



An AMCOW Country Status Overview

# Water Supply and Sanitation in Tanzania

Turning Finance into Services for 2015 and Beyond





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## Strategic Overview

The water and sanitation sector in Tanzania has undergone extensive reforms in the past decade. This led to the recent adoption of a Sector-Wide Approach (SWAp), which includes much greater coordination of finance for the sector as well as taking a sectorwide view of performance monitoring and institutional development. Through the multidonor Water Sector Development Program (WSDP), funding for the sector has quadrupled since 2002.

However, Tanzania is not on track to meet the Millennium Development Goal target for either water supply or sanitation—the overall trend in access as reported by survey data barely keeps up with population growth in both cases, let alone extending access to the unserved. Although the most up-to-date survey data was collected before the recent rapid increase in funding for the sector, the funding has come too late to meet the targets. An analysis of the investment requirements and budget allocations suggests that even with the recent increase, funding is less than what is required to meet urban water supply targets and only sufficient in rural areas if low cost technology options are deployed. In sanitation, the mechanisms for leveraging the majority of finance which is expected to come from households are yet to be defined, making it difficult to estimate the investment gap.

The shift to a SWAp has not been a smooth transition, and a number of still-unresolved issues threaten to undermine donor confidence before the new approach has been given time to deliver. Institutional reform and increased finance do not guarantee services unless the entire ‘service-delivery

pathway’, along which finance is converted into services, is functioning effectively. Upstream progress in policy and institutional reforms as well as finance is positive, but is currently undermined by downstream management and implementation challenges. Key concerns include:

- At the national level, improvements in procurement and budget management, monitoring, and reporting are critical to prevent a return to project funding.
- At the local level, sustainability and equity challenges threaten to undermine the effectiveness of the new funds in rural areas, as does the lack of a clear strategy for pro-poor urban water supply.
- Low budget utilization suggests that even if investment funding for water supply were increased to the required level, the targets would not be met.
- In sanitation, institutional and policy frameworks lag behind those of the water supply sector, though progress is being made in addressing this.
- The sanitation sector is also undermined by the lack of accurate data on the current state of latrine coverage.
- The lack of proven effective strategies to persuade and enable rural and urban households to invest in improved sanitation in the Tanzanian context is also holding back the sector. The outcome of ongoing efforts to fill this knowledge gap will be very important.

This second AMCOW Country Status Overview (CSO2) has been produced in collaboration with the Government of Tanzania and other stakeholders. Agreed priority actions to tackle these challenges, and ensure finance is effectively turned into services, have been identified here.

**Agreed priority actions to tackle these challenges, and ensure finance is effectively turned into services, are:**

### **Sectorwide**

- Finalize and operationalize the promising draft National Sanitation and Hygiene Policy, and efforts to improve inter-ministerial coordination as a matter of urgency.
- Cement recent efforts to systematize and speed up procurement and budget management processes.
- Make a clearer distinction between routine monitoring and household surveys to help the sector identify key obstacles preventing supply side progress (outputs) translating into user side improvements (outcomes).
- Bring household surveys in line with international best practice on sanitation.

### **Rural water supply**

- Fast-track implementation of the new national program, PRONASAR and its associated common fund.
- The establishment of institutional arrangements and mechanisms to ensure the sustainability of community-managed rural water supplies.

### **Urban water supply**

- Clarify and strengthen pro-poor approaches for urban water supply, including a combination of strengthening accountability mechanisms, pro-poor service options such as kiosks, and even tariff increases for those already connected.

### **Rural sanitation and hygiene**

- Identify an effective approach for rural household sanitation promotion based on current initiatives being tested at scale and mainstream this into a nationwide program supported with adequate staffing and budgets.

### **Urban sanitation and hygiene**

- Revisit policy of only using public funds for sewerage expansion in favor of a pro-poor approach that supports urban household sanitation promotion with public solutions to facilitate better management of septage from onsite sanitation.



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# Contents

	Acronyms and Abbreviations.....	6
1.	Introduction.....	7
2.	Sector Overview: Coverage and Finance Trends.....	8
3.	Reform Context: Introducing the CSO2 Scorecard.....	11
4.	Institutional Framework .....	13
5.	Financing and its Implementation.....	15
6.	Sector Monitoring and Evaluation .....	18
7.	Subsector: Rural Water Supply .....	20
8.	Subsector: Urban Water Supply.....	23
9.	Subsector: Rural Sanitation and Hygiene .....	25
10.	Subsector: Urban Sanitation and Hygiene.....	27
	Notes and References .....	29

## Acronyms and Abbreviations

AfDB	African Development Bank	MKUKUTA	Mkakati wa Kukuza Uchumi na Kupunguza Umaskini Tanzania – National Strategy for Growth and Reduction of Poverty
AMCOW	African Ministers’ Council on Water	MoHSW	Ministry of Health and Social Welfare
CAPEX	Capital expenditure	MoWI	Ministry of Water and Irrigation
COWSO	Community Owned Water Supply Organization	NAWAPO	National Water Policy
CSO2	Country Status Overviews (second round)	NGO	Nongovernmental organization
DAWASA	Dar es Salaam Water and Sewerage Authority	NWSDS	National Water Sector Development Strategy
DAWASCO	Dar es Salaam Water and Sewerage Corporation	O&M	Operations and maintenance
EWURA	Energy and Water Utilities Regulatory Authority	OPEX	Operations expenditure
GDP	Gross domestic product	PRSP	Poverty Reduction Strategy Paper
GNI	Gross national income	RSH	Rural sanitation and hygiene
GTZ	Gesellschaft für Technische Zusammenarbeit, a German technical assistance agency	RWS	Rural water supply
HH	Household	SSA	Sub-Saharan Africa
JICA	Japan International Cooperation Agency	SWAp	Sector-Wide Approach
JMP	Joint Monitoring Programme (UNICEF/WHO)	TAWASANET	Tanzania Water and Sanitation Network
JWSR	Joint Water Sector Review	TSSM	Total Sanitation and Sanitation Marketing
KfW	Kreditanstalt für Wiederaufbau; a German government-owned development bank	UNICEF	United Nations Children’s Fund
LGAs	Local government authorities	USH	Urban sanitation and hygiene
LIC	Low-income country	UWS	Urban water supply
M&E	Monitoring and evaluation	UWSA	Urban Water Supply Authority
MDG	Millennium Development Goal	WASH	Water, sanitation and hygiene
		WHO	World Health Organization
		WSDP	Water Sector Development Program
		WSP	Water and Sanitation Program

Exchange rate: US\$1 = TZS 1396.<sup>1</sup>



# 1. Introduction

The African Ministers' Council on Water (AMCOW) commissioned the production of a second round of Country Status Overviews (CSOs) to better understand what underpins progress in water supply and sanitation and what its member governments can do to accelerate that progress across countries in Sub-Saharan Africa (SSA).<sup>2</sup> AMCOW delegated this task to the World Bank's Water and Sanitation Program (WSP) and the African Development Bank (AfDB), which are implementing it in close partnership with UNICEF and the WHO in over 30 countries across SSA. This CSO2 report has been produced in collaboration with the Government of Tanzania and other stakeholders during 2009/10.

The analysis aims to help countries assess their own service delivery pathways for turning finance into water supply and sanitation services in each of four subsectors: rural and urban water supply, and rural and urban sanitation and hygiene. The CSO2 analysis has three main components: a review of past coverage; a costing model to assess the adequacy of future investments; and a scorecard which allows diagnosis of particular bottlenecks along the service delivery pathway. The CSO2's contribution is to answer not only whether past trends and future finance are sufficient to meet sector targets, but what specific issues need to be addressed to ensure finance is effectively turned into accelerated coverage in water supply and sanitation. In this spirit, specific priority actions have been identified through consultation. A synthesis report, available separately, presents best practice and shared learning to help realize these priority actions.

## 2. Sector Overview: Coverage and Finance Trends

### Coverage: Assessing Past Progress

Current coverage estimates from the Ministry of Water and Irrigation (MoWI) distinguish between rural areas (58.7 percent), small towns (53 percent), urban areas (84 percent) and Dar es Salaam (68 percent). The estimates are derived from routine monitoring data (number of facilities built, multiplied by a fixed estimated population served per facility). Based on population estimates for each area, an overall water supply coverage estimate of 64 percent is derived for 2009 (Figure 1).<sup>3</sup> National targets proposed for the forthcoming National Strategy for Growth and the Reduction of Poverty II (popularly known by its Swahili acronym, MKUKUTA) are also set individually for these four distinct areas (65 percent in rural areas; 57 percent in small towns; 95 percent in urban areas; and 75 percent in Dar es Salaam). Overall, these individual targets translate into an ambition to provide services to 71 percent of the total population by 2015—an additional 1.5 million people per year.

Data from the Joint Monitoring Programme (JMP),<sup>4</sup> which uses household surveys, puts water supply coverage lower at 54 percent (45 percent rural, 80 percent urban) representing

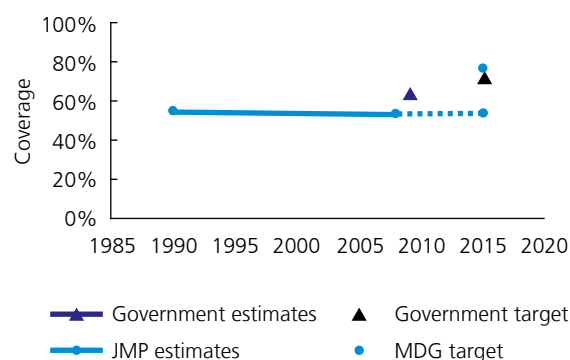
a slight downward trend from 55 percent in 2008. To meet the Millennium Goal Development (MDG) target of 78 percent (halving the unserved population, relative to 1990 levels) it would require an additional 2.4 million people per year to gain access to an improved water supply.

For sanitation, the JMP suggests access to improved sanitation has just kept up with population growth between 1990 and 2008, with coverage remaining stagnant at 24 percent overall (dropping slightly to 21 percent in rural areas; rising slightly in urban areas to 32 percent).<sup>5</sup> Projecting the JMP trend line to 2009 to match the water supply estimates implies 3.5 million Tanzanians will require access each year up to 2015. If the current trend is not accelerated only 322,000 will obtain access per year.

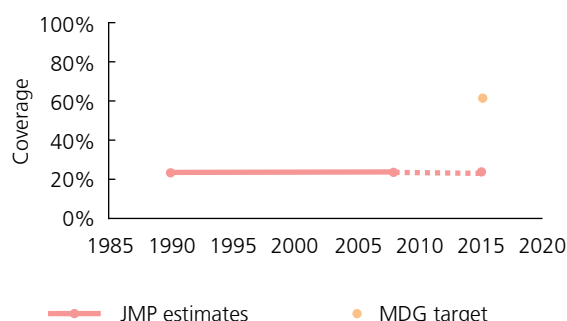
These trends reflect the difficult transition that the sector has gone through in moving from projects to programmatic support. Unlike education and health the water sector is driven by development budgets. The post-2000 shift towards budget support funding to the Poverty Reduction Strategy Paper (PRSP) did not feed through to the development budget in the water sector until 2005; when it did, sector systems to

**Figure 1**  
Progress in coverage

#### Water supply



#### Sanitation



Sources: Government data: MoWI submission for MKUKUTA II; JMP data: JMP 2010 report.

equitably allocate and decentralize spending had to be put in place. In 2007, as the culmination of several years of sector reforms, a comprehensive sectorwide plan, the Water Sector Development Program (WSDP)<sup>6</sup>, was launched for investing in water supply and sanitation infrastructure, with almost US\$1 billion finance over five years from the World Bank, AfDB, German and Dutch governments, and the Government of Tanzania. The scale of finance available for the sector is vastly greater than the funding that was previously available, giving reason to hope that coverage trends will soon improve.

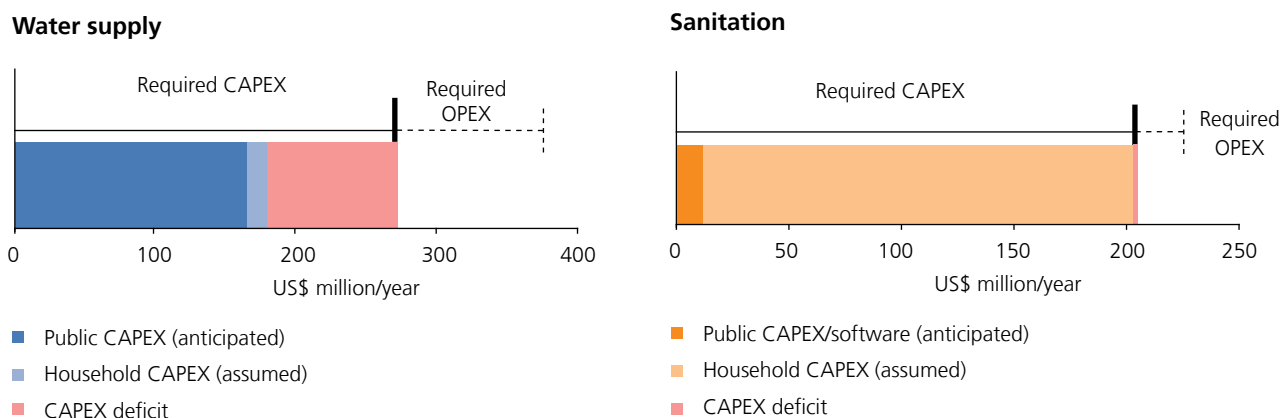
### Investment Requirements: Testing the Sufficiency of Finance

Figure 2 and Table 1 compare public capital investment needs to meet the national targets in the case of water supply, and the MDG target in the case of sanitation, with anticipated investments. For water supply, the estimates draw on the routine monitoring data and population data used above, together with data on anticipated investments, anticipated technology types to be deployed, and unit cost data from the MoWI. These estimates assume a fairly low-cost mix of technology types to be used, particularly in rural areas, and unit costs for each technology type that are at the low end of the range of estimates used by different assessments, such as the Africa Infrastructure Country Diagnostic. In using routine monitoring data for current coverage levels, the estimates assume higher existing coverage than other possible sources of coverage data.

These charts demonstrate that the WSDP funding, while making a big step in the right direction, is too little too late to meet the national (water supply) and MDG (sanitation) targets. A total of US\$272 million per year is required from public finance and households in water supply capital investments (CAPEX), of which just over half (US\$165 million per year) is anticipated from public investments. This is assumed to leverage an additional US\$9 million per year in household contributions, based on users contributing 5 percent of total costs, leaving a funding gap of US\$98 million per year overall (assuming reallocations between urban and rural subsectors are possible). In fact, the gap is entirely in the urban water supply subsector, where a high proportion of anticipated household connections (70 percent) leave a subsector funding gap of US\$101 million per year. In contrast, anticipated investments in rural water supply, assuming high existing coverage and a low cost technology mix, is sufficient to meet targets. If the JMP coverage estimates are instead used, and investment requirements estimated to meet the MDG targets, requirements are slightly higher for urban water supply, and around 50 percent higher for rural water supply (due to a lower coverage estimate and higher subsector target).

Analysis of public investment requirements for sanitation is complicated by two factors. First, national policy in Tanzania requires that capital investment in household sanitation should be financed entirely by households themselves, with the exception of a small amount of

**Figure 2**  
Required vs. anticipated public and assumed household expenditure for water supply



Source: CSO2 estimates.

**Table 1**  
Coverage and investment figures<sup>7</sup>

	Coverage		Target 2015	Population requiring access	CAPEX requirements		Anticipated public CAPEX			Assumed HH CAPEX	Deficit
	1990	2009			Total	Public	Domestic	External	Total		
	%	%	%	'000/year	US\$ million/year						
Rural water supply	46%	58%	64%	830	64	61	13	51	64	3	-
Urban water supply	94%	80%	90%	656	207	197	22	79	101	5	101
<b>Water supply total</b>	<b>56%</b>	<b>64%</b>	<b>71%</b>	<b>1,486</b>	<b>272</b>	<b>258</b>	<b>35</b>	<b>130</b>	<b>165</b>	<b>9</b>	<b>98</b>
Rural sanitation	23%	21%	62%	2,590	150	0	0	3	3	150	-
Urban sanitation	27%	32%	64%	900	55	15	1	7	8	22	25
<b>Sanitation total</b>	<b>24%</b>	<b>24%</b>	<b>62%</b>	<b>3,491</b>	<b>205</b>	<b>15</b>	<b>2</b>	<b>10</b>	<b>12</b>	<b>172</b>	<b>21</b>

Sources: For coverage, MoWI MKUKUTA II submission and JMP 2010 report; for investments, CSO2 costing.

public investment in sewerage systems. The biggest roles for public investment in sanitation are (a) in sanitation and hygiene promotion activities, such as social marketing, which do not produce easy estimates of public finance required to meet particular coverage targets; and (b) in constructing sanitation facilities in public institutions such as schools and health facilities and in public places such as markets and bus stations, none of which is covered by the MDG target. This undermines efforts to estimate public investment requirements for sanitation.

Second, public sector budgets in Tanzania frequently do not distinguish between investments in water supply and investments in sanitation. This makes it hard to estimate anticipated public investments in sanitation. The analysis of sanitation sector investments presented in Figure 2 (to meet the MDG targets, based on JMP data) should therefore be interpreted with caution. In particular, while the substantial user contribution to capital costs depicted in Figure 2 follows the policy assumption, it will not be leveraged in practice without sufficient funding, human resources, coordination and tools for promotion.

There are a number of reasons why the above depiction of investments may be over-optimistic. A particular concern is operation and maintenance requirements (O&M) (see Table 2). As in many countries, in Tanzania there is an implicit assumption that O&M costs (OPEX) will be recovered from users, though in practice this is not always

**Table 2**  
Annual OPEX requirements

Subsector	OPEX US\$ million/year
Rural water supply	21
Urban water supply	83
<b>Water supply total</b>	<b>104</b>
Rural sanitation	12
Urban sanitation	9
<b>Sanitation total</b>	<b>21</b>

Source: CSO2 costing.

achieved. If any of the annual OPEX has to be subsidized from the public purse, for example to utilities that do not achieve operational cost recovery, it reduces the amount available for capital investment.

These considerations are only part of the picture. Bottlenecks can in fact occur throughout the service delivery pathway—all the institutions, processes and actors that translate sector funding into sustainable services. Where the pathway is well developed, sector funding should turn into services at the estimated unit costs. Where it is not, the above investment requirements may be gross underestimates. The rest of this report evaluates the service delivery pathway in its entirety, locating the bottlenecks and presenting the agreed priority actions to help address them.

### 3. Reform Context: Introducing the CSO2 Scorecard

Tanzania's socialist past delivered both positive and negative results in the water and sanitation sector. On the positive side, the high profile *Mtu ni Afyā* public education campaign led to the widespread construction of basic household latrines, to the extent that Tanzania still has very high coverage of basic household latrines compared to elsewhere in Africa. However, in water supply, free water policies undermined sustainability and contributed, along with broader economic stagnation, to chronic underinvestment in both expansion and maintenance.

The first National Water Policy, adopted in 1991, was the start of a long process of reforms to address the shortcomings of the previous system and build donor confidence. User charges were introduced along with the establishment of urban utilities, designed to be self-financing. This included an ultimately unsuccessful attempt at introducing private sector participation to the running of Dar es Salaam's water supply in 2003. A second National Water Policy (NAWAPO)<sup>8</sup> was adopted in 2002, strengthening provisions for cost recovery and introducing stronger pro-poor rhetoric.

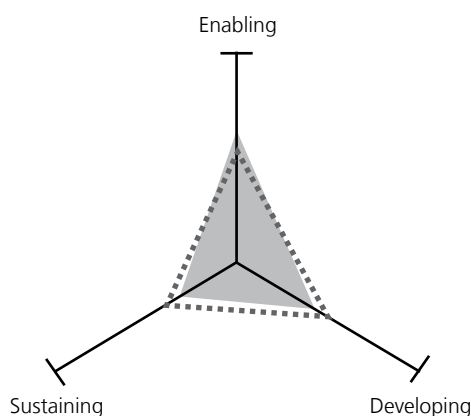
Since 2005, a Sector-Wide Approach (SWAp) has been adopted, represented most particularly by the WSDP.<sup>9</sup> This multidonor program aims to improve coordination and increase national ownership of water sector investments and has attracted commitments worth US\$951 million over five years from the World Bank and AfDB, German, Dutch and French governments, the US Millennium Challenge Corporation, and the Government of Tanzania. Finance for the sector has more than quadrupled since 2002 as a result.<sup>10</sup> Alongside the increased finance, the SWAp includes efforts to improve sector performance monitoring and strengthen sector capacity.

This recent history puts the service delivery pathway in context, which can then be explored in detail using the CSO2 scorecard, an assessment tool providing a snapshot of reform progress along the service delivery pathway. The CSO2 scorecard assesses the building blocks of service delivery in turn: three building blocks which relate to enabling services, three which relate to developing new

services, and three which relate to sustaining services. Each building block is assessed against specific indicators and scored from 1 to 3 accordingly.<sup>11</sup>

Figure 3 compares how these reforms in Tanzania have delivered with comparable low income countries (a GNI below US\$500 per capita, Atlas Method). In terms of 'enabling' reforms, which are measured against indicators relating to policies, plans, and budgets, Tanzania performs relatively well, though performance in this area is even stronger for water supply—the average figure is brought down by poor performance in sanitation. Tanzania's scores in 'developing' services, which relate to expenditure of funds, systems for allocating them equitably, and securing sufficient output, are below the average for comparable countries. The same applies to scores for 'sustaining' services once in place, which capture considerations such as the extent of markets for sanitation hardware, or maintenance and expansion of water supply systems—again, if sanitation is excluded, Tanzania's scores improve considerably.

**Figure 3**  
Average scorecard results for enabling, sustaining, and developing service delivery, and peer-group comparison



■ Tanzania average scores  
 :::: Averages, LICs, GNI p.p. <=\$500

Source: CSO2 scorecard.

Sections 4 to 6 highlight progress and challenges across three thematic areas—the institutional framework, finance, and monitoring and evaluation (M&E)—benchmarking Tanzania against its peer countries based on a grouping by

gross national income. The related indicators are extracted from the scorecard and presented in charts at the beginning of each section. The scorecards for each subsector are presented in their entirety in sections 7 to 10.

**Table 3**  
**Key dates in the reform of the sector in Tanzania**

Year	Event
1970s	High profile <i>Mtu ni Afya</i> campaign on sanitation
1970s–80s	Top-down, free water approach to water supply
1991	First National Water Policy, introducing user charges
2001	Legislation for an independent utility regulator passed
2002	National Water Policy (NAWAPO) adopted
2002	Rural Water Supply and Sanitation Program launched
2003	Leasing of Dar es Salaam water supply to private sector company
2005	Renationalization of Dar es Salaam water supply
2005	National Water Sector Development Strategy (NWSDS) developed
2007	Launch of the Water Sector Development Program (\$951 million over five years)
2008	Approval of NWSDS
2009	New water legislation passed by Parliament

## 4. Institutional Framework

### Priority actions for institutional framework

- The draft National Sanitation and Hygiene Policy and efforts to improve inter-ministerial coordination are promising and should be finalized and operationalized as a matter of urgency.

Tanzania's institutional framework for water supply has undergone considerable reform in recent years as part of the shift to a SWAp. As a result, Tanzania out-scores its peers on indicators related to the institutional frameworks for urban and rural water supply. However, reforms to the institutional framework for sanitation and hygiene have lagged behind and are only now taking place. These findings are reflected in Figure 4. The basic outline of reforms for water supply and sanitation respectively is provided here, followed by key thematic challenges faced by the sector.

### Policy and legal framework for water supply.

The National Water Policy (NAWAPO, of 2002)<sup>13</sup> forms the basis of water sector policy, covering both urban and

rural water supply. It builds on the previous Water Policy (of 1991), strengthening mechanisms for community and private sector participation in water supply, and reducing the role of central government in implementation and management of water projects. This was followed by the 2005 National Water Sector Development Strategy (NWSDS), which sets out to strengthen the previously weak institutional and legal frameworks to implement the NAWAPO.<sup>14</sup> This was formally approved in 2008 and two new water acts (the Water Supply and Sanitation Act and Water Resource Management Act) were passed by Parliament in early 2009.

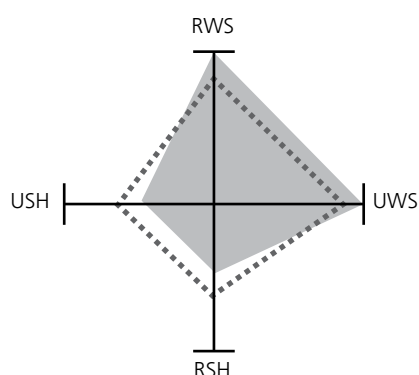
### Policy and legal framework for sanitation.

In contrast, the policy and legal frameworks for sanitation are weak, though this is being addressed. In particular, a National Sanitation and Hygiene Policy is in development, led by the Ministry of Health and Social Welfare (MoHSW). Previously, sanitation was spread across a number of related policies, including water (notably sewerage), health, education, and community development, resulting in fragmentation and little coordination.

### Rural water supply institutions: Decentralization and community ownership.

Under Tanzania's decentralization policies, local government authorities (LGAs) have taken over responsibility for investment in rural water supply infrastructure, with the national ministry focusing on developing policy and guidelines, capacity development, and performance monitoring. This division of responsibilities technically began some years ago but did not become the norm until 2007 with the launch of the WSDP. Further, centrally-coordinated rural projects continue to be initiated in large numbers. At community level, community-owned water supply organizations (COWSOs) are responsible for O&M.

**Figure 4**  
Scorecard indicator scores relating to institutional framework compared to peer group (see endnotes)<sup>12</sup>



■ Tanzania average scores  
 :: Averages, LICs, GNI p.p. <=\$500

Source: CSO2 scorecard.

COWSOs can take a number of different forms, including water user groups and private companies, and are to be established and registered as independent legal entities. However, in practice, many village water committees (the previous water supply authority at village level, formed as part of village government) remain in place and continue to be formed in some cases. Furthermore, the registration of COWSOs is complex and time consuming and many therefore remain unregistered.<sup>15</sup>

**Urban water supply: Uncertain steps to privatization.** Urban water supply authorities (UWSAs) have responsibility for water supply, regulated by an independent regulator, the Energy and Water Utilities Regulatory Authority (EWURA). There is some minor duplication of responsibilities between the recently formed independent regulator, EWURA, and MoWI, with the ministry continuing to perform some roles that fit more naturally with EWURA, such as monitoring and reporting. UWSAs are theoretically autonomous entities being strengthened for privatization, though the majority remain highly dependent on operational subsidies from central or local government.<sup>16</sup> Dar es Salaam has been managed separately due mainly to its size. A failed attempt at leasing the water supply operation in 2003<sup>17</sup> has left the city with two publicly-owned entities, an asset holding agency (DAWASA, Dar es Salaam Water and Sewerage Corporation) and an operating authority (DAWASCO, Dar es Salaam Water and Sewerage Authority), which coexist in an often uneasy relationship. The future remains unclear, with talk of merging DAWASA and DAWASCO taking place alongside discussion about reprivatizing DAWASCO.

**Small towns: Creating viable service providers.** The status of small town utilities is currently in flux, with concerns about their financial viability leading to efforts to cluster several small town utilities together with a larger, better-established UWSA. This is being resisted by

UWSAs in both small and large towns and the future of this approach remains unclear.<sup>18</sup>

**Household sanitation: Steps towards institutional clarity at national level.** Institutional roles and responsibilities for household sanitation are much less clearly defined. At national policy-making level, the MoHSW has the mandate for coordination of sanitation policy and finance matters, but the practice is less clear-cut. The MoWI has responsibility for sewerage, and the majority of aid finance for household sanitation is bundled together with finance for water supply and therefore flows through the MoWI's budgets. There have been some recent efforts to improve coordination in the sanitation sector as part of the work to develop a National Sanitation and Hygiene Policy. This brings together the Ministries of Health and Water with Education and Vocational Training and the Prime Minister's Office for Regional Administration and Local Government, including the development of a multiministerial Memorandum of Understanding outlining their respective roles and responsibilities.

**Aid coordination: Continuing the positive developments.** Since 2004, the main donors in Tanzania's water sector have improved their coordination greatly, with the German development agencies KfW and GTZ playing leading roles alongside the World Bank; and AfDB, the Netherlands, and France supporting the resulting SWAp. This culminated in the development of a SWAp and the WSDP. The majority of the sector's major donors are either pooling funds in the sector basket funding mechanism or coordinating their funding closely with other donors while providing earmarked funds for particular projects or subsectors. This is a significant improvement since five years previously, when almost all donor finance for the sector was provided as project funding. There is an active Development Partner Group for Water, which acts as the main forum for coordinating donor activities.



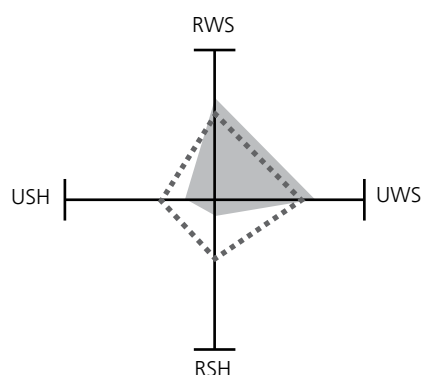
## 5. Financing and its Implementation

### Priority actions for financing and its implementation

- The shift from project funding to a sectorwide approach is not a smooth process and it is not yet certain that the sector will emerge from the transition without losing the trust of some key donors. Cementing recent improvements to procurement and budget management will be critical.
- More systematic use of data on access and infrastructure in planning and budget allocations would help overcome the present equity challenges and result in more efficient use of resources.

The WSDP represents a quadrupling of finance for the sector—a major accomplishment—though managing these funds effectively, efficiently, and equitably remains challenging. Furthermore, financing for sanitation remains opaque, hard to distinguish from finance for water supply and split between multiple agencies. As a result, and as shown in Figure 5, Tanzania out-scores its peers in terms of finance for water supply, though not for sanitation and hygiene.

**Figure 5**  
Scorecard indicator scores relating to financing and its implementation, compared to peer group<sup>19</sup>



■ Tanzania average scores  
 :::: Averages, LICs, GNI p.p. <=\$500

Source: CSO2 scorecard.

**Planning: Tighter linking of inputs, outputs, and need.** The sector's investment plan, the WSDP, has its own targets and is therefore not directly based either on national (MKUKUTA) or international (MDG) targets. Furthermore, the WSDP's targets (and costing) are based on routine monitoring figures while MDG monitoring draws on household surveys. Similarly, operational planning processes depend on routine monitoring data. In rural water supply, this is operationalized through a formula-based allocation system, though this is not fully implemented.<sup>20</sup> In urban water supply, service delivery data is used for planning, though not systematically. It is also becoming widely accepted that routine monitoring data for both urban and rural water supply is based on flawed assumptions, though there are currently efforts under way in both urban and rural water supply to improve the quality of routine monitoring data.<sup>21</sup>

**Budgeting: Quantity.** The WSDP represents a 400 percent increase in funding for Tanzania's water sector.<sup>22</sup> Even this increase, however, does not appear to be sufficient to meet the sector targets. However, increasing funding further is not likely to close the gap as absorption capacity is already insufficient to keep pace with the increases.

**Equity: Fairer allocations to subnational level.** Public funding for water sector investments is allocated using a combination of formulae and less systematic approaches. The division of funding between urban and rural water supply is made at the political level,

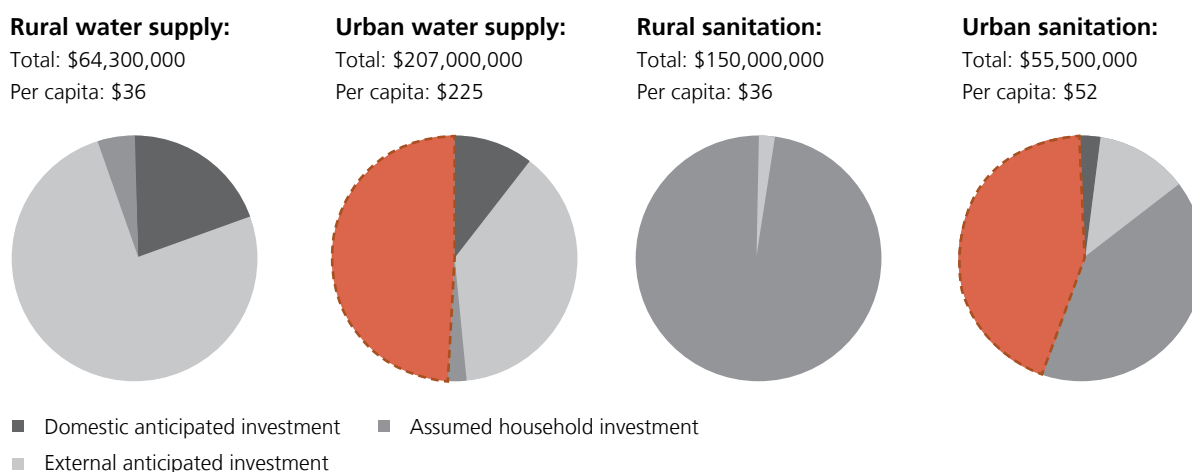
with lobbying from civil society (supported by donors) having recently reduced a considerable bias in favor of urban investments.<sup>23</sup> In urban water supply, there is no national formula-based allocation system to utilities for either capital or operational subsidy. The ministry has a set of criteria for allocating investment funds to utilities, though these criteria are not used systematically. A formula system, linked to the Local Government Capital Grant means allocations within the rural water supply subsector are more systematic, which has brought about a major improvement in equity between districts,<sup>24</sup> though deviations from the formula system remain common.<sup>25</sup>

**Equity: Local participation.** At a local level, the allocation of resources to projects in specific rural communities within a district is intended to be based on a combination of need (as demonstrated by current levels of access) and demand (as demonstrated through the bottom up planning process). However, recent evidence suggests that in practice, allocations are targeted at wealthier, more politically connected, less remote and better-served communities.<sup>26</sup> Furthermore, though there is no systematic research available, there is widespread anecdotal evidence that investment allocations within urban areas are also targeted at wealthier communities.

**Expenditure: Blockages to utilization.** Utilization of allocated resources is a major issue for the sector in Tanzania. In the financial year 2007/8, only 55 percent of allocated budgets were expended,<sup>27</sup> with delays in donors' disbursements, cumbersome procurement processes, and limited implementation capacity cited as the main reasons for these delays.<sup>28</sup> The situation improved slightly in 2008/9, partly as a result of a budget reduction and partly due to improvements in procurement management.<sup>29</sup> Nevertheless, utilization challenges remain serious, and currently suggest that even if funding were to increase to the required level, the targets would not be met. The capacity constraints of coordinating authorities, implementing agencies, and private sector contractors all act as brakes on spending, and it is unlikely that additional funding for water supply would make much difference at present.

**Aid delivery and coordination: A positive but difficult transition.** The majority of major donors for the sector are fully engaged with the SWAp, including the World Bank, AfDB, KfW, Royal Netherlands Embassy (RNE), and Agence Française de Développement (AFD). The main exceptions are JICA and the US agencies (Millennium Challenge Corporation, MCC, and USAID). Nevertheless,

**Figure 6**  
**Overall annual and per capita investment requirements and contribution of existing financing by source**



Source: CSO2 scorecard.

this approach is not seen by donors or government as perfect; the shift from project funding to the WSDP has not been easy. The ministry's new role as coordinator (rather than implementer) requires a different skill-set and different thinking. This transition has contributed to the slow pace of implementation and is affecting the quality of planning, monitoring and reporting in a way that is leaving some donors dissatisfied. Some are beginning to

lose faith in the approach, while others see the challenges more as growing pains, which will take time to overcome, but worth waiting for on the basis that once new systems and capacities are in place, national ownership and accountability will be substantially stronger than would be the case under a return to project financing. This is a particular concern as the initial five-year period of the WSDP comes to an end.

## 6. Sector Monitoring and Evaluation

### Priority actions for sector monitoring and evaluation

- A clearer distinction between routine monitoring and household surveys would help the sector identify key obstacles preventing supply-side progress (outputs) translating into user-side improvements (outcomes).
- Bring household surveys into line with international best practice on sanitation.

Performance monitoring in Tanzania is benefiting from the shift to thinking at sectorwide level. This has drawn attention to inconsistencies and inaccuracies in existing monitoring and reporting mechanisms. As in other areas, water supply out-scores sanitation, where less work has gone into improving monitoring systems.

### Performance monitoring: Improving consistency.

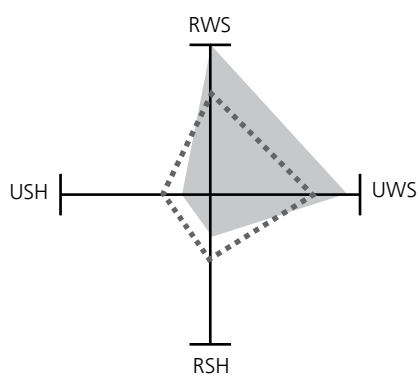
Performance monitoring in the sector has been recognized as a weak point, resulting in the commissioning in 2009 of a

review of the sector's performance monitoring framework and systems. Significant weaknesses highlighted by the review include the inconsistency of household surveys with MDG definitions for 'improved' sanitation, the over-reliance on routine monitoring data for water supply that depend upon flawed assumptions, and the slow pace of efforts to improve routine monitoring systems for rural water supply.<sup>31</sup>

**Accountability: Improving consultation.** Annual Joint Water Sector Reviews (JWSRs) have taken place in Tanzania since 2006. At each review, an annual sector performance report has been presented and priority actions for the coming year discussed and agreed. It has quickly become a key event in the annual calendar, the focus of considerably civil society lobbying and increasingly substantive debate. The equity reports (discussed in the final paragraph of this section) and engagement from the sector civil society network, TAWASANET, with the JWSRs are evidence that the forum acts as an accountability mechanism. As a more open forum than any other decision-making process in the sector, it is more easily accessible to civil society groups.

**Accountability: Reporting and supervision.** The quality of reports presented to the JWSRs has varied. The most recent report (for 2008/9)<sup>32</sup> was considered to be an improvement on previous years, though this did not include reporting on expenditure versus budget. Reports in all years have included nationally consolidated reports of sector outputs, though not consistently disaggregated

**Figure 7**  
Scorecard indicator scores relating to sector M&E, compared to peer group<sup>30</sup>



■ Tanzania average scores

::: Averages, LICs, GNI p.p. <=\$500

Source: CSO2 scorecard.

by utility and district. Similarly, the quality of discussion and outputs of the JWSRs has varied, though on a positive trajectory. A complementary process of twice-annual WSDP Supervision Missions has been in place since the WSDP was launched in 2007. The September–October 2009 Mission was, for the first time, timed to coincide with the JWSR. This has the positive effect of reducing duplication of dialog, but also took the final process of annual priority-setting away from the more public JWSR forum and into a closed door meeting, potentially reducing accountability.

**Accountability: Independent reporting on equity.** The 2007 JWSR mandated the recently formed civil society network, TAWASANET, to prepare an equity monitoring strategy and report for the sector. This report was presented at the 2008 review,<sup>33</sup> stimulating some debate on the equity-orientation of the sector and resulting in the mandate being extended to TAWASANET to prepare an annual equity report as a recurring feature of future JWSRs. The second such report was presented at the 2009 JWSR.<sup>34</sup>

## 7. Subsector: Rural Water Supply

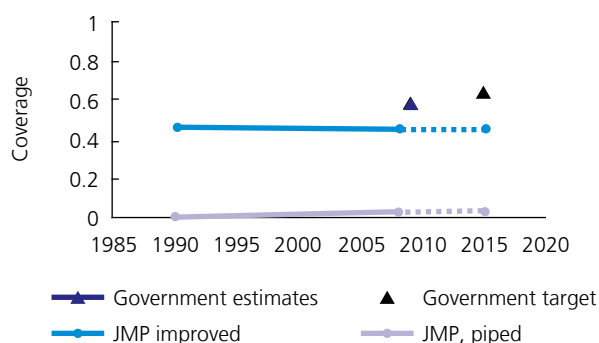
### Priority actions for rural water supply

- The increased funding available for rural water supply should be allocated more efficiently, including through more systematic use of data. This applies both nationally, where the allocation formula should be applied in full, and at local level, where equity considerations should be given greater weight in planning.
- Develop and implement a comprehensive strategy to address the poor sustainability record of rural water projects, including through strengthening monitoring of functionality and exploring the possibility of creating a funding window for rehabilitation of rural water supply infrastructure.

Government routine monitoring data puts coverage at 59 percent in 2009, against a subsector target of 64 percent. These figures are derived from the MoWI's estimates and targets for rural areas and small towns—the latter is counted as part of the urban subsector by MoWI, but is bracketed by the CSO2 with rural for purpose of consistency with other countries. Meanwhile, according to the trend line provided by JMP data, coverage has dropped fractionally from 46 percent to 45 percent, suggesting decades of underinvestment in rural water supply have resulted in no increase access. The massive increase in funding in the past three years has the potential to improve this situation, though significant bottlenecks are undermining progress in rural water supply. These are discussed later.

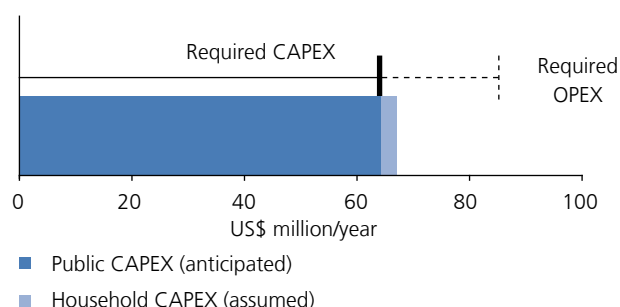
The costing model, which assumes the higher coverage levels depicted by MoWI estimates, and a low-cost technology mix, suggests that current levels of funding in the rural water supply subsector are sufficient to meet the target for rural water supply (derived from the MoWI's separate targets for small towns and rural areas). On the other hand, calculating the investment requirements to meet the rural share of the MDG target, based on the latest JMP report (1990 baseline and 2008 coverage) produces a deficit equivalent to around a third of available finance. Furthermore, regardless of the coverage data used, it is likely that some of the required operational expenditure (OPEX) burden of around US\$19 million per year will fall on public finance, in the absence of sufficient cost recovery from users.

**Figure 8**  
Rural water supply coverage



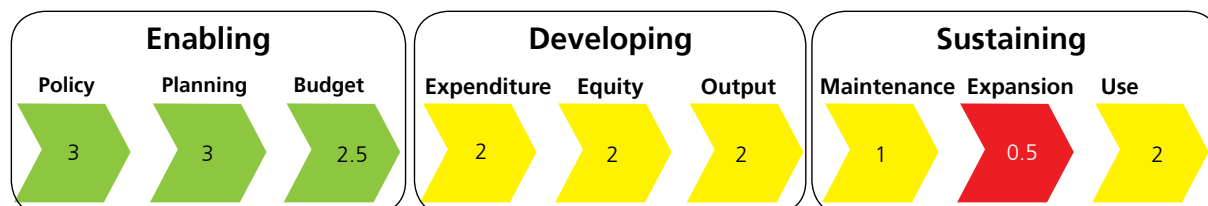
Sources: MoWI submission to MKUKUTA II and JMP 2010 report.

**Figure 9**  
Rural water supply investment requirements



Source: CSO2 costing.

**Figure 10**  
Rural water supply scorecard

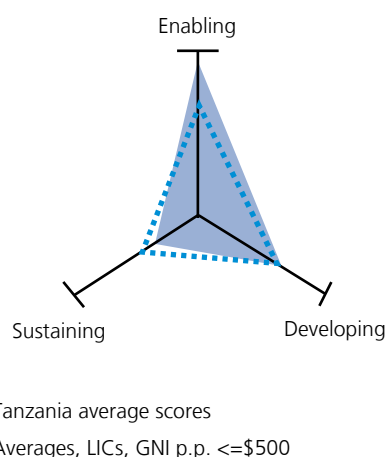


Source: CSO2 scorecard.

The subsector scorecard is depicted in Figure 10. The scorecard uses a simple color code to indicate: building blocks that are largely in place, acting as a driver on service delivery (score >2, green); building blocks that are a drag on service delivery and require attention (score 1–2, yellow); and building blocks that are inadequate, constituting a barrier to service delivery and a priority for reform (score <1, red). Figures 10 and 11 (which compare Tanzania’s performance to its peers) indicate progress has been good in designing the institutional and policy elements that make up the enabling environment—high scores are registered for elements such as the NAWAPO (policy) and WSDP (investment plan). However, there is clearly room for improvement further downstream in the service delivery pathway, with regard to aspects relating to developing and sustaining services. There are three major obstacles in rural water supply that if not addressed, will prevent the increased funding from achieving concrete improvements in service delivery. First, the capacity of local government and private contractors to efficiently absorb increased funding means that further funding increasing would be unlikely to deliver any benefit—as far as budget utilization can be estimated, it remains below 75 percent of allocated funds—reducing the score for ‘expenditure’ (Figure 10).

Second, unless funding is targeted where most needed, new services actually mean better services for those who already have some access rather than increasing the number of people with access to water supply. The score for ‘equity’ is reasonable because there is a national-level formula system for allocating funds. However, it needs to be consistently applied and better integrated with local government planning systems to avoid new projects being allocated by LGAs to communities based only on demand rather than on consideration given to existing service levels as well as demand.<sup>35</sup> Otherwise underserved communities will continue to be overlooked.<sup>36</sup>

**Figure 11**  
Average RWS scorecard scores for enabling, sustaining, and developing service delivery, and peer-group comparison



Source: CSO2 scorecard.

Third, sustainability challenges threaten to undermine new investments, with as many as 46 percent of rural waterpoints not functional. According to policy, O&M costs for rural water supply infrastructure are to be covered through user fees. However, its implementation in practice is inconsistent. In many cases, user fees are not collected or are set at a level that is too low to cover repairs when required.<sup>37</sup> In other cases, user fees are collected but not protected for use when needed—the funds are either spent for some other purpose or misappropriated. This points to a failure of management, monitoring, and regulation. Poor institutional arrangements at the community level may be at fault, as when community water supply organizations are insufficiently autonomous from village government. Yet, even well designed institutional arrangements require

some form of outside monitoring and regulation. District government is mandated to perform this backstopping and oversight role, but there is no systematic approach to doing so,<sup>38</sup> and recurrent funding lags well behind the recent increases in development funding. These challenges result in an a modest score for maintenance, and the lack of funding and support has even more serious implications for expansion of rural water supply schemes, which registers the lowest score of all.

Ensuring that community water supply organizations are autonomous of village local government has been recognized as a key component of ensuring sustainability

and encouraging expansion. However, while new institutional arrangements have been prescribed by the NWSDS and the recent Water Supply and Sanitation Act, implementation remains patchy. Village water committees, formed as part of village government, remain common and continue to be formed in some cases, despite policy and legislation calling for more autonomous arrangements. Where more autonomous entities have been formed, protecting their independence by ensuring that they are legally registered has been a time-consuming exercise. The recent legislation simplifies the process by enabling registration at district rather than national level, though this has yet to be implemented.



## 8. Subsector: Urban Water Supply

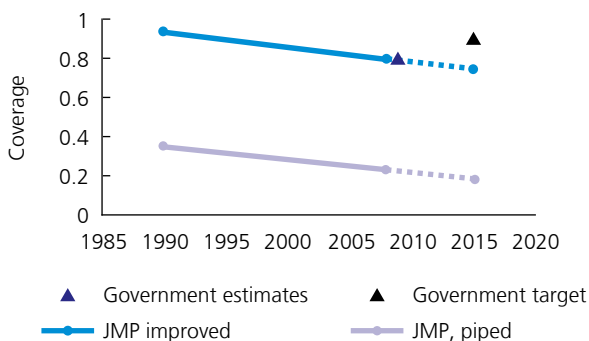
### Priority actions for urban water supply

- Clarify and strengthen pro-poor approaches for urban water supply, including a combination of strengthening accountability mechanisms, pro-poor service options such as kiosks, and even tariff increases.

According to the trend line derived by the JMP from household surveys, access to improved water supply in urban areas is not keeping pace with population growth, and has declined from 94 percent in 1990 to 80 percent by 2008. Water piped on premises has declined at a similar rate, accessed by 23 percent of the population, according to the latest JMP report. This is the result of a combination of past underinvestment and urban population growth, particularly in Dar es Salaam. Unlike in rural water supply, the MoWI's routine monitoring data is in line with the JMP trend line. The subsector target depicted here and used for the costing (90 percent) is derived from the MoWI's separate targets for urban areas (95 percent) and Dar es Salaam (75 percent).

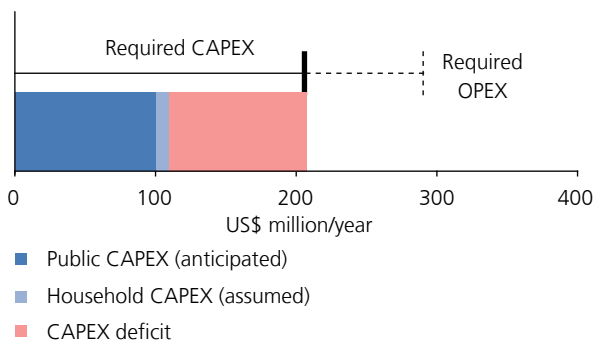
Financial flows in the subsector are currently insufficient to meet the above target of 90 percent coverage. An estimated US\$207 million per year would be required annually between 2009 and 2015 to meet this target, while only US\$101 million per year is currently available from public funds. This may leverage a further US\$5 million per year from households based on a 5 percent user contribution policy, leaving a deficit of US\$101 million per year. Furthermore, utilities' average operating cost ratio is currently 0.92, meaning operating costs (estimated at US\$83 million per year) are currently being subsidized from the public budget and there is no surplus available for expansion.

**Figure 12**  
Urban water supply coverage



Sources: MoWI submission to MKUKUTA II and JMP 2010 report.

**Figure 13**  
Urban water investment requirements



Source: CSO2 costing.

As in the rural subsector, urban water supply is generally stronger upstream, though it registers lower scores for developing aspects than sustaining (see Figure 15). Overall, it performs above its peer group average, but apart from the apparent shortfall in investments there are several issues which need to be addressed before finance will translate into services on a one-to-one basis. First, the low budget utilization rates (as low as 55 percent in 2007/8)<sup>39</sup> since funding has increased suggest that lack of sufficient finance is not the only obstacle to service expansion. Low utilization rates have been blamed primarily on procurement and contract management delays, though considerable progress is being made in addressing these problems by introducing new management tools.

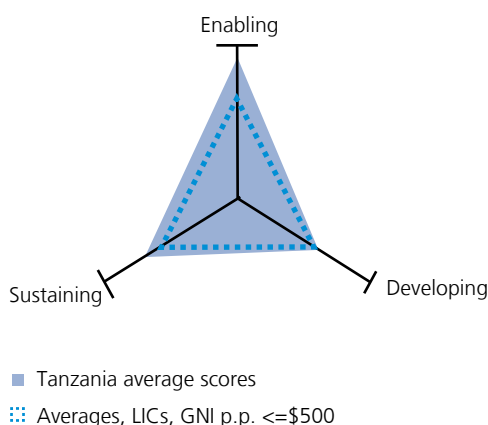
The equity with which finance is distributed also registers a low score. At utility level, there are some efforts to ensure

pro-poor planning. Strategies in use in some utilities for expanding services to the poor in current use include the construction of public water supply kiosks and cross-subsidies to support first time connections. However, these strategies are not widely implemented—a 2008 survey found that only 5 percent of 185 recently constructed kiosks in Dar es Salaam were functional,<sup>40</sup> while subsidized connections are likely to benefit the poorer middle classes living close to existing network infrastructure more than the poorest households.

The most straightforward measure of utilities' financial viability is their operating ratio (operational income over operational expenditure). The average ratio is currently 0.92, meaning utilities' revenues are currently not sufficient to cover their operating costs. Nonrevenue water is also high, at 37.4 percent in 2008, and is thought to be significantly higher in Dar es Salaam. Official data report that the average hours of service per connection per day is 18, though some areas get considerably less than this amount, with services sometimes available for only a few hours each week.<sup>41</sup>

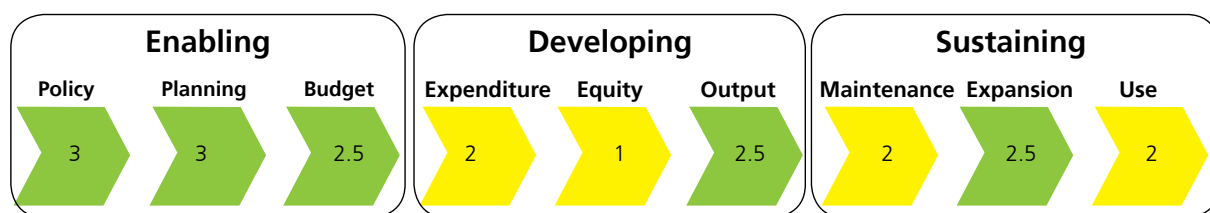
Maintenance and expansion for urban water supply receive higher scores than in the rural subsector, but it is nonetheless widely acknowledged in the sector that water tariffs are insufficient to cover the operating costs of most utilities. This has the effect of undermining the sustainability of utilities and preventing network expansion. If it results in a need for operational subsidies, it effectively means taxpayers in unserved households are subsidizing served households. Higher tariffs would therefore be in the interest of unserved households, including the vast majority of poorer households in urban areas. However, public debate around regular tariff review applications is almost universally in favor of keeping tariffs low, making it difficult for the regulator to go against public opinion.

**Figure 14**  
Average UWS scorecard scores for enabling, sustaining, and developing service delivery, and peer-group comparison



Source: CSO2 scorecard.

**Figure 15**  
Urban water supply scorecard



Source: CSO2 scorecard.

## 9. Subsector: Rural Sanitation and Hygiene

### Priority actions for rural sanitation and hygiene

- Identify an effective approach for rural household sanitation promotion based on current initiatives being tested at scale and mainstream this into a nationwide program supported with adequate staffing and budgets.

As a legacy of the 1970s public health campaign, *Mtu ni Afyā*, access to basic household latrines in rural Tanzania is relatively high at around 90 percent.<sup>42</sup> However, there is little data on the standard of these latrines. Official household surveys have not distinguished between ‘basic’ and ‘improved’ latrines (as per the JMP/MDG definitions), though the JMP estimates that the coverage of ‘improved’ latrines in rural areas of Tanzania is as low as 21 percent, a figure that is supported by other studies,<sup>43</sup> and declining. This is disputed within Tanzania, but until survey data is brought into line with the MDG definition of ‘improved’ latrines, this is the best available estimate. The JMP estimates that a further 21 percent of rural Tanzanians share a latrine between two or more households, which is not counted as improved access.

The projected CAPEX requirement for rural sanitation in Tanzania is US\$150 million per year, of which the vast majority is expected to be contributed by households—

Tanzania does not subsidize household latrine construction. In the absence of detailed affordability analysis, Figure 17 indicates that there is therefore no deficit for the subsector, that is, that household finance will be sufficient. However, the limited anticipated CAPEX shown for rural sanitation is mainly from nongovernmental organizations (NGOs)—it is not clear that there is sufficient finance from government for software activities (promotion and marketing) to encourage households to spend their limited incomes on sanitation. The assumed household contribution depicted in Figure 17 could therefore be illusory.

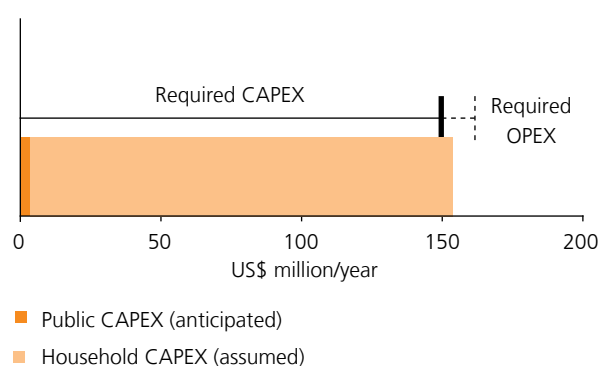
Misleading household survey statistics that hide the extent of the challenge are often cited as evidence that Tanzania does not have a rural sanitation problem. The subsector scorecard (Figures 18 and 19) indicates the serious challenges throughout the service delivery pathway, with a large number of red-colored, low scoring ‘building blocks’. At the first point in the service delivery pathway, the policy

**Figure 16**  
Rural sanitation coverage



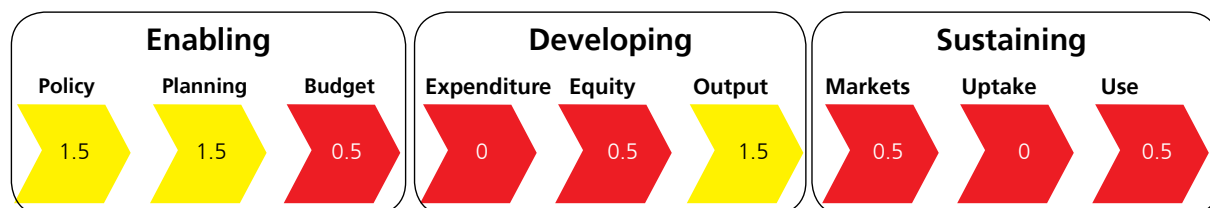
Sources: JMP 2010 report.

**Figure 17**  
Rural sanitation investment requirements



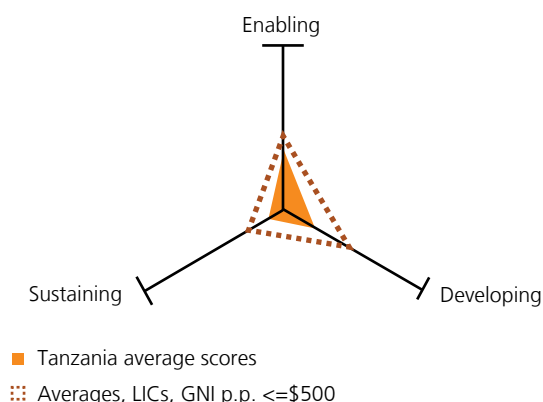
Source: CSO2 costing.

**Figure 18**  
Rural sanitation and hygiene scorecard



Source: CSO2 scorecard.

**Figure 19**  
Average RSH scorecard scores for enabling, sustaining, and developing service delivery, and peer-group comparison



Source: CSO2 scorecard.

score is reduced by institutional coordination challenges: responsibility for sanitation lies with the MoHSW but donor finance is often provided alongside funds for water supply through the MoWI. Efforts to clarify, and agree on, roles and responsibilities are making good progress. Unclear budget lines for the subsector reduce rural sanitation's score for the budget building block.

Tanzanian government policy does not support subsidies for rural household sanitation, but rather calls for government efforts to encourage households to invest in their own sanitation facilities. Increasing coverage therefore requires persuading households to invest in improved latrines and making it as easy as possible for them to do so.

There is limited but increasing understanding of how best to achieve this. Recent funding made available to local government under the WSDP for this purpose reportedly went unused as recipients were unsure how to

spend the money. However, there are several promising efforts under way to develop and demonstrate effective approaches. Most notably this includes Total Sanitation and Sanitation Marketing (TSSM), led by WSP, alongside various efforts from other development agencies and international NGOs such as UNICEF, WaterAid and GTZ. However, it remains the case that no single approach has yet proved conclusively effective in the Tanzanian context of pre-existing high coverage of basic latrines: low or no-subsidy approaches are conventionally more effective in getting households to shift from open defecation to basic sanitation, rather than upgrading from basic to improved latrines. Existing approaches have also yet to be mainstreamed into the policy and practice of national and local government.

The no-subsidy policy combined with the lack of a proven approach to sanitation promotion makes it difficult to assess the sufficiency of finance flows. It is not easy to calculate how much needs to be spent on sanitation marketing and/or artisan training in order to persuade a given number of households to invest in improved latrines. Furthermore, budgets for the sector are very difficult to extract from wider water sector budgets.

Rural sanitation markets are largely undeveloped in Tanzania, outside of a few isolated efforts to build artisan capacity. In more remote rural areas, particularly, accessibility of sanitation equipment (slabs, and so on) is minimal. The issue has yet to be prioritized by government. The scores for uptake and use suffer from the lack of monitoring—in addition to the above-mentioned problems around defining improved sanitation in household surveys (use), data on how households respond to the various promotion efforts (uptake) are largely absent, making it especially difficult to identify and scale-up the most effective approach.

## 10. Subsector: Urban Sanitation and Hygiene

### Priority actions for urban sanitation and hygiene

- Revisit policy of only using public funds for sewerage expansion in favor of a pro-poor approach that supports urban household sanitation promotion with public solutions to facilitate better management of septage from onsite sanitation.

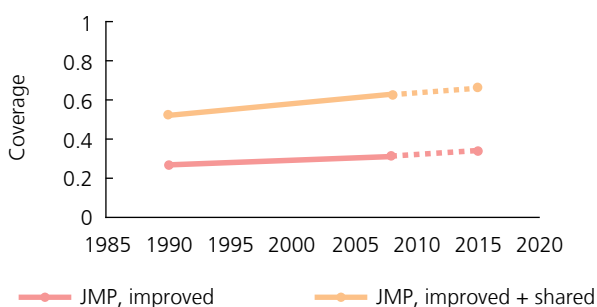
The JMP estimates that only 32 percent of urban Tanzanian households have access to an ‘improved’ latrine. Relative to 1990 levels of 27 percent improved coverage, this indicates a slight increase. However, the difficulty with these figures is that household surveys on which JMP estimates are based have not distinguished between ‘basic’ and ‘improved’ latrines, and it is therefore impossible to know with confidence what proportion of these latrines count towards the MDG target. A further 30 percent are estimated to access shared facilities. Very few urban households in Tanzania have no access to any latrine (open defecation)—only 2.3 percent according to the 2007 Household Budget Survey.<sup>44</sup>

Public finance for urban sanitation and hygiene does not provide for construction of household latrines—this cost is to be covered by households themselves, as in rural areas. Public investment is instead targeted at sewerage and sludge management infrastructure. Based on this policy, a

user contribution of over 70 percent is assumed for urban sanitation overall (on-site and networked combined). Figure 21 gives the impression that almost all the US\$55 million per year is available, assuming that anticipated public investments of US\$8 million per year are able to leverage a further US\$22 million per year in household contributions. However, this may be misleading as on-site sanitation is expected to be built without any leveraging contribution from government, requiring considerable promotion and marketing efforts, on which there is little progress so far.

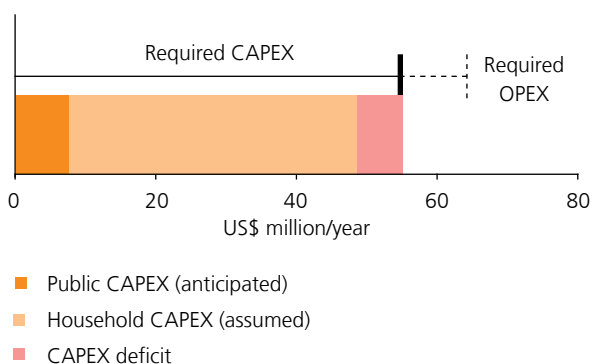
Like rural sanitation, the scorecard shows the serious limitations for the subsector. The challenges for urban sanitation occur even earlier along the service delivery pathway: scores for policy and planning are inhibited by the lack of a clear strategy, which has consequence for other scores such as equity (no allocation or participation mechanisms to allocate funds according to need) and

**Figure 20**  
Urban sanitation coverage



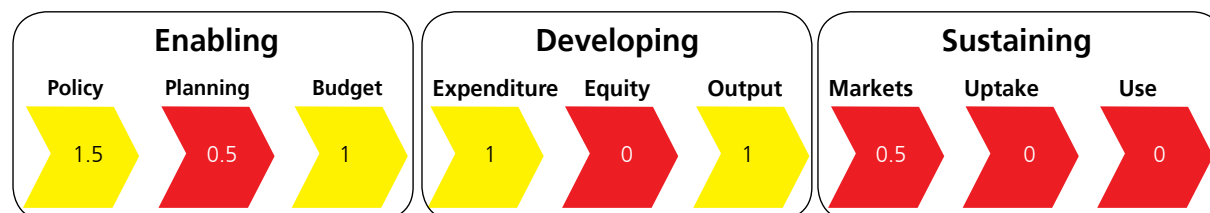
Source: JMP 2010 report.

**Figure 21**  
Urban sanitation investment requirements



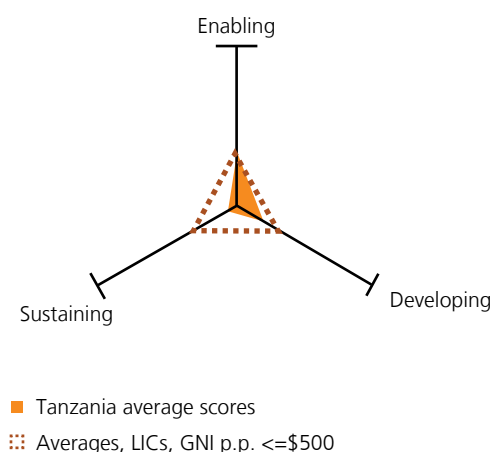
Source: CSO2 costing.

**Figure 22**  
Urban sanitation and hygiene scorecard



Source: CSO2 scorecard.

**Figure 23**  
Average USH scorecard scores for enabling, sustaining, and developing service delivery, and peer-group comparison



Sources: CSO2 scorecard.

uptake (no data on how promotion efforts, insofar as they occur, relate to uptake). Sewerage dominates policy debates, though existing networks are very small: only 35,000 households nationwide have a network sewerage connection,<sup>45</sup> less than 10 percent of the number of household water supply connections and less than 2 percent of all urban households. Sewerage is also a much more expensive option than on-site sanitation. On-site options have been neglected, particularly in more densely populated areas, and are left largely to the private sector. Little attention has been given to the challenges of persuading private households to invest in improved latrines and ensuring that there is sufficient supply of affordable private sector actors providing pit construction, pit emptying and sludge transport services (resulting in a low score for ‘markets’). As a result, large quantities of

sludge are not protected, overflowing from poor quality pits or dug out and dumped.

Tanzanian policy with regard to public subsidy for urban sanitation is that on-site facilities are a private good to be paid for by private households. Public funds are available for investing in sewerage network infrastructure and sludge management facilities, as well as for sanitation promotion. Arguably this creates a form of subsidy in favor of (wealthier) households with networked systems, though such households do pay the cost of the connection to the network and pay a monthly charge through their water bill.

A second policy distinction is made between on-site and network infrastructure. Sewerage systems, including investment, operations and maintenance falls under the mandate of the MoWI at national level and utilities at local level, while sanitation promotion, sludge management and treatment falls under the MoHSW at national level and local government authorities at local level. This division of responsibilities also creates a bias in favor of network systems, since the majority of donor funding for urban sanitation is provided together with funding for water supply and channeled through the MoWI.

With no clear or proven strategy for sanitation promotion, it is difficult to assess the finance requirement for meeting the urban share of the sanitation MDG target. And with sanitation budgets typically hidden alongside water supply investments, it is also difficult to assess the amount of finance currently available. We cannot, therefore, conclude with any confidence whether the available finance is sufficient. However, we can be confident that prioritizing sewerage networks over lower cost alternatives is the most expensive option, and that if the majority of funds for urban sanitation continue to be spent on sewerage, then the MDG target will not be met without a huge injection of additional finance.

## Notes and References

- <sup>1</sup> Global Economic Monitor, the World Bank. 2010 average.
- <sup>2</sup> The first round of CSOs was carried out in 2006 covering 16 countries and is summarized in the report, 'Getting Africa on-track to meet the MDGs on Water and Sanitation'.
- <sup>3</sup> Ministry of Water and Irrigation estimates (2009), draft submission for MKUKUTA II.
- <sup>4</sup> UNICEF/WHO Joint Monitoring Programme. 2010. Progress on Sanitation and Drinking Water, 2010 Update. JMP estimates are based on a linear regression of nationally representative household surveys.
- <sup>5</sup> These JMP figures are disputed in Tanzania, largely as the best available national survey data does not distinguish between 'basic' and 'improved' latrines, as per the JMP definitions. Survey-based estimates of access to 'basic' latrines that range between 85 percent and 95 percent are widely cited within Tanzania as evidence that the country does not have a sanitation problem, though a recent source of detailed data (IHI, forthcoming) suggests that the majority of household latrines are 'basic' rather than 'improved', supporting the JMP figures.
- <sup>6</sup> Ministry of Water. 2006. Water Sector Development Program, Consolidated Document.
- <sup>7</sup> Due to rounding, component figures may not sum to totals.
- <sup>8</sup> Ministry of Water and Livestock Development. 2002. National Water Policy.
- <sup>9</sup> Ministry of Water and Irrigation. 2006. Water Sector Development Program, Consolidated Document.
- <sup>10</sup> van den Berg, Burke, Chacha, and Kessy. 2009. Tanzania Public Expenditure Review of the Water Sector.
- <sup>11</sup> The CSO2 scorecard methodology and conceptual framework are discussed in detail in the synthesis report.
- <sup>12</sup> Indicators relating to the institutional framework section are as follows: All subsectors: targets in national development plans/PRSP; subsector policy agreed and approved (gazetted as part of national policy or as stand alone policy); RWS/UWS: institutional roles defined; RSH/USH: institutional lead appointed.
- <sup>13</sup> Ministry of Water and Livestock Development. 2002. National Water Policy.
- <sup>14</sup> Ministry of Water and Livestock Development. 2005. National Water Sector Development Strategy.
- <sup>15</sup> The 2009 Water Supply and Sanitation Act includes provisions to simplify registration of COWSOs, but implementation has not yet begun in practice.
- <sup>16</sup> Ministry of Water and Irrigation. 2009. Annual Report for Urban Water and Sewerage Authorities; MoWI. 2009b. Water Sector Status Report, 2009.
- <sup>17</sup> For more details of this case, see Cooksey and de Waal. 2008. Why Did City Water Fail?
- <sup>18</sup> Ministry of Water and Irrigation. 2009b.
- <sup>19</sup> Indicators relating to the section on financing and its implementation are as follows: All subsectors: programmatic SWAp; investment program based on MDG needs assessment; sufficient finance to meet MDG (subsidy policy for sanitation); percent of official donor commitments utilized; percent of domestic commitments utilized.
- <sup>20</sup> TAWASANET. 2009. Out of Sight and Out of Mind?; van den Berg, Burke, Chacha, and Kessy. 2009.
- <sup>21</sup> Taylor. 2009. Comprehensive Review of Sector Performance Monitoring Framework and Systems.
- <sup>22</sup> van den Berg, Burke, Chacha, and Kessy. 2009.
- <sup>23</sup> Taylor. 2008. Water: More for some or some for more?; van den Berg, Burke, Chacha, and Kessy. 2009.
- <sup>24</sup> Taylor. 2008.
- <sup>25</sup> TAWASANET. 2009; van den Berg, Burke, Chacha, and Kessy. 2009.
- <sup>26</sup> Taylor. 2008; TAWASANET. 2009.
- <sup>27</sup> van den Berg, Burke, Chacha, and Kessy. 2009.
- <sup>28</sup> Ministry of Water and Irrigation. 2008. Water Sector Performance Report for the year 2007/08.
- <sup>29</sup> Ministry of Water and Irrigation. 2009b.

- <sup>30</sup> Indicators relating to the sector M&E section are as follows: All subsectors: annual review setting new undertakings; subsector spend identifiable in budget (UWS: inc. recurrent subsidies); budget comprehensively covers domestic/donor finance; RWS, RSH, and USH: domestic/donor expenditure reported; UWS: audited accounts and balance sheets from utilities; RWS, RSH, and USH: periodic analysis of equity criteria by CSOs and government; UWS: pro-poor plans developed and implemented by utilities; RWS/UWS: nationally consolidated reporting of output; RSH/USH: monitoring of quantity and quality of uptake relative to promotion and subsidy efforts; all subsectors: questions and choice options in household surveys consistent with MDG definitions.
- <sup>31</sup> Taylor. 2009.
- <sup>32</sup> Ministry of Water and Irrigation. 2009b.
- <sup>33</sup> Taylor. 2008.
- <sup>34</sup> TAWASANET. 2009.
- <sup>35</sup> TAWASANET. 2009.
- <sup>36</sup> Taylor. 2008.
- <sup>37</sup> WaterAid Tanzania. 2009. Management for sustainability: Practical lessons from three studies on the management of rural water supply schemes.
- <sup>38</sup> WaterAid Tanzania. 2009.
- <sup>39</sup> van den Berg, Burke, Chacha, and Kessy. 2009.
- <sup>40</sup> Mfungo and Taylor. 2008. Mapping public water kiosks in Dar es Salaam.
- <sup>41</sup> Ministry of Water and Irrigation. 2009b.
- <sup>42</sup> NBS. 2009. 2007 Household Budget Survey.
- <sup>43</sup> IHI (forthcoming). Baseline Study for UNICEF/GoT interventions in the seven learning districts (and six non-learning districts).
- <sup>44</sup> NBS. 2009.
- <sup>45</sup> MoWI. 2009b.



# Notes

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