

Leadership Development Case Series

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Responses to Emerging Water Management Issues: A Case of NWSC



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Q 1. How will you achieve your “water for all” strategy as you have been promising?

A The water for all strategy is at the centre of what we do at NWSC. Its achievement will largely depend on clarity of focus, collective appreciation and efficient investment resources allocation. At NWSC, we all understand that in order to contribute to the socio-economic transformation agenda of Uganda, we must ensure that every citizen has access to affordable safe water source. There are many competing demands for resources that come our way. We shall continue to be focused and ensure inputs undertaken have maximum bearing on the achievement of water for all strategy. It is expected that by 2030, we should have fully achieved this strategy.

Q 2. Where do you expect to get financial resources to achieve water for all strategy?

A It is important to state that financing is not the only input required to achieve the strategy. There are many others, including having the right mindset that it is possible to achieve safe water for all Ugandans in a reasonable time. Innovative thinking will be at the centre of all ideas. For example, while we often think of external funding through collaboration with donors, there is a lot we can leverage through operating

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efficiency gains: putting particular emphasis on development rather than consumptive expenditure. There are significant inroads we can achieve through innovative ways of carrying out capital investments, targeting methodologies that minimize attendant administrative costs. It is, for example, estimated that we can make savings of about 40% if we exploit use of blended project implementation methods including direct labor, community involvement, in-house consultancies and affordable performance guarantees.

Q 3. How will you work with development partners to realize your proposed project implementation methods?

A We have worked well with development partners (DPs) for a long time at NWSC. DPs like working with a client who understands priorities. We have been, majorly, using two types of financing.

Project financing and budget support. Both financing arrangements have differing merits and demerits. Budget support enables the client to access corporate financing and apply internal innovation and flexibility, taking care of the local contexts to optimize investment costs. Project financing tends to be a joint activity, which breeds bureaucracies associated with wanting to achieve consensus at every stage of implementation. Our experience shows that project financing is associated with high investment costs and project delays. All this requires comprehensive discussions of merits and demerits of each financing approach and creating a common understanding on the way forward. What lies at the centre of everything is transparency, accountability and value for money.



Realizing NWSC's proposed project implementation methods.

Q 4. Don't these great ideas cause you misunderstandings with stakeholders?

A If great ideas cause misunderstanding, that would be good and constructive misunderstanding. It would then call for better communication. Our experience show that if the thinking and ideas are value-adding and in good faith, there can never be a problem. The truth always comes out. No one should fear to evolve good ideas so long as they are well intentioned.

Q 5. What about NWSC tariff? People complain that water is free, why should they pay?

A The NWSC tariff is reasonable. The weighted average rate is about one USD per 1000 liters of water. The one for the low income users is about 30 USD cents per 1000 liters of water. Comparatively, one kilogramme of beef is equivalent to 500No jerrycans (20 liter) of water on public stand pipe rate. It is equivalent to 150No jerrycans of water on domestic tariff rate. Clearly, it is just a question of perception and prioritizing needs in a homestead.

It is to be noted that NWSC charges for water services because of production inputs: chemicals, power, infrastructure and labor that cost money. Free water is, undoubtedly, found in natural sources and require value addition to reach customers. In South Africa, the average water tariff in some utilities is about 2 USD per 1000 liters.



Q 6. What are you planning for the sewerage sector? You seem to have neglected it.

A We have not neglected the sewerage sector. There are two perspectives to the sewerage sector: sewerage infrastructure investment is cost-heavier than water and sewerage investment must, sequentially, follow investment in water supply. This is because sewerage infrastructure carries by-product of water supply infrastructure at homestead level. Moreover, people always have many options of self-service on the sanitation side, using a number of options like improved ventilated pit latrines and septic tanks. Of course, the latter have limitations regarding efficiency of sewage treatment and hence local environmental pollution. NWSC sewerage strategy is a phased one, following a sewerage master plan, starting with urban settings where onsite sanitation is technically challenging to use.

Q 7. How about social media allegations we normally see?

A You cannot stop people from expressing themselves in whatever way. What is important is the intent behind those expressions: is it in good or bad faith? Is it in public interest or they are aimed at solving personal scores? At NWSC, we try hard to deliver value to our customers in a corporate governance compliant way. We work hard to do the right things and are open to applying corrective measures where problems/gaps occur. Our internal managerial control systems are robust and work well. That is why NWSC has made significant achievements (2014-to date). Number of town served have increased from 24 to 258; water network length has increased from 6500Kms to 20,000Kms; customer connections have increased from 270,000 to 800,000; turnover has increased from UGX 150Bn/- to UGX 450Bn/- and asset value has increased from UGX 650Bn/- to UGX 3,500Bn/-.