caused by these refugee settlements and find immediate solutions to handle the situation including ensuring provision of water sources that are adequate for the populations and providing alternative cooking solutions for example to reduce the cutting down of trees for charcoal which has more

2.5 Continued encroachment on wetlands in contravention of the policy provisions and Presidential directive on Wetland Restoration

Wetlands have continued to be destroyed by encroachers. In many cases, this act is a deliberate deed carried out for either settlement or economic activity. Local Government has not adhered to the Presidential Directive on the restoration of wetlands of 14th July 2017. Lives and property have continued to be lost due to encroachment.

Recommendation

We CSOs akin to disaster management recommend to the Ministry of Water and Environment in collaboration with NEMA and other state agencies to expedite the process for eviction of illegal encroachers on wetland across the country. The initial budget for this activity should be drawn from the budget line for Programme 09:05 Natural Resources Management Output: 03 Policy, Planning, Legal and Institutional Framework, where UGX 173,000,000 has been allocated to facilitate functionality of different Working Groups in the Ministry as well as compliance and enforcement.

2.6 Environmental degradation due to a refugee settlement in Yumbe, Lamwo, Arua, Isingiro, Kyegegwa, Kiryandongo and Adjumani Districts

With a current total number of Sudanese refugees/asylum seekers of over 1,006,779, the hosting areas have faced massive environmental degradation; this is likely to promote livelihood insecurity and widen spread poverty gaps among the local population and refugees.ⁱ Refugee population has high pressure on the environment as there is high refugee population density per area allocation for refugee settlement. No prior environmental impact assessments are done before the refugees are settled leading to environmental degradation with limited precautions on environmental protection

in refugee-hosting communities in Uganda.

Recommendations

- The government should fast-track the implementation of the Re-HoPE strategy which represents a key building block of a comprehensive response to displacement in Uganda and a critical component in the application of the Comprehensive Refugee Response Framework, as stipulated in the New York Declaration on Refugees and Migrants. Implementation of the Re-HoPE; will help in addressing the widespread environmental degradation in refugee-hosting areas; it will also support in building and strengthen ownership and capacity among local governments and community institutions; thus improving basic- social service delivery in terms of access, quality, and efficiency; and expanding economic opportunities and sustainable livelihoods with a focus on women and youth.
- OPM, UNHCR, other agencies and local governments should have coordination and harmonization of environmental issues in the refugee-hosting areas through identifying an environmental protection lead agency

3.0 CONCLUSION

The finalisation of the regulatory framework for dams and reservoirs and the wide dissemination and promotion of the use of the Water Sector EIA guidelines continues to assist in water resources planning, regulation and hence protection of water resources. To consolidate these achievements requires a sustainable funding to the sector commensurate to the requirement of the NDP II for the sector to meet its targets and middle-income aspiration.

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