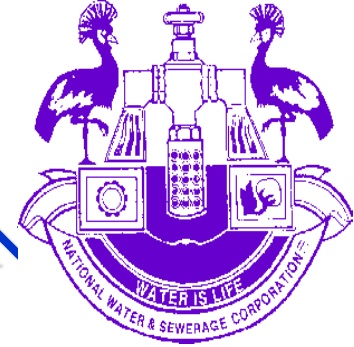


# KAMPALA WATER LAKE VICTORIA WATSAN

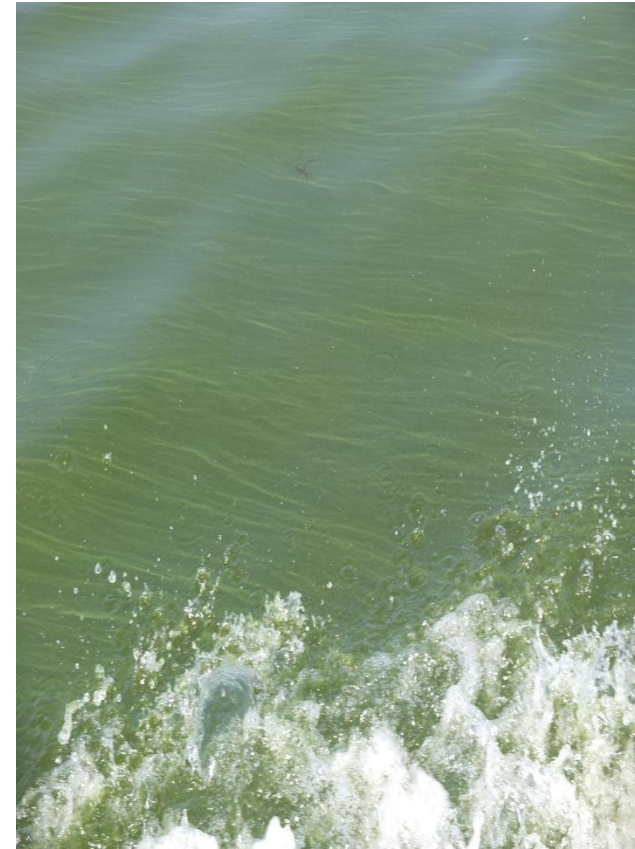


**Presented by  
Isaac Arinaitwe**

# Presentation Outline

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- General Info
- KW LV WATSAN
- ITF- EU



# General Info



**Population:** 2.5m people (high growth rate 5.6% p.a) & rapid urbanization ( 16% p.a.)

**Water Source:** Gaba WTP (150million litres/day)

Challenges in service delivery :dry zones in parts of the city, high non-revenue water, insufficient facilities for the urban poor, and insufficient sewerage service coverage and waste water treatment capacity.

# Background & Objectives

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## Background

- ❑ Project Proposal presented at 2<sup>nd</sup> Meeting of the East African Community Ministers Responsible for Water by UN Habitat
- ❑ Proposal entailed proposed investments to improve service delivery within Kampala & investment requirements
- ❑ Financiers to fund the proposal brought together following proposal endorsement

## Objectives

- ❑ Provide long-term solutions to the water supply and sanitation challenges of Kampala.

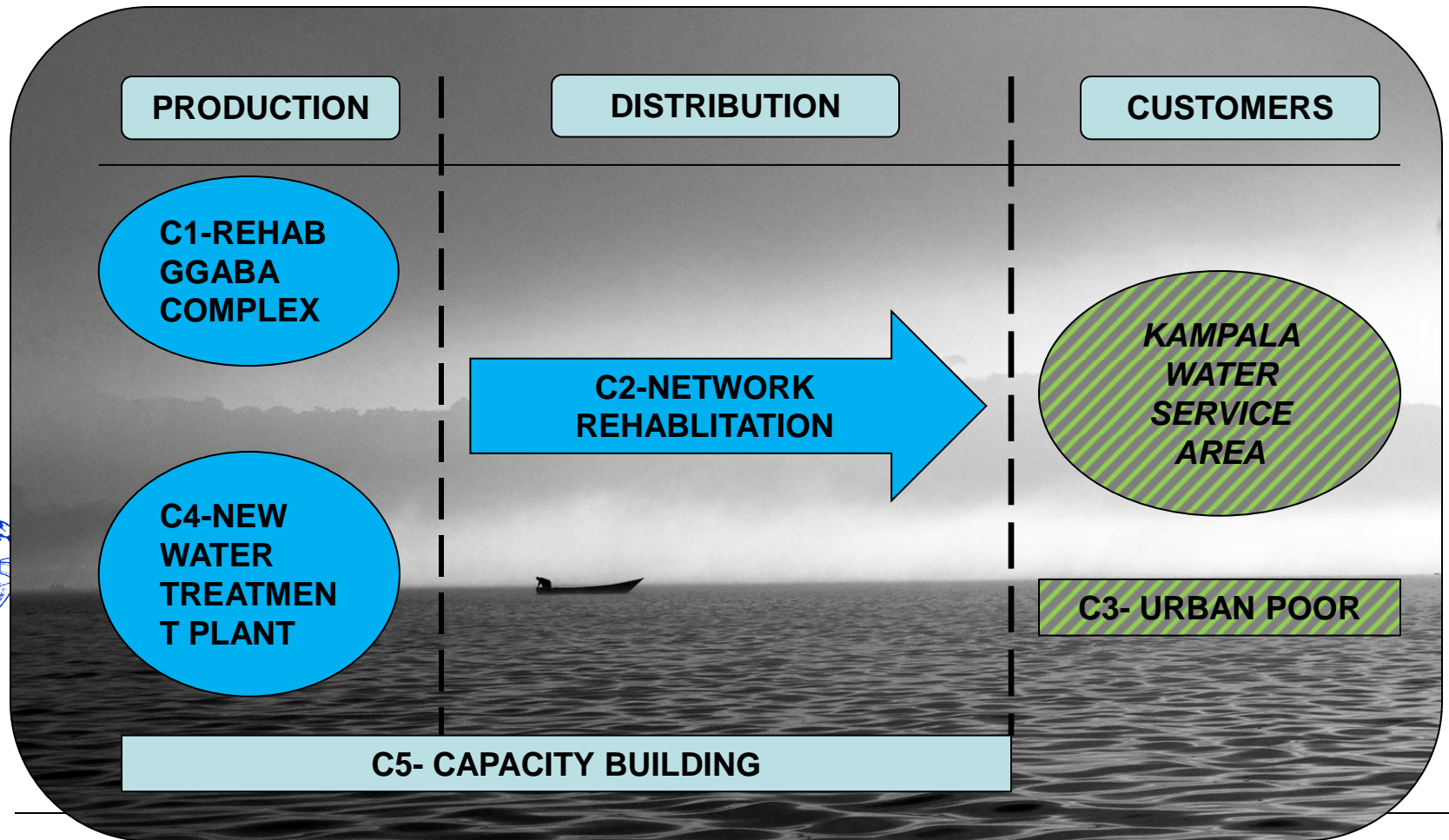


# Components

<b>Component 1: Upgrading and rehabilitation of the Ggaba Water Treatment Complex</b>	Restoration of the existing Ggaba treatment Works Complex to design capacity of 240million litres per day. Production currently up to 65% due to water quality deteriorating of the raw water source ( <b>approx estimate €26m</b> )
<b>Component 2: Network Restructuring &amp; Rehabilitation</b>	Restructuring and Upgrading of Water Distribution System and reorganization of the water distribution systems into distinct hydraulic zones to ensure proper pressure and demand management. This in tandem will address the problem of dry zones and high Non Revenue Water (NRW) in Kampala. ( <b>approx estimate €74m</b> )
<b>Component 3: Extension of Water Supply in Informal Settlements</b>	Increase access to water supply and onsite sanitation(including fecal sludge management) to at least 50% of urban poor population( <b>Approx estimate €20m</b> )
<b>Component 4: Construction of new Water Treatment Plant East of Kampala and associated Network</b>	Design and Construction of new WTP to the East of Kampala of 240million litres per day to increase production and security of supply( <b>approx estimate €60m</b> )
<b>Component 5: Accompanying Measures</b>	<i>Approx estimate €16m</i>

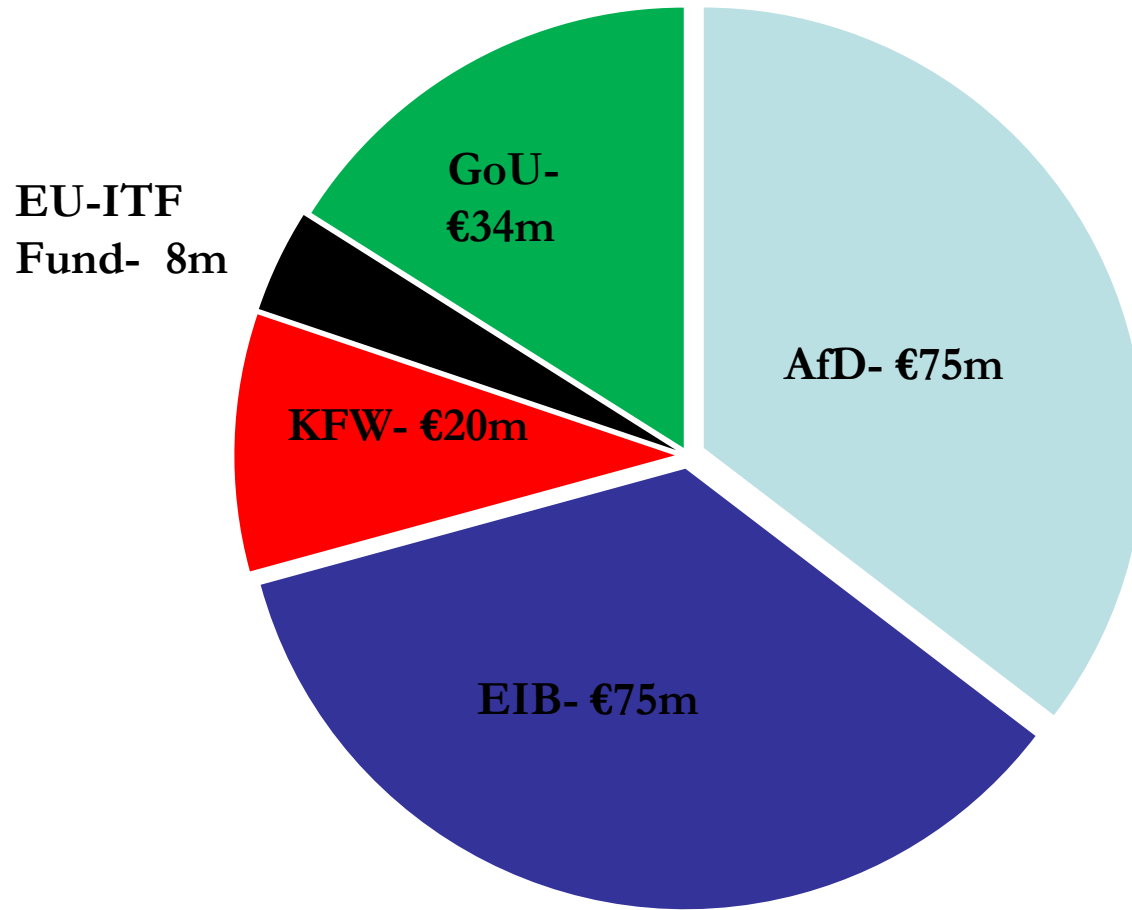


# Components Continued



# Project Financing

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# Components-Financing

*Financing by Components in millions €€s*

	KfW Grant	EU-ITF Grant	AfD Loan	EiB Loan	GoU/NWSC	Total financing
C1-Upgrading Ggaba WTP	0.30	0.00	10.35	10.35	5.08	26.09
C2-Network restructuring and rehabilitation	1.90	0.00	24.13	23.35	11.49	60.87
C3- water supply in informal settlements	7.39	0.00	0.00	0.00	1.30	8.70
C4-New WTP East of Kampala	3.88	0.00	29.85	29.85	11.20	74.78
C5-Accompanying Measures	1.43	7.69	2.54	2.54	1.11	15.31
Contingency	3.35	0.00	5.33	5.86	2.01	16.54
Reserve	1.75	0.31	2.79	3.05	1.81	9.72
<b>Total</b>	<b>20.00</b>	<b>8.00</b>	<b>75.00</b>	<b>75.00</b>	<b>34.00</b>	<b>212.00</b>





# Components to packages



<b>Component 1: Upgrading and rehabilitation of the Ggaba Water Treatment Complex</b>	<b>Package 3: Optimisation of Ggaba WTP</b> Consultancy Services: Design and Construction Supervision Construction: Implementation of Works	
<b>Component 2: Network Restructuring &amp; Rehabilitation</b>	<b>Package 1: Quick Win No Regrets</b> Consultancy Services: Optimisation of Ggaba WTPs Study & Design Services for Emergency Works (including network modifications)	
	<b>Package 2: Network Restructuring &amp; Extension of Existing Network</b>	<i>2a: Consultancy Services: Diagnostic Study, Modelling &amp; Master Planning</i> <i>2b: Consultancy services: Design and Construction supervision</i> <i>Construction: Implementation of Works</i>
<b>Component 3: Extension of Water Supply in Informal Settlements</b>	<b>Package 5: Informal Settlements</b>	
	<i>5a: Consultancy Services: Concept/Study</i> <i>5b: Consultancy services: Design and Construction supervision</i> <i>Construction: Implementation of Works</i>	
<b>Component 4: Construction of new Water Treatment Plant East of Kampala and associated Network</b>	<b>Package 4: New Water Treatment Plant East Of Kampala</b>	
	<i>4a: Consultancy Services: Feasibility Study</i> <i>4b: Consultancy services: Design and Construction supervision</i> <i>Construction: Implementation of Works</i>	
<b>Component 5: Accompanying Measures</b>	<b>Package 6: Capacity Building</b> 2a, 4a, 5a , Project Management Support, Tender Agent, Water quality expert, Management systems evaluation	

# Progress & Current Situation-P1 & P3

## Key Milestones reached include

- Tender awarded July 12
- Design Report submitted Nov 12
- Merge of P1 & P3 cleared Jan 13
- Contractor Shortlist approved Feb 13
- Draft Works tender dossier submitted to donors for comment/review



# Progress & Current Situation-P2



**P2a-Diagnostic study & Modeling Contract award April 2012**



# Progress & Current Situation-P4



**P4a-Feasibility Study proposals to be submitted 30<sup>th</sup> April. Award of Contract expected June/July 2013**



# Progress & Current Situation-P5



**P5a- Consultancy Proposals currently being evaluated. Award of Consultancy services contract is expected May/June 2013**

# Progress and Current Situation-P6

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- Tender Agent Support
- Procurement of Water Quality Expert
- Project Management Support
- Management Systems Evaluation
- Planning for ensuing accompanying measures



# EU-ITF Background

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- ❑ Born out of the EU Strategy to support development in Africa 2005
- ❑ Launched in Addis Ababa October 2007
- ❑ Objective is to support efforts to identify and address missing links in infrastructure
- ❑ Aiding infrastructure development should foster development
- ❑ Euro 5.6 billion from 10<sup>th</sup> EDF and EU-ITF



# EU-ITF support for KW-LV WATSAN

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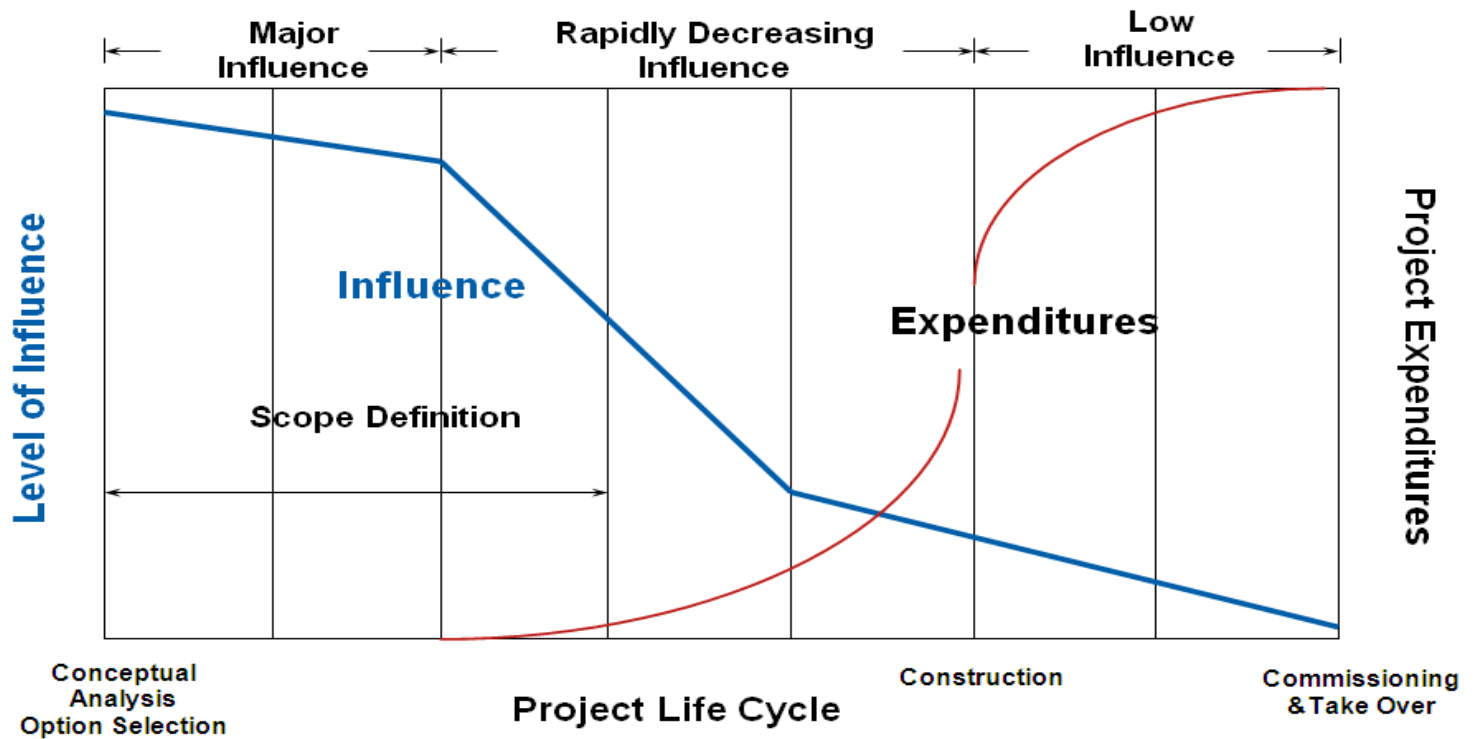
1. TA grant of Euros 8m as part of Euro 212m
  - ❑ *Feasibility Studies(Existing WTP needs study, New WTP feasibility + ESIA, Sanitation poor concept study)*
  - ❑ *Diagnostic Study(Network modeling, Restructuring and Master Planning)*
  - ❑ *Project support & Capacity building*
2. Euro 14m Loan subsidy for AFD loan finance





# Benefit

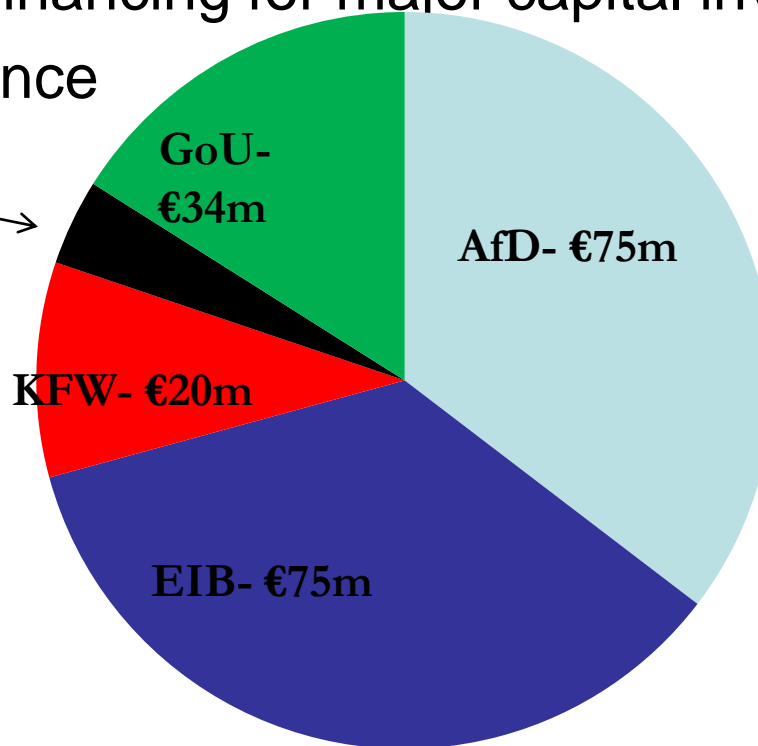
## 1. Costs savings



# Benefits

2. Enable preparation of 'bankable' project proposals
3. Leveraging Financing for major capital investments
4. Blending finance

EU-ITF  
Fund- 8m



- *Total financing €212m*
- *5 financiers*
- *3 financing facilities (loan, grant and public financing)*

5. Support Africa specifically



# Opportunities



**Western Towns:** Masindi, Hoima, Fort Portal, Kasese

**South Western Towns:** Mbarara, Bushenyi, Masaka



# Challenges

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- ❑ Co-financing complexities-*MRI Experience*
  - *Disparity in the different disbursement conditions*
  - *Significant Workload for the lead donor in comparison to contribution*
  - *Delays introduced into approval system due to large number of financiers*
  - *Increase Project Management workloads which impact engineering significantly*
- ❑ ITF/EU visibility
  - *Indirect “access” via AfD, KfW and EIB*



# In Conclusion

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- ❑ Implementation of big projects,
- ❑ Recognize the challenges implementing co-financed projects,
- ❑ Continue to be innovative in approach towards delivering such projects,
- ❑ Appreciate EU efforts to support development in Africa.



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**Thank you for your attention**

