



MINISTRY OF WATER,  
SANITATION AND IRRIGATION



**WaterFund**

Financing the Water Sector

WATER SECTOR TRUST FUND

# Annual Rural Harmonized Report

— FY 2018/2019 —

*Enhancing access to water and sanitation to the underserved in Kenya*





## Annual Rural Harmonized Report FY 2018/2019

Supporting Partners



MINISTRY OF WATER,  
SANITATION AND IRRIGATION



Ministry for Foreign  
Affairs of Finland



Investing in rural people



**MINISTRY OF FOREIGN AFFAIRS  
OF DENMARK**  
*Danida*



## Executive Background

The Fund this Financial Year marked 15 years since its establishing instrument, the Trust Deed was signed in 2004. The Deed was nested on rapid, proactive and innovative measures to enhance access to water and sanitation services in the marginalised areas of Kenya. Significant progress has been achieved in enhancing access to water and sanitation services, with the Fund reaching more than 5 million people with improved access to this critical resource and service.



Invaluable lessons have been learned along the way, and the Fund is proud to have been part of the sector reform journey from the implementation of the Water Act 2002. The Fund has adapted and reformed many times in the past 15 years having been established as a financing mechanism in a dynamic sector. Our agility, dynamism and innovation centred culture is the single most critical success factor.

The icing on the cake during the year was the award of the prestigious United Nations Public Service Award (UNPSA), after our Up-scaling Basic Sanitation for the Urban Poor programme was honoured under “Delivering Inclusive and Equitable Services to Leave No one Behind” category.

Whereas significant strides on access to water and sanitation services have been achieved in the country, formidable challenges still exist. Over 20 million Kenyans do not have adequate access to water and sanitation services, available water resources per capita remains low, water service providers still grapple with operational, governance and financing challenges, unsustainable water resource management approaches and information management to support decision making is still considered inadequate.

Inequitable access to water and sanitation services is manifest in Kenya with rural areas experiencing lower access. The Rural Investment Programme in the Fund has been established to accelerate access to the underserved populations in the country. The scope of focus includes marginalised areas and Arid and Semi-Arid Lands.

We are excited at the prospects and opportunities from the implementation of the Water Act (2016) which is a perfect springboard to achieve the Fund's vision of being an institution of choice in financing the improvement of access to water and sanitation for the underserved in Kenya.

It is rightly said that it doesn't matter where you go in life, what matters the most is whom you have beside you all the way. We appreciate the unwavering support from all our stakeholders, and being part of the WSTF journey.

A handwritten signature in blue ink, appearing to read 'Ismail F. M. Shaiye'.

**Ismail F. M Shaiye**  
**Chief Executive Officer**

# Table of Contents

<b>Executive Background</b> .....	<b>I</b>
<b>WaterFund - An introduction</b> .....	<b>III</b>
<b>Preface</b> .....	<b>V</b>
<b>List of Figures</b> .....	<b>VII</b>
<b>List of Tables</b> .....	<b>VIII</b>
<b>Abbreviations and Acronyms</b> .....	<b>IX</b>
<b>Chapter 1: Overall Performance Highlights</b> .....	<b>1</b>
Annual Financial Performance.....	2
Efficiency in Resource Use .....	5
<b>Chapter 2: Strategic Highlights</b> .....	<b>7</b>
Corporate Strategy.....	7
Water Sector Reforms: Water Act 2016 .....	7
Performance Contract.....	8
Investment Policy .....	9
Research and Innovation .....	9
County Engagement Strategy .....	10
ISO Certification .....	10
Risk Management Framework.....	10
Resource Mobilisation and Partnerships.....	11
<b>Chapter 3: Investment Programmes Progress</b> .....	<b>15</b>
MTAP II EU SHARE Programme .....	15
Upper Tana Natural Resource Management Project.....	23
Support to Equitable Access to Water, Basic Sanitation and Water Resources.....	29
J6P Programme success Story .....	43
Green Growth and Employment Programme.....	44
Water and Livelihood Programme.....	55
Drought Emergency Response Programme .....	57
Climate proofed infrastructure Programme- EU CPIRA .....	62
<b>Chapter 4: WSTF Audit and Risk Management</b> .....	<b>69</b>
Introduction .....	69
Internal Audit .....	69
External Audits .....	70
Questioned Costs.....	70
<b>Chapter 5: Capacity Development, Monitoring, Evaluation</b> .....	<b>75</b>
Introduction .....	75
Monitoring and Evaluation approaches .....	75
Flagging of projects.....	78
Joint Annual Operations Monitoring of WSTF investments – 2018.....	80
Overall Sustainability Assessment .....	83
Programme Based Sustainability Assessment .....	86

## WaterFund - An introduction

The Water Sector Trust Fund (The Fund) is a State Corporation under the Ministry of Water & Sanitation and Irrigation and established under the Water Act, 2016 with the mandate to assist in financing the provision of water services to areas of Kenya without adequate services.

The mandate areas as stipulated in the Water Act, 2016 are detailed below:

- Community level initiatives for the sustainable management of water resources;
- Development of water services in rural areas considered not to be commercially viable for provision of water services by licensees;
- Development of water services in the under-served poor urban areas;
- Research activities in the area of water resources management and water services, sewerage and sanitation.

The mandate highlighted above is achieved through the following investment programmes:



Water Sector Trust Fund has continued to invest in the implementation of Water, Sanitation Services and Water Resource Management activities through the following investment programmes:

**Rural Investments-** This is a programme applied towards financial support to Implementing Agents (Community Based Organisations and Rural Water Service Providers) in the underserved rural areas to apply for, manage, implement and maintain their own water and sanitation facilities in collaboration with the County Governments.

**Urban Investments:** This is a programme applied towards improvement of access to underserved Low Income Areas in Urban Areas in Kenya. The key implementing partners in this approach are the Water Service Providers in collaboration with the County Governments.

**Water Resources Investments:** This is an investment programme for supporting Water Resource Users Association (WRUAs), Community Forest Associations, conservancies and other community based water resources conservation and management organizations to manage their water resources within sub catchments and areas of operation.

**Result Based Financing:** This is an investment programme where Water Services Providers obtain project loans from commercial banks against bankable proposals. WSTF then subsidizes the implementers for the loan at an agreed percentage once deliverables are attained under a subsidy programme.

The Fund is implementing a Strategic Plan 2018- 2022 which focuses on the following key result areas to realize its mandate:



**Figure 1: A pupil using a Sanitation Facility at Qubbi Qallo Water and Sanitation Project**

## Preface

This report is an introspective reflection on the WSTF journey of accelerating access to water and sanitation services to the underserved in Kenya. It analyses the performance of the Water Resources and Rural Investments Programme for the period 1st July 2018 to 30th June 2019.

Key milestones achieved during the year are highlighted in the investment programme section. Critically though, key challenges, lessons and opportunities for learning have been identified and documented and are anticipated to inform future programmes to ensure that the corporate objectives spelled out in the Strategic Plan (2018- 2022) as well as wider sectoral commitments are all achieved.

The report has been compiled from the various programmes and project reports received from County Resident Monitors (CRMs), implementing partners (IPs), project field visits, monitoring visits, consultant reports and peer evaluations, as well as from WSTF's own financial, monitoring and audit reports accumulated during the 2018/2019 period. The report is organized into the following chapters:

**Preface:** gives a brief prelude on the structure of the report

**Chapter 1:** Provides a highlight on key achievements of the Rural and Water Resources Investment Programmes during the reporting period. Key strategic highlights and achievements on resource mobilization and partnerships are also highlighted.

**Chapter 2:** This section highlights the key institutional milestones and strategic actions undertaken during the FY 2018/ 2019. These include reforms in line with the Water Act 2019, resource mobilisation highlights, corporate strategy and development of strategic documents

**Chapter 3:** This section details the investment programme progress. It assesses the performance level against the project / programme work plan targets, highlighting areas that are behind schedule and explaining the reasons for variations from initial planning. Key challenges, mitigation measures and lessons learnt are also enumerated for each of the programme.

**Chapter 4:** WSTF audit and risk management. The chapter presents the WSTF internal control and risk management measures, the internal and external audits undertaken during the reporting period while analysing the questioned costs for previous audits and the trends of the same.

**Chapter 5:** Capacity Development, Monitoring and Evaluation. The chapter enumerates the main approaches used in monitoring and evaluation of the Funds programmes and projects. It also analyses the results of the annual operations monitoring and the assessment of sustainability of investments for the FY 2018/2019.

The Annual Rural Harmonised Report series is part of the Fund's annual reporting framework which also includes the following reports:

- a) **Annual Financial Report-** This is a financial report based on the Audited Financial Reports for all the Programmes and Operations for the year under review
- b) **Joint Annual Operations Monitoring Report-** This is a report that analyses in detail the overall performance and operations of the Fund's Investments based on the approved criteria and sampling methodology. The Sustainability Index for the Investments is calculated from the analysis of the project performance data.
- c) **Urban Investment's Reports-** This is an annual progress report for the Urban Investments Programme that details both the financial and physical progress of the investments made in the targeted urban areas of Kenya.

## List of Figures

Figure 1: A pupil using a Sanitation Facility at Qubbi Qallo Water and Sanitation Project .....	IV
Figure 2: Key Achievements during the year .....	1
Figure 3: Hurara Wind water project .....	1
Figure 4: Overall WSTF Financial Performance FY 2018/2019 .....	2
Figure 5: Overall Funds Absorption in the rural investments programmes .....	3
Figure 6: Funding trends in the fund .....	11
Figure 7: Cumulative investments per county in the EU SHARE Programme .....	16
Figure 8 Commissioning of Katsangani – Hurara water project phase II, Tana River County .....	17
Figure 9: Summary Fund Accountability for the EU-SHARE Programme .....	18
Figure 10: Annual Funds Accountability Statement- UTaNRMP .....	24
Figure 11: J6P Annual Funds accountability statement .....	32
Figure 12: Funds Accountability Statement- GGEP .....	47
Figure 13: Questioned costs per programme .....	71
Figure 14: Open Question cost trend .....	73
Figure 15: trends of cumulative original and open questioned costs .....	74
Figure 16: Operational Status- All Investments .....	81
Figure 17: Operational Status per investment programme .....	81
Figure 18: Operational Status per investment category .....	82
Figure 19: Rural Sustainability Index .....	83
Figure 20: Water resources Sustainability Index.....	84
Figure 21: County Sustainability Index .....	85
Figure 22: Programme specific Sustainability Index scoring. ....	86
Figure 23: Sustainability Index for the CPC vs. overall results. ....	87
Figure 24: Sustainability Index for the DERP vs. overall results. ....	87
Figure 25: Sustainability Index for the IFAD vs. overall results. ....	89
Figure 26: Sustainability Index for the J6P vs. overall results. ....	89
Figure 27: Sustainability Index for the KWSP vs. overall results.....	90
Figure 28: Sustainability Index for the MTAP I vs. overall results.....	90
Figure 29: Sustainability Index for the MTAP II vs. overall results.....	91
Figure 30: Systems Integration Project Architecture .....	93
Figure 31: Implementation Timelines for the SIP .....	95

## List of Tables

Table 1: Projects funded under the rural investments programmes .....	9
Table 2: Funding Sources under the Rural investments programmes .....	11
Table 3: MTAP II EU SHARE key statistics and cumulative achievements .....	15
Table 4: Key Achievements in the FY 2018/ 2019 under EU SHARE .....	18
Table 5: EU SHARE Programme risks and mitigation measures .....	20
Table 6: UTaNRMP key statistics and cumulative achievements .....	23
Table 7: Key Achievements in 2018/ 2019 under UTaNRMP .....	24
Table 8: UTaNRMP Risk Management and Mitigation .....	27
Table 9: J6P key statistics and cumulative achievements .....	30
Table 10: Cumulative J6P programme expenditure .....	33
Table 11: Annual J6P programme achievements .....	34
Table 12: J6P Programme risks and mitigation measures.....	41
Table 13: Implementation challenges of J6P programme .....	41
Table 14: GGEP key statistics and cumulative achievements.....	45
Table 15: GGEP Programme Annual Achievements .....	48
Table 16: GGEP Programme risks and mitigation measures .....	53
Table 17: Implementation challenges of GGEP programme .....	54
Table 18: DERP key statistics and cumulative achievements .....	57
Table 19: Project implementation status – Tana River County as at 30th June, 2019 .	58
Table 20: Project implementation status for Garissa County as at 30th June, 2019....	58
Table 21: Project implementation status for Lamu County as at 30th June, 2019.....	59
Table 22: Status of additional projects under DERP .....	60
Table 23: DERP annual programme achievements.....	60
Table 24: Achievements Of EU-CPIRA Programme .....	63
Table 25: EU-CPIRA Programme Annual Achievements .....	65
Table 26: EU-CPIRA Programme risks and mitigation measures .....	67
Table 27: Summary of questioned costs.....	70
Table 28: cumulative original questioned versus open questioned costs.....	73
Table 29: Summary of projects monitored against targets in 2018/19 FY.....	77
Table 30: Summary of projects' monitoring issues and their mitigation measures .....	77
Table 31: Summary of Rural Flagged Projects .....	78
Table 32: Break-down of monitored investments for IFAD and their operational status. .....	88
Table 33: Implementation milestones for the SIP .....	94

## Abbreviations and Acronyms

ASALs	:	Arid and Semi-arid Lands
BOT	:	Board of Trustees
CBOs	:	Community Based Organizations
CLTS	:	Community Led Total Sanitation
CRM	:	County Resident Monitor
CFA	:	Community Forest Associations
DANIDA	:	Danish International Development Agency
DED	:	Development Engagement Document
DERP	:	Drought Emergency Response Programme
DI	:	Development Index
DP	:	Development Partner
DTF	:	Decentralised Treatment Facility
EACC	:	Ethics and Anticorruption Commission
EU	:	European Union
FAS	:	Fund Accountability Statement
FY	:	Financial Year
GAWASCO	:	Garissa Water and Sanitation Company
GESI	:	Gender Equity and Social Inclusion
GGEP	:	Green Growth and Employment Programme
GIS	:	Geographic Information System
GOF	:	Government of Finland
GOS	:	Government of Sweden
GOK	:	Government of Kenya
HQ	:	Headquarters
IFAD	:	International Fund for Agricultural Development
JAOME	:	Joint Annual Operations Monitoring
J6P	:	Joint 6 Programme
KEWI	:	Kenya Water Institute
KFS	:	Kenya Forest Service
Ksh/ KES	:	Kenya Shillings
KWSP	:	Kenya Water and Sanitation Program
LAWASCO	:	Lamu Water and Sanitation Company
LOKADO	:	Lotus Kenya Action for Development Organization
M&E	:	Monitoring and Evaluation
MOU	:	Memorandum of Understanding
MTAP	:	Medium Term ASAL Programme
MWS	:	Ministry of Water and Sanitation
NCG	:	Nordic Consulting Group
NRC	:	Norwegian Refugee Council
NRMP	:	Natural Resource Management Programme
OAG	:	Office of Auditor General
OBA	:	Output Based Aid
ODF	:	Open Defaecation Free

PC	:	Performance Contracting
PFMP	:	Participatory Forest Management Plans
PMIS	:	Project Management Information System
PMR	:	Programme Management Review
PPOA	:	Public Procurement Oversight Authority
PSF	:	Public Sanitation Facility
RMF	:	Risk Management Framework
RWH	:	Rain Water Harvesting
SA	:	Service Agent
SCMP	:	Sub Catchment Management Plan
SHARE	:	Supporting the Horn of Africa Resilience Programme
SI	:	Sustainability Index
TAWASCO	:	Tana Water and Sanitation Company
TBD	:	To be Determined
UBSUP	:	Upscaling Basic Sanitation for the Urban Poor
UNHCR	:	United Nations High Commission for Refugees
UNICEF	:	United Nations Children's Fund
UTaNRMP	:	Upper Tana Natural Resource Management Programme
VIP	:	Ventilation Improved Pit Latrine
WASH	:	Water and Sanitation for Hygiene
WASREB	:	Water Services Regulatory Board
WLP	:	Water and Livelihood Programme
WSP	:	Water Services Provider
WSTF	:	Water Sector Trust Fund
WDC	:	Water Resources Users Association Development Cycle
WRA	:	Water Resources Authority
WRUAs	:	Water Resources Users' Associations
WU	:	Water Utility

# Chapter 1: Overall Performance Highlights

The infographic below present a summary of the key achievements during the year under review:

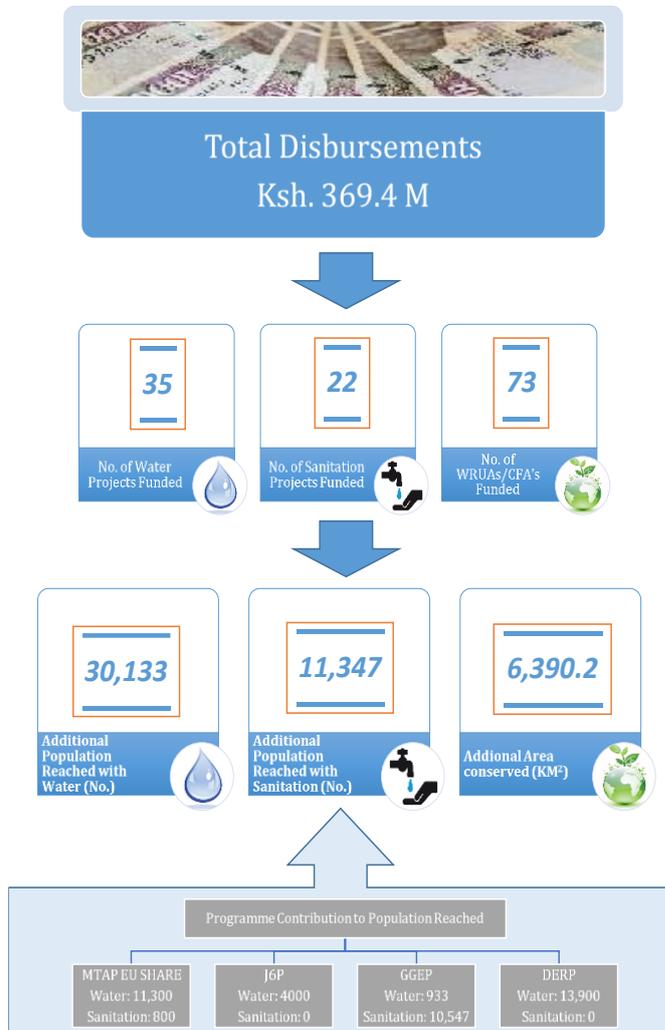


Figure 2: Key Achievements during the year

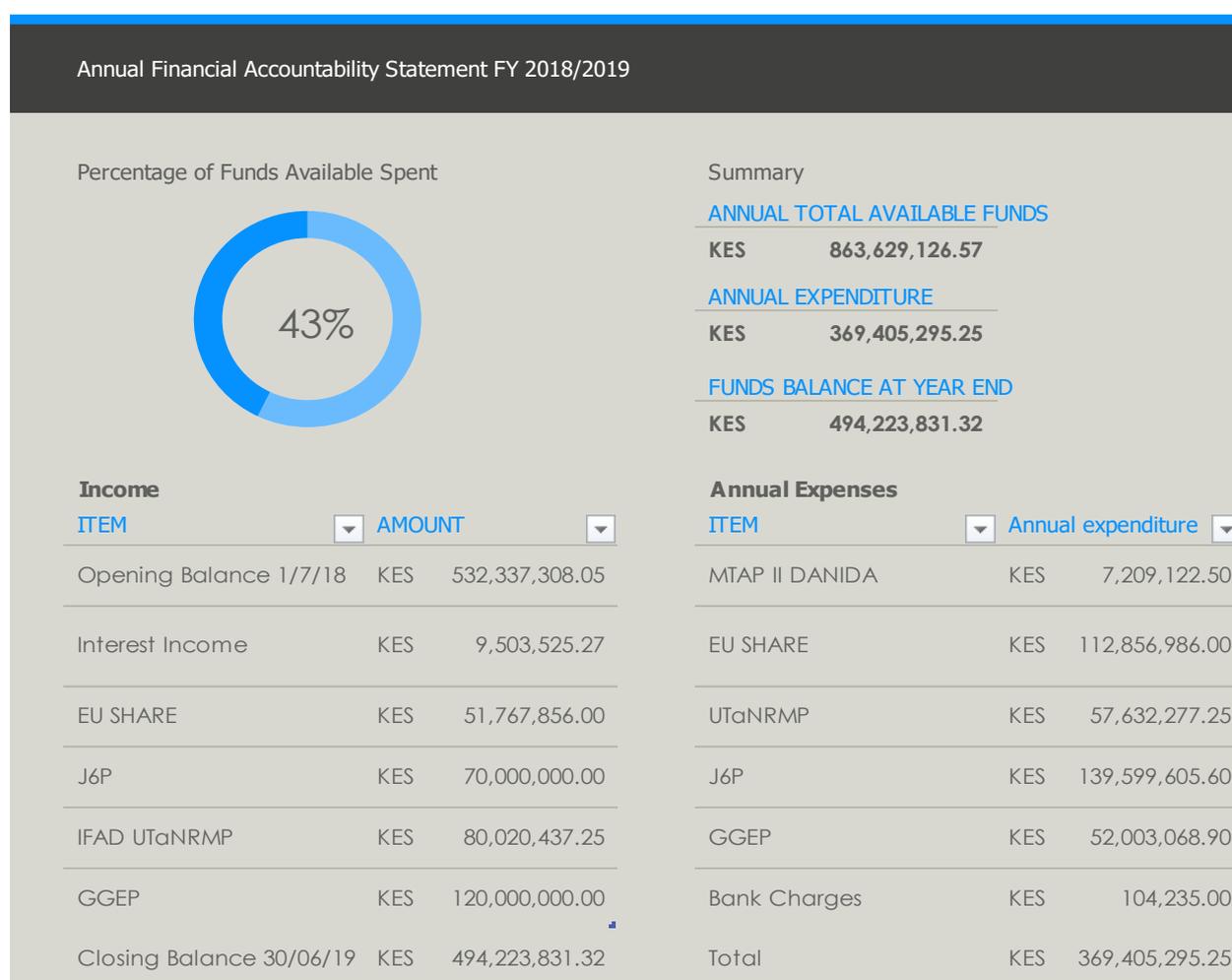


Figure 3: Hurara Wind water project

*To address and mitigate against climate change risks in projects, the Fund has adopted climate proofing approaches in the overall project cycle. Adoption of renewable energy options has proven to be a feasible investment option addressing sustainability concerns in water projects.*

## Annual Financial Performance

During the year under review, the Rural and Water Resources Investment Programmes received a total of **Ksh 321,788,293** from the Government of Kenya, DANIDA, European Union (EU), Government of Finland, Government of Sweden, and International Fund for Agricultural Development (IFAD) excluding interest accruals. The Fund had balances brought forward of **Ksh 532,337,308.05<sup>1</sup>** and hence a total of **Ksh 863,629,126.57** was available for utilization. The Fund expended **Ksh 369,405,295.25** in the Rural Investment Programme effectively absorbing **43%** of the available funds. Figure 3 shows an overview of the Funds flow to the Rural Investments Programme in 2018/19 FY.

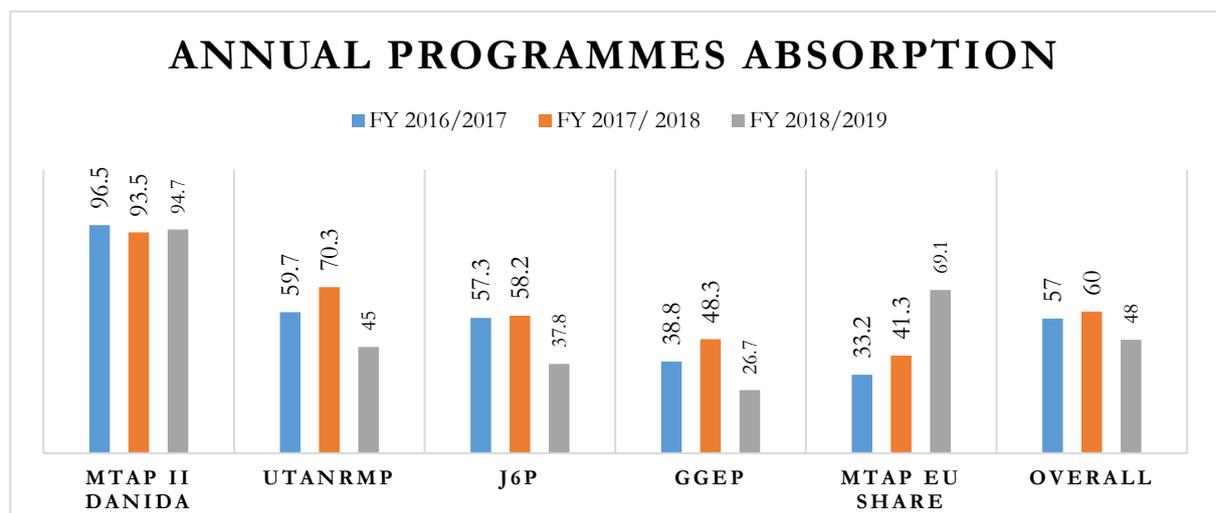


**Figure 4: Overall WSTF Financial Performance FY 2018/2019**

<sup>1</sup> The balance brought forward is based on the final audited financial statement (FY 2017/2018). This figure is different from the closing balance reflected in the annual report (FY 2017/2018) owing to the end of year adjustments reviewed and agreed with the auditors.

The financial performance analysis portrays depressed funds absorption under the Rural and Water Resources investments Programmes. During the FY 2018/ 2019, absorption declined by 17% to a total absorption of 43%. As a government institution, the Fund commits to fully utilise allocated Funds (100%) absorption rate in line with the Medium Term Expenditure Framework planning cycles. The current years' performance is therefore below the set targets, missing it by more than 50% and negatively influencing it's achievement in the corporate strategy. Programme specific measures have been put in place to enhance Funds absorption in the next financial year, which is further compounded by the fact that some of the programmes are coming to an end, without the options of any further extensions. The specific measures address capacity challenges of the implementing partners and stakeholders who influence more than 80% of the funds absorption challenges. Investments in enhanced county support, improved capacity development, support to larger scale projects, utilities with better governance structure and efficiencies in the project cycle and reviews in the project cycle are all expected to result in better resource absorption capacity.

The trends in the absorption rates in the programmes is provided in the following chart that compares trends for the last three Fiscal Years.



**Figure 5: Overall Funds Absorption in the rural investments programmes<sup>2</sup>**

The key drivers to low funds absorption during the year under review include:

1. Delays in projects funding since there were delays in Board constitution
2. Delays in approvals for various programmes by the MWS and NT and financing and decision making delays by the key stakeholders
3. Capacity challenges of the implementing partners
4. Programme startup challenges including project identification and selection
5. Persistent implementation challenges have hampered implementation of the Water Resources Subcomponent in all the programmes. These include capacity

<sup>2</sup> The chart excludes EU CIRA Programme as the Funds though received, were not available for expenditure during the period under review. The Funds have since been returned to the Central Bank and therefore considered as cash in transit.

challenges in the WRUAs, inadequate technical support to WRUAs and reporting and accountability challenges.

6. Inadequate county capacity to marshal financial and technical support to implementing partners.
7. Governance and accountability challenges by the implementing partners hampering further investment and accounting for funds
8. Decision making inefficiencies attributable to different stakeholders each with an array of inhouse decision making systems. These include the National Treasury, Ministry of Water and Sanitation and Irrigation, Development Partners, Implementing Partners and the Fund's systems

The specific factors influencing absorption in the investment programmes are further elaborated in the specific section of the programmes.

To address challenges in Funds absorption in the Fund, the Management has put in place the following measures:

- i. Development of the Financing criteria in line with the provisions of the Water Act (2016) to enhance transparency in project identification hence reducing political interference in the project selection processes
- ii. Review of the WSTF projects implementation cycle with a view enhancing operational efficiencies while maintaining the integrity of the processes involved.
- iii. Full implementation of the revised staffing structure developed following the functional analysis undertaken to determine the optimum staff establishment to realise efficiency in programme management
- iv. Re-engineering the planning, budgeting and programming approaches and processes to ensure realistic planning and budgeting processes in line with the Strategic Plan.
- v. Constant engagements with the development partners to address challenges in funding delays
- vi. Enhancing the capacity of the counties and implementing partners to plan for, develop, implement and sustainably manage the investments. This will also entail a full implementation of the risk management framework to mitigate against risk related delays.
- vii. Continued engagement of the Government of Kenya for the timely disbursement of funds as well as lobby for increased allocation of recurrent and development budgets
- viii. Enhancing the monitoring of the WSTF investments and programmes through engagement of Resident Engineers, improved capacity of the CRMs to support, monitor and report on the investment programmes, and development of a corporate project management information management systems

Owing to the high levels of slow absorption of the investments under the WDC model, the Fund has planned to review the funding model with the ambition of investing in water resource management activities through other implementing partners including Water Service Providers, Conservancies, enhanced engagement of CFAs, and other conservation organisations.

It is anticipated that implementation of these initiatives will improve the Fund's capacity to absorb funds in the next financial year.

## Efficiency in Resource Use

As the sector financing institution, the Fund focuses its investments' programmes to ensure that more resources are applied to development activities to ensure progressive and sustained growth.

The Fund has adopted a Development Index as a measure of efficiency in resource use, calculated as highlighted below:

$$\text{Development Index (DI)} = \frac{\text{(DE)}}{\text{(DE+RE)}} \times 100\%$$

Where:

DI- Development Index

DE- Development Expenditure

RE- Recurrent Expenditure



The Fund aims to achieve a DI of 70% across investments and operational management.

During the year under review, the Fund expended approximately Kshs. **470,825,151** (including urban investments) on development expenditures and Kshs. **342,740,248** on recurrent expenditure. This works out to a Development Index of **57.9%**. Effectively, **77.4%** of the total investment programme expenditures were expended in the Rural and Water Resources investment programmes with a direct impact on the realization of the Fund's mandate.

***This index indicates a significant decline compared to the 2016/17 and 2017/18 Fiscal periods where DI of 77.1% and 81.2% were respectively realized indicating a decline in resource use efficiency.***

This index is directly influenced by the factors resulting in low absorption. Since most of the Fund's staff are engaged on long term contracts, low levels of absorption translate into human resource engagement inefficiencies, resulting in a lower DI. This performance was further exacerbated by low funding available for the urban investments programme, hence most staff for the urban programme were engaged below available capacity. These members of staff were re-allocated within the investments programmes in a bid to realise optimum value from their engagement.



## Chapter 2: Strategic Highlights

### Corporate Strategy

Following the launch of Medium Term III plan (MTP III 2018-2022) by the National government in November, 2018 as per the Vision 2030 development plan, the Ministry of Water and Sanitation developed a strategic plan 2018-2022 which in effect provided the development framework for the Water Sector Institutions to review their strategies in order to realize the aspirations of the Social, Political and Economic pillars of the Vision 2030 and the Sustainable Development Goals.

Subsequently in the period under review, the Fund reviewed its corporate strategy to align with the Ministerial strategy. Among the key highlights in the Ministerial strategy is the inclusion of Partnerships and collaboration for resource mobilization as a key result area.

The management also undertook a review of the performance of the Fund in year 2 on implementation of the strategic plan 2017-2022 and noted a general underperformance on the achievement of most of the key performance indicators. Most of the assumptions and risks were realised resulting in below par performance by the implementing partners, low funds absorption, inadequate county support and non-realisation of some anticipated funding streams e.g the Water Levy.

The management has submitted a proposal to the Board for a review the corporate objectives as a result of this reality check. This Strategic Plan review is ongoing and is anticipated to be completed in the FY 2019/2020, following the mid-term review.

### Water Sector Reforms: Water Act 2016

The operationalisation of the Water Act 2016 through a Gazette notice on 21st April 2017 provided a framework for transformation of the Water Sector. The Act established the Fund as a sector financing institution. The Water Act 2016 intentions were to be implemented through various strategies under Water Sector Reforms. Among the achievement during the period under review include:

- Approval of the Fund's Establishment report by the Ministry of Water and Sanitation. This provides for the initiation of the Fund's sustainable financing mechanisms through seed funding of Ksh. 6B from the government through the Ministry which may be phased as Ksh 1B per year. The approval also provides for the review of the Institution's organogram taking into consideration the need for increased capacity to implement the added mandate of the Fund.
- Review of the Operational and Human Resources Management Instruments. These will be subjected to review and approvals by both the Board of Trustees and the National Government through the established constitutional commissions
- Establishment of climate change investment programme as envisioned in the Water Act 2016. This has been integrated into the Water Resources Management Programme and the available staff re-designated to include climate change issues as part of the mandate. The mandate of the unit is to guide the Fund's policy and strategic shift towards enhanced focus on institutionalisation of climate change concerns into its programming

approaches and project implementation. This is expected to result in enhanced programme sustainability and long term realisation of value.

- Review of the Water Act (2016)-During the year under review, the Sector embarked on the review of the Water Act to further enhance service delivery. Specifically for the Water Fund, the Board has proposed amendments to:
  - i. *Address the issue of operationalization of the Water Levy*
  - ii. *Further clarify the Fund's role in the implementation of the Equalization Fund's programmes*
  - iii. *Provide for a strengthened legal framework to support the Fund's full establishment as the Sector Financing institution*
  - iv. *Ensure that the Water Services Rules/ and other subsidiary regulations addressed the needs of the underserved and marginalized in Kenya*

The Fund has made its submissions and the review process is expected to be completed in the next financial year.

### **Transition Strategy**

During the period under review, the Fund continued to implement the Transition Strategy in line with the provisions of the Water Act (2016). In the period under review, the implementation highlights are as follows:

- i) Establishment of policies for sustainable financing models for the Fund through Water Levy, Endowment Fund and Revolving Fund.
- ii) Unbundling of the Fund's Establishment Report through a consultancy spearheaded by the Ministry
- iii) Revision of the Fund's organogram and approval for implementation to address internal capacity challenges arising from expanded mandate.
- iv) Implementation of the investment policy that takes into consideration the extended mandate and prioritisation as defined in the Act.
- v) Development of new Human Resources Management Instruments to align the Funds functional structure and staffing to the requirements of the Water Act 2016.
- vi) Deployment of a corporate branding strategy
- vii) Embarked on the process of identification of a consultant to support the Fund in the development of a research financing framework

The official launching ceremony of the Fund in line with the new mandate is to be undertaken in the FY 2019/2020. This will entail the official handover of establishing instruments to the Board of Trustees by the cabinet secretary.

### **Performance Contract**

As a Government Parastatal, the Board of Trustees sign a commitment to achieve the Fund's mandate in the form of a performance contract. This is delegated to the management for implementation and cascaded to all staff for implementation.

During the period under review, the Fund implemented the Performance Contract 2018/2019 which was prepared in accordance with the 15th cycle guidelines (2018/2019). The Fund was also evaluated by the Performance Management and Coordination Office under the Office of the President on its performance contract

targets for FY 2017/2018 and the Fund achieved a composite score of 2.83 which is rated as a **very good rating**.

A summary of the status of achievement of the key performance under rural investments programme indicators in the negotiated performance contract as at 30<sup>th</sup> June, 2019 is:

**Table 1: Projects funded under the rural investments programmes**

Performance Criteria Category		Unit of Measure	Weight (%)	Target (FY 2018/19)	Annual Achievements (FY 2018/2019)
<b>Rural Water Supply Sub-Programme</b>					
C.6	Water projects financed in rural areas	No.	5	65	35
	Sanitation projects financed in rural areas	No.	5	45	22
<b>Water Resources Sub-Programme</b>					
C.7	Water Resources Projects Financed	No	10	51	73

Most of the targets under the Rural Investment Programmes were not achieved. The reasons for underperformance have been enumerated on the Funds absorption section as well as in the specific programme sections. The very good rating was attributable to exceptional performance in other key performance indicators (KPIs). These KPIs are drawn from the performance criteria of innovativeness, service delivery, implementation of presidential directives, access to Government Procurement Opportunities, Promotion of local content, assets management, youth internships, competence development, disability and HIV mainstreaming, safety and security measures, National cohesion and values and corruption prevention.

### Investment Policy

During the year under review, the Fund implemented the investment policy, which established the responsibilities of, and guidelines for the WSTF's Management and Board on investment activities and goals. It also defined parameters within which funds are managed. However, the changes in policy both at the national and the county level necessitates the review of the Investment Policy and this would be done in FY2019/2020.

### Research and Innovation

Section 114 (d) of the Water Act 2016, mandates the Fund to undertake coordinated and innovative research activities in the areas of water services, water resources management, sewerage and sanitation that will support financing, implementation, operation and maintenance of effective and sustainable pro-poor services, water resources management, sewerage and sanitation services for enhanced economic growth.

In this regard, the Fund is in the process of un-bundling this research mandate through development and documentation of a comprehensive research innovation framework that will guide and support research in the Fund. The Framework will provide the process that will guide the Fund to enrich its research capability through: engagement with key research partners within and outside the Country; the

incubation of research ideas emanating from the various research outcomes; testing, translating and upscaling of research results.

*During the year under review, the procurement of a consultant to support the fund in the development of a research framework was issued. However, following the evaluation of the bid documents, no responsive bidder was identified, and the management has proposed to undertake a new procurement process in line with the provisions of Public Procurement and Disposal Act (2015).*

### County Engagement Strategy

The Water Fund, under the joint support of the Government of Finland and Sweden is developing a County Engagement Strategy to guide and strengthen its relationship with County Governments. This is premised on the constitutional mandate of water service provision by the County Governments and the Fund's unique mandate of providing conditional and unconditional grants to counties and assisting in financing the development and management of water services in marginalized areas or any area considered by the Board of Trustees to be underserved.

*During the period under review, the development of the CES was finalized and will be submitted for the formal Board review during a Strategic Retreat slated for September 2019.*

### ISO Certification

WSTF was recertified under ISO 9001:2008 in June 2015 through Kenya Bureau of Standards (KeBS). In line with the recertification contract, the Fund continuously complied with the requirements of the standard and greatly improved its Quality Management System, thereby satisfying its customers.

In September 2015, ISO 9001:2008 was revised to ISO 9001:2015 and a three year transition period was granted to institutions under ISO 9001:2008 certification. The Fund successfully transitioned from ISO 9001:2008 to ISO 9001:2015 in FY2017/2018 and is currently implementing the ISO 9001:2015 standards.

During the year under review, the Fund successfully underwent an independent surveillance Audit undertaken by the Kenya Bureau of Standards and retained the certification of the Fund to ISO 9001: 2015 in June 2019.

During the audit, two minor non-conformances (non-alignment of the risks in the ICT department to those in the risk register and lack of a plan to address effectiveness of ICT risks) were raised and appropriate corrective action plans furnished with the auditors. This was approved and a letter of continued certification issued to the Fund.

### Risk Management Framework

The Fund continues to implement the Risk Framework formulated and approved during the 2017/2018 period. Its implementation in both the operational and investment risk management processes has resulted in enhanced systems and has facilitated the identification of potential threats and has defined the strategies for

eliminating or minimising the impact of these risks, as well as the mechanisms to effectively monitor and evaluate the strategy.

## Resource Mobilisation and Partnerships

### Financing

The Fund had an investments budget Ksh 2.062. Billion in 2018/2019. However, a total of Ksh 813.57 Million was the actual amount received translating to 39.4% of the 2018/19 annual target. This figure includes GOK financing of Ksh. 561.78 Million and Development Partners financing of Ksh.251.78 Million which was funded under the Rural Investments Programme. This figure excludes the balances carried forward from the previous financial year.

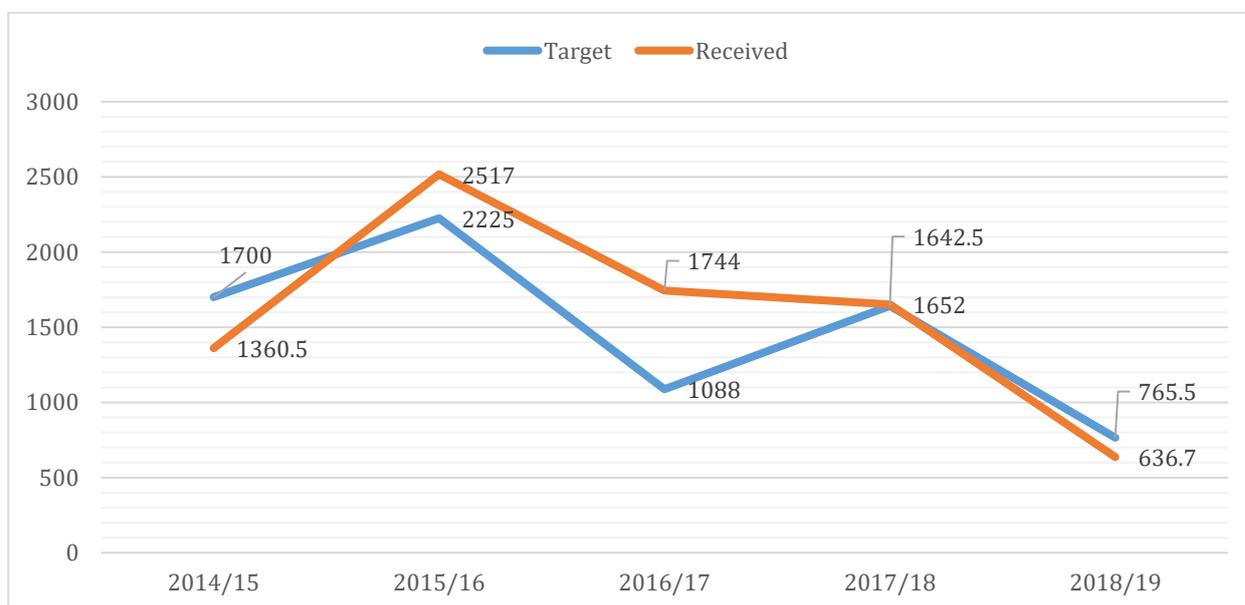
This is detailed in the table below:

**Table 2: Funding Sources under the Rural investments programmes**

Financing Partner	Funds Received (Kshs)
Government of Kenya	561,777,106
DANIDA - GGEP	120,000,000
IFAD	80,020,437
EU-Share	51,767,856
Total	813,565,399

### Funding Trends

The charts below shows the financing trends in the Fund over the last five years:



**Figure 6: Funding trends in the fund**

It is noteworthy from Figure 5 above that the funds receipt in the Fund has been on the decline for the last 3 years, with the highest receipts having peaked in the FY 2015/2016. This is attributable to the high levels of balances carried forward from the previous financial years as well as delays in disbursements to the Fund for some of the investment programmes.

## New Programmes and Status of Resource Mobilization Initiatives

ACTIVITY / INITIATIVE	ACHIEVEMENTS AND STATUS
Water Sector Trust Fund Establishment Report	<p>WSTF's Establishment Report has been approved by the Ministry of Water and Sanitation and submitted for printing. The report details new funding strategies including a one time or phased seed Fund to WSTF of at least KES 6 Billion to ensure sustainability and bridge the financing gap.</p> <p>The Fund is following up with the Ministry of Water and Sanitation to ensure implementation of the strategy in subsequent annual budgets. This would result in implementation of the Endowment and Revolving Fund mechanisms through investment of the seed capital, and on-lending to implementing organizations that can afford to repay, in line with the Water Act 2016.</p>
Water Levy	<p>The Fund has been participating in ongoing discussions at Sector level and spearheaded by the Ministry of Water and Sanitation towards operationalization of the Water Levy as indicated in the Water Act 2016. The draft Water Policy indicates WSTF as the recipient of the Water Levy. This is positive progress towards financial sustainability for WSTF's programmes.</p>
Proposal on upscaling Decentralised Sanitation submitted to the Government of Kenya, Gates Foundation and African Development Bank (AfDB)	<p>The Fund is in discussions with the Gates Foundation and the African Development Bank for funding to upscale the Decentralised Treatment Facilities as part of the Sewerage Programme being funded by the AfDB to the Kenya Government in 17 towns in Kenya. Studies for DTFs have already been undertaken and reviewed by all the Partners and this programme is expected to be funded within the 2019/2020 financial year. Studies were funded by the Gates Foundation.</p> <p>WSTF is also in discussions with the Ministry of Water and Sanitation for funding to implement the DTF's across the country where they are needed through a national programme. Discussions on this are ongoing.</p> <p>The DTF's and the entire decentralised and household sanitation programme at the Fund won the UN 2019 Public Service Award in a ceremony held at Baku. This achievement, it is hoped, will help drive the momentum to support the programme.</p>
Proposal to Finland under Public Investment Funding (PIF)	<p>The Fund has submitted a proposal to the Finnish Public Sector Investment Funding Facility. Discussions are ongoing for support to water utilities and climate related programmes (Water Resources Management) to implement technologies for improved water safety and security. Programme is expected to begin within the financial year 2019/2020.</p>
Roads for Water Concept to Kenya Roads Board	<p>The Fund has continued to collaborate with the Kenya Roads Board in the development of a Roads for Water Concept and Policy Brief in an effort to implement a programme where road surface run-off is properly managed and utilised to increase ground water and improve access. The programme, once formulated, will be funded by the Kenya Government and other Stakeholders / Partners with an interest in the concept.</p> <p>Documents have been finalised, awaiting approval and presentation to the relevant Ministries.</p>
Upper Tana Natural Resources Management Project (UTaNRMP)	<p>The Fund is in discussions with UTaNRMP for additional funding to the current programme financing Water Resources and Forest Management activities in six (6) Upper Tana Counties.</p>
KfW Phase IV Programme	<p>Negotiations are at an advanced stage for the KfW funded Phase IV Urban water supply and sanitation programme. The signing is expected to take place within a period of one year owing to the bilateral processes. KfW Phase IV will also contribute additional financing to the Result Based Financing Programme of WSTF.</p>
Signed MOUs	<p>WSTF signed a new MOU with the Kenya Market Trust for continued technical and financial collaboration in the areas of financial management at utility level, service delivery models, water governance and resource mobilization.</p>
Kenya Pooled Water Fund	<p>This is a proposed Water Infrastructure Bond issue. During the year under review, The WSTF Board engaged with the promoters of the Kenya Pooled Water Fund on the implementation framework of the issue of and structuring the junior bond. This is in addition to strengthening the risk management framework to sustain the reserve fund.</p>

### **Partnership Activities**

The Fund continued to develop and nurture partnerships for increased collaboration in service provision to the underserved in water and sanitation. During the period, the Fund held three (3) steering meetings to review progress in programme implementation and address pertinent issues to ensure efficiency. The Fund also held a meeting between Development Partners and the newly appointed Board of Trustees. The meeting was introductory and took stock of key areas of focus for the Board and Partners, key among them the need for accountability and transparency in ensuring good performance and effective partnerships. The outcome of the meeting was circulated to all the Partners.

The Fund held its Annual Joint Field Visit in which Partners from the Ministry of Water and Sanitation, Government of Sweden and the World Bank to the two (2) Counties of Nyeri and Embu. The team visited two Result Based Financing sewerage projects funded by the Government of Sweden through the World Bank under Global Partnerships for Output Based Aid. The projects were at an advanced stage nearing metering stage. The main challenges experienced in both Counties involved the process for land acquisitions and resettlements, but this was being addressed through engagement with the Kenya Lands Commission. The team also visited one Decentralised Treatment Facility at Embu, which is funded by the Gates Foundation. The Visit was originally meant to span five Counties but this could not happen as most of the Partners were unable to participate at the time.

Four (4) Joint Six Programme (J6P) meetings were held during the period to review and drive the implementation of the programme. Emerging issues were addressed during the meetings including programme extension, county contributions, cut-off dates and realization of programme targets. Measures were agreed upon to ensure successful completion of the programme.

Several meetings were held with the Royal Danish Embassy to discuss programmatic issues relating to the Green Growth and Employment Programme, Turkana Water and Livelihoods Programme and EU SHARE. Key among them were meetings with various County Governments towards successful implementation of the programmes, and discussions on implementation models for the WLP programmes.

Meetings were also held with UTaNRMP in relation to project proposal and appraisal process, discussions for the proposed programme extension and additional funding, and implementation progress among others.



## Chapter 3: Investment Programmes Progress

### MTAP II EU SHARE Programme

#### Introduction and programme background

This is an EU supported programme that is implemented under the delegated management of DANIDA under the DANIDA EU SHARE Natural Resource Management Programme (NRMP) whose objective is “to contribute to reduced poverty in the context of Kenya's Vision 2030, and of safeguarding the state of the environment and promoting sustainable management of natural resources”. The NMRP came to an end on 30<sup>th</sup> June 2016 but SHARE support continued up to 30<sup>th</sup> June 2019.

This European Union initiative (Support to Horn of Africa Resilience – SHARE) provided financial support of Ksh 690 million to WSTF channelled through DANIDA as a separate part of MTAP. This was a 4 year Programme starting from December 2014 to May 2019, an extension has been granted up to June, 2019 to enable smooth closure of the Programme. Cumulatively, 53 water and 102 sanitation projects targeting 180,000 people with improved water services and 8,500 people with improved sanitation services have been supported. Cumulatively, a total of 48 water projects and 101 sanitation projects have been completed benefitting 157,094 people (148,994 – water; 8,100 - sanitation). In addition, 498,760 livestock are benefitting through developed cattle troughs and water pans implemented under the MTAP II Programme support. The table below provides a highlight of the programme key statistics and overall cumulative achievements up to the end of the FY 2018/2019.

**Table 3: MTAP II EU SHARE key statistics and cumulative achievements**

<b>Implementation Period</b>	December 2014 to May 2019		
<b>Programme Budget (Kshs.)</b>	690 Million		
<b>Receipts to Date (Kshs.)</b>	590.4 Million		
<b>Disbursements to Date</b>	584 Million		
<b>Target Counties</b>	Lamu, Tana River, Garissa, Wajir, Isiolo and Marsabit		
<b>Programme Objective/s</b>	Empowerment, and increased resilience and food security of ASAL citizens in drought-prone and marginalised Counties		
<b>Key Milestones</b>	<b>Target</b>	<b>Cumulative Achievements</b>	
Finance Water projects	50	53 <sup>3</sup>	48 completed
Finance Sanitation projects	50	102	101 completed
No. of people Reached (Water)	150,000	148,994 <sup>4</sup>	
No. of people reached (Sanitation)	5,000	8,100 <sup>5</sup>	
Estimated benefitting livestock	N/A <sup>6</sup>	498,760	
<b>Capacity development of sub grantees</b>			
No. of sub grantees trained in financial management	50	53	
No. of sub grantees trained in operations and maintenance	50	51	
<b>County capacity support</b>			
No. of CRMs supporting programme implementation	6	6	
No. of Project audits	4	4 <sup>7</sup>	
Proportion of projects monitored	100%	100% <sup>8</sup>	

3 Some of the funded projects were low value projects hence more projects were funded above the target number

4 12 water projects were completed during the year reaching and additional 11,300 people

5 9 sanitation projects completed reaching an additional 800 people

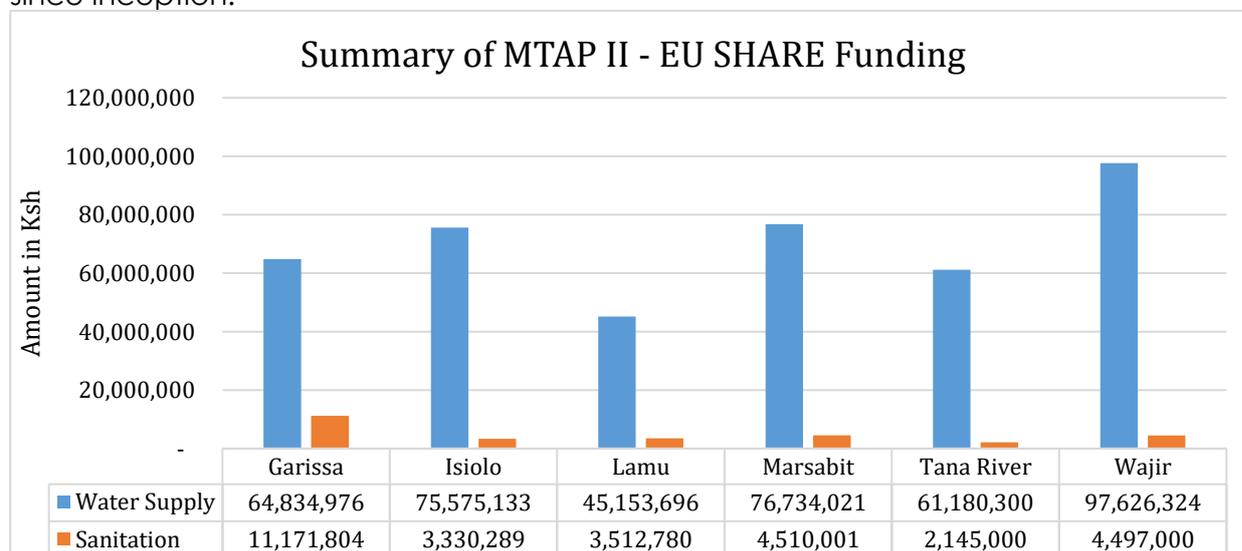
6 The PD did not have a target for livestock reached

7 Annual programme audit (FY 2017/2018) was conducted within the reporting period and final report submitted in quarter 3

8 Includes projects monitored by CRMs, TAs and WSTF Staff

Cummulatively from the start of the programme, 148,994 people have benefited from improved access to water services while 8,100 have benefited from improved access to sanitation services. This is as a result of investments and completion of 48 water projects and 101 sanitation projects.

The following chart details the investments made per Target County in the programme since inception:



**Figure 7: Cumulative investments per county in the EU SHARE Programme**

The figure 6 above provides an overview of overall funding to the 6 Counties for the 53 water supply and 102 sanitation projects as at 30th June, 2019. Wajir county was the highest beneficiary of the WSTF investments under the programme. This is attributable to fact that the County did not receive support under the DERP and thus submitted more funding proposals under the MTAP II EU SHARE programme. In addition, Lamu County was the lowest beneficiary since they did not participate in the 2nd call for proposals under the programme. This was further exarcebated by the County Government resolution limiting Lamu Water & Sewerage Company from implementing rural projects falling outside their service provision areas.



**Figure 8 Commissioning of Katsangani – Hurara water project phase II, Tana River County**

### **EU SHARE Programme Documentary**

During the 4<sup>th</sup> quarter, WSTF engaged a local media firm (Chamsmedia) to document successful projects undertaken by WSTF under the EU-SHARE funding. This assignment was successfully completed and produced a documentary covering six projects across the programme target counties. The Fund is using the documentary as a communication tool to effectively present the projects' goals, achievements and lessons learnt.

### **Capacity development of the Sub-grantees**

**163**  
**Sub-grantee members trained  
 on water project management**

During the year under review, WSTF engaged KEWI to train the WSPs or (water companies) and CBOs implementing EU SHARE programme. The objective of this training was to build technical capacity of WSTF's implementing partners in a bid to enhance sustainability of their investments. The target group comprised of county water officials involved in water management, technical staff and artisans in

respective water projects. A total, 163 participants were trained in Sustainable Management of Rural Water Facilities and Operation and Maintenance of Rural Water Facilities. The sessions were practical hands on training and it is expected that the sub grantees are now able to better implement and manage their projects.

### **Annual Finance Report**

The Fund anticipated to receive Kshs. 690 Million to support the overall programmes activities. As at the end of the Fiscal year under review, the Fund had received a cumulative amount of Kshs. 590.4 Million (85.5%) of the total expected.

During the FY 2018/2019, a total of Ksh 163,239,200 was available to support in physical implementation of project activities including other project related activities including an opening balance of Ksh 110,686,970.10, disbursement of Ksh 51,767,856.00 from

DANIDA and interest income of Kshs 784,373. A total of Ksh 112,875,908.50 was expended during the year hence the overall funds absorption of 69% based on accruals.

The details are contained in figure 9 below;

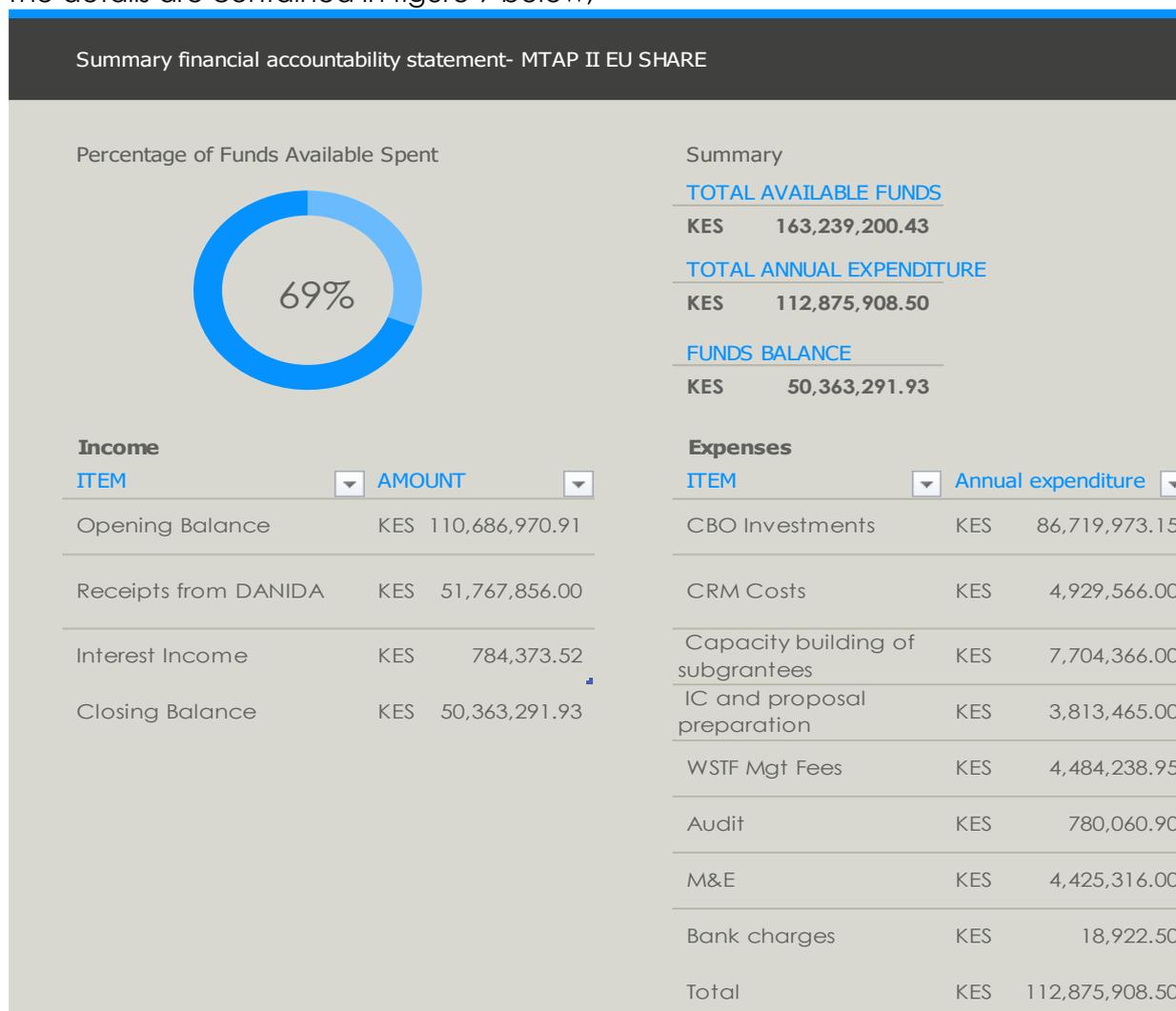


Figure 9: Summary Fund Accountability for the EU-SHARE Programme

Table 4: Key Achievements in the FY 2018/ 2019 under EU SHARE

<b>Implementation Period</b>	1 <sup>st</sup> July 2018 to 30 <sup>th</sup> June 2019		
<b>Funds available for disbursement (Kshs.)</b>	163,2 Million		
<b>Expenditure during the year (Kshs.)</b>	112.9 Million		
<b>Balance as at the end of the year</b>	50.4 Million		
<b>Key Milestones</b>	<b>Target</b>	<b>Annual Achievements</b>	<b>Variance</b>
Fund Water projects	15	15	0
Fund Sanitation projects	12	11 <sup>9</sup>	0
No. of people Reached (Water)	69,205	11,300	-57,905 <sup>10</sup>
No. of people reached (Sanitation)	1,050	800	-250 <sup>11</sup>

<sup>9</sup> Some project sites didn't have sanitation projects proposals

<sup>10</sup> 12 No. water projects were completed during the year

<sup>11</sup> 9 No. sanitation projects were completed during the year

### **Improved Access to Water Services**

As at the end of the year under review, 15 water and 12 sanitation projects were under implementation, this excludes the 6 water projects that were completed last year. It is anticipated that upon completion of all the water projects, the projects will benefit a total of 69,205 people with improved water services and 1,050 people with improved sanitation services.

### **Reduced Distances in accessing water services**

Based on the project concept notes and proposals, most people walk for more than 10 km to access the nearest water point in the targeted ASAL counties. Upon completion of the supported investments, this distance is expected to be reduced to an average of 1-2 kilometres where the projects operations were sustained. The long walking distances is extremely time-consuming. There are resultant opportunity costs from this time which could be better utilised in other economic activities.

**From 10km to less than 1 km**  
**Reduced walking distances**

**Maramtu B Water Project in Tana River County** – this project is serving about 2,500 community members with clean water from an existing borehole. The project scope entailed construction of 12 km distribution pipeline, 2 water kiosks, 5 yard taps and a 48 m<sup>3</sup> steel tank. The community is currently accessing water through 5 yard taps and 2 water kiosks. Before this intervention, the nearest water point was over 10 km away and water quality was not

good. The time saved is now used for other productive and economic activities.

### **Reduced cost of buying water**

The project has been a success in providing cheap, portable, clean and safe water close to the community. The project has realised an approximate 50% reduction in price of water. The savings realised from the reduced cost of water can be utilised to improve their living standards.

**50%**  
**Reduction in the cost of water**

**Katsangani – Hurara Water Project** in Tana river County has seen an approximate 50% reduction in price of water. Water is now sold at sh.5 per 20 litre jerrican while it used to cost Ksh. 10 before the WSTF intervention. This is attributable to the increased availability (quantity) within shorter distances. There is also the indirect benefit of time saved while fetching water which allows the community to engage better in economic activities and improve their livelihoods.

### **Enhanced drought resilience**

During the year under review, 4 water pans were completed (Gababa, Mudhe, Labibombi and Bathanot projects) with a combined capacity of 90,000m<sup>3</sup>. Water retained in these water pans is benefiting both human (9,500 people) and livestock (3,950 livestock units). In addition, the programme is advocating for use of green technology especially for the proposed projects in ASAL areas. Under batch 2 projects, seven water projects have been supported in installation of solar pumps.

### **Improved access to sanitation services**

Through the investments in sanitation services (302 units (2 door VIP Latrines) in 102 institutions and community access points), the programme has resulted in improved access for 8,100 people consequently reducing open defaecation practices in the target locations resulting to reduced contamination of the surface water sources.

### Enhanced management capacity

The implementing agents for the 53 water projects have been trained on financial management and procurement procedures. CBOs in 31 projects have been trained on operations and maintenance under the KEWI-WSTF partnership for enhanced community capacity in managing the completed facilities, determination of water pricing and revenue management plans, and overall project management. The participants comprised of pump operators, kiosk operators, line partrrollers, meter readers, revenue collectors and county officials. Project management manuals were also shared with the implementing partners which is expected to further enhance their managerial capacity and assure project sustainability.

Overall, the capacity building initiatives have resulted in enhanced financial management skills, better accountability, improved governance practices and entrenchment of democratic principles in project implementation, advanced conflict management skills and improved community cohesion.

### Programme Risks and Mitigation measures

The following risks and the corresponding mitigating measures were identified within the Programme:

**Table 5: EU SHARE Programme risks and mitigation measures**

No	Risk	Mitigating measures
1	Delay in receipt of year 3 funds to support implementation of planned projects.	Internal borrowing of funds from GGEP to cater for carry-over activities. Counties were supported to develop viable proposals.
2	Delay in procurement process by WSPs after receipt of funds.	WSTF supported the WSPs in provision of funding for tender adverts. In addition, the implementers were trained on proper procurement procedures.
3	Lack of reliable prioritization and project targeting mechanism by Counties.	WSTF undertook intensive County engagement and capacity building on project prioritization against the County Integrated Development Plans.
4	Low capacity of the implementing agents to undertake projects:	Training of WSPs/WUAs in project and financial management .

### Key Implementation challenges and mitigation measures

The table below summarizes the key implementation challenges and the adaptive measures in the programme:

CHALLENGES	ADAPTIVE MEASURES
<ol style="list-style-type: none"> <li>1) Delays in reporting of implementation challenges by WSPs especially on those projects drilling new boreholes.</li> <li>2) Inadequate capacity of the implenters resulting in low absorption and delayed disbursement of subsequent funds.</li> <li>3) Projects identified in Lamu County could not be supported since they fell outside the mandated service area of Lamu Water Company. The County Government</li> </ol>	<ol style="list-style-type: none"> <li>1) Enhanced collaboration between the implementation partners and the CRMs to enhance efficiency in communication and action.</li> <li>2) Capacity building of CBOs on implementation planning and financial management tracking to avoid unnecessary delay during implementation.</li> <li>3) Need to involve the County Government on project</li> </ol>

cancelled the tenders and the funds disbursed were recalled.	identification & prioritization in future projects.
4) Audit issues were raised on implementation of projects through Wajir water company in terms of procurement procedures and scopes.	4) There was no more funding to the county until all pending issues were addressed.

## Lessons Learnt

### Working with Registered Water Utilities

The implementation of projects through CBOs has been seen as a risk venture considering that they are not legal entities and hence cannot be sued or sue. In order to ensure sustainability of water schemes, professionalism of water committees needs to be emphasized along with ensuring that CBOs advance to the next level of water users associations with good legal standing. WSTF seeks to promote a business approach model to water service provision by ensuring that rural water sector investments are well managed. In line with the water sector aspirations, WSTF supported credible entities to implement and manage their schemes. Water Users Associations implemented good projects in Tana River County and delivered the desired milestones. In addition, increased technical support to these projects really helped on delivery.

### Change of Scope and variation requests

Any change of scope from any project beneficiary had to be submitted to the funding authority for approval before any work on the same commenced. This enabled the Fund to determine whether the request was sufficient and whether there was value for money in the proposed changes. The need to give advance technical assistance for designs and surveys assists in forestalling change of scope requests.

### Training on operation and maintenance

The benefits of the training on operations and maintenance could only be realized once CBOs established the right management structures, and engaging the community members as part of the operations of the completed project. The Fund seeks to promote service delivery models to promote better management of water schemes especially in ASAL areas by linking CBOs with registered WSPs for technical and operational support. The beneficiaries require training on installation, operation and maintenance of plant and machinery for any project. This would ensure sustainability of the projects as the community will be better equipped to manage the projects.

### Stakeholder involvement

Involvement of all stakeholders such as county governments during project identification, designing and equity in distribution of projects within sub counties is critical to ensuring more support during project planning, design, implementation and operational phases. Involvement of National Environmental Management Authority (NEMA) in approving Environmental Impact Assessments (EIAs) for target projects falling under the NEMA schedules and Water Resources Authority (WRA) in issuing permits is key.

The lesson learnt in engagement of County engineers has helped to improve quality and fast track implementation

## An appreciation note

### Maramtu B Water and Sanitation project



*A completed water kiosk*



*Community members drawing water from a yard tap at Maramtu B Water project, Tana River County*

The committee of Maramtu B Water and Environmental CBO thanks the WSTF supporting the project. Prior to its inception the community was afflicted by:

- i) Frequent crocodile attacks from direct river consumption and use by both human beings and their livestock
- ii) High water borne diseases incidence due to lack of clean water
- iii) Flooding resulting in challenges in water fetching
- iv) Long distances covered and time taken to fetch water
- v) Low levels of hygiene due to inadequate access to water services

We thank Water Sector Trust Fund for the assistance and support, which has enhanced supply of clean water to Maramtu A, Maramtu B and Maramtu Guto villages.

Implementation of the project has resulted in :

- i. Improved hygiene levels throughout the community  
***“We no longer have to chase the crocodiles before taking a shower in the river”.***
- ii. The school going children are also clean and are having more time to study since they no longer fetch water from the river. ***“We lost a number of pupils after they were attacked by crocodiles, some have also become disabled after attacks.”***
- iii. Reduced disease incidence
- iv. More time invested into productive use
- v. Improved school attendance
- vi. Improved health and sanitation

## Upper Tana Natural Resource Management Project

### Introduction and programme background

The IFAD - Upper Tana Natural Resources Management is an eight year project (2012 - 2020) funded by Government of Kenya, International Fund for Agricultural Development (IFAD), Spanish Trust Fund and Local communities beneficiaries through Water Sector Trust Fund (WSTF). The programme has been granted a 2.5 year extension ending the year 2023.

The table below provides a highlight of the programme key statistics and overall cumulative achievements up to the end of the FY 2018/2019.

**Table 6: UTaNRMP key statistics and cumulative achievements**

<b>Implementation Period</b>	June 2012 to July 2020	
<b>Programme Budget (Kshs.)</b>	600 Million	
<b>Receipts to Date (Kshs.)</b>	405 Million	
<b>Disbursements (Kshs.)</b>	390.5 Million	
<b>Target Counties</b>	Nyeri, Embu, Meru, Kirinyaga, Tharaka Nithi and Murang'a	
<b>Programme Objective/s</b>	To enhance sustainable management of water resources and natural resources through the financing of Water Resources Users Associations and Community Forest Association activities.	
<b>Key Milestones</b>	<b>Target</b>	<b>Cumulative Achievements</b>
Finance WRUA Contracts	128	76
Finance CFA Contracts	69	45
No. of beneficiaries	164,000	77,7x75 <sup>12</sup>
Tree nurseries established	-	29
Forest rehabilitation - Seedling planted (No.)	-	870,750
Forest rehabilitation area (HA)	-	549

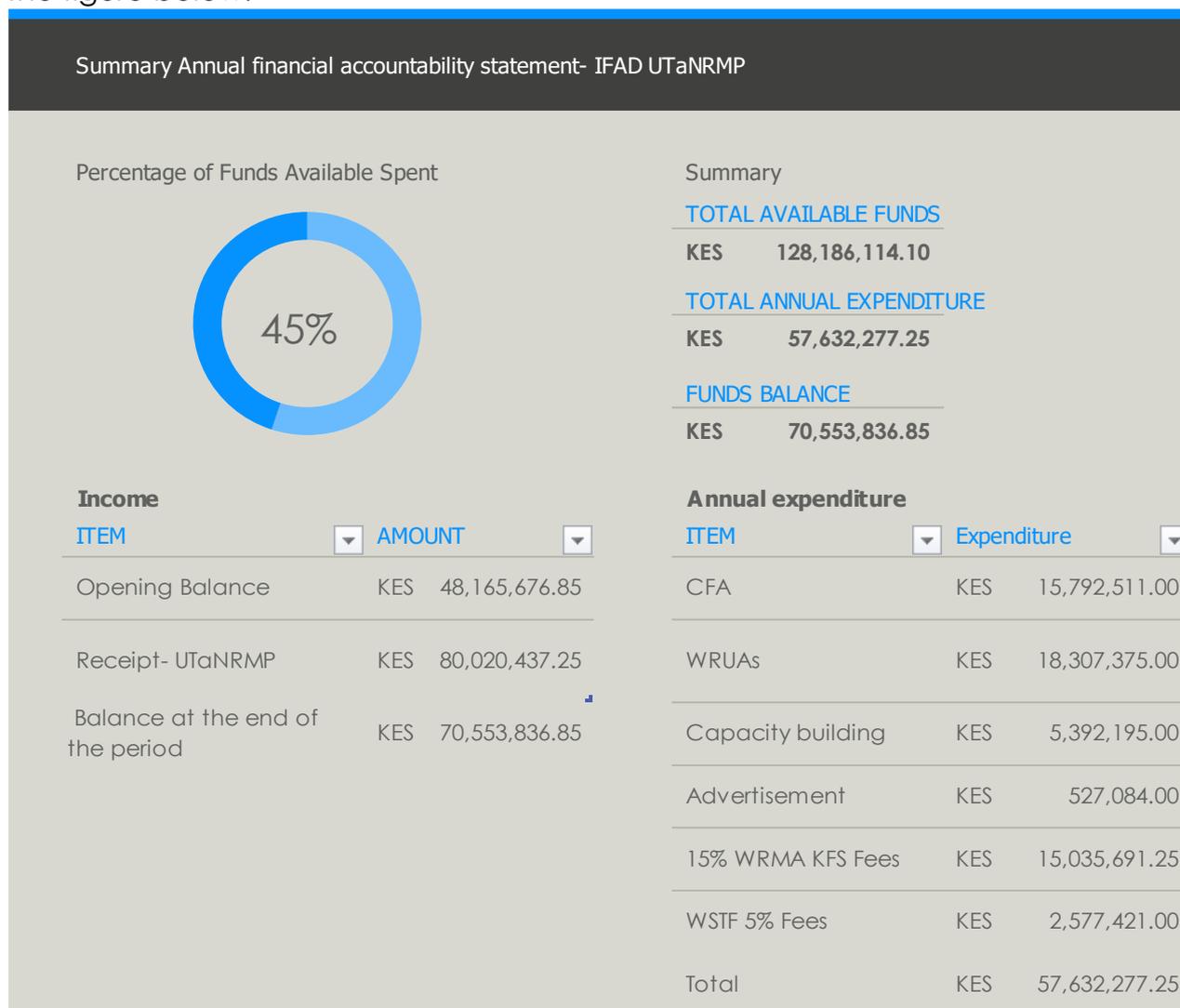
The IFAD – UTaNRMP programme supports Water Resources Users Associations (WRUAs) and Community Forest Associations (CFAs) in implementing conservation activities with the aim of contributing to rural poverty reduction in the Upper Tana Catchment. It is technically supported by Water Resources Authority (WRA) in conjunction with WSTF for WRUAs and Kenya Forest Service (KFS) for CFAs. Through the implementation of Sub Catchment Management Plans (SCMP) by WRUAs and Participatory Forest Management Plans (PFMP) by CFAs activities, the programme has realised enhanced natural resource management through rehabilitation of degraded forest reserves and water catchment areas.

### Annual Financial Report

During the FY 2018/2019, a total of Ksh 128,186,114.10 was available for supporting WRUAs and CFAs activities (including an opening balance of Ksh 48,165,676.85, and a disbursement of Ksh 80,020,437.25 from IFAD). A total of Ksh 57,632,277.25 was expended during the year hence the overall funds absorption

<sup>12</sup> Most of the projects supported were mainly capacity development and support for preliminary activities hence the average of achievement on this indicator. This is calculated as RWH- 67800, training- 2895, Energy Saving Jikos- 5440, Fish ponds- 40, Water Projects 400

stands at 45% based on accruals. Details of the expenditures are as detailed in the figure below.



**Figure 10: Annual Funds Accountability Statement- UTaNRMP**

### Annual Programme Achievements

The table below highlights the key achievements made under the programme during the year under review:

**Table 7: Key Achievements in 2018/ 2019 under UTaNRMP**

<b>Implementation Period</b>	1 <sup>st</sup> July 2018 to 30 <sup>th</sup> June 2019		
<b>Funds available for disbursement (Kshs.)</b>	128.2 Million		
<b>Expenditure during the year (Kshs.)</b>	57.6 Million		
<b>Balance as at the end of the year</b>	70.6 Million		
<b>Key Milestones</b>	<b>Target</b>	<b>Annual Achievements</b>	<b>Variance</b>
Finance WRUAs Contracts	11	30	+19
Finance CFAs Contracts	9	15	+6
No. of beneficiaries	55,000	64,869	9,869
Capacity building workshops	1	3	+2

The Fund has so far made three calls for proposals from the WRUAs and CFAs from the six target counties. The first call was on 25<sup>th</sup> July, 2014 and resulted in 34 proposals (16 WRUAs & 18 CFAs) being successful. As at 30<sup>th</sup> June, 2017, all the call 1 WRUA and CFA projects had been fully implemented and completed. The second call for proposals was run in the print media of 6<sup>th</sup> May, 2016 with 43 projects (31 WRUAs and 12 CFAs) being successful and out of which 42 projects (12 CFAs and 30 WRUAs) have received all the funding as at 30<sup>th</sup> June, 2018. The third call for proposal was advertised on 20<sup>th</sup> March, 2018 and as a result 96 project proposals (62 WRUAs and 34 CFAs) were received by respective Water Resources Authority (WRA) sub regions and Kenya Forest Services (KFS) conservancies for review. Out of which 82 projects (54 WRUAs and 28 CFAs) were recommended by the secretariat for further review by the Project Review Committee (PRC). The PRC recommended 78 projects for funding. However, due to budgetary limitations, only 44 projects were funded based on a ranking criteria. The rest of the 34 projects are to be funded during the 2019/2020 FY.

### **Analysis of Results**

The Fund is supporting the Programme in implementation of the sustainable water and natural resources management component. This component is designed to improve the sustainable utilization of water and other natural resources, mainly using community groups including the WRUAs and the CFAs. Under the sustainable water resources subcomponents, the implementation of the 121 No. water resources and natural resources management activities has resulted in enhanced capacity of the communities for the WRUAs and CFAs to plan for and implement sub-catchment management/ Participatory Forest Management plans activities. This community centric approach has resulted in higher levels of ownership and sustainable management of water and natural resources.

Financial absorption for UTaNRMP based on accruals (disbursed and accounted) cumulatively was at 45% with Ksh. 57,632,277.25 and on cash basis the absorption was at 70.5% with Ksh. 69,849,291.2 having been disbursed. The challenge of accounting is because most WRUA projects received their 1<sup>st</sup> tranche funds towards end of June and were not ready to start reporting and accounting. However the project activities are on track.

During the year under review, there 15 CFAs and 29 WRUAs were financed for 1<sup>st</sup> tranche activities. The projects were financed on rainfall depended activities, designs and acquisition of statutory requirements such as Environmental Impact Assessments( EIAs), Hydrological, pollution and baseline surveys after submission of 3 months milestone based work plans. The main infrastructures and other actual interventions are to be funded in the financial year 2019/2020.

In addition, 176 WRUA and CFA officials were trained out of which 60 were from the CFAs. In an effort to enhance effectiveness in projects tracking, monitoring and reporting 6 WRA and 15 KFS coordinators were trained on reporting

requirements, project management and projects governance management issues. The CFAs on individual basis undertook 2 Scouts trainings.

On planning, all the 44 projects undertook planning meetings prior to projects implementation. So far 12,000 agro forestry seedlings have been procured benefiting 1200 farmers through CFAs facilitation. This is aimed at improved environmental conservation and improved nutrition at the household level. Long term effects on forests is reduced pressure on forests and completion for forest related products.

On rehabilitation of existing gazetted forest areas in the project areas, 20 hectares of previously planted forest areas were maintained with an aim of contributing towards improved forest cover target at the national level.

In relation to water access, 14 springs were protected and 44 Rain Water harvesting tanks being installed in public institutions through WRUAs support resulting in approximately 44,000 litres of increased water storage within the project area. One (1) common intake was protected as well.

In an effort to improve riparian conservation, 70 Kilometers of riparian land were marked and pegged for conservation.

One baseline survey for better future planning and management of existing water resources was done through WRUAs support.

The programme outcomes for the 2018/19 have been achieved through the implementation of the following activities;

- i) Advertisement for call for proposals and of successful 3rd call WRUA and CFA projects were done on 20<sup>th</sup> March, 2018 and on 26<sup>th</sup> March, 2019 respectively.
- ii) Review of 96 proposal and approval of 78 successful proposal plus receipt of 'No objection' from IFAD Rome.
- iii) Approval of Forty four (44) (29 WRUA and 15 CFA projects) out of the 78 proposals by the Ministry of Water and Sanitation (MWS).
- iv) Successful requisition of Kshs.81.7 Million for financing of the 44 successful proposals.
- v) Financing of 44 projects (29 WRUAs & 15 CFAs) in the six target counties.
- vi) Training of 29 WRUAs & 15CFAs representatives to enhance their implementation capacity.
- vii) Forty four (44), 29 WRUA and 15 CFA projects technically supported to implement 1<sup>st</sup> tranche of call 3 activities by WRA & KFS.
- viii) Formulation of TORs for KFS and WRA project coordinators for supervision and reporting and induction of the coordinators.
- ix) WSTF participated in the GOK/IFAD Joint implementation and supervision mission which emphasized fast-tracking implementation of funded activities,

results based reporting and improvement of technical support to implementing agents for better impacts.

- x) Receipt of data on Natural Forest hot spots from KFS ecosystem offices
- xi) Improved the IFAD database Framework and finalized the WASHMIS automated tool for input of data as from call 3.
- xii) Holding of Six (6) review meetings to fast-track UTANRMP implementation and address challenges
- xiii) Holding of consultative meeting between WSTF, WRA and IFAD for harmonization of working modalities and collaboration.
- xiv) Training of WRA and KFS Coordinators on IFAD-UTaNRMP WASHMIS automated tool and reporting framework.
- xv) Effective reporting and accountability by 5 Projects (Sagana, Upper Thuci, North Mathioya, Upper Kathita and Upper Maragua WRUA projects) funded under call 2.

### UTaNRMP Risks and Mitigation measures

The programme risks and mitigation measures are highlighted in the following table:

**Table 8: UTaNRMP Risk Management and Mitigation**

<b>Risk</b>	<b>Mitigating measures</b>
<ul style="list-style-type: none"> <li>i) Delays in granting approval by the WSTF BOT</li> <li>ii) Delays in financing of the receipt of WRUA funds and their financing due to delay in WRA confirming technical coordinators to oversight WRUA Projects from 3rd call.</li> </ul>	<ul style="list-style-type: none"> <li>i) The WSTF sought approval from the Ministry of Water and Sanitation (MWS). The approval was granted by the Permanent Secretary for the MWS on 22<sup>nd</sup> March, 2019.</li> <li>ii) The WSTF in conjunction WRA &amp; IFAD had a consultative meeting to harmonize the technical supervision arrangements on in May, 2019. WRA nominated technical coordinators who were inducted on 5<sup>th</sup> and 6<sup>th</sup> June, 2019 on overseeing and reporting requirements.</li> </ul>

### UTaNRMP Project Success Story

Kirwara is located about 96km from Nairobi, Muthigi ward, Kirinyaga west sub-County in Kirinyaga County. In 2015 with the support from Water Resources Authority, Makutano community came together to form Kirwara Water Users Association and elected 21 officials to run day-to-day activities of the association. Members would contribute Ksh 250 per month to help in management of the group; although the funds were not enough to carry out environmental conservation works.

*“Before we received funds from Water Sector Trust fund, the association had many challenges and we were not able to carry out environmental conservation works,”* Says Timothy Chomba, the chairman of Kirwara Water Resources Association.

The main objective of the association was to promote good management practices which make efficient and sustainable use of water resources. During the formation, the association came up with a sub-catchment management plan that compiled all the activities that would be carried out to improve water resource management.

***“Water Sector Trust Fund, our partners in water resources management came at the right time as we had struggled so hard to carry out environmental conservation works”*** Veronica, a member of the WRUA.

The WRUA was able to benefit from the call for proposals through the IFAD Upper Tana Natural Resources Management Project funded through Water Sector Trust Fund with Ksh 4,998,950 funded in two tranches. The Fund provided various trainings on financial management, procurement, record keeping , conflict management and the purchase of rain water harvesting tanks to public institutions, protection of spring which has assisted over 900 people who had previously no access to clean water, Protection of riparian areas through tree planting and general public awareness on catchment conservation.

To date, the WRUA is a happy group because most community members have transformed due to awareness created by the WRUA and the general public is now assisting in managing the water resources.

The community has now adopted the rain water harvesting idea. ***“Most suppliers in Makutano town never used to supply water tanks due to low***



**A beneficiary of the project fetching water for domestic use from one of the spring protected under the project.**



**The project is serving a human population of more than 6000.**

**6,000**

**Population benefiting from the WRUA's activities**

***demand but currently most suppliers have water tanks of high capacity***” Says Peter Gichira WRUA member.

### Support to Equitable Access to Water, Basic Sanitation and Water Resources

#### **Introduction and programme background**

The J6P "Support to Equitable Access to Quality Water, Basic Sanitation and Enhanced Water Resources Management in Rural Kenya" is based upon collaboration between the Water Sector Trust Fund (WSTF) and the two Development Partners (DPs): the Government of Finland (GOF), the Government of Sweden (GOS) and the Government of Kenya (GOK).

The programme aims to achieve its purpose through five outcomes namely:

**Outcome 1:** County capacity enhanced, (County capacitated in fulfilling their constitutional responsibilities in establishment of an enabling environment for the provision and monitoring of WRM, Water and Sanitation services).

**Outcome 2:** Water resources management conflicts reduced, (WRM initiatives protecting water resources and ensuring equity in water access thereby reducing water related conflicts and environmental degradation).

**Outcome 3:** Increased water service access, (Water supply projects ensure improved equitable access to water services).

**Outcome 4:** Increased sanitation service access, (Sanitation investments ensure improved equitable access to sanitation).

**Outcome 5:** WSTF capacity enhanced, (The Fund being able to undertake its mandate through strengthened institutional capacity).

The table below provides a highlight of the programme key statistics and overall cumulative achievements up to the end of the FY 2018/2019 since inception.

**Table 9: J6P key statistics and cumulative achievements**

<b>Implementation Period</b>	June 2014 to June 2020		
<b>Programme Budget (Kshs.)</b>	2,025 Million		
<b>Receipts to Date (Kshs.)</b>	1,097 Million		
<b>Disbursements to Date</b>	1,023 Million		
<b>Programme Objective/s</b>	Equitable Access to Quality Water, Basic Sanitation and Enhanced Water Resources Management in the targeted counties.		
<b>Key Results</b>	<b>Target</b>	<b>Cumulative Achievements</b>	<b>% Achievement</b>
<b>Component 1: County capacity enhanced</b>			
No. of Counties with accurate baseline WS coverage data (available and updated online).	6	5	83%
No. of Utilities with GIS maps used for planning and decision making.	72	23	31.9% <sup>13</sup>
No. of Counties applying approved legal systems in water management.	6	0	0 <sup>14</sup>
% Allocation of budgets to WSTF supported water investments.	30	10	33.3% <sup>15</sup>
No. of counties with approved GESI guidelines.	6	0	0 <sup>16</sup>
<b>Component 2: Enhanced Water resources management</b>			
No. of basin wide action plans developed/ implemented.	18	14	77.8%
Amount of Funds utilised to support water resources management activities (M).	213.85 million <sup>17</sup>	84	38.4% <sup>18</sup>
Area covered in water resource management (km <sup>2</sup> ).	1800	1400	77.8%
Counties implementing a transboundary WRUA management framework to reduce water conflicts.	0	2	0 <sup>19</sup>
No. of WRUAs trained in governance, finance, procurement and management of water resources.	18	14	77.8%
<b>Outcome 3: Increased Water Services Access</b>			
No. of projects funded in the target counties.	40	36	90%
Funds utilised to support water projects in the target counties.	932.07 million	535.2million	56.6%
No. of people reached with improved water services in the target counties.	198,000	102,733	51.8% <sup>20</sup>
Sustainability index of the supported projects.	100	47	47
Creditworthiness of the supported projects.	4	2.7	67.5%

13 All the funded projects were mapped. Additional projects will be mapped upon completion of batch II implementation.

14 3 No. Counties have been financed to develop and implement the Water Laws and so far the counties have made progress towards enactment of the Bill.

15 Four counties of Laikipia, Nandi, Narok and Tharaka Nithi have honored their commitment to co-finance water projects. The PMR recommended the reduction of the cash contribution from 30% to 10% and quantify the 20% In-Kind contribution. This will be assessed in the coming FY upon the implementation of funded projects

16 The GESI guidelines are yet to be completed, hence not rolled out.

17 This is a revised figure from 300.75 million as per the approval of Budget reallocation.

18 Few WRUAs have been funded and most of them are level II hence attracting maximum funding of Ksh 5million. Some areas also do not have established WRUAs.

19 There was no planned target to finance transboundary WRUA projects but it emerged that most WRUAs are covering more than one County. This was the transboundary financing mechanism and since no county contribution was required, the framework was not implemented. The process of the development of the strategy was consultative and included WRA who are now responsible for spearheading its implementation within and without the programmes Counties' scope. Its implementation seeks to sensitise on the implementation framework for the Counties on the investments' benefits accruing from financing conservation efforts even beyond the Counties administrative boundaries.

20 The number of beneficiaries reached 51.8% as compared to a target of 198000. The remaining 48.2% is expected to be achieved upon completion of Batch II projects. This figure is lower than previously reported since the achievements were revised downwards due to a review in the actual population reached from completed projects.

Average customer satisfaction from the supported projects.	1	1.74 <sup>21</sup>	57.5
No. of Utilities trained in governance, finance, procurement and management of water and sanitation services.	40	24	60.0 <sup>22</sup>
% County and community contribution in water services projects.	30	15.7	52.3% <sup>23</sup>
% of the poorest population (those HH in SL 3&4 rising to 1&2).	198,000	-	TBD after final Mapping
<b>Outcome 4: Increased Sanitation Access</b>			
No. of projects funded in the target counties.	144	62	43% <sup>24</sup>
Funds utilised to support sanitation projects in the target counties (million).	114.11	60.1	54.01%
No. of people reached with improved sanitation services in the target counties.	0	6250	0 <sup>25</sup>
Sustainability index of the supported projects.	< 70%	47	47
No. of villages implementing CLTS activities.	480	142	29.6% <sup>26</sup>
No. of villages declared ODF free.	376	54	14.4 <sup>27</sup>
No. of public latrines with adequate access for PWDs.	50	1	2% <sup>28</sup>
<b>Outcome 5: Enhanced WSTF Capacity</b>			
No. of new project cycles developed and implemented.	6	6	100%
No. of new Investments Monitoring systems developed and implemented.	3	2	67%
No. of Information Systems developed and implemented.	1	1	100% <sup>29</sup>
Risk management efficiency- questioned costs as a proportion of total disbursements (%)	<3%	1.79%	100%
No. of research projects funded	12	0	0 <sup>30</sup>
Funds disbursed to support research initiatives (Ksh. M)	4	0	0%
Staff gender equity- proportion of women in total staffing	50	42.9	85.8%
Proportion of staff with disabilities (%)	5	1	20%
CRMs engaged to support project activities	6	6	100%
Proportion of technical staff to total staffing	82	51	62.2% <sup>31</sup>
Staff trained on project implementation & management	40	20	50% <sup>32</sup>
Development index (%)	85	57.9	68.1%
Project processing efficiency	90	120	67.7%

21 Last year's figures for have been retained as the projects were not evaluated during the year under review

22 Only 24 utilities have been trained and the number might remain at 24 as they are the only ones implementing projects under J6P.

23 Counties have made their contribution for Batch II projects and also Batch I snag for Nandi, Laikipia and one project in Migori County.

24 No new project was funded apart from Batch I projects.

25 The target was based on the number of institutions benefitting and not the population.

26 Financing of CLTS started in FY 2017/2018 where 142 villages were supported. More villages to be supported in FY2019/2020

27 CLTS support is still on going and 54 villages have been declared ODF

28 A consideration of PWDs will be enhanced in the second phase. In phase I, institutional sanitation sparingly considered PWDs based on needs identified by the schools.

29 PMIS was developed and in the beginning, the process of data entry took effect but could not proceed beyond data entry level owing to some technical challenges that were experienced. Development of the new system is on course.

30 The completion of the transition strategy was undertaken in FY 2017/2018. This was a prerequisite to the unbundling of the research mandate of the Fund and the development of the research policy and strategy began during the year under review.

31 Staffing freeze by the government has resulted in a low number of technical officers supporting programmes. This is augmented by the technical consultants supporting the programmes.

32 There were implementation delays in the first year of implementation resulting in fewer trainings.

Red flag alert system operational - % of projects red flagged.	0	12.5% <sup>33</sup>	12.5%
WSTF monitoring visits per project	2	2	100%
Knowledge management- Academic articles published on the programme	12	0	0% <sup>34</sup>

### Annual Financial Report

During the FY 2018/2019, a total of Ksh 369,728,127.09 (Ksh 292,999,051.39<sup>35</sup> as opening balance, Ksh 70,000,000.00 as GoK counterpart funding and Ksh 6,729,075.70 being interest earned) was available for utilization. A total of Ksh 142, 618,875.60 was expended during the year hence the overall funds absorption stands at 39% based on accruals. This is as detailed in the figure 10 below.

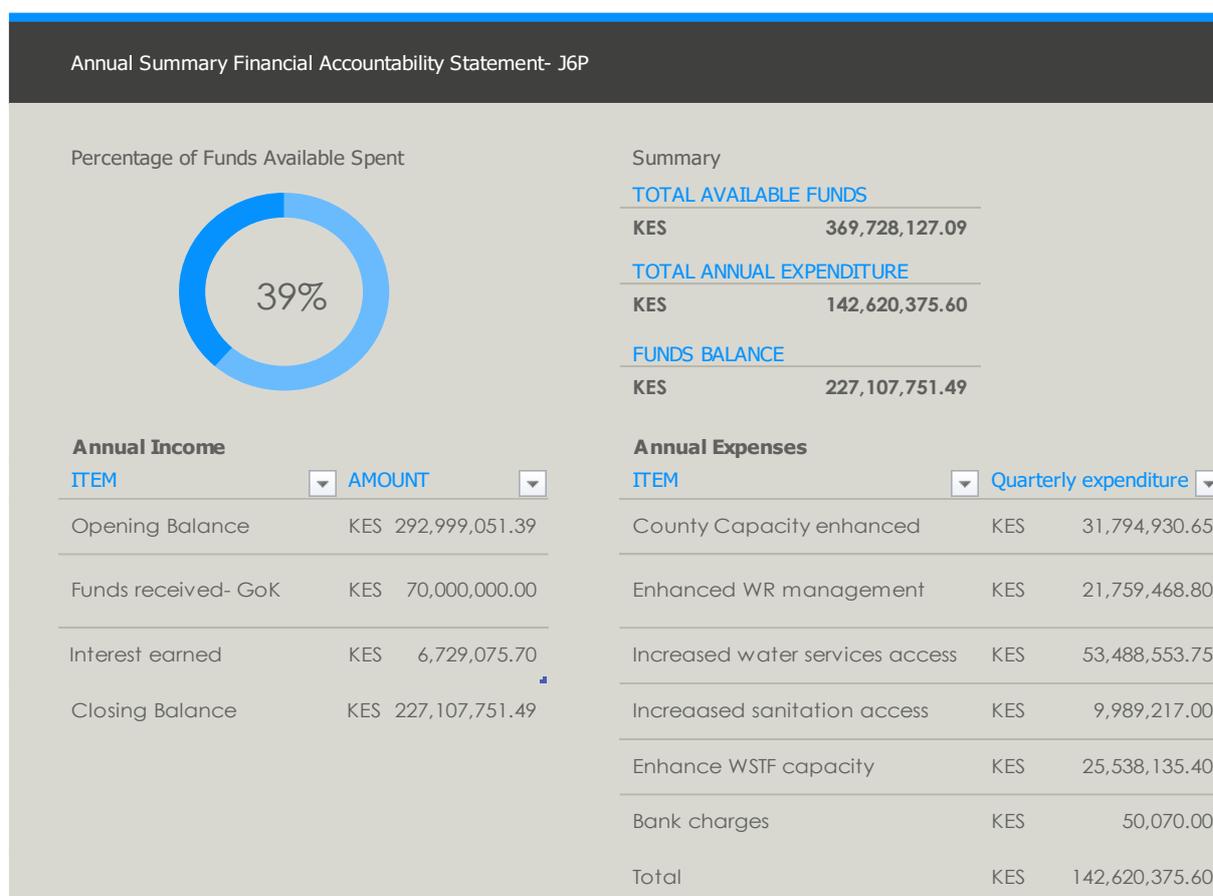


Figure 11: J6P Annual Funds accountability statement

On interest earned, the bank agreed to pay to the project bank account from the date when it was funded i.e 17 October 2017. Subsequently the bank paid gross interest on 20 June 2019 and charged withholding tax @15% on 25 June 2019. The interest is at a

<sup>33</sup> Sirimon and Lelmokwo Water Projects have been flagged owing to implementation delays and vandalism of existing infrastructure

<sup>34</sup> The development of policy and strategy on research is yet to be completed and thus publication of academic articles is yet to be realized.

<sup>35</sup> The amount carried forward in the FY 2017/2018 report was Kshs. 313.5 Million. The opening balance reflected in the FAS is as per the audited financial accounts, which reflected the year-end adjustments

negotiated rate of 2.5% per annum computed at a weighted average on the bank balance for each month.

**The low absorption rate in the programme is attributable to:** delayed implementation of Batch II projects occasioned by long preparation period of the projects, county counterpart funds disbursements delays, and inefficiencies in the decision making processes. The programme period was extended to June, 2020 and an approval received for revised budget allocations. The overall programme performance in funds absorption stands at 57.4% which translates to a total of Ksh 955.5 million being funds utilized from the inception to 30<sup>th</sup> June, 2019 as illustrated in table 11 below:

**Table 10: Cumulative J6P programme expenditure**

No	Component	Revised Programme Budget (Ksh. M)	Cumulative Expenditure (Ksh. M)	Cumulative Expenditure (%)	Balance (Ksh. M)
1.	County capacity enhanced	167.25	118.7	70.0	48.55
2.	Water resources management improvement	213.85	93.0	41.7	120.85
3.	Sustainable Access to Water Services	932.07	535.2	56.6	396.87
4.	Sustainable Access to Sanitation Services	114.11	60.1	51.5	54.01
5.	WSTF Capacity Development and Programme Support	185.12	124.2	66.8	60.92
6.	Management Fee	52.60	24.3		28.3
	<b>Total</b>	<b>1665</b>	<b>955.5</b>	<b>57.4</b>	<b>709.5</b>

The information from the table above shows that performance varies from components 1 to 5 with component 1 registering an impressive absorption as at the end of the reporting period at 70%. Component 3 carries 56% of the total programme budget and its performance can be classified as average compared to other components of the programme. This was the driver behind the overall low funds absorption owing to the challenges resulting from implementation delays, low accountability of funds and delayed counterpart contribution from the investments.

### **Annual Programme Achievements**

The fiscal year July 2018 – June 2019 marked the fourth year of implementation of the programme. The table below highlights the key achievements made under the programme during the year under review:

**Table 11: Annual J6P programme achievements**

<b>Implementation Period</b>	July 2018 to June 2019		
<b>Programme Budget (Kshs.)</b>	607.6 Million		
<b>Amount available for disbursement</b>	369.7 Million		
<b>Expenditure during the year</b>	142.6 Million		
<b>Balance at the end of the year</b>	227.1 Million		
<b>Key Results</b>	<b>Target</b>	<b>Annual Achievements</b>	<b>% Achievement</b>
<b>Component 1: County capacity enhanced</b>			
No. of Utilities with GIS maps used for planning and decision making	24	23	95.8%
No. of Counties applying approved legal systems in water management	6	0	0 <sup>36</sup>
% Allocation of budgets to WSTF supported water investments	30	10	33.3 <sup>37</sup>
No. of counties with approved GESI guidelines	6	0	0 <sup>38</sup>
<b>Component 2: Enhanced Water resources management</b>			
No. of WRUAs funded	15	7	46.7% <sup>39</sup>
Amount of Funds utilised to support water resources management activities (Ksh. M)	79.2	21.8	27.5% <sup>40</sup>
Area covered in water resource management	15 <sup>41</sup> 00	700	58.3%
Proportion of funds invested in Water Resources Management (%)	16.6	3.6	21.6% <sup>42</sup>
Counties implementing a transboundary WRUA management framework to reduce water conflicts	0	2	100%
No. of WRUAs trained in governance, finance, procurement and management of water resources	15	14	93.3%
<b>Outcome 3: Increased Water Services Access</b>			
No. of projects funded in the target counties	26	9	50.0% <sup>43</sup>
Amount utilised to support water projects in the target counties (Kshs. M)	235.4	52.6	22.3%
No. of people reached with improved water services in the target counties	65,500	4,000	6.1% <sup>44</sup>
Sustainability index of the supported projects	100	47	47
Creditworthiness of the supported projects	1	2.07	50%
Average customer satisfaction from the supported projects	1	1.74	1.74
No. of Utilities trained in governance, finance, procurement and management of water and sanitation services	13	8	61.5% <sup>45</sup>

36 The water prototype Bill was completed in the first year of implementation. Consultations with the Ministry of Water and Sanitation delayed the adoption of the Water Bills. 4 No. Counties have been financed to implement the Water Laws

37 All counties contributed to the projects at an average of 10% as per the PMR recommendations

38 The GESI guidelines are still under development. They will be rolled out upon completion and approval by the Fund  
39 Only 7 out of the target 15 WRUAs were funded. This is due to delay in submission of proposal by WRUAs through Water Resources Authority (WRA).

40 Delay in submission of proposals led to delayed funding and implementation of projects hence the low amount of investment realized.

41 Implied from 15 No. WRUAs targeted at 100KM2 per WRUA

42 The low rate of absorption was occasioned by delayed financing of more WRUA projects.

43 More projects are to be funded in FY2019/2020 as they have been approved. Reference is made to disbursements made for the projects during the year under review

44 Batch II projects are being implemented and hence the target beneficiaries are yet to be reached.

45 Only 8 of the target 13 WUs were trained. This is because most projects are being implemented by Water Service Providers and thus one Utility is implementing up to 2 projects.

% County and community contribution in water services projects	30	10	33.3%
<b>Outcome 4: Increased Sanitation Access</b>			
No. of projects funded in the target counties	12	1	8.3% <sup>46</sup>
Amount utilised to support sanitation projects in the target counties (Ksh. M)	53.8	10.0	18.6% <sup>47</sup>
No. of people reached with improved sanitation services in the target counties	1400	0	0% <sup>48</sup>
Sustainability index of the supported projects	100	47	47
No. of villages implementing CLTS activities	192	142	74%
No. of villages declared ODF	142	54	38% <sup>49</sup>
<b>Outcome 5: Enhanced WSTF Capacity</b>			
No. of new project cycles developed and implemented	0	0	0%
No. of new Investments Monitoring systems developed and implemented	0	0	0%
No. of Information Systems developed and implemented	0	0	0% <sup>50</sup>
Risk management efficiency- questioned costs as a proportion of total disbursements (%)	<3	<3	100%
No. of research projects funded	1	0	0
Funds disbursed to support research initiatives	10	0	0
Staff gender equity- proportion of women in total staffing	50	37.8	75.6%
Proportion of staff with disabilities	5	1	20%
CRMs engaged to support project activities	6	6	100%
Proportion of technical staff to total staffing	82	51	62.2%
Staff trained on project implementation & management	10	5	50%
Project processing efficiency (days)	90	120	67%
Red flag alert system operational - % of projects red flagged	1	1	100%
WSTF monitoring visits per project	2	2	100%
Knowledge management- Academic articles published on the programme	1	0	0% <sup>51</sup>

### Capacity building of Water Utilities and WRUAs

Success of any entity is largely dependent on the capacity of its staff/human resource to run, maintain and improve the system with a main goal of providing the intended services for betterment of socio-economic status of the beneficiaries. In order to entrench the principles of sustainable development, WSTF in conjunction with Kenya Water Institute (KEWI) and Kenya Water and Sanitation Civil Society Network (KEWASNET) carried out capacity building of WUs and WRUAs in all the six counties of Kwale, Laikipia, Migori, Nandi and Tharaka Nithi and Narok in FY2018/2019. The overall goal of the training was *“Towards Reaching the Sustainable Development Goals and the Human Right to Water and Sanitation for rural areas and small towns” (TRESH)*.

46 Only 1 project was funded or received the disbursement due to delays in requesting for funds upon successful completion of procurement process

47 The cost went to projects that were completed in FY2017/2018 as the final disbursements being accounted for as well as CLTS.

48 No project was completed during the reporting period.

49 Only 54 of the initial 142 villages have been declared ODF.

50 The PMIS was developed and is currently under review based on emerging WSTF systems requirements. The concept notes and SRS have been completed.

51 The Transition Strategy was completed in the FY under review. Under the unbundled mandate, the Knowledge Management function is to be undertaken under this section.

The KEWI support to Water Utilities was geared towards capacity strengthening on operation and maintenance of diesel powered water supply, solar powered systems, Electricity powered systems, pumping systems, water supply pipeline and appurtenances, water tanks and metering, consumer points and metering, corporate governance and equity in water and sanitation provision, strategic planning, monitoring and evaluation, non-revenue water (NRW), financial management, human resource, asset management, water quality management and action planning. The overall objective of the exercise was to strengthen management of water and sanitation within the jurisdiction of the water utilities.

In order to achieve the above objects, eight (8No.) WUs were trained in various aspects of project management including;

- i) reduce the non-revenue water,
- ii) enhance prudent financial management,
- iii) robust human resource management,
- iv) develop strategic plan,
- v) understand the water quality management and action planning,
- vi) develop capacity on understanding all-inclusive decision making,
- vii) communication tools that promote governance to enable its leadership and members to increase their effectiveness in undertaking their mandate,
- viii) To engage and work hand-in-hand with the national and County governments and other stakeholders in the provision of water and sanitation services.

A total of 292 members/ leaders from the utilities were trained, out of which 76 were women (comprising of 26% of the trained persons). Following the training, it became apparent that all Water Utilities are faced with various challenges which hinder growth and efficient service delivery. These issues were listed and ranked by each WU and Action plans developed. Each action point was given specific time for implementation and resources allocated to ensure that the objective is realized. This was seen to be a game changer as far as water service provision in rural areas is concern. A typical example is reducing the non-revenue water by ensuring accountability of water produced for distribution. This target will be realized through metering all consumers and ensure regular meter reading and billing.



292  
Utility members trained

Capacity building of WRUAs supported under the programme (14 WRUAs) was conducted by KEWASNET teams. The objectives of the training were:

- i) To Promote the WRUA understanding of the Kenya Water sector legislative framework.
- ii) To strengthen management of the WRUAs as an organisation.
- iii) To enhance members' understanding of the WRUAs' organisational structure, the responsibility of WRUAs in water resource management and the use of management tools.
- iv) To ensure a clear understanding of the duties and responsibilities of the Management Committee by members.

- v) To improve WRUA members' knowledge and skills for transparency in election process and effective conflict management (before, during and after elections)
- vi) To increase members' involvement in decision-making processes.

**423**  
WRUA members trained

A total of 423 WRUA members were trained, out of which 176 were women, comprising of 41.6% of the trained members. Upon completion of the training, the WRUAs managed to develop action plans in a bid to put the lessons learned into practice. The action plans were categorized into key specific themes that included governance, networking and partnership, office administration and assets, Income generating activities and WRUA sustainability.

### **Analysis of results**

#### **Outcome 1: County Capacity Enhanced**

The programme has in the past supported the counties in the development of GIS mapping capabilities for use by the utilities and counties. This system has been useful in the evaluation of the utility creditworthiness which is a critical component in the realisation of bankable and creditworthy utilities. The mapping has also established the pre- and post-implementation service levels of the utilities.

Baseline mapping of Solio Settlement scheme water project in Laikipia County, Sogoo and Entasekera water projects in Narok County took place in the period under review. This was carried at the onset of project implementation where information such as actual target population, area to be covered and service levels of the current population were captured. Willingness to pay for services is a key indicator in determining the economic viability as well as sustainability of the project upon completion and operationalization of the system. The exercise took into consideration new investments supported by the programme.

County water law(s) is one of the key outputs under this programme. However, development of this legislations is highly dependent on the political climate in the counties, preparedness of the County Executive and priorities of their respective County Assemblies. This therefore explains why three counties showed interest in developing the said legislation against six counties under the programme. The process has been slow in all the three counties who were funded in FY2018/2019 and so far none of them has concluded by enacting and operationalizing the water law. As at the end of FY2018/2019, the two counties of Laikipia and Tharaka Nithi had started subjecting the water bill to public participation whereas Kwale County has reported challenges with the engagement process at the County Assembly level. Enactment of the law will ensure that Counties operates within their own framework in management of Water resources and Water services for the benefit of the residents and developments within and without the County.

#### **Outcome 2: Improved Management of Water Resources**

The implementation of project activities by 4 WRUAs funded as transboundary WRUAs under batch I continued and by the end of this financial year, all 4 WRUA projects had been completed. The activities included:

- i) Training/capacity building on Bee keeping and development of a business plan by Likii WRUA,
- ii) Construction of a water pan by Mbogo valley WRUA

- iii) Spring protection to secure water sources
- iv) Tree planting by Sirimon and Likii WRUAs
- v) Installation of rain water harvesting tanks by Kundos, Mbogo and Sirimon WRUAs
- vi) Installation of river gauging system (RGS) by Likii WRUA
- vii) Construction of a common intake by Sirimon WRUA
- viii) Exchange visit to 9 no. WRUAs in the Mt Elgon Region by Kundos WRUA

Livelihood activities are considered to be a critical in catchment conservation with key focus on sustainability of conserved catchment areas of a watershed. In financing of transboundary WRUAs, livelihood activities were considered and Mbogo Valley WRUA made it a success by investing in poultry farming as well as bee keeping by Kundos WRUA. The proceeds from the sale of poultry products will improve income generation and their living standard of the beneficiaries. The WRUA on the other hand are apportioning a percentage of these proceeds and ploughing them back into water resources management, which is the primary focus of WRUAs and the WRUA concept as a whole. The WRUAs have also been in the forefront of advocating for efficient water resource management through development of common intakes. Under WRA support, this has enhanced regulation of river flows as well as ensuring equitable distribution of the resource and thus to ensure this is realized common intakes where abstraction can be gauged and monitored are constructed and each offtake fitted with a water master meter. This has resulted in the reduction of resource based conflicts where this has been implemented. This is exemplified in Sirimon WRUA which constructed a common intake for six Water Users Associations which initially abstracted individually from Sirimon River. As a results, there were perennial conflicts between the upstream and downstream users. Following the intervention by the WRUA, the common intake allowed improved control in water abstraction and equity in allocation, and freed more water to downstream users (mainly herders and pastoralists) resulting in reduced resource conflicts.

Functional river gauging stations (RGS) are essential for planning any kind of development as water services is a primary element for successful development. Likii WRUA ensured that Likii River has a functioning RGS for proper and effective monitoring of river flows and provides data for any meaningful development focused on the said river system.

### **Outcome 3: Sustainable Access to Water Services**

The implementation of phase I projects continued with an average physical completion rate of 95% across all the counties. All the funded activities of 27 projects were completed but only 15 became fully operational. The other 12 are partially operational and have been identified for further support in Batch II funding. In general, a total 102,733 beneficiaries have benefitted from improved water services. Earlier in FY2017/2018 Annual Report, the number of beneficiaries reported were 114,350 from the Utilities. However, WSTF reviewed the achievements which reduced to 102,733 upon completion of Kobujoi water project in Nandi County.

During the period under review (FY2018/2019), 9 financing agreements for Batch II projects were signed between Water Utilities, Counties and WSTF. The signing of these agreements paved way for procurement process, which marks the beginning of implementation. Procurement challenges have in the past dogged project implementation, leading to undue delays. Based on the experience gained during the implementation of batch I projects, the programme engaged a procurement specialist

to support the utilities in the procurement process. This resulted in enhanced capacity of the utilities to efficiently conduct the procurement process without any formidable hurdles. The engagement of the procurement consultant and the related benefits was most pronounced in the Solio Water project which was complex and involved above average funding hence projected a formidable challenge to the utility. Notably, Sirimon has been delayed owing to management wrangles in the committee resulting in implementation delays. The other projects that benefited from this support included Sirimon Water Project in Laikipia, Kathwana and Kibunga Kakimiki water projects in Tharaka Nithi, Sogoo and Entasekera water projects in Narok, Cheptil Dam., Kimng'oror and Lelmokwo in Nandi County as well as Nyasare Water Supply project in Migori County.

The Fund has engaged County based Resident Engineers (REs) to support providing technical implementation support of Batch II water and sanitation projects in J6P counties. This is part of implementing Programme Management Review (PMR) recommendations which recommended enhancement of utility support to implement funded projects. It is the first time WSTF is implementing this concept of REs and if successful, the Fund will in all its programmes use the same approach for quality and efficient delivery of projects. During the year under review, the Fund engaged 2 No. Resident Engineers (Laikipia and Tharaka Nithi County). The Fund plans to engage 4 No. Resident Engineers in the programme (excluding Kwale and Migori Counties).

Capacity building of WUs through KEWI is yet to yield fruits as most of the Utilities are yet to institutionalize the action plans developed after the trainings. This is attributed to human resource challenges at the implementer levels with requisite skills to ensure the action plan(s) are implemented. Revenue collection is still low in most of these rural water utilities and some projects have had challenges in ensuring that there is successful operation and maintenance exercise on day to day basis. Two projects (WUs) have ceased to operate due to breakage of pumping unit (Majimboni Muungano Water Utility) and malfunctioned motor (Nyoprosony Water Utility). The cost of repairing these units is way above what the Utilities have collected since the projects became operational. Majimboni Muungano Water project had managed to clear an outstanding electricity bill that was incurred before the system was changed to be powered by both solar and electric energy.

To address the human resource capacity challenges, the Fund has planned to engage and second KEWI graduates to the funded utilities to support them in operations and maintenance for a minimum period of one year. This will augment the existing capacity challenges and it is anticipated that the professional management will create demand for such skills. In addition, WSTF will engage with the Counties to ensure that the utilities are supported to efficiently manage their schemes.

The Fund has integrated measures to mitigate against adverse effects of climate change through the "Climate Proofing" of investments. This is achieved through integrating climate change concerns into the development cycles e.g application and use of energy efficient technologies and development of solar powered pumping systems e.g Majimboni Muungano Water, Nyaprosony and Nyaduong C Water Project, clean energy and encouraging the use and application of gravity systems e.g Solio Water Project, integrating water resources management and conservation into the source areas of the supply schemes to protect water sheds and sources e.g Sirimon Water Project where the WRUA is managing the sub catchment of the water source,

Naroosura WRUA which is conserving the water sources for Entasekera Water Project and increased focus on large scale investments with a higher impact per capita in addition to lower carbon foot print per capita.

#### **Outcome 4: Improved Sanitation Services Access**

The implementation of Community Total Led Sanitation (CLTS) continued into FY2018/2019 and out of 142 villages supported, a total of 54 villages have been declared open defecation free (ODF), all of which were certified during the period under review. The process began in FY2017/2018 and is proving to be very slow in implementation as it targets behavioural change in the community and nothing tangible is being constructed through this support. It is reported that about eight villages in Migori County relapsed or resumed the status quo despite going through some stages of CLTS. In total, 10, 547 beneficiaries have been recorded under this approach.

The Fund has planned to undertake additional capacity building sessions with County Public Health Officers (PHOs) in the next FY 2019/20 to further address sanitation challenges in the targeted areas and counties.

The development of sanitation facilities in institutions is guided by the regulation of Ministry of Education where a cubicle is meant to serve 25 girls and 30 boys respectively. The boys' cubicle includes a provision for urinal. It was at this that the Fund, in consultation with the development partners decided to take an approach of comprehensive/100% coverage in school sanitation which was upheld during the programme management review and was taken into consideration during preparation of Batch II projects. The Fund had to review Batch sanitation projects for comprehensiveness and proposed that additional sanitation facilities to the institutions that benefitted from Batch I be funded to meet the demand in each of the institutions. In total, 20 sanitation projects in 25 institutions targeting 5,880 beneficiaries have been approved for funding. In addition to these is one public sanitation facility targeting 800 beneficiaries will be constructed in Batch II.

#### **Outcome 5: Water Services Trust Fund's capacity**

Under this component, it is expected that the WSTF will enhance its capacity to undertake its mandate through strengthened institutional capacity and fiduciary risk management. The continued operation of six CRMs to support implementing partners in the project implementation has improved communication between the Fund and the implementing partners, ensuring that decision making is efficient.

Audit exercise of WSTF programmes took place in the 1<sup>st</sup> and 2<sup>nd</sup> quarters of FY2018/2019 and Reports, both technical and financial were shared and discussed by the management and the Board of Trustees. The same were shared and discussed with the development partners. A detailed audit information is presented in a separate chapter in this report.

In efforts to understand its image nationally, The Fund commissioned a study dubbed Corruption Perception Index Survey across the country. This survey was carried out by Kenya Institute of Public Policy and Research and Analysis (KIPPRA) and was aimed at the following:

- i) The Funds corruption perception index,
- ii) To evaluate the Fund's risk management strategies and inform policy direction,
- iii) To contribute to the sector corruption risk framework.

The report indicated that The Fund attained 78.13 per cent perception index, which shows the stakeholders' approval rate that the Fund is not perceived to be corrupt. The level of satisfaction with services was estimated at (76%) while limited existence of corruption rated at 76 per cent. The overall rating on transparency in financial management was rated at 81 per cent. The Fund however, needs to strengthen her risk management strategies to mitigate on any form of suspected dealings that might allow the vice to thrive.

The Fund continued to monitor past and recent projects in an exercise called Joint Annual Operations Monitoring Exercise (JAOME). The aim of this exercise is to establish the sustainability index of investments by The Fund. For the first time, J6P projects were sampled across the six counties. The exercise was conducted by WSTF staff and supported by the TA staff, in conjunction with water utilities and County staff. A detailed report on JAOME process is presented in the later chapters of this report.

### Risks and Mitigation Measures

The risks and mitigation measures that were experienced during the reporting period are summarized in the table below.

**Table 12: J6P Programme risks and mitigation measures**

No.	Risk	Mitigation measures
1.	Inadequate capacity of the implementing partners to develop larger scale of projects	Capacity development support and engagement of resident engineers to support programme activities
2.	Inadequate support to the executive in the implementation process of the Water Bill	Enhanced stakeholder engagement to marshal adequate support to the Water Bill
3.	Low absorption of allocated funds	Enhanced programme implementation supervision to realise improved programme funds absorption and efficiency in implementation
4.	Poor quality of infrastructure developed	Engagement of Resident Engineers to supervise implementation on day-to-day basis and ensure the quality of works is up to the set standards.
5.	Lack of capacity to implement CLTS activities	Capacity building of County public health officers, WSTF staff and the communities.

### Key implementation challenges

The following are the key implementation challenges and the adaptive measures

**Table 13: Implementation challenges of J6P programme**

No.	KEY ISSUES	ADAPTIVE MEASURES
1.	PMIS implementation	A roadmap for the revision of the PMIS has been developed and a concept for the integrated data management system has been drafted internally and with the support of Upande Ltd.
2.	Delayed support to WRUAs by WRA technical staff affected implementation of Batch I projects.	Support to WRUAs, particularly transboundary WRUAs by WRA has improved following consultation between WRA and WSTF.
3.	Slow response by counties in enactment of County water legislation	County engagement meetings where both arms of governments (Assembly and executive) are involved. The process is expected to be accelerated in FY2019/2020.
4.	Slow implementation of CLTS activities	Review of implementation plan for CLTS. Hold regular meetings to evaluate the progress of CLTS activities. Timely

No.	KEY ISSUES	ADAPTIVE MEASURES
		update of the M&E platform by MoH to track progress of every stage.
5.	Development of GESI strategy and guidelines	The Fund will engage a framework consultant to complete the strategy, develop guidelines and roll-out its implementation. The process of identifying the consultant is ongoing.

### Lessons Learnt

In the course of the implementation of the programme, the following are lessons learnt;

- i) Engagement of a procurement consultant was pivotal in ensuring that Water Utilities adhere to procurement procedures and regulations at all times.
- ii) Timely project supervision by qualified engineer(s) to avoid approval delays and improper implementation of works by WUs.
- iii) Advance contribution by counties to projects will reduce unnecessary delays.
- iv) Capacity of both WUs and WRUAs need to be enhanced to enable them manage and operate the completed works to ensure sustainability.
- v) Project level pre-inception baseline survey provides critical information otherwise not realised in the normal investment cycles. This included the water quality tests, actual target population which was established as lower than the proposal population.
- vi) Community level focus group discussions during the baseline assessments were instrumental in marshalling project level support from the community. It also enhanced the level of awareness of the community on the project.
- vii) Marshalling political support in addition to the executive is a critical success factor in the implementation of policy level initiatives e.g the water master plans, strategies and the water laws
- viii) Solio Water Project is the biggest rural water project supported by the Fund. Based on its scale and scope, adequate preparatory activities require to be institutionalised to ensure efficient project implementation. There is need for adequate project designing to reduce procurement challenges and requirements for change of scope
- ix) Identification of implementing partners with adequate capacity to implement projects is a critical success factor. Weaker utilities realise lower levels of success in implementation

## J6P Programme success Story

### KOBUJOI Water Project in NANDI County

Kobujoi community water project area is located within Kobujoi ward, Aldai Constituency, Nandi County. The area population is approximately 22,000 people.

In the year 1985, Kobujoi water supply project under the Ministry of Water developed a water supply scheme for the residents of Kobujoi. It was run and operated till the year 2014 when it collapsed.

The main **challenges** were the huge **O & M: electricity costs, costs of treatment and poor management**. The taps went dry and the residents were forced to go back to the rivers, streams and shallow wells to fetch water for domestic use. The schools were the worst hit. **Chebisaas girls** were using a tractor to collect water for their use. In fact, **Chebisaas girls** and **Fr. Meyer girls** went on strike due to the acute water shortage that hit the schools in the year 2016.

### Project implementation

The implementation of the J6P project commenced with the signing of the MoU between the **WSTF** and **Nandi County government** where parties were to contribute **70%** and **30%** respectively. Subsequent signing of a financing contract between **WSTF** and **Kobujoi Community Water Utility Association** was done on **10<sup>th</sup> June 2016** to a tune of **Ksh. 16,808,536**. The scope of work comprised of: construction of **2No. 100m<sup>3</sup>** masonry tank, one to serve as sump whereas the other as a reservoir tank, construction of **gravity and rising mains of 1.67km, 6" line**, construction of a pump house and equipping it, **construction of a weir and 2 water kiosks** - and procurement of **550 water meters**, a **desktop computer**, a **printer** as well **office furniture**. The implementation involved joint supervision by Nandi County and WSTF to ensure project success.

There were challenges in **procuring a ram pump** as initially designed and contracted out. However, this was sorted out by **re-designing and complete change of technology**. The other obstacle was electricity connection to the pump house which delayed operationalization of the project. Despite these challenges, **Kobujoi water project** roared back to life and had their taps running with water in **February 2019**.

### Projects impact

- **205** individual connections.
- **8** schools connected.
- **2** Health facilities,
- **5** food joints /hotels
- **220** total connections (218 Active)
- Total beneficiaries: **1,320** residents, **3,000** pupils/students benefitting also.
- Increased supply time from **ZERO** to **23** hours per day.
- Reduction in cost of accessing water: operating tariff is @ **KShs 33.33 per unit**. Water vendors were charging **KShs. 20** per **20 litre** jerry can.
- The biggest beneficiary school being Chebisaas Girls is so grateful for the project. The pressure on them by the students on water demand was lifted off them.

### THE TRANSFORMATION STORY



Residents collecting water from the tap



Kobujoi Community Water Pump House

- Kobujoi Community Water Utility renovated an existing building and converted it into an office. They have engaged a **secretary, a watchman/operator** and **three plumbers**.
- Revenue collection has been increasing steadily since inception: Averaging **KShs. 61,000**

#### **Factors contributing to the success of the project**

- Regular stakeholder meetings/barazas
- Co-operation and good will from the community
- Innovation and input from the committee especially after the completion of the project.
- Technical support by the Fund's SA Frequent and timely supervision
- WSTF head office team immense support and guidance,
- Good communication, liaison and coordination between the Water Utility (Kobujoi Community Water Utility), Nandi County and WSTF through the CRM.

In conclusion Kobujoi community water project has really achieved great milestones. There has been a major impact on the lives of Kobujoi residents. The project has greatly improved access of water which is affordable and available in reliable quantities.

Through staff capacity building of the utilities and the engagement of the county Governments, WSTF funded projects can greatly transform the lives of the beneficiaries.

### **Green Growth and Employment Programme**

#### **Introduction and Programme Background**

WSTF under the support of the Governments of Kenya and Denmark is implementing the Green Growth and Employment Programme to support access to and management of water resources in the Arid and Semi-Arid Lands. The operating framework of its implementation is detailed in the bilateral agreement between the Danish Ministry of Foreign Affairs and WSTF in a development engagement that entered into force on 1<sup>st</sup> July 2016. The expected outcome of the programme is enhanced water resource management and investments in selected counties for improved and sustained access by communities and households to water and sanitation for their domestic and productive needs.

The programme aims to achieve its objectives through the following components:

**Output 1:** ASAL counties capacity and engagement in water related planning improved

**Output 2:** Water and sanitation access and deficit in the ASAL addressed

**Output 3:** Sustainable and community based management of water resources improved

**Output 4:** Improved capacity of and engagement by implementing agents (WRUAs, CBOs, and Water Services Providers) for planning and efficient water service delivery

**Output 5:** Enhanced experience for promoting public private partnerships in water provision in the ASALs

**Output 6:** Strengthened institutional performance of WSTF

The table below provides a highlight of the programme key statistics and overall cumulative achievements up to the end of the FY 2018/2019 since inception. The detailed analysis of the cumulative achievements is provided in the annexes.

**Table 14: GGEP key statistics and cumulative achievements**

<b>Implementation Period</b>		July 2016 to December 2020		
<b>Programme Budget (Ksh)</b>		975 million		
<b>Programme monies received to date</b>		336.7 Million		
<b>Amount available for disbursement</b>		194,864,809		
<b>Disbursements during the year</b>		51,613,909.10		
<b>Balance at the end of the year</b>		143,250,900.04		
<b>Key Results</b>		Target	Cumulative Achievements	% Achievement
<b>Overall Outcomes</b>				
Increase in number of households with sustained coverage from improved water services in eight ASAL counties as a result of the DED		30,000	13,000	43.3 <sup>52%</sup>
Increase in No. of households with sustained coverage from improved sanitation services in eight ASAL counties as a result of the DED <sup>53</sup>		4,000	0	0% <sup>54</sup>
Increase in area implemented under improved water resources management planning (as SCMP or other water and range management arrangements) in the eight targeted ASAL counties as a result of the DED		7,000	13,835	197.6 <sup>55%</sup>
<b>Component 1: County Capacity Enhanced</b>				
No. of Counties effectively using water and sanitation data for planning and performing their regulatory functions		8	8 <sup>56</sup>	100%
No. of Counties with an effective water sector legislative and policy formulation framework to support effective planning and implementation		8	0	0%
<b>Component 2: Water and sanitation access and deficit in the ASALs addressed including those in refugee impacted ASAL areas</b>				
Increase in number of households with water services from WSTF in this engagement in the eight ASAL countries (Including Turkana West Sub-County)		24	3	12.5 <sup>57%</sup>
Increase in number of households with sanitation services from WSTF in this engagement in the eight ASAL countries		24	0	0%
Average Sustainability Index of the WSTF supported investments in the 8 target counties		TBD	TBD	TBD
% of facilities funded through the engagement that are climate proofed and mainstream green approaches		24	8	33.3%
% Satisfaction on service of the targeted households in the programme Counties		TBD	TBD	TBD
<b>Component 3: Sustainable and community based management of water resources improved</b>				
Number of WRUAs, Community Conservancies or other community based natural resource management organisations reporting improved natural resource management from partnering with WSTF		27	21 <sup>58</sup>	77.8%
Increase in total water storage capacity from the WSTF investments – m <sup>3</sup>		100	90,469.90 <sup>59</sup>	100%
Increase in areas with improved planning for water resources including range management in Turkana West and progress in catchment planning for Tarach river basin.		7,000	13,835	197.6%

52 3No. DERP completed projects provide this population reached.

53 \*Sustainability in this case means the average Sustainability Index of the target counties to be more than 70% by 2020

54 8 Water and sanitation projects have received funding from WSTF. 7 projects were also approved and will be funded in the FY 2019/2020. No sanitation projects have been completed in this year.

55 12 Level 1 developed SCMPs whereas 7 Level 2 & 3 WRUAs are implementing sand dams and water pans for storage.

56 8 baseline surveys and validations workshop carried out. Final report circulated to the counties and in use.

57 3 Complete projects under DERP.

58 1 conservancy and 1 WRUA were funded in June, 2019 and implementation will start in the next financial year.

59 Total volume calculated from water storage facilities under WRUA investments

<b>Component 4: Capacity of implementing Agents improved</b>			
Number of successfully implemented projects by WRUAs/CBNRM organisations and WUs/WSPs under this engagement	27	21	77.8%
Number of successfully implemented projects by WUs/WSPs under this engagement	24	3	12.5% <sup>60</sup>
Credit worthiness index of the projects funded by this engagement	TBD	TBD	TBD
No. of Implementing Partners trained in financial and procurement management	8	8	100%
<b>Component 5: Experience generated from PPP in Water Provision in ASALs</b>			
Number of new innovative PPP funding and management approaches piloted in target ASALs counties	2	0	0% <sup>61</sup>
% of external finance leveraged by piloted PPP models	1	0	0%
<b>Component 6: Strengthened institutional performance of WSTF</b>			
Proportion of WSTF supported investments mapped and managed in an effective management information systems (100)	100	0	0%
WSTF capacity to support project identification, implementation support and monitoring is improved (%)	51	36 <sup>62</sup>	70.6%
Proportion of questioned costs against total WSTF investments to assess value for money and the WSTF capacity to manage fiduciary risk as a result of its investments (%)	10	0.45 <sup>63</sup>	4.5%

### Annual Finance Report

During the FY 2018/2019, a total of Ksh 194,864,809 (Ksh 72,955,673.30 as opening balance, Ksh 120,000,000.00 as disbursement from DANIDA and Ksh 1,909,135.84 being interest earned) was available for utilization. DANIDA disbursed an additional 50 Million for the programmes support which had not been received at the Fund as at the end of the FY 2018/2019. This amount is accounted for as cash in transit and will be recognised as funds available once received in the Fund. A total of Ksh 52,036,811.40 was expended during the year hence the overall funds absorption of 27% based on accruals. Details of the expenditures are as detailed in figure 11 below.

<sup>60</sup> This is dependent on the successful completion of the projects.

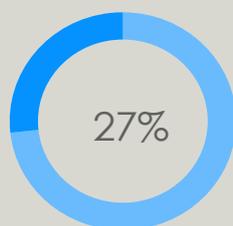
<sup>61</sup> TOR developed to facilitate procurement of a consultant.

<sup>62</sup> 21 WRUA and 15 WATSAN projects that were approved and some are under implementation.

<sup>63</sup> The amount of questioned cost against the total project expenditure.

## Summary Annual Financial Accountability Statement- GGEP

Percentage of Funds Available Spent



Summary

**TOTAL AVAILABLE FUNDS**

KES 194,864,809.14

**TOTAL ANNUAL EXPENDITURE**

KES 52,036,811.40

**FUNDS BALANCE**

KES 142,827,997.74

### Income

ITEM	AMOUNT
Opening Balance	KES 72,955,673.30
Receipts from DANIDA	KES 120,000,000.00
Interest Income	KES 1,909,135.84
Closing Balance	KES 142,827,997.74

### Expenditure

ITEM	ANNUAL EXPENDITURE
Component 1	KES 2,139,979.00
Component 2	KES 3,720,162.10
Component 3	KES 21,134,502.30
Component 4	KES 2,254,402.00
Component 5	KES 2,523,353.00
Component 6	KES 10,802,606.50
Financial Manager	KES 9,428,064.00
Bank charges	KES 33,742.50
Total	KES 52,036,811.40

**Figure 12: Funds Accountability Statement- GGEP**

The low rate of absorption is attributed to the following;

- i) Delays in identification of projects due to competing County priorities occasioned from Change of leadership at County Departments affecting progress in Lamu, Isiolo and Turkana Counties.
- ii) Disagreements at Community level with regards to proposed implementation modalities affected the start-up of projects in Tana River County
- iii) Marsabit, Garissa and Wajir Counties have been red flagged on separate occasions regarding non-compliance on WSTF financing conditions for projects being implemented under EU SHARE and DANIDA support. However, WSTF has continued to provide technical and fiduciary support to counties to comply with required financing and technical requirements of the funding.
- iv) Poor technical support from WRA in the submission and implementation of WRUA projects. This has affected subsequent disbursements to the Level 2 and 3 WRUAs.

Twenty two (22) proposals were submitted for appraisal and seven passed the internal WSTF three tier approval process. The projects will be financed in the next financial year and implementation will begin once the implementing partners have undergone the Financial and Procurement training. For this year, 11 (8 GGEP & 3 DERP) water and

sanitation projects were under implementation, with the 3 DERP projects completed. 7 Level 2 & 3 WRUAs are implementing sand dams and water pans for storage.

### Annual Programme Achievements

During the year under review, the Programme received the 3<sup>rd</sup> disbursement of Ksh 120,000,000 in February, 2019 which was used to implement programme activities under the six output areas.

The following table provides an overview of GGEP achievements during the year:

**Table 15: GGEP Programme Annual Achievements**

Implementation Period	July 2017 to June 2018		
Programme Budget (Ksh)	975 Million		
Disbursements during the year	120 Million (An additional 50 Million as Cash in Transit and yet to be received at WSTF)		
Target Counties	Garissa, Isiolo, Lamu, Mandera, Marsabit, Tana River, Turkana and Wajir		
Programme Objective/s	"To contribute to inclusive green growth and employment in Kenya"		
Key Results	Target	Annual Achievements	% Achievement
<b>Overall Outcomes<sup>64</sup></b>			
Increase in number of households with sustained coverage from improved water services in eight ASAL counties as a result of the DED	5,620	933 <sup>65</sup>	43.3%
Increase in number of households with sustained coverage from improved sanitation services in eight ASAL counties as a result of the DED <sup>66</sup>	448	0	0%
Increase in area implemented under improved water resources management planning (as SCMP or other water and range management arrangements) in the eight targeted ASAL counties as a result of the DED (KM <sup>2</sup> )	1,600	2,690 <sup>67</sup>	168.1%
<b>Component 1: County Capacity Enhanced</b>			
No. of Counties effectively using water and sanitation data for planning and for performing their regulatory functions	8	8	100%
No. of Counties with an effective water sector legislative and policy formulation framework to support effective planning and implementation	8	5	63% <sup>68</sup>
<b>Component 2: Water and sanitation access and deficit in the ASALs addressed including those in refugee impacted ASAL areas</b>			
Increase in number of households with water services from WSTF in this engagement in the eight ASAL countries	5,620	933	16.6%
Increase in number of households with sanitation services from WSTF in this engagement in the eight ASAL countries	448	0	0%
Average Sustainability Index of the WSTF supported investments in the 8 target counties	70	TBD	TBD
% Satisfaction on service of the targeted households in the programme Counties	80	TBD	TBD

<sup>64</sup> The footnote comments in the cumulative achievements apply to this matrix

<sup>65</sup> Population arrived at through completion of 2 DERP projects

<sup>66</sup> \*Sustainability in this case means the average Sustainability Index of the target counties to be more than 70% by 2020

<sup>67</sup> 5 WRUA has contributed to this area coverage with their implementation activities.

<sup>68</sup> Supported under KRAPID.

<b>Component 3: Sustainable and community based management of water resources improved</b>			
Number of WRUAs, Community Conservancies or other community based natural resource management organisations reporting improved natural resource management from partnering with WSTF	16	7	77.8%
Increase in water storage capacity in the target areas	4	7	100%
Increase in areas with improved planning for water resources including range management in Turkana West and progress in catchment planning for Tarach river basin.	2,000	0	0%
<b>Component 4: Capacity of implementing Agents improved</b>			
Number of successfully implemented projects by WRUAs/CBNRM organisations under this engagement	16	7	43.8%
Number of successfully implemented projects by WUs/WSPs under this engagement	16	7	43.8%
Credit worthiness index of the projects funded by this engagement	70	TBD	TBD
No. of implementing partners trained in financial and procurement management	8	8	100 %
<b>Component 5: Experience generated from PPP in Water Provision in ASALs</b>			
Number of new innovative PPP funding and management approaches piloted in the target ASAL Counties	1	0	0
% of external finance leveraged by piloted PPP models	5%	0	0
<b>Component 6: Strengthened institutional performance of WSTF</b>			
Proportion of WSTF supported investments mapped and managed in an effective management information systems (%)	100	0	0%
Enhanced Project monitoring (No.)	32	10	31.3%
Staff capacity development (No.)	4	5	125%
Proportion of questioned costs against total WSTF investments to assess value for money and the WSTF capacity to manage fiduciary risk as a result of its investments (%)	10	0.45	4.5%

## **Analysis of Results**

### ***Output 1: ASAL counties capacity and engagement in water related planning improved***

During the year under review, WSTF launched the Green Growth and Employment Programme on 10<sup>th</sup> July, 2018 in Naivasha. The event was graced by Ministry of Water and Sanitation Cabinet Secretary, Ministry of Devolution and ASAL Cabinet Secretary, four Governors, Council of Governors representatives, County Executive Members in charge of Water and other dignitaries. All the eight Governors signed a Memorandum of Understanding (MOU) with WSTF to guide the current and future programmes. Several meetings were held with county representatives of the target counties to fast track proposal preparation, monitor implementation progress and also to emphasise on various roles each stakeholder plays for smooth operations. A meeting was also held between DANIDA, WSTF, Isiolo and Wajir county officials to unravel the bottlenecks that were affecting implementation. Wajir County submitted the required documents under Red flagged EU SHARE Programme. After a year with no activity, Danida issued a clearance of the WSP on 26th June, 2019. The Programme team will engage with the County and WSP in the next financial year. Four water and sanitation project were initially approved in the last financial year that require financing. The total funds utilized under this output is Ksh 2,139,979 to facilitate the above activities. Lamu County Baseline Validation workshop was held, allowing stakeholders to provide inputs to the final report. The report has been adopted and is in use to guide programme interventions in the County.

### ***Output 2: Water and sanitation access and deficit in the ASAL addressed through support to 56 new and county prioritized water and sanitation services delivery systems***

During the reporting period, 22 water and sanitation projects were appraised in five counties namely: Isiolo, Lamu, Marsabit, Turkana and Wajir. WSTF Programme staff carried out desk and field appraisals to evaluate the needs and assess their viability. Out of the 22 appraised projects only seven were approved by the Board after undergoing the 3-tier approval process. The 7 approved projects were as follows: Isiolo – 3 No., Marsabit – 2 No. and Turkana – 2 No at a total cost of Ksh 96,403,509 with a target population of 39,270.

The Programme disbursed Ksh 52,121,478 to the projects in the financial year to undertake preliminary activities in the following counties: Garissa, Lamu, Mandera and Turkana (some of which had been appraised). The preliminary activities include: community mobilization, Environmental Impact Assessments (EIA), design and survey, project launch and stakeholders workshops etc. Some of the counties e.g. Marsabit required a lot of consultation prior to approval of projects despite having an Engineer seconded to the WSP by the County. Tana River County experienced start-up delays as they reached a consensus on the preferred implementation partner for two projects that were approved by the Board. WSTF had to intervene and held several joint meetings with the county and the communities to unlock the differences between the two parties. Mandera and Turkana Counties undertook designs and surveys for their approved projects, which were submitted and reviewed by WSTF prior to the WSP/WUs advertising in the local dailies to ensure a wide coverage and receive contractors with experience. For Garissa county, where three projects had been financed, there was communication sent from DANIDA to review all procurement processes thereby suspending any award of project contracts.

**Output 3: Sustainable and community based management of water resources improved through support to 56 WRUAs**

In the period under review 7 No. WRUAs and 1 Conservancy were appraised: 3No. Level 3 WRUAs, 3No. Level 2. Out of the 8 projects appraised, two projects were approved by the Board. 1No. Level 2 WRUA in Turkana and 1 conservancy in Tana River. In this financial year a total of Ksh 27,229,340 was disbursed to nine projects: 5 No. Level 2 WRUAs, 2 No. Level 3 WRUAs and 1 No. Conservancy. The projects included activities that increase water storage i.e. sand dams in Level 2 and water pan construction in Level 3 whereas the conservancy will initiate the preliminary activities and mangrove restoration in the next financial year. A total of 90,072.90 m<sup>3</sup> of storage is envisage with completion of the nine projects whereas the area coverage is 2,690 km<sup>2</sup> during the period under review.

Water Resource Authority technical support has been slow thus delaying subsequent disbursements to projects that should be closing their books during this reporting period. Constant dialogue occurs between the headquarters and sub regional bodies. WSTF has made it a mandatory requirement to visit the projects sites to ensure value for money before subsequent disbursements are made. The Programme staff are also reviewing designs from the implementing partners prior to commencement of the implementing process which is WRA tasks but is necessary to ensure value for money is realized.

**Output 4: Improved capacity of and engagement by implementing agents (WRUAs, CBOs, and Water Services Providers) for planning and efficient water service delivery**

WSTF has made it a requirement to capacity build the implementing partners prior to funds utilization. The mandatory training is Financial and Procurement Management which is vital to ensure that expected financial, technical reporting and procurement procedures are observed. The trainings are facilitated by WSTF staff who originate from the following departments: Audit and Risk Management, Finance, Procurement, Rural and Water Resource Management. Implementing partners are also capacity built on WSTF reporting format to assist in monthly submission of technical and financial reports. During the period under review 80 participants were trained from Lamu, Mandera, Tana River and Turkana counties, 56 were male whereas 24 were female. The Audit department is also part of the facilitators in the training and they guide in most common audit issues with a view of offering preventive rather than curative approaches in audit. The participants were also provided with the Public Procurement and Asset Disposal Act, 2015 and its regulations as a reference tool during the procurement process.

**Output 5: Enhanced experience for promoting public private partnerships in water provision in the ASALs**

During the period under review, WSTF partnered with Water Service Regulatory Board (WASREB), Caritas International and Kenya Market Trust to develop delivery options that will increase access and improve service delivery in the rural areas across Kenya. These delivery options were agreed after several consensus meetings between the four parties to produce a document that will assist in governance of rural water service delivery. The delivery options will be imbedded in the Water Act, 2016. Two Programme staff supporting the GGEP have been involved in the development process. The guidelines will be presented to the CECs in charge of Water at the start of the next financial year.

Seven counties participated in a training of delivery options formerly referred to as Service Delivery Models (SDM) that were piloted in three counties namely: Homa Bay,

Kakamega and Nandi. Isiolo was not represented due to competing needs during the scheduled week. Forty five (45) participants were trained and participated in the bench marking visits to the following projects: Navakholo, Malava and Lumakanda Water Projects in Kakamega, Tachasis Water & Sanitation Company in Nandi and Kanyadhiang Water Project in Homa Bay County. Tachasis implemented the professional manager, limited company and equipment financing delivery options, Navakholo implemented the lease operator and equipment financing whereas Malava and Lumakanda Water Projects implemented the delegated management where Kakamega County Water and Sewerage Company was overseeing their activities. Kanyadhiang implemented the equipment financing. These delivery options have improved service delivery to the target population in these three counties. The participants were also educated on Water Service Regulations, 2019 by WASREB staff. Based on the training, the participants are expected to customise the Service Delivery Models to suit their operating environments and meet localised needs.

The participants learnt a lot during the bench marking visits and the key learning areas were: integrating technology in rural water management e.g. through the use of billing systems, cashless payment, smart meters and automation which were exhibited by the site visits. Marsabit County were keen to adopt smart meters in their rural water projects and were part of the proposed activities in the approved projects. Role of infrastructure, adoption of the delivery options and good governance were found as key ingredients in these projects sustainability across the years of operation. Two CEC (Marsabit and Tana River) graced this visit and were encouraged to reach out to their colleagues fore replication of the best practice.

Three WSTF staff (Resource Mobilization Officer, two Programme staff supporting GGEP) were trained in Certified Public Private Partnership (PPP) Professional Foundation Course organized by The NEPAD Foundation (NBF) and USAID – funded Water, Sanitation and Hygiene Finance (WASH – FIN) Program. The Foundation Course was the first module of the Accrediting Professional Managers Globally (APMG) Public-Private Partnerships Certification Program (CP3P), created by the World Bank Group and International Finance Organization. Two additional staff supporting the programme were trained on contract management to assist in managing obligations in an effective manner to save all the stakeholders time and effort. During the training the team learnt that the scope and scale of PPPs cannot be attained within the programme due to the target being large scale infrastructure projects. WSTF proposed to the DANIDA review mission the adoption of Public Private Community Partnerships instead of Public Private Partnership.

#### **Output 6: Strengthened institutional performance of WSTF**

Eight CRMs and a Resident Engineer are engaged to support GGEP activities in the Counties and act as liaison officers between WSTF headquarters and the counties. The CRM and RE team support the counties in concept notes and proposal preparation, monitor projects under implementation and offer technical support to WSPs/WUs and WRUAs. Counties like Lamu and Turkana have shown tremendous improvement in this period under review. Price Waterhouse Coopers undertook the annual rural harmonized audit for the period July 2017 to June 2018 and submitted the final report in March, 2019. Nine WRUA projects were sampled out of the 88 projects in 17 counties and the total project expenditure was Ksh 59,706,320 and the resultant questioned cost is at Ksh 272,075 for six projects that is being followed by the Audit and Programme staff to ensure it is cleared.

WSTF participated in Green Growth Conference took place in July, 2018 and was attended by approximately 150 participants. WSTF was one of the key panellist and also had an exhibition stand where Programme staff engaged with the public of the various programmes. This increase the WSTF's and DANIDA's visibility and showcased water sector interventions in the Counties through its programmes. The Green Growth Strategy and Implementation plan was also developed by a consultant to assist in consolidating and accelerating adoption of green technologies that will spur sustainable utilization of natural resources consequently strengthening livelihoods and climate resilience at national, county and community level.

The Joint Annual Operations Monitoring (JAOME) took place in January – February, 2019 and 260 out of the 490 projects were supported by DANIDA in the MTAP Phase One and Two. The sustainability index of the rural projects stands at 64\$ while the operational status is 77%. A Mid Term Review was undertaken in November, 2018 by MFA and the consultants from Copenhagen to take stock of the progress and fast track implementation of the Programme. NCG consultants were engaged to assist in the revision of the DED which provided new programme targets of 24 water and sanitation projects as well as 27 water resource management projects to be financed.

**Table 16: GGEF Programme risks and mitigation measures**

No.	Risk	Mitigation measures
1.	Poor quality of proposals	<ol style="list-style-type: none"> <li>1) Simplify proposal application documents</li> <li>2) Capacity building agents on proposal writing</li> <li>3) Disclosure of conflicting interests</li> <li>4) Proper mobilization/ Proper targeting tools</li> <li>5) Provide Technical support and reviews in the proposal preparation process. Insist on adherence to design standards and proposal requirements</li> </ol>
2.	Inequalities in project targeting	<ol style="list-style-type: none"> <li>1) Align projects with County Integrated Development Plans</li> <li>2) Conduct baseline surveys to identify needs</li> <li>3) Ensure equitable targeting through county engagement</li> </ol>
3.	Poor performance by the implementing partners	<ol style="list-style-type: none"> <li>1) Capacity building of the agents</li> <li>2) Work with established implementing partners</li> <li>3) Proper mobilization and awareness</li> <li>4) Allocate additional resources for M&amp;E</li> <li>5) Strengthen rules &amp; procedures</li> <li>6) Encourage whistle blowing</li> <li>7) Constitute effective project task teams</li> <li>8) Encourage county level support, WSTF technical support and CRM monitoring</li> </ol>

## Key implementation challenges

The following are the key implementation challenges and the adaptive measures

**Table 17: Implementation challenges of GGEP programme**

KEY ISSUES	ADAPTIVE MEASURES
Change in the County leadership following the elections and appointment of new office bearers	i) Several sensitization and consultative meetings with the various county heads to explain WSTF operational modalities and develop a working formula.
Conflict of interest	i) Proper mobilization and awareness ii) Strictly follow laid down structures and procedures in identification and targeting projects
Low Capacity of implementing partners	i) Implementing partners training on Financial and Procurement Management. ii) CRM offer technical support to guide the WSPs/WUs regularly
Poor support from WRA	i) Consultative meetings held with WRA to request for value for money support to the ASAL WRUA. ii) CRM and HQ Programme staff WRUAs with review of designs and monitoring before subsequent disbursements. iii) Explore alternative strategies of financing the WRM component.
Poor design of Level 3 water pans	i) WSTF outsourced consultants to design quality water pans for implementation. ii) Review of designs by HQ Programme staff and Technical Advisors.
Political influence	i) Sensitization to the county staff and political leaders on programme activities and structure for implementation ii) Open communication channels at county level through CRMs and with HQ staff
Insecurity while appraising Mandera	i) Sensitize on anti-terrorism ii) Security alerts before proceeding to high risk areas

## Lessons Learnt

### Community Participation

County Governments could play a key role in creating awareness and mobilizing the communities on development initiatives within the water sector. Most counties do not place importance on having a Sociologist as part of the technical staff at their Ministry. WSTF has encouraged the counties to outsource from other departments or employ a sociologist to assist in community sensitization, improve social relations amongst community members, awareness of cultural difference and aid in smooth running during project implementation and future sustainability.

### Project Implementation Timelines

WSTF has reviewed the project implementation timelines to take cognizant of the procurement process which takes between 2-3 months from preparation of documents, advertisement, pre-site visits, evaluation and award. WSTF has increased technical support and oversight to critical stages within the project implementation cycle.

### Project design support to counties

Most of the County departments require additional support to provide quality designs and survey reports to match the needs of the target communities. WSTF provides an allocation for the counties to undertake the proposed water and sanitation activities. This has assisted in coming up with better designed projects, realistic project costs and incorporation of community needs.

## Monitoring of Projects

Continuous monitoring by all stakeholders of the projects is imperative. Joint monitoring between the County, CRM and WSTF HQ staff allow for extensive dialogue of issues, provide viable way forward on issues that are found in the field and also build capacity of county staff especially the newly recruited. WSTF is also able to monitor the progress and push for fast tracking in some projects to ensure the community benefits.

## Water and Livelihood Programme

### Introduction and Programme Background

WSTF, under the support of the Governments of Kenya and Denmark through DANIDA is implementing the Water and Livelihoods Programme (WLP) in Refugee, Host and Other Vulnerable Communities in Kenya, an addendum to GGEP. The programme objective is increasing access to water and livelihood opportunities in refugee-host and other vulnerable communities within the existing thematic programme objective of inclusive greener growth with higher employment. The implementation period is 2018-2020. The target area is Turkana West Sub County in Turkana County. The total programme cost is 35 DKK million which is an equivalent of Ksh 540 million.

<b>Programme Period</b>	December, 2018 to December, 2020		
<b>Implementation Period</b>	July 2018 to June 2019		
<b>Programme Budget (Ksh)</b>	540 Million		
<b>Disbursements to Date</b>	0		
<b>Target Area</b>	Turkana West Sub County, Turkana		
<b>Programme Objective</b>	"To contribute to inclusive green growth and employment in Kenya"		
<b>Key Results</b>	<b>Target</b>	<b>Annual Achieved</b>	<b>% Achieved</b>
<b>Overall Outcomes</b>			
Increase in No. of households with sustained coverage for improved water and sanitation services in Turkana West Sub County & target ASAL counties.	6,000	0	0%
Access to improved water sources	59%	0	0%
Increase in areas with improved water resource management including range management and progress in catchment planning for Tarach river basin.	2,000	0	0%
<b>Component 1: County Capacity Enhanced</b>			
No. of Counties effectively using water and sanitation data for planning and for performing their regulatory functions	1	0	0%
<b>Component 2: Water and sanitation access and deficit in the ASALs addressed including those in refugee impacted ASAL areas</b>			
Increase in number of households with water and sanitation services from WSTF in this engagement in Turkana West Sub-County	6,000	0	0%
Access to improved water sources	59%	0	0%
Average Sustainability Index of the WSTF supported investments in the 8 target counties	70	TBD	TBD
% of facilities funded through the engagement that are climate proofed and mainstream green approaches	5	0	0%
% Satisfaction on service of the targeted people in the Turkana West Sub County	TBD	TBD	TBD
<b>Component 3: Sustainable and community based management of water resources improved</b>			
Increase in water storage capacity in the target areas	30	0	0%
Increase in areas with improved planning for water resources including range management in Turkana West and progress in catchment planning for Tarach river basin.	2,000	0	0%

<b>Component 4: Capacity of implementing Agents improved</b>			
Percentage of implementing agents for new WSTF projects in Turkana West with improved capacity for addressing and managing water, sanitation and water resources including range in an integrated manner	100	TBD	TBD
No. of implementing partners trained in Financial & Procurement Management	5	0	0 %
<b>Component 6: Strengthened institutional performance of WSTF</b>			
Proportion of WSTF supported investments mapped and managed in an effective management information systems (%)	100	0	0%
Enhanced Project monitoring (No.)	5	0	0%
Proportion of questioned costs against total WSTF investments to assess value for money and the WSTF capacity to manage fiduciary risk as a result of its investments (%)	10	TBD	TBD

During the year under review, WSTF has not received any funds for the Development Partner under this programme. There was an allocation of Ksh 225 million which had not been captured in the FY 2018-19 budget estimates thus no funds could be disbursed. However, initial WLP activities had kicked off in June, 2018. The funds utilized to initiate these activities have been so far supported through the GGEP account. WSTF advertised for a Call of Expression of Interest in June, 2018 with the technical support from Nordic Consulting Group (NCG) who were contracted by the Royal Danish Embassy. NCG assisted in the Fund in developing a Grant Management framework as part of the programme inception activities. The bidders were expected to submit concept notes with a total agreed budget was Ksh 100 million per project which would encompass water resource management, water and sanitation services in its proposal submission.

23 bidders submitted concept notes for appraisal where four firms emerged successfully namely: Lotus Kenya Action for Development Organization (LOKADO), Norwegian Refugee Council, Pass Africa Limited and World Vision. During the mid-term review procurement irregularities that were brought forward by the DANIDA Review Team Mission Consultants. The call was cancelled and the successful bidders informed through a meeting and termination letters. To finalize this process a termination report was submitted to the Public Procurement Oversight Authority (PPOA) as per the regulation in cancellation of a procurement regulations. The NCG also revised the DED and the new programme timelines for WLP are December, 2018 to December, 2020.

WSTF has engaged one CRM and a Resident Engineer in Turkana County who have held familiarization meetings with key stakeholders who are implementing projects in Turkana West Sub County. Among the organization visited are UNICEF, United Nations High Commission for Refugees (UNHCR), World Bank and Norwegian Refugee Council (NRC) with the intention of knowing the scope of activities being implemented and build synergies.

#### **Key Implementation Challenges and Mitigation Measures**

<b>KEY ISSUES</b>	<b>ADAPTIVE MEASURES</b>
Delayed disbursement of funds	Follow up with Ministry of Water and Sanitation on funds allocated to WSTF by the National Treasury but have not been received due to the protracted budget being revised. Utilization of GGEP Budget to support initial WLP activities
Interference from interested parties	Sensitization and dialogue with (including the county government) to ensure adherence to set structures, rules and laws. Provide clear guidelines and contact person to manage the process
Low procurement support	Recruitment and engagement of a Procurement Specialist

KEY ISSUES	ADAPTIVE MEASURES
Delayed disbursement of funds	Follow up with Ministry of Water and Sanitation on funds allocated to WSTF by the National Treasury but have not been received due to the protracted budget being revised. Utilization of GGEP Budget to support initial WLP activities
Low response by Turkana County on proceeding activities	Recruitment and engagement of additional staff by DANIDA and a CRM – Engineer by WSTF to assist in fast tracking the programme
Incomplete grant management framework by Consultant	WSTF will utilize the online grant application system that was prepared by NCG as the institution works on developing the overall grant management system through the Systems Integration Project.

## Drought Emergency Response Programme

### Introduction and Programme Background

This programme was initiated following the declaration of drought as a National disaster by the Kenya Government on 10<sup>th</sup> February, 2017 with 23 out of 47 counties affected, the WSTF was appointed by Ministry of Water & Sanitation as one of the financing partners in the Drought Emergency Response Programme. The table below summarises the programme key statistics and overall cumulative achievements from inception to the end of the FY 2018/2019.

**Table 18: DERP key statistics and cumulative achievements**

<b>Implementation Period</b>	March 2017 to December 2018		
<b>Programme Budget (Kshs.)</b>	250 Million		
<b>Receipts to Date (Kshs.)</b>	250 Million		
<b>Disbursements to Date</b>	267 Million <sup>69</sup>		
<b>Target Counties</b>	Lamu, Garissa, Tana River		
<b>Programme Objective/s</b>	Emergency water service provision for the identifies counties to mitigate against the effects of drought		
<b>Key Results</b>	<b>Target</b>	<b>Cumulative Achievements</b>	<b>% Achievement</b>
No. of people reached with emergency water supply	69,970	58,370	83%
No. of Sub counties benefiting from emergency water supply	5	5	100%
No. of water projects developed/ rehabilitated	39	39 – all projects are completed	100%

### Cumulative Programme Progress

The achievements are further elaborated per county below:

#### a) Tana River County

Tana Water & Sanitation Company (TAWASCO) was the main implementing agent and implemented projects in 3No. Sub counties within Tana River County at a total cost of Ksh.32, 468,990. All the funds were disbursed to the WSP as per the signed contract. TAWASCO has reported that all the works had been completed by October 2017 and the closure documents have been submitted.

The following is the approved scope of works:-

#### Funded project Scope:

- i) Rehabilitation of 2 boreholes and 4 shallow wells
- ii) Water trucking in 3 sub counties

<sup>69</sup> This figure includes 17 M interest earned in the programme

- iii) Assessing and desilting of 3 existing water pans
- iv) Administrative and project operation costs

**Table 19: Project implementation status – Tana River County as at 30th June, 2019**

No	Name of Project	WSTF funding (Ksh)	Current status
1.	Desilting of Bulito Mulito Water pan	5,560,950	100% complete
2.	Desilting of Lakole Water pan	5,560,950	100% complete
3.	Rehabilitation of Assa Water pan	5,560,950	100% complete
4.	Rehabilitation of Nduru 1 shallow well	400,000	100% complete
5.	Rehabilitation of Nduru 2 shallow well	400,000	100% complete
6.	Rehabilitation of Handaraku shallow well	400,000	100% complete
7.	Rehabilitation of Marava shallow well	400,000	100% complete
8.	Rehabilitation of Kalalani Borehole	2,900,000	100% complete
9.	Rehabilitation of Walsorea Borehole	2,900,000	100% complete
10	Water trucking in 3 No sub -counties.	6,840,000	100% complete
11.	WSP administration costs	1,546,140.00	
	<b>Total</b>	<b>32,468,990</b>	

#### **b) Garissa County**

The total funds approved for Garissa County was Ksh. 32,488,561. Garissa Water and Sewerage Company (GAWASCO) was the implementing agent. All the funds were disbursed to the WSP and all activities were reported as completed. Closure documents have been submitted as per the contract.

The following are the funded activities:-

#### **Funded project Scope:**

- i) Rehabilitation of 6 boreholes
- ii) Water trucking in 2 sub counties
- iii) Assessing and desilting of 4 existing water pans
- iv) Administrative and project operation costs

**Table 20: Project implementation status for Garissa County as at 30th June, 2019**

No	PROJECT NAME	WSTF FUNDING Ksh.	COMPLETION STATUS
1	Afwein water pan – Lagdera	4,690,000	100% Completed
2	Auliya water pan – Balambala	6,300,000	100% Completed
3	Tinas water pan – Dadaab	2,780,000	100% Completed
4	Ijara water pan – Ijara	4,200,000	100% Completed
5	Amuma genset rehabilitation – Fafi	300,000	100% Completed
6	Abdisamet genset servicing– Balambala	1,500,000	100% Completed
7	Dujis submersible pump installation – Balambala	300,000	100% Completed
8	Skanska submersible pump installation – Lagdera	500,000	100% Completed
9	Skanska 2 submersible pump installation - Lagdera (Baraki-kokar)	2,500,000	100% Completed
10	Bahuri submersible pump installation – Dadaab	400,000	100% Completed
11	Water trucking	7,364,700	100% Completed
12.	WSP administration cost	1,653,861	
	<b>Total</b>	<b>32,488,561</b>	

### c) Lamu County

Lamu Water and Sewerage Company (LAWASCO) was the main implementer and signed a contract of Ksh. 34,172,460. All funds were disbursed to the WSP and all activities were completed and closure documents submitted to WSTF.

The following is a list the funded activities:-

#### Funded project Scope:

- i) Rehabilitation of 9No. Djabias
- ii) Rehabilitation of 4 No. shallow wells
- iii) Water trucking in 3 wards
- iv) Assessing and desilting of 5No. existing water pans
- v) Administrative and project operation costs

**Table 21: Project implementation status for Lamu County as at 30th June, 2019**

No	Name of the project	WSTF Funding - Ksh	Current status
1	Rehabilitation of Katsakakairu water Pan 10,000 m3	4,380,000	100% complete
2	Rehabilitation of Chalaluma water pan of 8,000 m3	3,420,000	100% complete
3	Rehabilitation of Dide Waride water pan 19,000 m3	6,261,000	100% complete
4	Rehabilitation of Pandaguo water pan 10,000 m3	3,940,000	100% complete
5	Rehabilitation and Expansion of Koreni water pan 15,000 m3	5,103,000	100% complete
6	Siyu Djabia	700,000.00	100% complete
7	Faza/Rasini Djabia	700,000.00	100% complete
8	Tcundwa Djabia	700,000.00	100% complete
9	Mbwajumali Djabia	700,000.00	100% complete
10	Kizingitini Wakunga Djabia	700,000.00	100% complete
11	Kizingitini Women Djabia	700,000.00	100% complete
12	Basuba/Mararani Djabia	700,000.00	100% complete
13	Siyu Shindaywa Djabia	700,000.00	100% complete
14	Shanga Rubu Djabia	700,000.00	100% complete
15	Rehabilitation Jima/Pandanguo Shallow well	300,000.00	100% complete
16	Rehabilitation of Kiongoni shallow well	250,000.00	100% complete
17	Rehabilitation of Lamu Dunes Well at Shella (2No.)	1,000,000.00	100% complete
18	Water Trucking; Manda maweni village & primary school	1,590,787.00	100% complete
19	WSP Administration cost	1,627,673.00	
	<b>Total</b>	<b>34,172,460.00</b>	

## Progress of additional DERP projects

Under this programme, 3 additional projects were approved for support in Lamu and in Garissa County. The following table provides the status for these projects:-

**Table 22: Status of additional projects under DERP**

No	Projects name	County	Proposed Activities	WSTF funding - Ksh	Status as at 30th June 2018
1	Pangani water project	Lamu	60m <sup>3</sup> elevated steel tank construction and pipeline connection	5,000,000.00	Overall progress is 100%, all project structures have been constructed and completed. The project is completed and operational.
2	Mkunumbi water project	Lamu	Installation of solar system, 1 km pipeline, hydrogeological survey.	2,977,430.00	Overall progress is 100%. Shallow well construction and pipeline laying is fully completed and project is operational.
3	Hulugho water pan	Garissa	Rehabilitation & desilting of water pan, solar system, 3 cattle troughs, pipeline, communal water point, fencing, and 150m <sup>3</sup> elevated steel tank, 2No. 3 door bathrooms and VIP latrines	59,234,117.04	Overall project implementation progress is at 100%. Construction of all project components are fully completed.
4	Social engagement component	Garissa	Mobilization of community, establishment of a community project leadership team & operations & maintenance.	1,965,400.00	A local NGO - Womankind Kenya was contracted to undertake the task for social engagement of the project beneficiaries. Management committee identified, O&M training done and sensitization.
<b>Total</b>				<b>69,176,947.04</b>	

## Annual Finance Report

During the FY 2018/2019, a total of Ksh 7,610,875.81 was available for supporting the programme activities (including an opening balance of Ksh 7,529,935.60). A total of Ksh 7,210,622.50 was expended during the year hence the overall funds absorption stands at 95 % based on accruals. Details of the expenditures are as detailed in the following table:

**Table 23: DERP annual programme achievements**

<b>Implementation Period</b>	July 2018 to June 2019		
<b>Annual Budget (Kshs.)</b>	8,111,840		
<b>Funds utilised (Kshs.)</b>	7,610,875.81		
<b>Balance at the end of the year (Kshs.)</b>	440,253.31		
<b>Target Counties</b>	Lamu, Garissa, Tana River		
<b>Programme Objective/s</b>	Emergency water service provision for the identifies counties to mitigate against the effects of drought		
<b>Key Results</b>	<b>Target</b>	<b>Annual Achievements</b>	<b>% Achievement</b>
No. of people reached with emergency water supply	57,570	57,570 <sup>70</sup>	100%
No. of Sub counties benefiting from emergency water supply	5	5	100%
No. of water projects developed/ rehabilitated	42	42	100%

<sup>70</sup> Achievement based on previously supported projects

## DERP Identified Risks and Mitigation Measures

The identified risks and mitigations measures in the programme are detailed in the following table:

No	Risk	Mitigating measures
1	A shift in donor policies & priorities with regards to ASAL development and drought resilience.	Continuous Government commitment as expressed in the priorities communicated to donors, will facilitate continued alignment against Ending Drought Emergency priorities.
2	Security issues in Northern Kenya & target counties: Recent national (ethnic) and cross border clashes have made mobility and access to some project areas difficult. Risk of monitoring projects located in Al-shabab hot spots region.	Key institutions focusing on the EDE-6 <sup>th</sup> pillar for i.e. the Pastoralists Parliamentary Group can contribute to upholding peace and stability in the affected areas. Project planning to take into account the possible security risks and lay down measures to address same
3	Low capacity of communities to undertake projects: Communities in ASAL counties have less experience in undertaking community projects than communities in other parts of Kenya.	WSTF engaged Water Service Providers (WSPs) & NW&PC to implement DERP projects and ensure that communities are engaged all through the project cycle for ownership and project sustainability.

## Key Implementation Challenges

The following table details the implementation challenges and the adopted adaptive measures:

Challenges	Adaptive measures
<ol style="list-style-type: none"> <li>1) High demand for services - The biting drought resulted in high demand for the water services among the local communities.</li> <li>2) Vastness of the program area posed difficulty in monitoring of all the projects within the limited/short contract period.</li> <li>3) Short timeframes within which to implement the projects due to their emergency nature.</li> <li>4) Failure to involve the communities from the onset of the projects hindered the smooth implementation of the projects as these communities were not consulted during project identifications.</li> </ol>	<ol style="list-style-type: none"> <li>1) The county government had to ensure that the affected communities in other sub counties were supplied with water through trucking under county support.</li> <li>2) The CRMs of the targeted counties provided additional support in monitoring of the projects.</li> <li>3) Request for direct procurement provided due to drought being declared as a national disaster to fast track activities. Extension of implementer's contract was granted to ensure smooth closure of affected projects.</li> <li>4) Involvement of communities in the target project sites is vital during all stages of project cycles for ownership and sustainability.</li> </ol>

## Lessons Learnt

- i) **Processing of funds accounting documents** (financial accountability statements and proposals) is lengthy resulting in slow progress in project implementation
- ii) **Contingency planning (Emergency Response) is a necessity** - These programs are triggered due to "catastrophes". Projects were meant to be implemented within short timeframes and were of medium term intervention. However, the implementers were over stretched in terms of coping with the challenges after heavy rains impounded on the affected areas. Organizations are required to put in place "contingency plans" to be applied under such circumstances.

- iii) **Develop a Clear Monitoring Schedule** – Vastness of the program area poses difficulty in monitoring of all the projects within the limited/short contract period. This will ensure that these activities are effectively monitored within the limited timeframe. A tool kit including the weekly SITREPs (situational reports) should also be implemented for ease of monitoring and reporting.
- iv) **Collaborating with County Drought Response Teams/Structures** is important to have a coordinated response plan and identify the implementers to be engaged in emergency response activities. This will help in effective identification; design; implementation; close supervision and effective management

## Climate proofed infrastructure Programme- EU CPIRA

### **Introduction and Programme Background**

WSTF signed a Grant Contract with the European Union for the implementation of the Ending Drought Emergencies-Climate Proofed Infrastructure Programme targeting Manderu, Kitui, West Pokot, Kajiado, Baringo, Samburu, Taita Taveta and Kilifi Counties. This European Union/Kenya Cooperation under the 11<sup>th</sup> European Development Fund (EDF) Programme has an overall cost of EUR 27,100,000 or an equivalent of KES 3 Billion which is expected to be co-financed in parallel by the European Union to an amount of KES. 2 Billion, National Government of Kenya for an amount of KES 453 million and the eight (8) target County Governments for a total amount of KES 348 million.

The overall objective of the programme is to ensure that communities in drought-prone areas are more resilient to drought and other effects of climate change and the impact of drought are contained, leading to improved food security.

Specific objective: The deficit of climate-proofed water supply and sanitation infrastructures and their maintenance is identified, planned and progressively addressed in a coordinated and comprehensive manner at national, county and community level.

The following are the expected results;

**Outcome 1:** Improved Climate-proofed medium sized water projects in targeted counties.

**Outcome 2:** Rural sanitation coverage in target locations within counties improved.

**Outcome 3:** Rural water resources in target locations within counties improved.

**Outcome 4:** Institutional capacity of the targeted locations is enhanced.

**Outcome 5:** Enhanced Public private community partnership.

The table below provides a highlight of the programme key statistics and overall cumulative achievements up to the end of the FY 2018/2019 since inception.

**Table 24: Achievements Of EU-CPIRA Programme**

<b>Implementation Period</b>	January 2019 to December 2022		
<b>Programme Budget (Kshs.)</b>	3 Billion		
<b>Amount available for disbursement</b>	630 million		
<b>Disbursements during the year</b>	TBC		
<b>Balance at the end of the year</b>	TBC		
<b>Key Results</b>	<b>Cumulative Target</b>	<b>Cumulative Achievements</b>	<b>% Achievement</b>
<b>Overall Outcomes</b>			
Increase in number of households with sustained coverage from improved water services in eight ASAL counties.	0	0	0%
Increase in number of households with sustained coverage from improved sanitation services in eight ASAL counties.	0	0	0
Increase in area implemented under improved water resources management planning (as SCMP or other water).	0	0	0
Enhance public private and community partnership.	0	0	0
Enhance capacity of the implementing partners.	0	0	0
<b>Outcome 1: Improved Climate-proofed medium sized water projects in targeted counties.</b>			
Support for proposal for water project.	0	0	0%
Average Sustainability Index of the WSTF supported investments in the 8 target counties.	TBD	TBD	TBD
% of facilities funded through the engagement that are climate proofed.	TBD	TBD	TBD
% Satisfaction on service of the targeted households in the programme Counties.	TBD	TBD	TBD
<b>Outcome 2: Rural sanitation coverage in target locations within counties improved.</b>			
Support for proposal for sanitation project.	8	0	0%
<b>Outcome 3: Rural water resources in target locations within counties improved.</b>			
Number of WRUAs, Community Conservancies or other community based natural resource management organisations reporting improved natural resource management from partnering with WSTF.	8	0	0
% increase in total water storage capacity from the WSTF investments.	0	0	0
<b>Outcome 4: Institutional capacity of the targeted locations is enhanced.</b>			
Number of engaged programme staff.	4	2	50%
Number of staff with new laptops.	4	2	50%
Number of programme staff facilitated to implement the programme.	4	2	50%
Number of staff trained on climate proof infrastructure approaches.	5	1	20%
Number of CRMs engaged.	8	8	100%
Number of county workshop, sensitization, inception and work planning.	8	2	25%
Number of County situation assessment situation assessment on pre inception indicators.	16	0	0
Number of sensitization meetings on county rural water prototype bill.	2	0	0
Number of MOU signed.	8	8	100%

<b>Outcome: 5: Enhanced Public private community partnership.</b>			
Number of new innovative PPP funding and management approaches piloted in target ASALs counties.	0	0	0%
% of external finance leveraged by piloted PPP models.	0	0	0%

The Programme agreement was signed in December 2017 and WSTF received a pre-financing total to Kshs 648 million. These funds were received as A in A (Appropriation in Aid) instead of Revenue and therefore could not be utilised until the funds receipt process was regularised. This process has since been regularised.

WSTF has initiated other activities such as recruitment of programme staff and county resident monitors. To date, 2 programme staff and 8 County Resident monitors have been engaged. Recruitment process of two remaining programme staff is ongoing.

At inception of the programme, WSTF staff have attended two trainings on EU funding conditions and familiarisation on the PRAG guidelines. On 20<sup>th</sup> March 2019, WSTF invited the 8 County Water teams for an inception workshop that was also attended by EU program manager, UNICEF Chief of WASH, Ministry of water and sanitation representative, WSTF Chairman, WSTF CEO and Staff. The workshop objective was to introduce the programme to the stakeholders and gauge their preparedness for its implementation.

WSTF through EU CPIRA Programme participated in the devolution conference held from 4<sup>th</sup> to 8<sup>th</sup> March 2019 in Kirinyaga County. The theme of the conference was to "Deliver, Transform, Measure" with a clarion call of "Remaining Accountable". The EU CPIRA programme contributed Ksh 2 Million as event sponsors. This presented an opportunity for the Programme to be introduced to the key participants of the conference hence entrenching the objectives of the programme to the Counties.

WSTF and the Eight (8) County Governments signed collaboration Memorandum of Understandings (MOUs) on 22<sup>nd</sup> May 2019. The aim of signing of the MOUs was to get the commitments of the head of the County governments to support this programme and to ensure allocations for the budgets as their part of their contributions. The signing of the memorandum of understanding culminated to official launch of the programme. The official launch was graced by the cabinet secretary in charge of water and sanitation together with the head of E.U delegation who showed commitment to support the programme to achieve its objectives. On 22<sup>nd</sup> May 2019, a gazette supplement was done in one of the leading media newspaper which highlighted the counties the programme is targeting and the programme expectations.

### **Annual Finance Report**

A total amount of Kshs. 648 million was received from the Development Partner on January 3, 2018 in the Financial Year 2017/18. These funds were returned to the Central Bank of Kenya on 19<sup>th</sup> June 2019 as part of the Funds regularisation process. Cumulative interest earned on the EU funds received is Ksh. 24.5 million. The interest earned during this year amounted to Ksh. 16.3 million. The expenditures incurred under the programme during the year totalling to Ksh. 10,624,244.00 were charged to WSTF's Operational account being Counterpart Contribution. Programme performance has been affected due to process of funds regularisation.

## Annual Programme Achievements

The expected outcome of the programme is enhanced water resource management and climate proofing water infrastructure investments in selected counties for improved and sustained access by communities and households to water and sanitation for their domestic and productive needs.

**Table 25: EU-CPIRA Programme Annual Achievements**

<b>Implementation Period</b>	January 2019 to December 2022		
<b>Programme Budget (Kshs.)</b>	Kshs 3 Billion		
<b>Receipts to Date (Kshs.)</b>	648M		
<b>Disbursements to Date</b>	0		
<b>Target Counties</b>	Baringo, Samburu, West Pokot, Kajiado, Mandera, Kilifi, Taita Taveta and Kitui.		
<b>Programme Objective/s</b>	Communities in drought- prone areas to be more resilient to drought and other effects of climate change and that the impacts of droughts are contained, leading to improved food security.		
<b>Key Results</b>	<b>Target</b>	<b>Annual Achievements</b>	<b>% Achievement</b>
<b>Overall Outcomes</b>			
Increase in number of households with sustained coverage from improved water services in eight ASAL counties.	0	0	0%
Increase in number of households with sustained coverage from improved sanitation services in eight ASAL counties as a result of the DED.	0	0	0%
Increase in area implemented under improved water resources management planning (as SCMP or other water and range management arrangements) in the eight targeted ASAL.	0	0	0%
<b>Outcome 1: Improved Climate-proofed medium sized water projects in targeted counties.</b>			
Number of proposal prepared for the water infrastructure.	8	0	0%
Average Sustainability Index of the WSTF supported investments in the 8 target counties.	70	TBD	TBD
% of facilities funded through the engagement that are climate proofed approaches.	100	TBD	TBD
% Satisfaction on service of the targeted households in the programme Counties.	80	TBD	TBD
<b>Outcome 2: Rural sanitation coverage in target locations within counties improved.</b>			
Number of proposal prepared for the sanitation infrastructure.	8	0	0%
<b>Outcome 3: Rural water resources in target locations within counties improved.</b>			
Number of Proposals developed for WRUAs, Community Conservancies or other community based natural resource management organisations.	8	0	0%
<b>Outcome 4: Institutional capacity of the targeted locations is enhanced.</b>			
Number of programme staff recruited and engaged.	4	3	75%
Number of staff provided with the laptops.	4	3	75%
Number of staff facilitated to implement the CPIRA activities.	1	1	100%
Number of staff trained on climate proofed infrastructure approaches.	5	5	100%
Number of CRMs engaged and facilitated in terms of logistics, transport and stationery.	8	8	100%
No. of workshops held for inception and work planning for county activities.	8	4	50%
No. of assessment conducted on pre- inception indicators.	16	0	0%
Number of meetings held on sensitization on county rural water prototype bill.	2	0	0%
Number of MOUs signed for the programme.	8	8	100%
<b>Outcome: 5: Enhanced Public private community partnership.</b>			
Number of new innovative PPP funding and management approaches piloted in target ASALs counties.	0	0	0%
% of external finance leveraged by piloted PPP models.	0	0	0%

## **Analysis of Results**

Overall, the programme implementation activities are yet to pick up owing to delays in authorisation on the use of disbursed Funds. Most of the startup activities involve stakeholder engagements and sensitisation on the programme.

### ***Output 1: ASAL counties capacity and engagement in water related planning improved***

A sensitization and planning workshop with the County Executive Committee Members from the 8 target Counties was held in Nairobi to kick start the programme roll out. During the year, the Governors of the eight counties signed the MOUs highlighting the programme roles of each partner. The MOU was also countersigned by the Cabinet Secretary for Water and sanitation as witness to the contract.

### ***Output 2: Water and sanitation access and deficit in the ASAL addressed***

County stakeholder engagement meetings were conducted to ensure their involvement throughout the programme's implementation. The stakeholders were sensitised on their critical role of ensuring proper project targeting, community involvement, mobilization, provision of oversight in implementation and planning for sustainability. Counties were further advised to start selecting the projects for implementation during the FY 2019/2020 and allocation of budgets to accommodate required County contributions.

### ***Output 3: Sustainable and community based management of water resources improved***

The Fund has written to the County governments informing them on the programme and highlighting the need for cooperation between the Fund and WRA in implementing the water resource activities.

### ***Output 4: Improved capacity of and engagement by implementing agents for planning and efficient water service delivery.***

The Fund has engaged 8 No. County-based resident monitors (CRMs) to enhance efficiency and effectiveness in the project implementation cycle and sustainability of the investments. The CRMs will work closely with the County governments to assist in data collection, project implementation, monitoring, identification of capacity gaps and priority interventions, and ensuring that the required expertise is made available by WSTF.

### ***Output 5: Enhanced experience for promoting public private partnerships in water provision in the ASALs***

This activity is yet to commence. The EU are to appoint a service agent to deliver this output as guided by the National Treasury.

### ***Output 6: Strengthened institutional performance of WSTF***

The Eight CRMs engaged under this programme continued offering support to the County officials. They were instrumental as liaison officers between the WSTF headquarters and County officials especially in the development of concept notes, appraisal and subsequent follow up to WRUAs implementing on-going projects in the various counties. The WSTF has also recruited four programme based staff to guide the implementation of the programme.

**Table 26: EU-CPIRA Programme risks and mitigation measures**

NO.	RISK	MITIGATION MEASURES
1	Inequalities in project targeting	<ol style="list-style-type: none"> <li>1) WSTF will align projects with County Integrated Development Plans.</li> <li>2) WSTF will conduct baseline surveys to identify needs.</li> <li>3) WSTF will ensure equitable targeting through county engagement.</li> </ol>
2	Poor quality of proposals	<ol style="list-style-type: none"> <li>1) WSTF will simplify proposal application documents.</li> <li>2) WSTF will capacity build agents on proposal writing.</li> <li>3) WSTF will undertake proper mobilization.</li> <li>4) WSTF will provide Technical support and reviews in the proposal preparation process. Insist on adherence to design standards and proposal requirements.</li> </ol>
3	<b>Poor performance by the implementing partners</b>	<ol style="list-style-type: none"> <li>1) WSTF will capacity build the agents.</li> <li>2) WSTF will work with established implementing partners.</li> <li>3) WSTF will ensure proper mobilization and awareness.</li> <li>4) WSTF will allocate additional resources for M&amp;E.</li> <li>5) WSTF will strengthen rules &amp; procedures.</li> <li>6) WSTF will encourage whistle blowing.</li> <li>7) WSTF has constitute effective project teams.</li> <li>8) WSTF will encourage county level support, WSTF technical support and CRM monitoring.</li> </ol>

### **Key implementation challenges**

The key implementation challenge is the funds regularisation process which took a long time for WSTF to access the funds for use. However, WSTF has availed some of the funds to initiate the activities and has been following up with the parent ministry and as a result the process has since been regularised.

It also took too long to hire some of the programme staff, though the process has been has now been hastened and is almost complete. The programme assistant, programme officer and 8 Resident Monitors have been hired.

### **Lessons Learnt**

#### **Stakeholder Engagement**

Stakeholder engagement is a key aspect in programme implementation. All the eight counties appointed new officials after the last general elections which necessitated fresh sensitization sessions to be conducted to provide insights on WSTF programmes and working modalities.

#### **Climate proofing Strategy**

WSTF will conduct a capacity building to the targeted counties. In this workshop, WSTF will ensure that the water infrastructures take consideration to climate proofing principles. WSTF has put in place a robust mechanism for capacity building on climate proofing.

#### **Stakeholder Engagement**

The delay in programme implementation has been occasioned by the delayed regularisation of the disbursed Funds. The Fund therefore has noted the need for advance engagements with the key stakeholders involved in the budget and funds disbursement processes at the Ministry of Water and Sanitation, National Treasury and the need for close liaison with the Development Partners.



## Chapter 4: WSTF Audit and Risk Management

### Introduction

implementing partners with adequate capacity to plan, develop, implement, monitor and supervise its investments. The Fund's key role in the project implementation cycle is resource mobilization, investment and risk management. In order to ensure that fiduciary risks are adequately identified and mitigated against, one of the key responsibilities of WSTF is to ensure that the inherent project, program and operational risks are managed effectively and efficiently. This is done through continuous review and assessment of the funding procedures and systems, review of operating systems as well as project implementation. Risk Management is a key progressive activity in the Audit and Risk department of the Fund.

### Internal Controls

These are controls designed to manage rather than eliminate the risk of failure to achieve business objectives due to circumstances which may reasonably be foreseen and can only provide reasonable and not absolute assurance against material misstatement or loss. The Fund has established and maintained strong internal control systems to manage and mitigate risks during the year.

### Internal Audit

As part of its responsibilities, the Internal Audit and Risk department carried out audits of the various programmes and payments in the WSTF. Walk through tests on the various functions at the Trust Fund office were carried out to check for weaknesses in the various systems at WSTF. The department was involved in capacity building of the Fund's agents with the Investment Department requesting it to make presentations in the various financial and procurement training sessions held by the Fund.

Follow up of previous audit queries and in particular costs questioned by both the external and internal audits was done. The follow-up did not yield positive results as most of the projects were several years old and thus some of the documents could not be retrieved.

During the year the department was called upon to investigate various allegations of fraud and misappropriation of funds by the implementing partners. The department shared any findings with the development partners and relevant state organs where necessary.

### Integrated Feedback Resolution and Referral System

The Fund is in the process of developing a system through which the public can make their complaints known as well as track the progress being made in the resolving any issues that may have been reported. The public is expected to interact with the system through emails, phone calls and SMS. The WSTF is in the last phase of system development with the identification of a suitable host yet to be done.

**Corruption Risk Assessment Baseline Survey;** the Trust Fund commissioned a corruption baseline survey that was to be carried out by Kenya Institute of Public Policy Research and Analysis (KIPPRA) during the year. KIPPRA presented the final report in the quarter where the Fund had 78% stakeholders' approval, with 22% perceiving the Fund to be corrupt. The findings have been noted and the WSTF is developing a work-plan on implementing the recommendations made. The Fund intends to have the report published for sharing with the public.

## External Audits

During the year the WSTF contracted PricewaterhouseCoopers (PwC) to carry out financial audit and technical reviews of its sub-grantees. The audit assignment was in line with the financing agreements which WSTF has executed with various development partners which requires projects audits to be carried out every financial year.

The objectives and scope of the audits were;

- i) To report on whether the fund accountability statements for each project managed by WSTF have been prepared, in all material respects, in line with the WSTF's accounting policies;
- ii) Express an opinion on whether the Fund Accountability Statement for the projects present, in all material respects, project revenue received and costs incurred for the period audited and is in accordance with WSTF's accounting policies;
- iii) Evaluate and obtain a sufficient understanding of the projects' internal control structure, access control risk, and identify reportable conditions including material internal control weaknesses;
- iv) Perform tests to determine whether WSTF had complied, in all material respects, with agreement terms and applicable laws and regulations.

## Questioned Costs

The auditors questioned expenditure amounting to **KShs 13,510,479** from the review of expenditure incurred for the sampled projects as a result of it either being unsupported, inadequately supported or overstated.

**Table 27: Summary of questioned costs**

No.	Implementing partner	County	Program	Total Expenditure incurred (KShs)	Questioned costs (KShs)	Status
1	Nyaduong Water Project	Migori	J6P	6,699,159	4,667,910	Open
2	Nyoprosony Water Project	Migori	J6P	12,103,915	3,288,406	Open
3	Kegonga Water Project	Migori	J6P	10,989,981	1,387,194	Open
4	Kobujoi Community Water project	Nandi	J6P	4,565,190	1,239,600	Open
5	Urii Bware Water Project	Migori	J6P	8,578,707	631,445	Open
6	Rongo Riosiri WRUA	Migori	J6P	10,573,189	209,720	Open
7	Enkare Narok WRUA	Narok	J6P	4,978,600	214,000	Open
8	Doldol Luisukut Water Project	Laikipia	J6P	13,217,425	160,000	Open
9	Kimngoror Water Project	Nandi	J6P	12,758,548	2,629	Open
10	Kimatkei Kipkoli Water Project	Nandi	J6P	12,163,835	101,700	Open
11	Ruguti WRUA	Tharaka Nithi	IFAD	4,977,949	485,400	Open
12	Kiera Hills CFA	Tharaka Nithi	IFAD	1,997,992	482,500	Open
13	Lower Rupingazi WRUA	Embu	IFAD	4,740,442	299,980	Open
14	Upper Thimba	Kirinyaga	IFAD	4,998,235	50,000	Open
15	Kiamunga Mutonga WRUA	Meru	IFAD	4,325,279	17,920	Open
16	Tawakal WRUA	Garissa	GGEP	1,303,590	196,000	Open
17	Garissa County Drought Emergency Response Project	Garissa	GGEP	19,612,486	42,175	Open
18	Buriya WRUA	Wajir	GGEP	2,133,053	14,300	Open
19	Kotile Korisa WRUA	Garissa	GGEP	1,414,935	10,000	Open
20	Anaam WRUA	Garissa	GGEP	1,344,100	4,800	Open
21	Sharaha WRUA	Garissa	GGEP	1,416,500	4,800	Open
	<b>Total</b>			<b>144,893,110</b>	<b>13,510,479</b>	

The Joint-Six Programme (J6P) had the highest amount questioned costs during this cycle of audits with KShs 11,902,604 being questioned. The department is still making a follow-up through field visits, the CRMs and making demand letters where necessary. To date the matters are yet to be resolved. The department intends to use the external auditors during the next phase of audits for follow up.

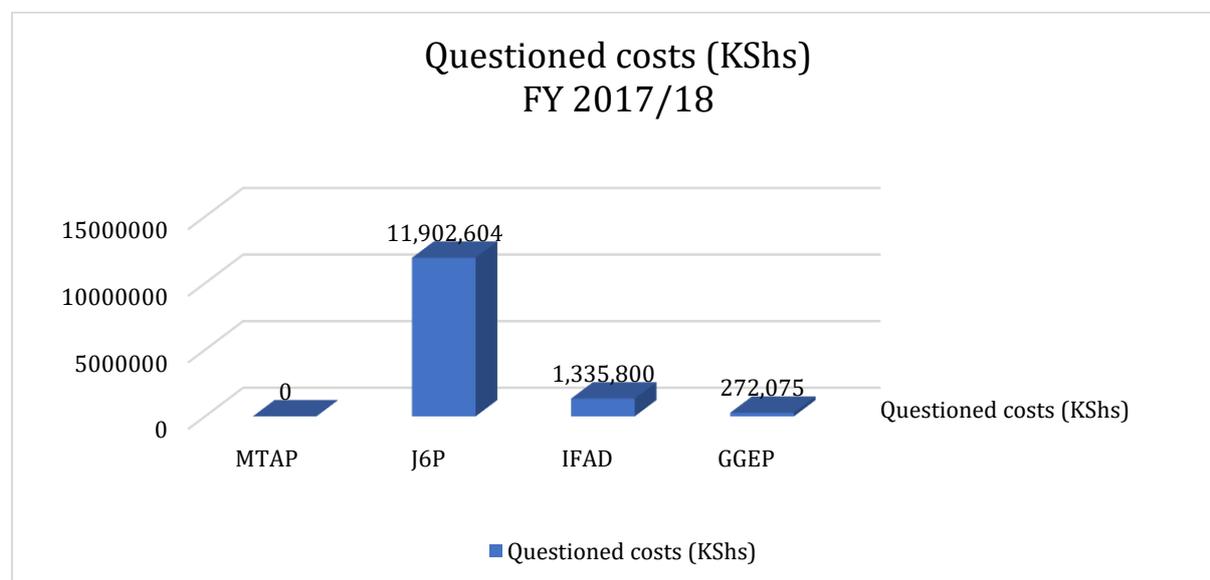


Figure 13: Questioned costs per programme

It was noted that 1.793% of the total expenditure incurred on direct project activities and verified by the auditors was questioned, an increase from 0.242% the previous year.

Programme	Total expenditure incurred and verified	Questioned costs (KShs)	QC as % of total expenditure
MTAP II	168,939,168	-	0
J6P	371,401,226	11,902,604	3.204783174
IFAD	153,335,426	1,335,800	0.871162024
GGEP	59,706,320	272,075	0.455688778
	<b>753,382,140</b>	<b>13,510,479</b>	<b>1.793310232</b>

### Technical audit findings

There were several salient observations made and were categorized as follows:

#### 1) Challenges in procurement

- i) No adverts
- ii) Procurement documents missing
- iii) Non-use of standard evaluation criteria not consistent with WSTF/standard criteria
- iv) No due diligence conducted to confirm particulars of the winning bidder

#### 2) Performance bond

- i) Performance bond not provided
- ii) Performance bond provided but not extended
- iii) Performance bond provided but with issues

- 3) *Payment related challenges*
  - i) Absence of minutes and reports of inspection prior to making contract payments
  - ii) Failure to deduct 10% retention or partial deductions from interim payments to contractors
  - iii) Un-procedural release of contract retention
  - iv) Interim payment certificates not prepared on WSTF template
  - v) Contract payments not based on works/based on implementation contract signed
  - vi) Poor financial skills-payment documents/vouchers not comprehensive to detail the purpose/reasons for payment, vouchers not signed by all required parties
  - vii) Project delays due to delay in release of funding (County contribution & WSTF)
  - viii) Challenges in accounting for community contribution
- 4) *Retention money challenges*
  - i) Failure to deduct 10% retention
  - ii) Partial deductions from interim payments to contractors
  - iii) Un-procedural release of contract retention (all released immediately after substantial completion)
- 5) *Defects Liability Period (DLP)*
  - i) DLP not provided for/specified on the implementation contract
  - ii) DLP 3 months or less
  - iii) DLP 6 months or less than 1 year
  - iv) No snag-list developed at start of DLP
  - v) No final inspections at the end of DLP
  - vi) DLP provided for but not effected
- 6) *Quality assurance*
  - i) Non-adherence to requirements of procurement process in the selection of contractor
  - ii) Partial or lack of site specific design drawings and layouts to guide construction works
  - iii) Inadequacy of design (contributing to non-functioning of parts of projects)
  - iv) Poor quality workmanship
- 7) *Discrepancy between implemented and reported works*
  - i) Absence of completion reports
  - ii) Non-operational project components after full implementation due to missing parts to lack of take-over mechanisms
  - iii) Poor/partial project impact and potential for sustainability
  - iv) Absence of operator training and operation and maintenance manuals

The department has so far developed Project Implementation Guidelines to stop recurrence of the issues noted in the audit report. The guidelines have been recommended for approval by the Audit Committee of the Board. The department intends to have these guidelines published and shared with the public.

### Status of All Questioned Costs

The total cumulative questioned costs from the various rural harmonized audits stand at KShs 45,495,428 as at 30 June 2019. The open question cost trend is shown in Figure 13 below;

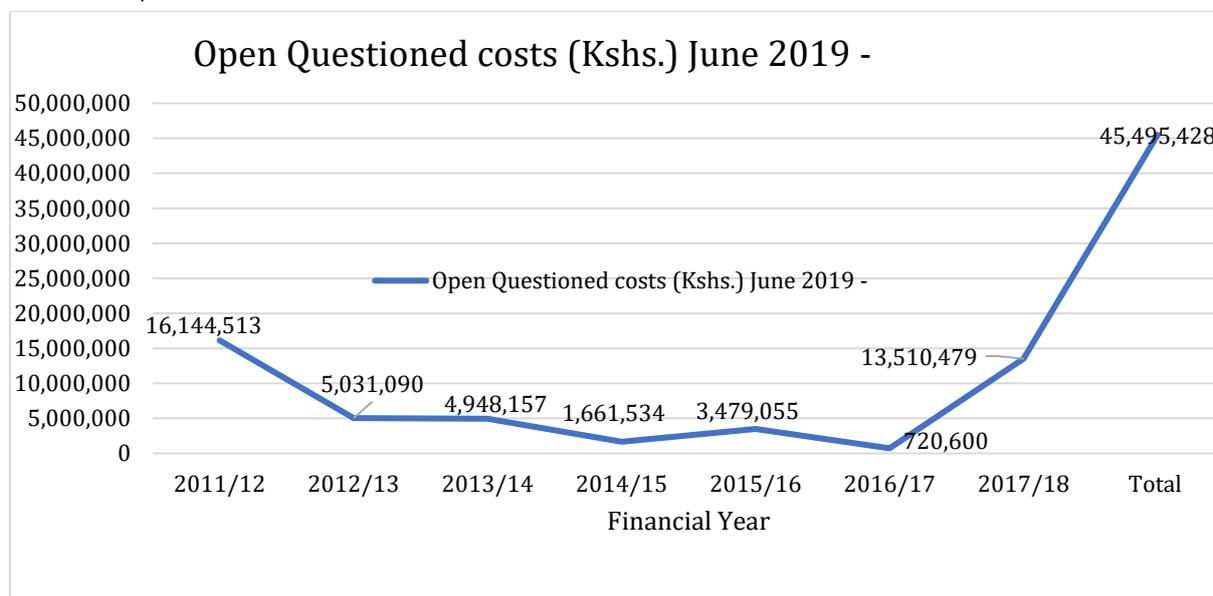


Figure 14: Open Question cost trend

The department has been following up on the outstanding costs by making visits to the affected projects as well as engaging the external auditors' technical team to assess whether the projects have met their objectives. The Fund has also engaged the EACC to assist in the follow up of corruption related matters.

### Statutory Audit

During period, the Office of the Auditor-General (OAG), released the statutory audit report of the Fund in which he issued an unqualified opinion on the financial statements of WSTF.

### Re-appointment of PricewaterhouseCoopers (PwC)

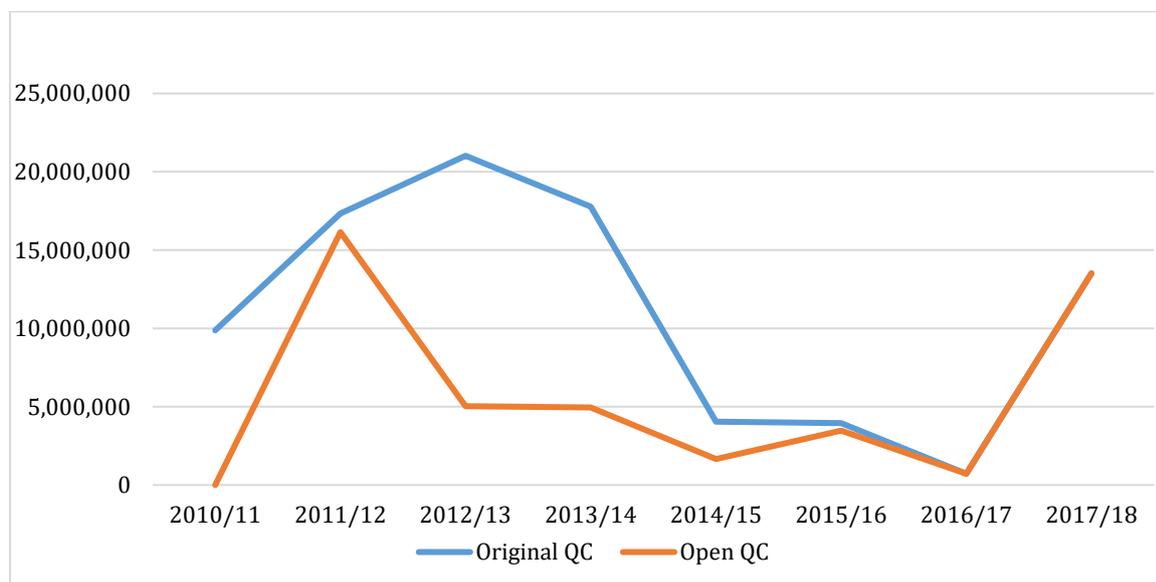
PricewaterhouseCoopers (PwC) whose term had come to an end, were re-appointed by the OAG as WSTF's authorized auditors for the financial years ending 30 June 2019 and 2020.

Table 28: cumulative original questioned versus open questioned costs

Financial Year	Original Questioned costs (Ksh.)	Open Questioned costs (Ksh.) June 2019
2010/11	9,872,132	0.0
2011/12	17,337,047	16,144,513
2012/13	21,020,446	5,031,090
2013/14	17,772,684	4,948,157
2014/15	4,049,388	1,661,534
2015/16	3,955,055	3,479,055
2016/17	720,600	720,600
2017/18	13,510,479	13,510,479
<b>Total</b>	<b>88,237,831</b>	<b>45,495,428</b>

As at 30 June, 2019 the cumulative open questioned costs were Kshs 45.5 million compared to the cumulative original questioned costs of Kshs 88.2 million. This translates to a 48.4% reduction.

Table 29 and Figure 14 has the details.



**Figure 15: trends of cumulative original and open questioned costs**

The Fund has been following up on the outstanding costs by making visits to the affected projects as well as engaging the external auditors' technical team to assess whether the projects have met their objectives. The Fund has also engaged the EACC to assist in the follow up of corruption related matters. The EACC has visited some of the projects, Manda Maweni Water Project in particular, with the investigations being at an advanced stage, even though no formal report has been presented to the Fund.

### **Planned Activities for the First Quarter 2019/20**

This being the last quarter in the financial year 2018/19 the WSTF is preparing the work-plan for the financial year 2019/20. This notwithstanding, the department expects to facilitate the statutory and projects audits for the just ended financial year in the 1<sup>st</sup> quarter of 2019/20 as well as carry out routine audits of the various departments and programmes as mandated by the Audit Committee charter. The Fund has also planned to commission the integrated feedback resolution and referral mechanism running during the year.

## Chapter 5: Capacity Development, Monitoring, Evaluation

### Introduction

The realization of WSTF's key strategic objectives is anchored on engagement of implementing partners with adequate capacity to plan, develop, implement, monitor and supervise its investments. The Fund's key role in the project implementation cycle is resource mobilization, investment appraisal and financing, risk management and reporting. In order to ensure that fiduciary risks are adequately identified and mitigated against, the Fund invests in and monitors the implementation of programme activities as well as evaluates the achievement of specified objectives.

During the year under review, the Fund continued to implement Monitoring and Evaluation approaches focused on tracking project implementation and outputs and the systematic measurement of the achievement of component objectives, programmes completion, timeliness and effectiveness. This has led to improved provision of strategic information to inform planning, design and implementation of projects. This chapter details the approaches taken in the monitoring and evaluation of the Funds' Investments as well as the key outcomes in the results framework.

### Monitoring and Evaluation approaches

WSTF is responsible to ensure that the fiduciary risks are minimized through effective operation of a compliance monitoring system. This entails implementation performance review of the partners financing contracts' provision which include financial compliance, quality and standards specifications, operational and governance requirements, statutory requirements and Environmental Management Plans and other requirements as per the Environmental and Social Impact Assessment Reports.

The Fund continued to undertake monitoring and evaluation functions through County Resident Monitors, engagement of independent consultants and through planned routine monitoring. The Fund undertakes monitoring and evaluation functions through the following approaches:

### CRM engagement and alignment

During the period under review, the Fund retained a total of 23 County Resident Monitors (CRMs) who are based at the respective Counties and responsible for undertaking monitoring and support functions at County level. It is noteworthy that 13 No. CRMs handle programmes in more than one county. This is mainly attributable to counties in which investments value and scope does not warrant engagement of full time CRMs. The CRMs continued with their support to the Fund in addressing, technical, social and financial issues related to all WSTF investments while working closely with the Fund's implementing partners. The monitors furnished the Fund with specific project implementation reports and monthly reports covering status of all on-going investments in their Counties. In addition, the CRMs were actively involved in the Joint Annual Operations Monitoring exercise.

During the year under review, the Fund engaged additional 11 CRMs in Tana River, Kitui, Taita Taveta, Baringo, West Pokot, Kilifi, Kajiado, Turkana and Kericho Counties. In addition, 12 out of the 17 existing CRMs were re-engaged on merit. Additionally, the Fund realigned the CRMs by reallocating them to different counties to enhance effectiveness and efficiency in service delivery at the County level.

### **Engagement of Independent Consultants and Technical Advisors**

The Fund engages framework consultants to support it in routine short term consultancies. The consultants are expected to cover technical support to implementing partners, capacity building services, spot check monitoring, technical audit support, provision of support agency services and investigation and assessment services.

During the period under review, the Fund continued to work with the consultants to support the Investments Programmes in the following areas;

- i) Supporting registration, planning and proposal development,
- ii) Offering quality assurance for J6P projects and advice on quality control systems to water utilities,
- iii) Provision of mentoring support to water utilities and CRMs on technical areas such as procurement, contract designs/supervision, and other related utility systems,
- iv) Capacity Building/Training including; supporting the development of operations and maintenance plans; development of Commercial Operations & Accounting Procedures Manual; and training the WU in adopting business planning as integral part of the operating process;
- v) Supporting water utilities to develop and review their business plans in order to ensure profitability and enhanced creditworthiness of the water utilities,
- vi) Offering strategic guidance to related programme outcomes including: interactions with County Governments; linkages with WRUAs and compliance to WRA requirements; collaboration with public health

During the year under review, the Fund received technical advisory support in the following fields:

- i) Programme advisory and management support
- ii) Engineering technical advisory support
- iii) Financial management support
- iv) Monitoring and Evaluation and Systems development support
- v) Information systems and Geo-Databases development support

The engagement of the Technical Advisors has resulted in enhanced capacity of the Fund to efficiently identify and address programme management issues, development of advanced Geo-Information databases and data collection tools, enhanced programme quality assurance processes and monitoring, improved financial management approaches and systems and overall operational and strategic advisory support.

### **Engagement of Field based KEWI interns**

The Fund has entered into a Memorandum of Understanding with the Kenya Water Institute (KEWI) on Capacity Building support to the J6P Programme. In this Memorandum, Kenya Water Institute (KEWI) will provide graduates (from diverse fields relevant to the management of water and sanitation services) to be offered internship while they do capacity building to the J6P Programme whereas WSTF will facilitate the interns with an allowance as they execute their duties and responsibilities.

To actualize this arrangement, the Fund in conjunction with KEWI engaged 23 KEWI Interns for the position of Field-Based Intern under the Planning, Research, and Monitoring & Evaluation Department as from 1<sup>st</sup> of July 2019.

Based at 23 water utilities within the J6P Counties, the interns will support the operation, maintenance, metering and mapping of WSTF funded Utilities at the Counties. They will be stationed in designated water utilities with travel to the field based on agreed tasks and milestones. This is a short term performance based contract and renewable based on achievement of deliverables and availability of funds.

### Routine Project Monitoring

The Fund undertook a monitoring and evaluation coordination role through its Planning, Research, and Monitoring and Evaluation department. Monitoring is usually integrated and undertaken through specific programme teams with the technical support of officers from the Planning, Monitoring and Evaluation department. The department is strongly supported by a team of Technical Advisors (TAs) in the achievement of its Monitoring support role. This function is further augmented by independent framework consultants engaged by the Fund from time to time.

During the period under review, a total of 202 (100%) projects against an annual target of 187 were monitored as summarised in Table 25 below. A summary of the key issues and their mitigation measures is provided in Table 28.

**Table 29: Summary of projects monitored against targets in 2018/19 FY**

Investments	Target	No. Monitored
Monitor rural investment projects and develop monitoring reports	110	106
Monitor urban investment projects and develop monitoring reports	20	28
Monitor water resources projects and develop monitoring reports	51	62
Monitor Result based financing projects and develop monitoring reports	6	6
Total	187	202

The issues noted during the routine project monitoring are detailed below in addition to the remedial measures taken for specific flagged projects.

**Table 30: Summary of projects' monitoring issues and their mitigation measures**

No.	Key Issue	Mitigation Measures instituted
1.	Sustainability challenges	<ul style="list-style-type: none"> <li>Many projects are afflicted by sustainability challenges, at times as a result of very minor challenges.</li> <li>In order to address this, the Fund has engaged 23 No. Engineering Graduate interns who are currently supporting utilities in the J6P counties to address emerging issues ranging from governance and management, operations and maintenance.</li> <li>Sustainability of previous investments is also a key consideration in investment decisions for proposed projects</li> <li>Commercial sustainability entrenched in the project implementation cycle</li> <li>Integration of the sustainability index based on the Joint Annual Operations monitoring in the project appraisal and county assessment</li> </ul>
2.	Efficiency in project contract agreements	<ul style="list-style-type: none"> <li>Contract structure and content review is expected to enhance common understanding among all partners</li> <li>Streamlining of the change and issue management process to enhance efficiency in decision making</li> <li>Risk based disbursement procedures will arrest issue projects</li> </ul>

No.	Key Issue	Mitigation Measures instituted
3.	Procurement challenges	<ul style="list-style-type: none"> <li>Recruitment and engagement of a procurement specialist to support capacity building of implementing partners and provision of procurement oversight.</li> <li>Timely reporting of procurement challenges for necessary support</li> </ul>
4.	Project implementation and management challenges	<ul style="list-style-type: none"> <li>The engagement of the Resident engineers will address the technical compliance challenges</li> <li>The Fund has on a pilot basis engaged a Procurement Specialist to support the utilities in the procurement processes and contract development. This will introduce professionalism in contracting with inclusion of sufficient risk mitigation measures</li> <li>The requirement for a WSTF no-objection before contracting provides an avenue for review and risk mitigation</li> <li>Required project phasing will ensure that outputs are verified before subsequent disbursements are made</li> </ul>
5.	Operations and maintenance challenges	<ul style="list-style-type: none"> <li>Development of Standard operating procedures and manuals will improve project governance, operations and management</li> <li>Specialised practical training adopted under the KEWI support to address identified implementation challenges</li> <li>The Fund has planned to engage KEWI graduates to support projects on a pilot basis to address O&amp;M challenges under the J6P</li> </ul>

### Flagging of projects

As part of the fiduciary risk management, mitigation and monitoring, the Fund routinely flags projects as an escalation procedure to expedite required actions based on the risk event and the likely impact on the realisation of the project objectives. The flags are initially raised by the CRM on the first instance or the monitoring teams. These are then reported to the WSTF M&E team and the programme team for review and advice on the required action. The events are communicated to the internal audit and risk department for risk assessment as well as follow-up action. Based on the assessment, the projects are flagged as yellow (average risk and red for high profile risks). The Investment and Monitoring Committee of the Board as well as the Audit Committee are appraised on the issue projects on a quarterly basis with recommendations for action communicated to the management. Issues management and flagging system is part of the wider implementation of the risk management system through the Risk Management Framework.

The following table details the status of flagged projects in the investment programmes and the project specific issues as at 30th June, 2019.

**Table 31: Summary of Rural Flagged Projects**

No	Project name	County	Program	Initial Project issue/ previous status	Current status	Action	Flag
1.	Lelmokwo Water Project	Nandi	J6P	Vandalization of the project rising main and master meters	Rising main and master meters remain vandalized	County engagement ongoing to address the issues. TL J6P following up	
2.	Kasha WRUA	Garissa	GGEP	Ksh 200,000 for accompanying measures	None of the issues have	Project follow-up by the CRM and the Manager,	

No	Project name	County	Program	Initial Project issue/ previous status	Current status	Action	Flag
				unaccounted for, project scope not completed yet budget has been exhausted, retention fees and VAT not withheld, non-compliance with the financing contract.	been addressed.	Rural Investments ongoing	
3.	Lousikut Water Project	Laikipia	J6P	Masonry tanks leaking  High costs of electricity jeopardizing project sustainability	Masonry tanks leaking  High costs of electricity jeopardizing project sustainability	Engagement with the county and the project ongoing to effect remedial measures	
4.	Kargi Borehole Water Project	Marsabit	EU SHARE	Suspected financial impropriety, contract management challenges	Suspected financial impropriety, contract management challenges	CRM requested to follow through and take remedial measures including payment of contractual taxes and proper calculation of withholding taxes for the contractor	
5.	Mudhe Water and Sanitation Project	Marsabit	EU SHARE	Contractual management issues e.g. site handed over even before contract signing, financial governance challenges and lack of standard tests for the materials in line with the contract	Contractual management issues e.g. site handed over even before contract signing, financial governance challenges and lack of standard tests for the materials in line with the contract	CRM has been requested to follow through and take remedial measures including payment of contractual taxes and proper calculation of withholding taxes for the contractor	
6.	Dadacha Basa	Isiolo	EU SHARE	Project not completed as per scope, quality and sustainability challenges	Project not completed as per scope, quality and sustainability challenges	Programme manager following up with the CRM	

No	Project name	County	Program	Initial Project issue/ previous status	Current status	Action	Flag
7.	Kone Water and Sanitation Projects	Tana-River	MTAP 2	Doubtful expenses of Kshs. 6m and failure to complete project milestones	Project has stalled	Matter referred to EACC	
8.	Qachacha Water project	Marsabit	EU SHARE	Project scope not achieved, overpayments to the contractor, financial management challenges	Project scope not achieved, overpayments to the contractor, financial management challenges	CRM has been requested to follow through and take remedial measures MRIP following up on actions	
9.	Badhanot Water and Sanitation Project	Marsabit	EU SHARE	Financial governance challenges, supervision challenges	Financial governance challenges, supervision challenges	CRM following up to implement remedial measures	
10.	Manda Maweni Water Project	Lamu	MTAP 2	Allegations of corruption	Project complete	Project referred to the EACC for action	
11.	Awarsitu Water Project	Isiolo		Project had stalled with the contractor drilling a dry borehole	A new borehole with a yield of 11m <sup>3</sup> has been drilled with the support of the county.	Project ongoing with implementation delay	
12.	Shimbery Water Project	Isiolo		Project had stalled with the contractor drilling a dry borehole	A new borehole with a yield of 11.2 m <sup>3</sup> has been drilled with the support of the county.	Project finalising completion, delayed.	

### Joint Annual Operations Monitoring of WSTF investments – 2018

From the analysis of data collected on 451 of the sampled projects covering 2,413 investments, the rural and water resources investments were 1,376 representing 57% of the total investments reached. The sample included 133 new projects completed in 2017/18, the rest were completed during 2013-2017, and have also been visited in the previous JAOME monitoring. The results showed that the investments attained a sustainability index of 50% in 2018 (Rural, Water resources, Urban and RBF projects) compared to 55% in 2017 implying a reduction of 5% by investments in overall. This can be primarily explained by the factor that in 2017 58% of the monitored investments were from the urban projects, which are more likely to collect revenue than the rural and water resources projects, as opposed to 42% in 2018 JAOME. The exercise revealed that 72% of rural and 78% of water resources investments were found to be fully operational within the 5 years after commissioning.

These results are further enumerated in the following charts and text:

### Operational status of the projects

A total of 76% of all visited infrastructures were found to be operational<sup>71</sup> (Figure 14), with 65% of the RBF investments, 79% of the urban investments, 72% of the rural investments and 78% of the water resources investments being operational during the time of visit (Figure 15). When comparing investment categories, sanitation category was the most successful one with 85% of investments operational at the time of visit, whereas 72% of water supply investments and 77% of water resources investments were found to be operational (Figure 16).

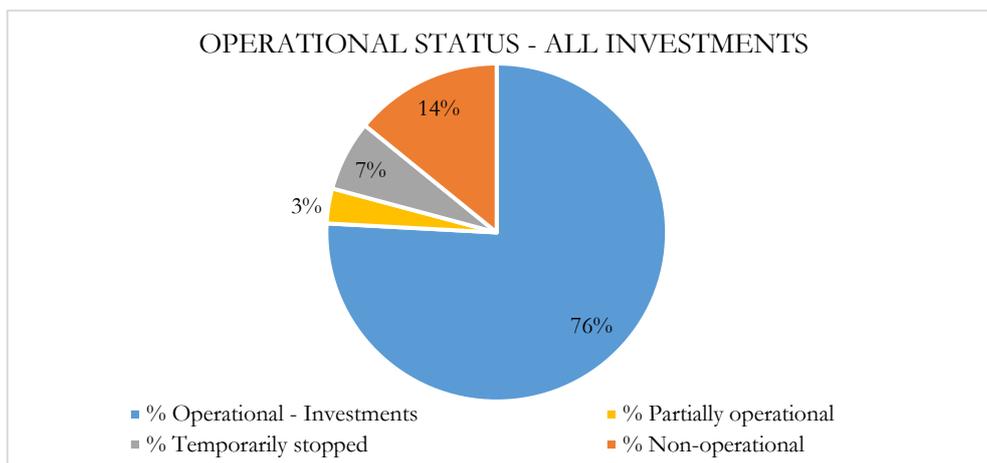


Figure 16: Operational Status- All Investments

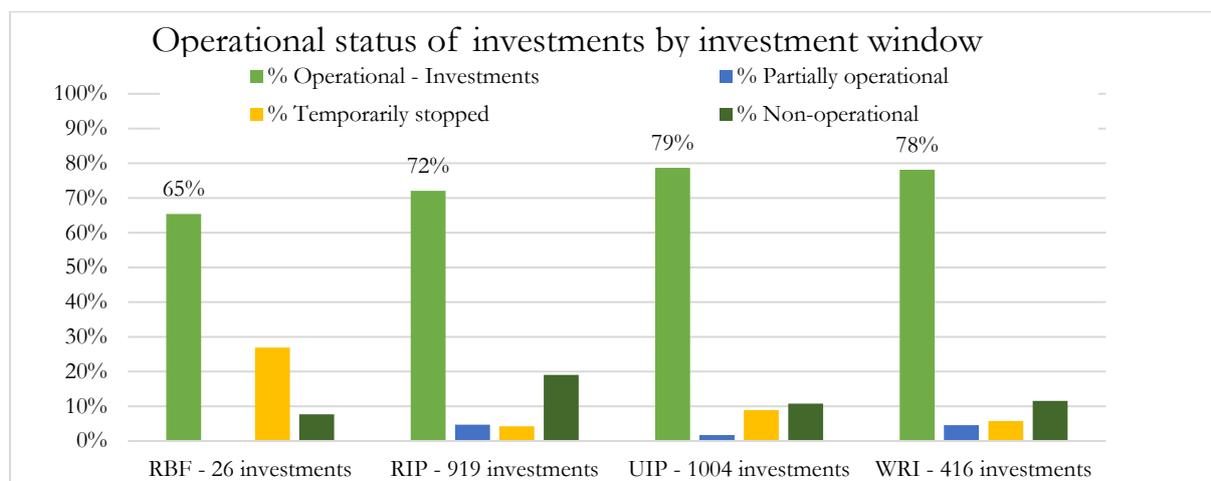
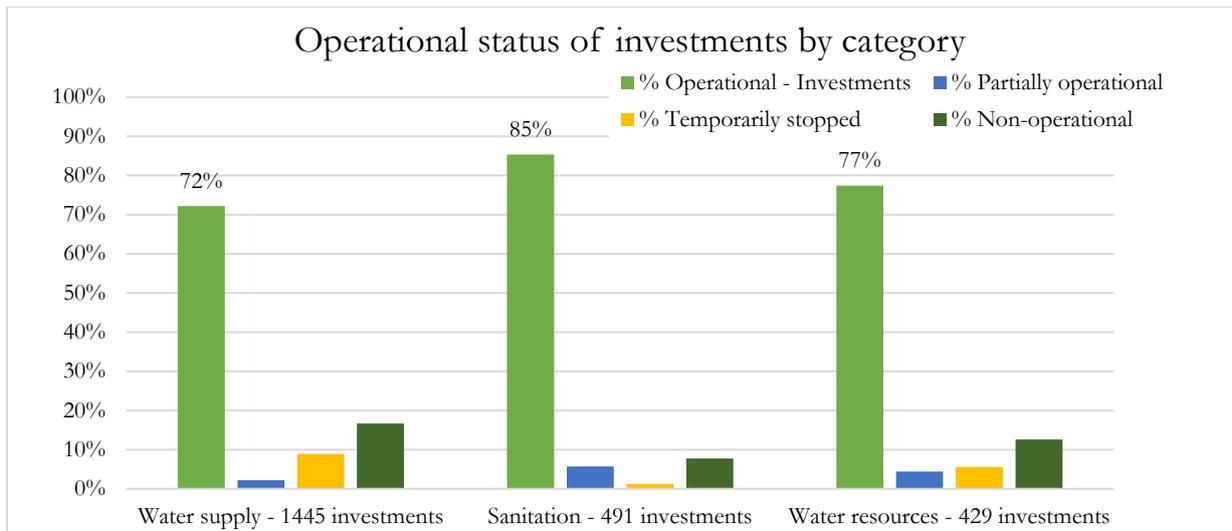


Figure 17: Operational Status per investment programme

<sup>71</sup> An investment was considered to be operational if it was operating at the time of visit, temporarily stopped if the structure was functional but for example the water source was temporarily dry, partially operational if some of the investment was operating while some components were not, and non-operational if the investment was completely non-functional, it was not being operated or used or the water source permanently dry.



**Figure 18: Operational Status per investment category**

## Overall Sustainability Assessment

The sustainability index (SI) was developed as a key performance metric to facilitate assessment and monitoring of sustainability of investments. It is a statistical measure describing the sustainability of investments. This tool was established for JAOME 2018 as a key quantitative performance measure to facilitate the assessment and monitoring of sustainability of investments to support progress evaluation over time and the development of appropriate response measures. For the purposes of the assessment, sustainability was defined as the ability of an investment to realize the objectives within 5 years of operation. The sustainability Index comprises of four categories- the Functionality and Reliability of an investment, Revenue collection, Age and Survival rate, and the Condition of the investment.

The Sustainability Index score is between 0 - 100%, with 100% depicting a high sustainability rate of the investments. The highest weight (50%) was given to revenue collection with the idea that without revenue collection, the investment does not have long term sustainability. Functionality, i.e. the operational status, is a key attribute to describe the status of the services and was given the weight of 25%. The age and survival rate of the investment was given a weight of 15%. The condition of an investment was given a smaller weight (10%) since the condition is, while important, not essential for the usability and sustainability of the facility.

The SI for the visited 937 rural investments in JAOME 2018 was found to be 52%, with an improvement from year 2017, when the SI for rural investments was 45% (Figure 17). The improvement is largely attributable to the improved operational status of the investments, but all SI indicators for rural investments saw an increase since 2017. The revenue collection indicator was found to be 19% representing 38% of the allocated weight (only 38% of investments that were supposed to collect revenue actually did). In terms of functionality, the indicator was 18% representing 71% of the allocated weight (71% of investments were operational). The investments were found to be surviving past 2 years as fully operational were 66%, the indicator score thus being 10%. Finally, the indicator score for good condition was 5% representing 53% of the weight allocated as shown in Figure 17 below:

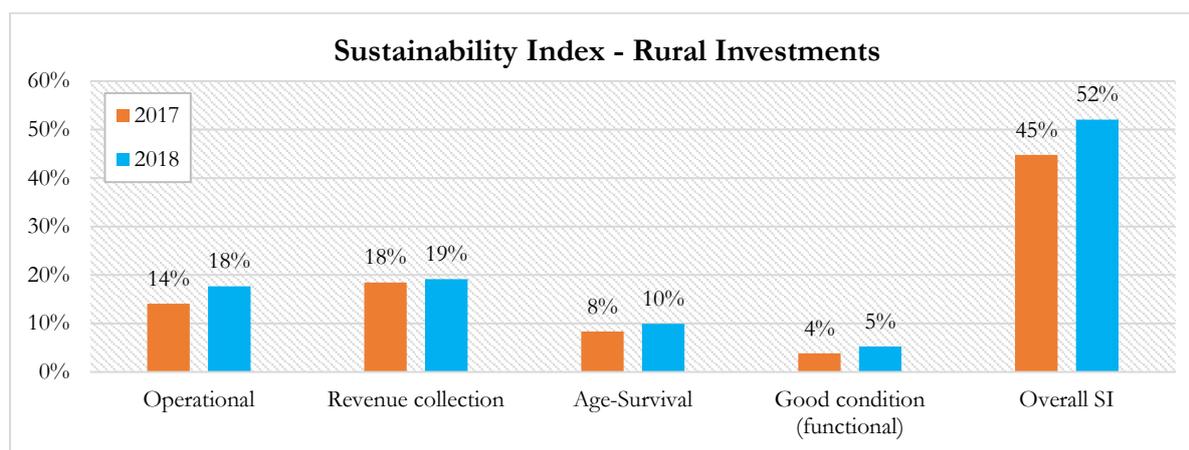
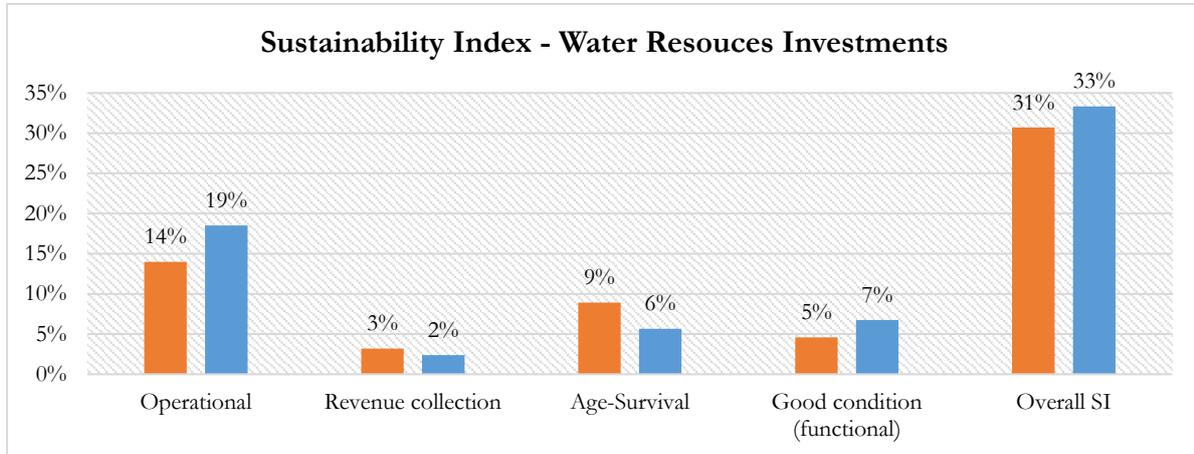


Figure 19: Rural Sustainability Index

The SI for visited 439 water resources investments in JAOME 2018 was found to be 33%, with an improvement from year 2017, when the SI for water resources investments was 31% (Figure 18). The revenue collection indicator was found to be as low as 2% representing 5% of the allocated weight (only 5% of investments that were supposed

to collect revenue actually did). In terms of functionality, the indicator was 19% representing 74% of the allocated weight (74% of investments were operational). The investments were found to be surviving past 2 years as fully operational were 38%, the indicator score thus being 6%. Finally, the indicator score for good condition was 7% representing 68% of the weight allocated as shown in Figure 18 below:



**Figure 20: Water resources Sustainability Index**

The County SI ranks all the counties based on the composite index calculated for all the monitored projects (Rural, Urban, Water Resources and RBF) in each county. Figure 19 below shows the ranking for all the Counties with more than 10 monitored investments, giving the highest score for Transzoia (97%), Elgeiyo Marakwet (94%), Nyandarua (91%), Kericho (91%) and Kitui (91%). The top three performers based on the sustainability criteria for Urban investments were Nyeri (100%), Isiolo (99%) and Tharaka Nithi together with Meru (both 98%). The best performers for Rural projects were Tharaka Nithi (97%), Laikipia (94%) and Nandi (76%). Finally, for Water Resources Investments the best performing counties were Nyeri (54%), Makueni (50%) and Kirinyaga (43%).

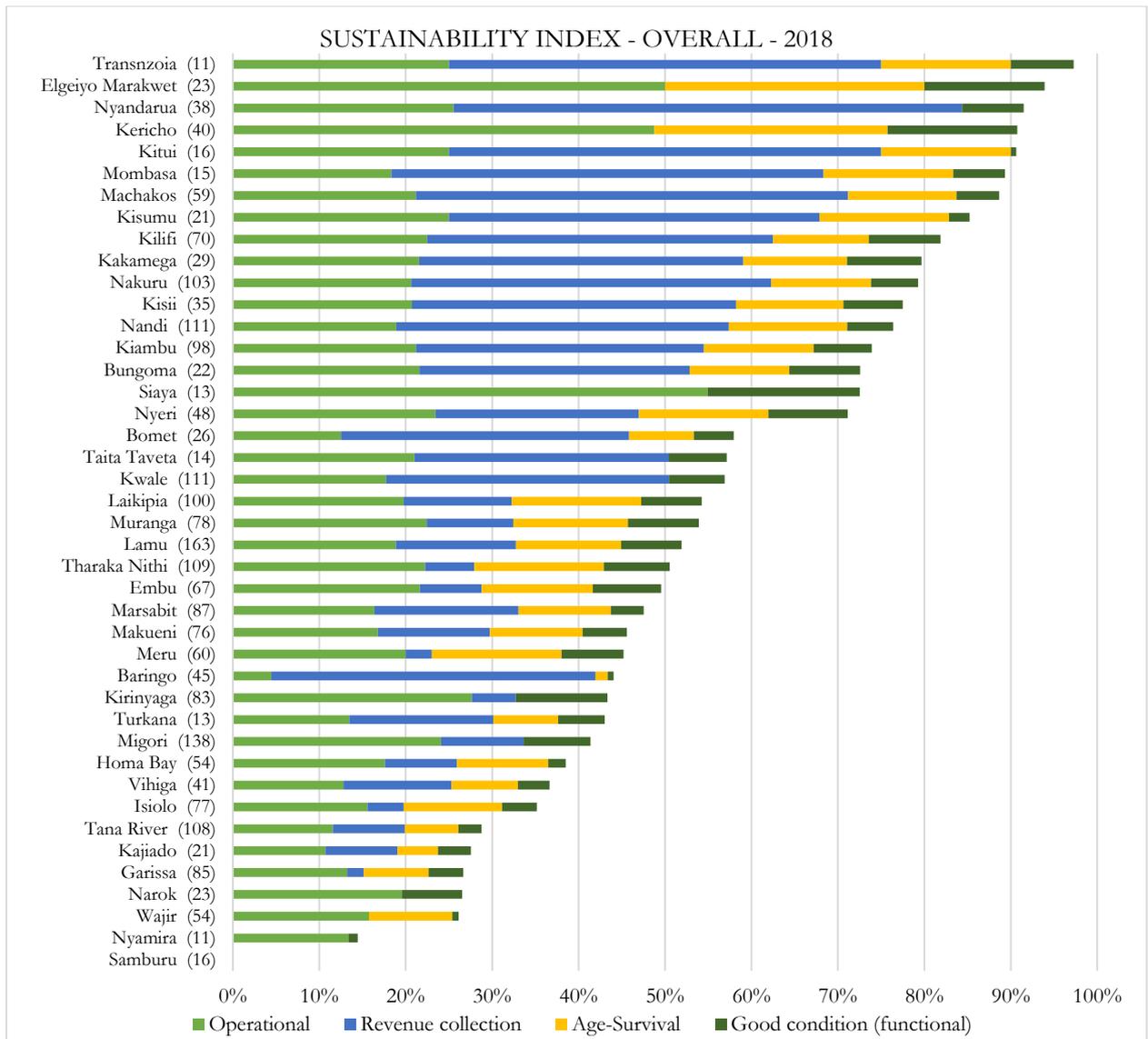


Figure 21: County Sustainability Index

## Programme Based Sustainability Assessment

The Sustainability Index was calculated for each programme separately, presented in Figure 21. The results show that the overall Sustainability Index calculated for all the programmes together was 50%, with DERP (Drought Emergency Response Programme), OBA (Output Based Aid), UBSUP (Upscaling Basic Sanitation for the Urban Poor) and UPC (Urban Projects Concept) scoring higher than average. IFAD (International Fund for Agricultural Development), J6P (Joint Six Programme), KWSP (Kenya Water and Sanitation Programme) and MTAP I (Medium-Term Arid and Semi-Arid (ASAL) Programme) scored approximately 50%, and CPC (Community Project Cycle) and MTAP II well below the average.

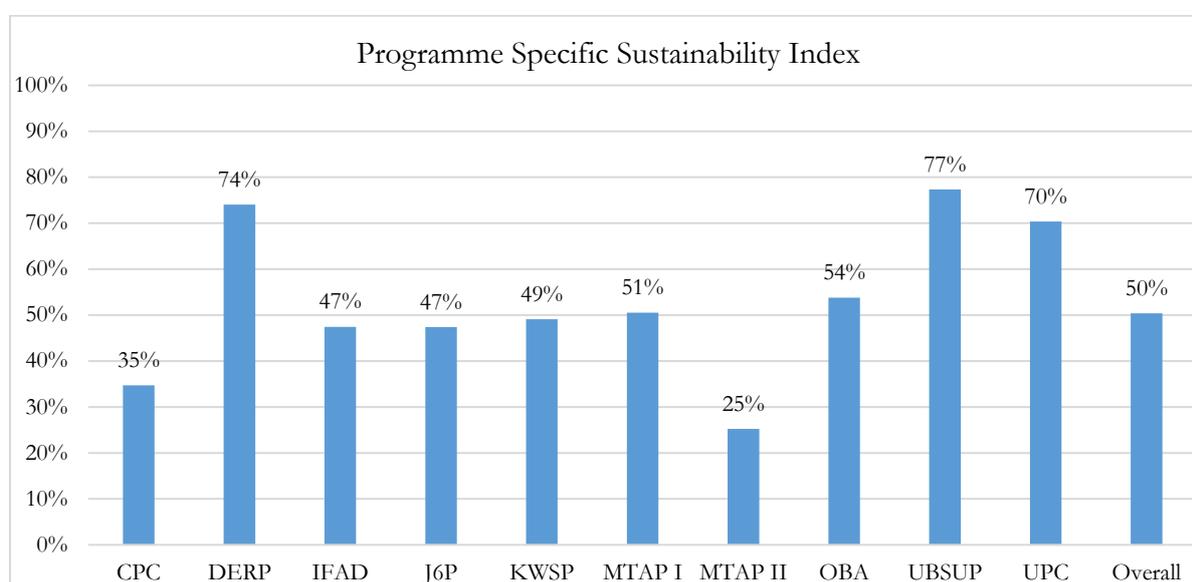
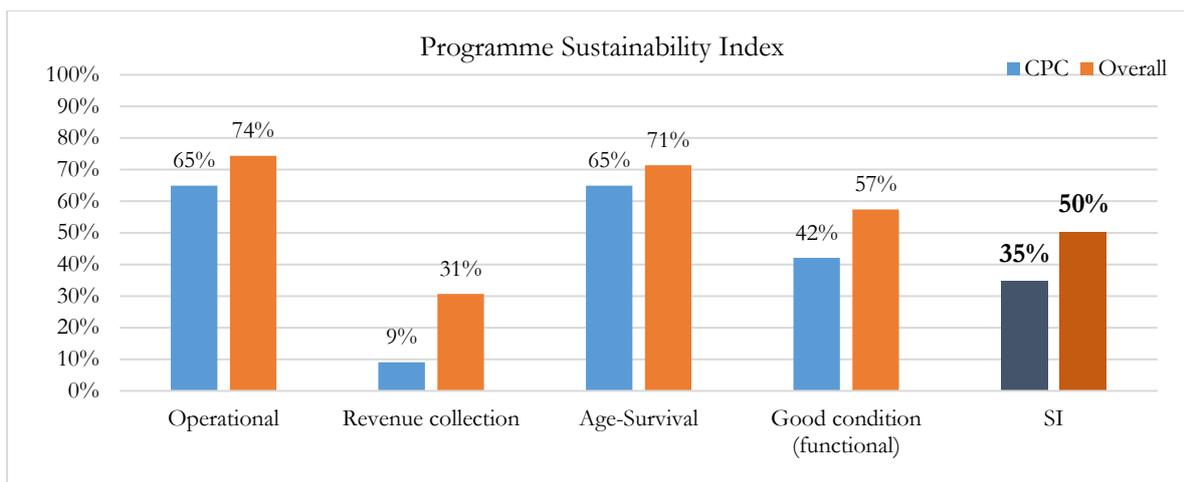


Figure 22: Programme specific Sustainability Index scoring.

### Community Project Cycle

The CPC programme scored 35% for the SI, and below average on the Sustainability Index across all the indicators (Figure 22). All the investments were more than 2 years old (funded in 2013/14 or 2014/15), and most of them visited the last time as part of JAOME. The sample included 6 projects in total with altogether 57 investments. Most of the investments were under water supply and sanitation, and two under water resources. The only water resources project visited under the programme was Enosupukia, with 10 No. spring protection funded, out of which only one was found on the ground.

65% of the investments were found operational at the time of visit, with reasons such as leakages, investments not having been completed, road construction or natural calamities causing the investments not to be fully operational. Of the 10 communal water points, only 1 was collecting revenue to the project (Nthunguni Watsan Project), which reduces the sustainability score significantly.

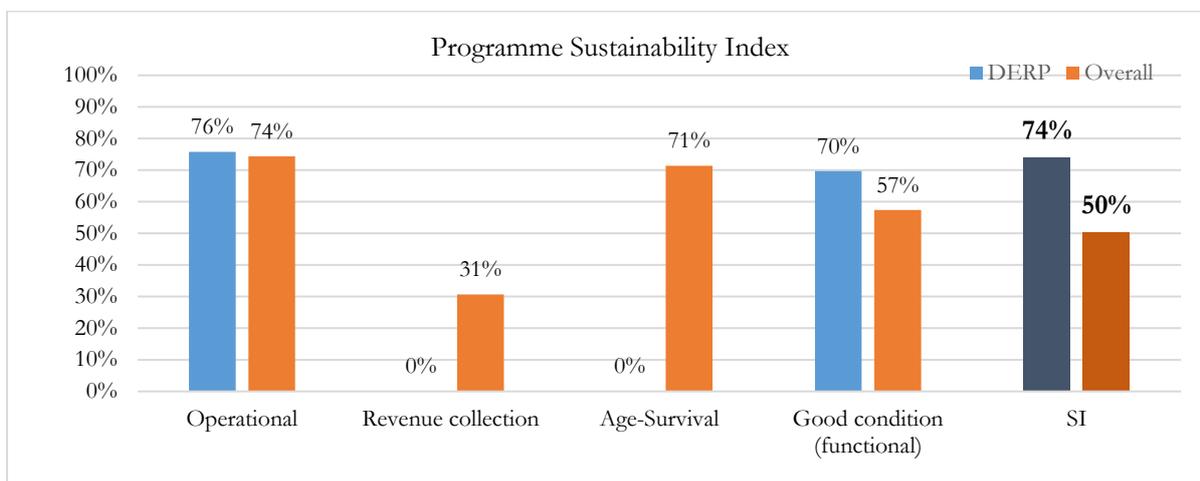


**Figure 23: Sustainability Index for the CPC vs. overall results.**

### Drought Emergency Response Programme

The DERP programme scored 74% for the SI, with above average on operational status and condition of investments (Figure 23). As all the investments monitored were less than 2 years old since the program was funded in 2017/18, and with no investments expected to collect revenue, the calculation of the SI followed adjusted weighting (Operational - 71% and Good condition – 29%). The sample included 26 projects in total with altogether 33 investments. Almost all the investments were under water supply with only one under water resources. A majority of the investments were intakes (21 in total), including 5 boreholes, 7 hand dug wells, and 9 water pans.

76% of the investments were found operational at the time of visit, with reasons such siltation or broken pumps causing the investments not to be fully operational. 70% of the investments were found to be in good condition.



**Figure 24: Sustainability Index for the DERP vs. overall results.**

### International Fund for Agricultural Development

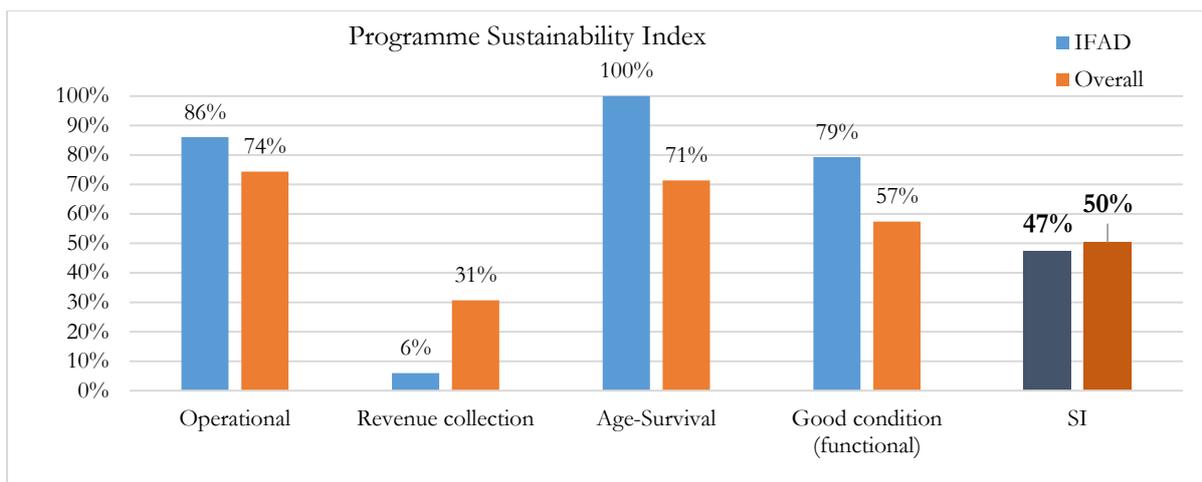
The IFAD programme scored 47% for the SI, with above average on operational status, age-survival rate (meaning the percentage of investments older than 2 years that are still operational) and condition of investments (Figure 24). The sample included 48 projects in total with altogether 280 investments. All the investments monitored were under water resources category, with the following break-down:

**Table 32: Break-down of monitored investments for IFAD and their operational status.**

Investment type	No monitored	% Operational
RWH tanks	138	92%
Gabions	6	100%
Spring protection	29	93%
Fencing pan	1	100%
Livestock - fish ponds lined	2	100%
Pruning	2	100%
Tree planting- transplanted	38	95%
Energy saving jikos	12	83%
Fire breaks	1	100%
Livestock – fish ponds unlined	1	0%
Installation of early warning systems	4	100%
Riparian pegging	16	13%
Tree planting - nurseries	15	80%
Wetland rehabilitation	1	0%
Water pan rehabilitation	5	60%
Weir self-regulating	1	100%
Bulk meter	8	88%

86% of the investments were found operational at the time of visit (Figure 24), with Table 33 giving the details on the operational status for each investment type monitored. The more successful investment types have been rainwater harvesting tanks (92%), gabions (100% - 6 investments), spring protection (93%), tree planting (95%), and installation of early warning systems (100% - 4 investments). The less successful ones have been riparian pegging (13% success rate) and water pan rehabilitation (60% - 5 investments).

What lowers the SI scoring for IFAD is the revenue collection indicator, which scored 6%. This is common for water resources investments, as WRUAs and CFAs do not commonly collect revenue for their investments. The revenue collection question was asked for all livelihoods, tree nurseries, energy saving jikos and all water resources management structures (RWH pans, RWH dams, RWH djabias, RWH sand/sub-surface dams, RWH tanks, springs, livestock troughs, water pans). As especially the water resources management structures do not generally collect revenue (e.g. RWH tanks at schools), the indicator score is significantly lowered for water resources projects. The investments found collecting revenue were the tree nurseries in 8 CFAs (Chogoria, Njukiiri, Njukiini, Muringato, Kangaita, Castle, Kimakia and Karua Hills). Meanwhile, none of the WRUAs were collecting revenue for the same activity.

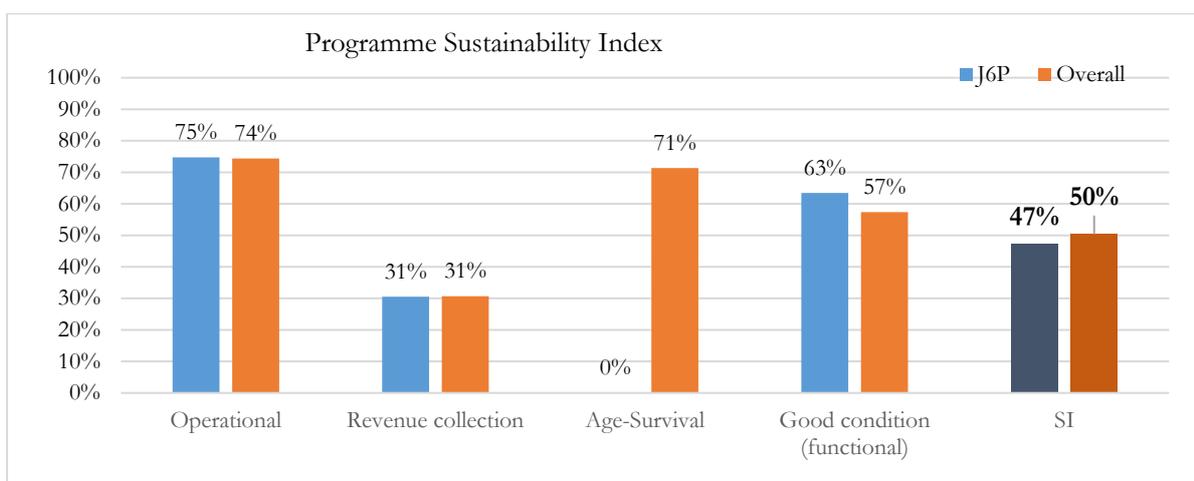


**Figure 25: Sustainability Index for the IFAD vs. overall results.**

### Joint Six Programme

The J6P programme scored 47% for the SI, with close to average scoring across all the indicators in comparison to all the other programmes (Figure 25). As all the investments monitored were less than 2 years old since the first projects were completed in 2017/18, the calculation of the SI followed an adjusted weighting (Operational - 29%, Revenue collection - 59%, Good condition - 12%). The sample included 52 projects in total with altogether 479 investments. 295 investment were under water supply, 91 under sanitation and 93 under water resources category.

75% of the investments were found operational at the time of visit (Figure 25), 76% of water supply, 89% of sanitation and 63% of water resources. The revenue collection was found to be 31%, lowering the SI score, as this is an important indicator for describing the sustainability of a project. Of the 50 monitored water kiosks, 34 were collecting revenue. The only PSF in Kathwana center was also collecting with an estimated annual income of 11,520 KES. What lowers the score the most is the lack of revenue collection in the water resources investments (RWH tanks, sand and sub-service tanks, djabias and springs).



**Figure 26: Sustainability Index for the J6P vs. overall results.**

## Kenya Water and Sanitation Programme

The KWSP programme scored 49% for the SI (Figure 26). All the investments were more than 2 years old (funded in 2013/14 or 2014/15), and mostly to be visited the last time as part of JAOME. The sample included 2 projects in total with altogether 11 investments, one project under water resources (Iterani) and one under water supply and sanitation (Kinyagi Water & Sanitation Project). 100% of the investments were found operational at the time of visit, while none were collecting revenue.

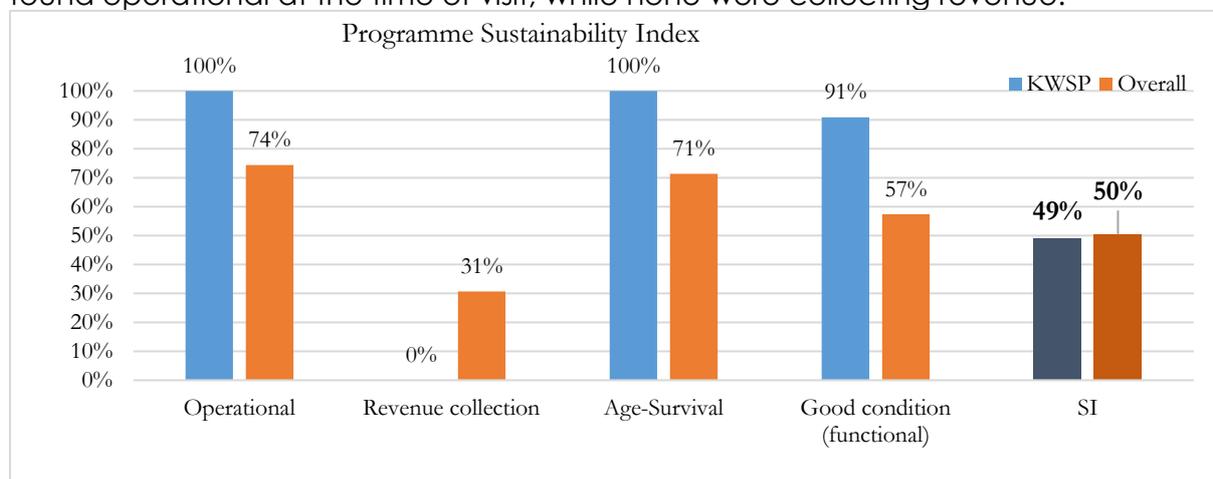


Figure 27: Sustainability Index for the KWSP vs. overall results.

## Medium-Term Arid and Semi-Arid (ASAL) Programme (MTAP I)

The MTAP I programme scored 51% for the SI, with close to average scoring across all the indicators in comparison to all the other programmes (Figure 27). The sample included 153 projects in total with altogether 324 investments. 113 investment were under water supply, 203 under sanitation and 8 under water resources category. 67% of the investments were found operational at the time of visit (Figure 27), 54% of water supply, 75% of sanitation and 63% of water resources. The revenue collection was found to be 39%, lowering the SI score, as this is an important indicator for describing the sustainability of a project. Of the 10 monitored water kiosks, 7 were collecting revenue. There was no revenue collection in the water resources investments (RWH tanks, water pan and livestock troughs).

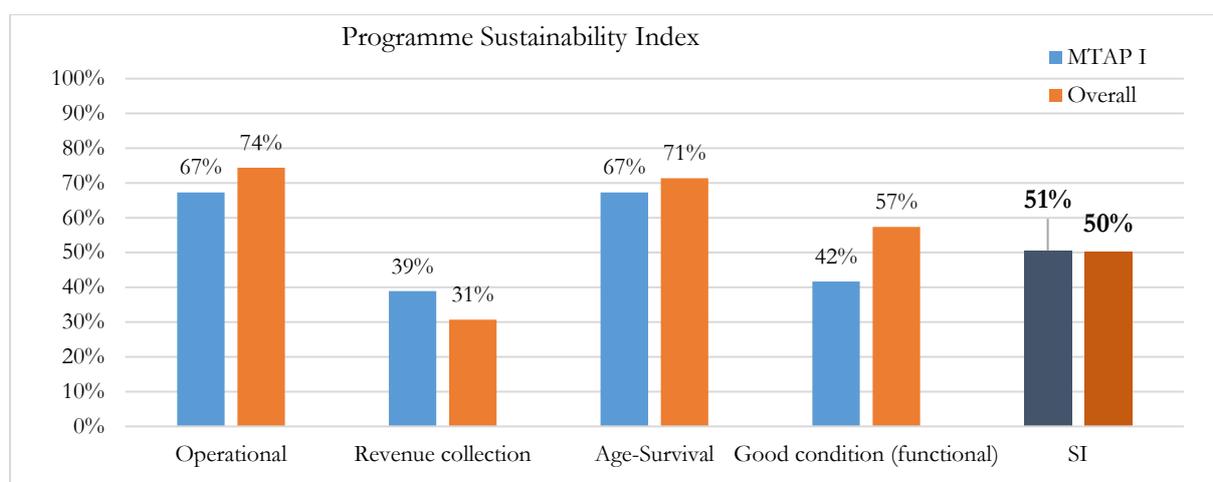


Figure 28: Sustainability Index for the MTAP I vs. overall results.

### Medium-Term Arid and Semi-Arid (ASAL) Programme (MTAP II)

The MTAP II programme scored 25% for the SI, with lower than average scoring across all the indicators in comparison to all the other programmes (Figure 28). The sample included 51 projects in total with altogether 191 investments. 69 investment were under water supply, 57 under sanitation and 65 under water resources category. 50% of the investments were found operational at the time of visit (Figure 28), 36% of water supply, 81% of sanitation and 38% of water resources. The revenue collection was found to be 6%, lowering the SI score significantly. Under water supply, of the 19 monitored animal troughs, none were collecting revenue and of the 14 monitored water kiosks, 3 were collecting revenue. There was no revenue collection in the water resources investments apart from two bee hive investments. The revenue question was asked for RWH pans, RWH tanks, RWH sand/sub surface dams, RWH djabias, water pans, bee hives and livestock troughs.

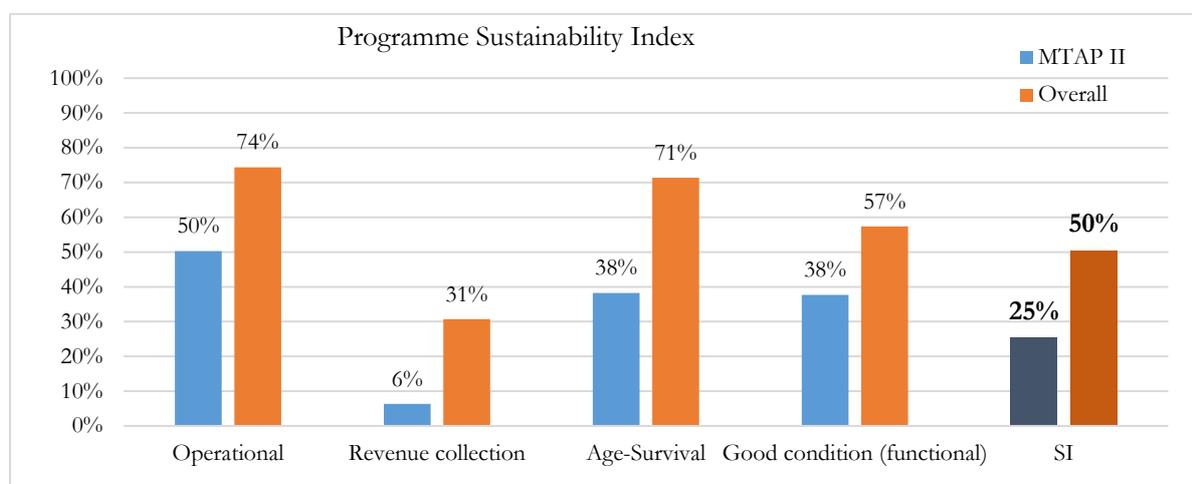


Figure 29: Sustainability Index for the MTAP II vs. overall results.

### Development of County Water Strategies

The Fund under the J6P Programme, is supporting Migori, Narok and Kwale Counties in the development of their County Water Strategies. This is aimed at providing guidance for the thrust and directional framework for water sector and sanitation investments in the Counties.

During the period under review, the Narok and Migori Water Strategies were finalized and reports shared with the Counties by the consultants through WSTF for implementation and adoption. The Kwale County Water Strategy incorporated the inputs from the stakeholders and is in the process of finalization with the concurrence of the County.

### Development of County Water Master Plans

Under the J6P programme, the Fund is supporting Nandi, Laikipia and Tharaka Nithi Counties in the development of their Water Master Plans. This will not only provide a foundation for water development but also guide the Counties in directing investments that rely on water for growth.

During the period under review, the Nandi and Tharaka Nithi Water Master Plans were finalized and submitted to the County through WSTF for adoption by the Assembly. The Laikipia County Water Master Plan has been drafted and is to be subjected to

stakeholder validation before finalization and adoption by County Assembly. The assignment is anticipated to be completed by the end first quarter 2019/2020.

### **County Water Legislation**

Under the J6P programme, the Fund is supporting Laikipia and Tharaka Nithi and Kwale Counties in the development of their Water prototype bill. This will not only provide a foundation for water development but also guide the Counties regulation framework for water sector and sanitation in the Counties.

During the period under review, the Tharaka Nithi Water prototype bill stakeholders' participation was done. The report prepared, printed and a waiting to be presented to the cabinet. The Laikipia prototype bill presented to public for participation. The bill incorporated inputs from public and awaiting the second reading stage. The Kwale water prototype bill is awaiting the approval of the County Executive before being taken to the County Assembly.

### **Systems Integration Project**

The Fund has in the past implemented various systems to manage data for different programmes and for enhanced reporting. However, software applications as intangible assets do depreciate in value or worth over time, but more commonly, business requirements change. The Fund has in the past carried out corrective and adaptive maintenance in order to improve the software application or to improve operability. This entailed adjustments of the database, application architecture, and/or source code to perform system workflows in a completely new way to enable the system to generate the required reports.

In the last several years, some areas of improvement and new functionalities have been identified that should be integrated to embrace recent developments in ICT and implement innovative ways that can enhance service delivery. In the assessment of the ICT and Monitoring and Evaluations teams at WSTF, the current corporate applications for project management have reached end-of-life and need to be replaced. It is thus envisioned that all previous project management systems will be replaced with a unified corporate project system, and hence the need for a systems integration project (SIP), culminating migration of data into, and rollout of the new system across the institution.

The figure below shows the proposed architecture of the Systems Integration project:

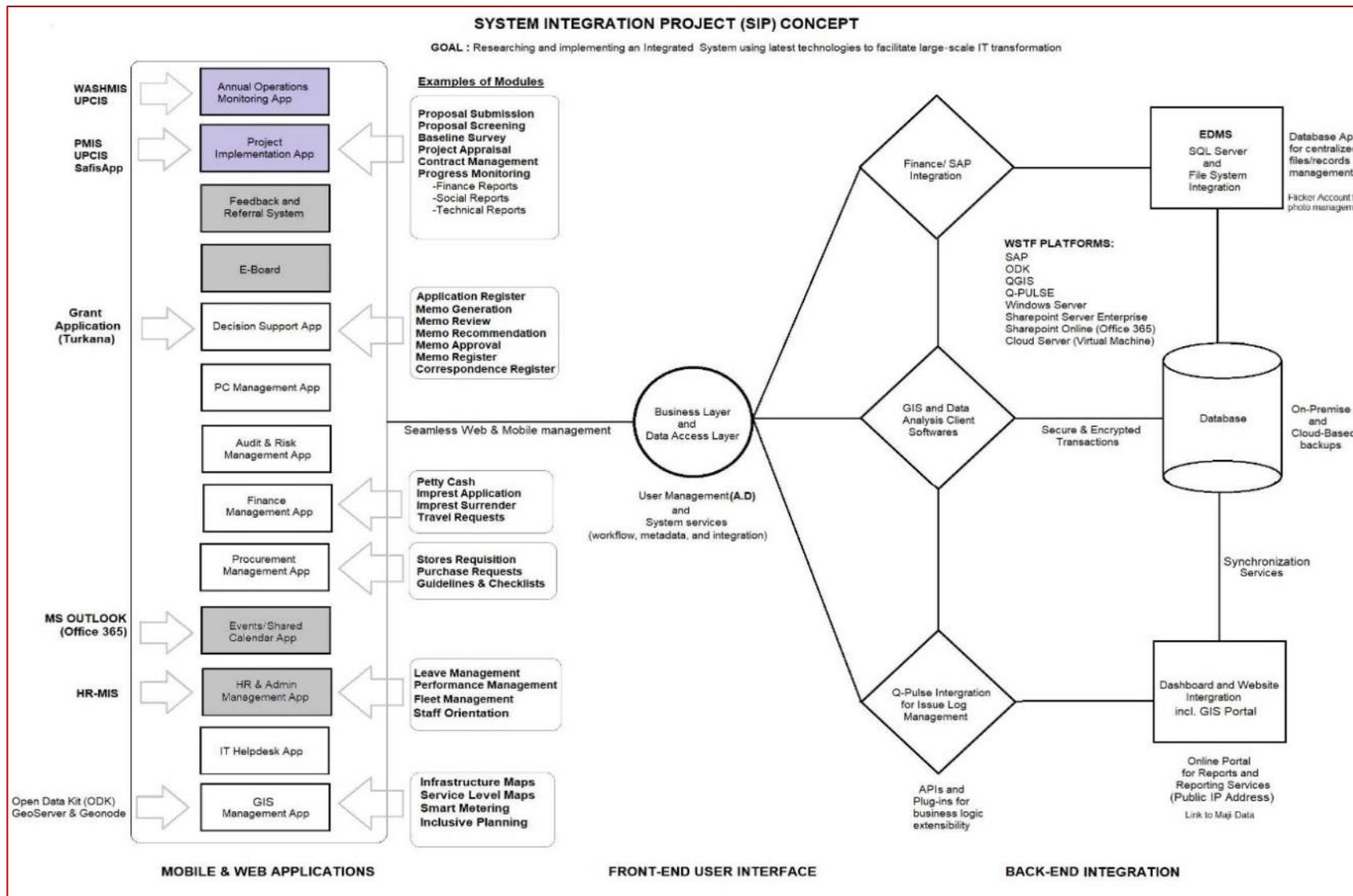


Figure 30: Systems Integration Project Architecture

The implementation of the project is on course and is guided by the following work-plan:

**Table 33: Implementation milestones for the SIP**

No	Activity	Output	Responsible	Date
1	Systems Integration Project (SIP) concept: Justification, relevance and roadmap	<i>This SIP concept and roadmap document</i>	ICT M&E	Nov 2018, updated July 2019
2	Pre-workshop activities	Project cycle (workflows) for each of the current programmes WaterFund's comprehensive project cycles	ICT Programme Managers	March 2019
		Updated M&E operations manual	M&E	April 2019
3	Systems Integration Project (SIP) technical workshop	Detailed System Requirements Specification (SRS) document for the revised system Draft ToR for the revised system	M&E ICT	15 – 19 July 2019
4	Terms of reference for the Unified Project Management System	Final ToR (including SRS document) for the revised system	ICT M&E Systems TA	31 July 2019
5	Request for quotations and procurement for the development of the revised system	Submissions by interested vendors	Procurement	15 August 2019
6	Evaluation of quotations, including reviewing prototypes, site visits and reviewing working demos	Evaluation report Procurement opinion to CEO	Procurement Evaluation Committee	30 August 2019
7	Contractual agreement with the selected vendor	Signed agreement with the vendor	Procurement Legal	10 September 2019
8	Systems development, beta testing, customisation and piloting	System wireframes System testing	Vendor ICT Project Manager	Sept – Nov 2019
9	Data migration from Water Fund legacy project systems	Data cleaning Data migration and data reconciliation	ICT M&E Programme Managers	Dec 2019
10	User acceptance testing	UAT report	ICT M&E	Jan 2020
11	Systems rollout and training	Training modules Training manuals User manuals System Go-Live	CM-I&P ICT M&E HR	Feb – March 2020
12	Systems implementation period	Monthly implementation reports	ICT M&E Programme Managers	April – June 2020
13	Handholding period		ICT M&E	July – Dec 2020

WATER SECTOR TRUST FUND SYSTEMS INTEGRATION PROJECT (SIP) IMPLEMENTATION TIMELINE																		
YEAR 2019/2020	MONTH																	
TASK	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	April	May	June	July	Aug	Sept	Oct	Nov	Dec
Systems Integration Project (SIP) technical workshop	█																	
Systems requirements specifications	█																	
Terms of reference for the Unified Project Management System	█																	
Request for quotations for the development of the UPMS		█																
Evaluation of quotations, including reviewing prototypes, site visits and reviewing working demos		█																
Contractual agreement with the selected vendor			█															
Systems development, beta testing, customisation and piloting			█	█	█	█												
Data migration from WaterFund's legacy project systems						█												
User acceptance testing							█											
Systems rollout and training								█	█									
Systems implementation period										█	█	█						
Hand Holding period													█	█	█	█	█	█

Figure 31: Implementation Timelines for the SIP

## Universal Result Based Monitoring and Evaluation Framework

During the year under review, the Fund used the results framework as a corporate tool designed to monitor progress in the realization of the Fund's objectives and enhance corporate consistency through consolidation and streamlining of the various reporting frameworks and harmonization across the various financing mechanisms and investment programmes.

The results measurement framework has enhanced a results culture across all levels of the Fund. This has focused on the key strategic priorities: programme progress review, performance management, investment effectiveness, and identification performance improvement areas. The framework entails continual measurement and assessment of both qualitative and quantitative indicators within the national, sector and the Funds frameworks.

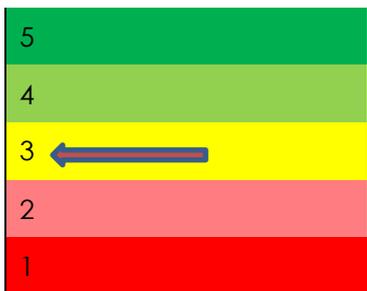
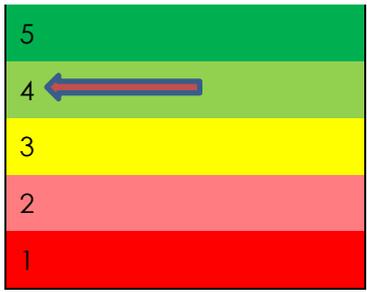
The detailed results framework is presented in the annexes in this report.

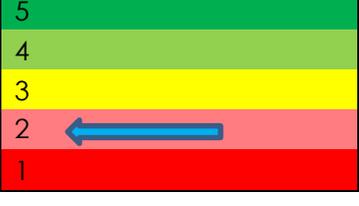
The key results areas as detailed in the results framework in the Fund are:

- i) Enhance capacity of the Implementing and support partners to implement projects
- ii) Improved water resources management
- iii) Improved access to water services
- iv) Improved access to sanitation services
- v) Enhanced capacity of WSTF to support project implementation

The table below presents the overall rating of the key result areas in the Fund during the year under review:

Showing overall rating of the key result areas for FY 2018/2019

Key Result area	Rating	Remarks
<p><b>Results area 1: Enhance capacity of the Implementing and support partners to implement projects;</b></p> <p>There were shortcomings in the achievement of some of the planned intermediate result for the current Period, such as GESI interventions, application of approved legal systems by Counties in water management; formulation of the County reporting framework and annual progress report</p>		<p>The areas with low performance in this Result are mainly under the J6P programme. However, all programmes need to formulate clear measures to improve performance.</p>
<p><b>Results area 2: Improved water resources management</b></p> <p>There were shortcomings in the achievement of some of the planned intermediate result for the current year. For instant, there was zero increase in areas with improved planning for water resources against a target of 2,000 under the GGEP..</p>		<p>The achievement of targets for this result was above average for all programmes. However, programmes are urged to ensure better results in the subsequent FY. 2019/2020</p>

<p><b>Results area 3: Improved access to water services</b></p> <p>Achievement for this result decreased from a scale of 3 in 2016/2017 to a scale of 2 in the 2018/2019 FY. The underperformance was noted across all programmes.</p>		<p>There is serious need for the specific programmes to evaluate the contributory challenges so as to formulate strategies for ensuring improved performance in this result area.</p>
<p><b>Results area 4: Improved access to sanitation services</b></p> <p>There were shortcomings in the achievement of some of the planned intermediate result for the current reporting period particularly Household sanitation, ODF and CLTS interventions.</p>		<p>There is serious need for the specific programmes to evaluate the contributory challenges so as to formulate strategies for ensuring improved performance in this result area.</p>
<p><b>Results area 5: Enhanced capacity of WSTF to support projects</b></p> <p>Achievement under this results was noted as above average.</p>		<p>There is need to capacity the Finance and the ICT team on the new version of SAP online platform.</p>

**Criteria for Rating (based on the results framework achievements)**

- 0% - 20%
- 20% - 40%
- 40% - 60%
- 60% - 80%
- 80% - 100%

## **ANNEXES**

MTAP EU - SHARE PROGRAMME PHOTOS-----	2
IFAD-UTANRMP PHOTOS-----	4
6P PHOTOS-----	5
GREEN GROWTH EMPLOYMENT PROGRAMME PHOTOS -----	7
DROUGHT AND EMERGENCY RESPONSE PROGRAMME PHOTOS-----	9

## **FUND ACCOUNTABILITY STATEMENTS ----- 10**

FUND ACCOUNTABILITY STATEMENT FOR MTAP II EU-SHARE PROGRAMME -----	10
FUND ACCOUNTABILITY STATEMENT FOR IFAD – UTANRMP PROGRAMME -----	11
FUND ACCOUNTABILITY STATEMENT FOR J6P PROGRAMME -----	12
FUND ACCOUNTABILITY STATEMENT- GREEN GROWTH AND EMPLOYMENT PROGRAMME -----	13
FUND ACCOUNTABILITY STATEMENT FOR DROUGHT EMERGENCY RESPONSE PROGRAMME -----	14

## **IMPLEMENTATION STATUS OF THE ANNUAL WORK PLANS----- 15**

IMPLEMENTATION STATUS OF THE ANNUAL EU SHARE WORK PLAN AS AT 30TH JUNE, 2019-----	15
IMPLEMENTATION STATUS OF THE MTAP II EI-SHARE PROJECTS AS AT 30TH JUNE, 2019 -----	16
MTAP II - WATER RESOURCES PROJECTS' STATUS AS AT 30TH JUNE 2019-----	21
EU SHARE RURAL WATER & SANITATION PROJECTS APPROVED FOR SUPPORT IN YEAR 3 & 4-----	24
IMPLEMENTATION STATUS OF THE ANNUAL WORK PLAN FOR UTANRMP -----	26
IFAD UTANRMP - WATER RESOURCES PROJECTS' STATUS AS AT 30TH JUNE 2019-----	27
IMPLEMENTATION STATUS OF THE ANNUAL WORK PLAN FOR J6P PROGRAMME -----	32
STATUS OF FUNDED J6P WATER PROJECTS AS AT 30TH JUNE, 2019 -----	38
STATUS OF FUNDED J6P WATER RESOURCE PROJECTS (TRANSBOUNDARY WRUAs)-----	43
STATUS OF THE IMPLEMENTATION OF THE ANNUAL WORKPLAN – GGEP AS AT 30TH JUNE, 2019	45
APPROVED GGEP WATER AND SANITATION PROJECTS-----	47
STATUS OF FUNDED WATER RESOURCES PROJECTS- GGEP AS AT 30TH JUNE 2019 -----	50

## **STATUS OF THE IMPLEMENTATION OF THE WSTF RESULTS FRAMEWORK – JUNE, 2019----- 56**

## PROGRAMME PHOTOS

### MTAP EU - SHARE PROGRAMME PHOTOS



An aerial view of rehabilitated Griftu water project in Wajir County



A pump house, platform & fenced borehole site at Shimbrey project, Garissa County



A herd of cattle drinking water at an animal trough, Ngalabilabia project in Isiolo County



Training on procurement procedures, financial management & audit & risk management for Garissa & Tana River implementing agents

IFAD-UTaNRMP PHOTOS



New Njukiini West CFA Bamboo Greenhouse Installation.



New Njukiini West CFA Bamboo greenhouse in operation

Castle CFA Bamboo Seedlings potting process



Castle CFA Bamboo seedlings propagation



**J6P PHOTOS**



**Construction of gully crossing bridge in Solio Water Projects**



**Construction of water storage tank at Solio water project**



**Earthworks/trenching/construction of Kibunga Kakimiki water project**



**Preparation of pipeline trench to receive Pipes at Kibunga Kakimiki water project.**



Bee hives Establishment done by Kundos WRUA, Nandi County



Spring protection done by Mbogo WRUA Nandi County



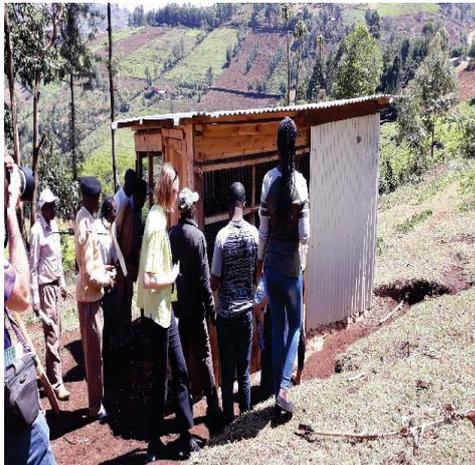
One of the Fishponds done by Kundos WRUA



Kandie/ Songor Water pan during construction- Mbogo WRUA



Tree nursery establishment done by Kundos WRUA



One of the chicken coops constructed by Mbogo WRUA project

**GREEN GROWTH EMPLOYMENT PROGRAMME PHOTOS**



**GGEP Launch and signing on MOU in Naivasha**



**Field appraisal of water and sanitation projects in Lamu County**



Habarow WRUA dam weir

**Bench marking visit in Homa Bay, Kakamega and Nandi Counties**



Water inspection using body temperature



Navakholo Water Project staff briefing



**Financial and Procurement Management training**

## DROUGHT AND EMERGENCY RESPONSE PROGRAMME PHOTOS



Installation of solar panels, completed solar system and inspection of works for Mkunumbi water project, Lamu County.



Installation of solar system and completed 60m<sup>3</sup> elevated steel tank on a 15m tower and pump house, Pangani water project, Lamu County

## FUND ACCOUNTABILITY STATEMENTS

### Fund Accountability Statement for MTAP II EU-SHARE Programme

WATER SERVICES TRUST FUND				
GoK /MTAP II PROGRAMME				
FUND ACCOUNTABILITY STATEMENT - DANIDA				
AS FROM 1ST JULY 2018 TO 30TH JUNE 2019				
		QUARTERS 1,2 &3	QUARTER 4	ANNUAL
	Note	FYR 18/19 (As at 31.12.18)	FYR 18/19 (As at 31.03.19)	FYR 18/19 CUMULATIVE
<b>Opening Balance -Bank</b>		8,161,240.04	373,526.00	8,161,240.04
<b>Opening Balance -Project Receivables - MTAP II</b>		4,638,495.55	-	4,638,495.55
<b>Opening Balance -Project Receivables - MTAP I</b>		26,525.00	26,525.00	26,525.00
<b>Opening Balance - Payables - Retention Fee Hulugho Project</b>		(4,953,195.99)	-	(4,953,195.99)
<b>Opening Balance - Payables - CRMs &amp; Audit costs</b>		(343,129.00)	(308,216.00)	(343,129.00)
<b>Total Opening Balance</b>		<b>7,529,935.60</b>	<b>91,835.00</b>	<b>7,529,935.60</b>
<b>Receipts</b>				
Interest earned	1	80,647.90	292.31	80,940.21
<b>Total Receipts</b>		<b>80,647.90</b>	<b>292.31</b>	<b>80,940.21</b>
<b>Total funds available for use</b>	1	<b>7,610,583.50</b>	<b>92,127.31</b>	<b>7,610,875.81</b>
<b>Payments</b>				
Hulugho, Mkunumbi & Pangani Water Projects	2	4,638,495.55	-	4,638,495.55
WSTF Administration Cost - 5%	3	2,353,217.35	-	2,353,217.35
<b>Managerial &amp; Financial Oversight - DERP</b>				
Audit Costs	4	525,625.60	(308,216.00)	217,409.60
Bank Charges		1,410.00	90.00	1,500.00
<b>Total Payments</b>		<b>7,518,748.50</b>	<b>(308,126.00)</b>	<b>7,210,622.50</b>
<b>Closing Balance - 31.03.2019</b>		<b>91,835.00</b>	<b>400,253.31</b>	<b>400,253.31</b>
<b>Represented by:</b>				
Cash and Bank balances - MTAP II		373,526.00	1,010.31	1,010.31
Opening Balance -Project Receivables - MTAP I		26,525.00	26,525.00	26,525.00
Transferred to WSTF Operational Account (Audit Fee)	5	(308,216.00)	372,718.00	372,718.00
		<b>91,835.00</b>	<b>400,253.31</b>	<b>400,253.31</b>
<b>NOTES:</b>				-
1. The expenditures incurred under MTAP II Danida Programme were based on 'No Cost Extension' Request - This was further authorized to finance DERP activities. Total Interest earned during the period was <b>Ksh. 80,940.21</b> . The total funds available for spending during the year was <b>Ksh. 7.89 million</b>				
2. <b>Ksh. 4.6 million</b> were funds accounted for by Mkunumbi and Pangani Water Projects				
3. <b>Ksh. 2.3 million</b> was 5% WSTF Administration fee accrued over the programme period				
4. <b>Ksh. 525,625.60</b> was audit fee for the financial year 2017/2018. However <b>Ksh. 308,216/-</b> was already provided for as at 30th June 2018. The net audit fee during the year therefore is <b>Ksh. 217,409.60</b>				
5. <b>Ksh. 372,718.00</b> was meant to cater for the final Audit of the DERP programme for the period <b>July - December 2018</b> , upon programme completion. The audit was to be undertaken after the closure of the programme, the reason why the funds were transferred to WSTF Operational Account on 12th April 2019.				

## Fund Accountability Statement for IFAD – UTaNRMP Programme

WATER SERVICES TRUST FUND				
IFAD /UTaNRMP PROGRAMME				
FUND ACCOUNTABILITY STATEMENT				
AS FROM 1ST JULY 2018 TO 30TH JUNE 2019		QUARTERS 1,2 &3	QUARTER 4	ANNUAL
	Notes	FYR 18/19 (As at 31.03.19)	FYR 18/19 (As at 30.06.19)	FYR 18/19 CUMULATIVE
<b>Opening Balance</b>		20,043,528.30	17,746,402.50	20,043,528.30
<b>Opening Balance - Receivables - CFAs</b>		28,418.40	-	28,418.40
<b>Opening Balance - Receivables - WRUAs</b>		18,845,218.50	17,689,797.50	18,845,218.50
<b>Opening Balance - Receivables - WRA</b>		13,009,885.25	13,009,885.25	13,009,885.25
<b>Opening Balance - Payables -Advert, CRMs &amp; Audit costs</b>		(3,761,373.60)	(2,387,843.65)	(3,761,373.60)
<b>Total - Opening Balance</b>		<b>48,165,676.85</b>	<b>46,058,241.60</b>	<b>48,165,676.85</b>
<b>Receipts</b>				
Amount Received - UTaNRMP	1	8,041,000.00	71,979,437.25	80,020,437.25
<b>Total Receipts</b>		<b>8,041,000.00</b>	<b>71,979,437.25</b>	<b>80,020,437.25</b>
<b>Total funds available for use</b>		<b>56,206,676.85</b>	<b>118,037,678.85</b>	<b>128,186,114.10</b>
<b>Payments</b>				
1. Community Forest Associations (CFAs)	2	1,430.00	15,791,081.00	15,792,511.00
2. Water Users Associations (WRUAs)	3	4,442,016.00	13,865,359.00	18,307,375.00
3. Training and Capacity building for WRUAs and CFA	4	-	5,392,195.00	5,392,195.00
4. 15% for administrative fee for WRMA and KFS	5	2,028,006.00	13,007,685.25	15,035,691.25
5. Advertisement	6	-	527,084.00	527,084.00
6. 5% Administrative Fee for WSTF	7	3,676,983.20	(1,099,562.20)	2,577,421.00
<b>Total Payments</b>		<b>10,148,435.20</b>	<b>47,483,842.05</b>	<b>57,632,277.25</b>
<b>Closing Balance 30.06.2019</b>		<b>46,058,241.65</b>	<b>70,553,836.80</b>	<b>70,553,836.85</b>
<b>Represented by:</b>				
Cash and Bank balances		17,746,402.50	16,905,456.70	16,905,456.70
Programme Receivables - CFAs	8	-	14,882,334.00	14,882,334.00
Programme Receivables - WRUAs	8	17,689,797.50	34,488,943.50	34,488,943.50
Programme Receivables - WRA & KFS	8	13,009,885.25	5,151,506.15	5,151,506.15
Payables - CRMs & Audit cost		(2,387,843.65)	(874,403.00)	(874,403.00)
		<b>46,058,241.60</b>	<b>70,553,837.35</b>	<b>70,553,837.35</b>
<b>Notes:</b>				<b>0.50</b>
1. <b>Ksh. 71.98 million</b> was received from IFAD UTaNRMP during the quarter. These funds were meant for Call 3 Tranche 1 to WRUAs and CFAs. The total funds received during the Financial year was <b>Ksh. 80.02 million</b> .				
2. <b>Ksh. 15.79 million</b> were funds accounted for by Implementing Partners (CFAs) for Call 3 projects				
3. <b>Ksh. 13.8 million</b> were funds accounted for by Implementing Partners (WRUAs) for Call 2 projects during the quarter. The total funds accounted for by WRUAs during the financial year was <b>Ksh. 18.30 million</b>				
4. <b>Ksh. 5.39 million</b> was utilized during the training of the implementing partners (WRUAs and CFAs)				
5. <b>Ksh. 13 million</b> was incurred under 15% Administration fee being funds utilized by WRA for Technical support to Call 2 WRUAs and Appraisal expenses for Call 3 projects. During the financial year a total of <b>Ksh. 15 million</b> was spent				
6. <b>Ksh. 527,084/-</b> was spent in advertising for successful projects (WRUAs & CFAs) for Call 3				
7. <b>Ksh. 1.2 million</b> was incurred under 5% Administrative fee to cater for CRMs cost, Audit Costs and Projects Monitoring costs. This figure has been adjusted by the audit fee which was already provided for as at 30th June 2018 of <b>Ksh. 2.3 million</b> thus the negative balance of <b>Ksh. 1.09 million</b> . The total cost incurred during the financial year for WSTF Administrative fee was <b>Ksh. 2.5 million</b>				
8. Out of the total funds disbursed to WRUAs, CFAs, WRA and KFS, for implementation of Call 2 and 3 projects, the funds not yet accounted for amounts to <b>Ksh. 54.5 million</b> forming programme receivables figure				

## Fund Accountability Statement for J6P Programme

WATER SERVICES TRUST FUND				
GoK /GoS II/GoF II PROGRAMME (J6P)				
FUND ACCOUNTABILITY STATEMENT - J6P				
AS FROM 1ST JULY 2018 TO 30TH JUNE 2019				
		QUARTERS 1,2 & 3	QUARTER 4	ANNUAL
		FYR 18/19	FYR 18/19	FYR 18/19
	Note	(As at 31.03.19)	(As at 30.06.19)	CUMULATIVE
<b>Opening Balance -Bank</b>		264,201,793.65	242,882,006.80	264,201,793.65
<b>Opening Balance - Payables</b>		(10,432,620.50)	(6,747,164.55)	(10,432,620.50)
<b>Opening Balance - Receivables -J6P</b>		37,068,670.24	26,411,658.32	37,068,670.24
<b>Opening Balance - Receivables -OLD GOS</b>		1,075,603.00	1,075,603.00	1,075,603.00
<b>Receivables - Unsurrendered Imprests</b>		1,085,605.00	4,624,500.00	1,085,605.00
<b>Total Opening Balance</b>		<b>292,999,051.39</b>	<b>268,246,603.57</b>	<b>292,999,051.39</b>
<b>Receipts</b>				
Funds Received - GoS / GoF	1	-	-	-
Funds Received - Interest Earned	1	-	6,729,075.70	6,729,075.70
Funds Received - GoK Counterpart	1	70,000,000.00	-	70,000,000.00
<b>Total Receipts</b>		<b>70,000,000.00</b>	<b>6,729,075.70</b>	<b>76,729,075.70</b>
<b>Total funds available for use</b>		<b>362,999,051.39</b>	<b>274,975,679.27</b>	<b>369,728,127.09</b>
<b>Payments</b>				
Counties Strategic Guidelines	2	19,934,228.00	8,890,002.65	28,824,230.65
Equitable Access to Water in catchment areas (WRUAs)	3	11,253,032.85	10,506,435.95	21,759,468.80
Rural Safe Water Coverage	4	35,901,281.42	17,587,272.33	53,488,553.75
Rural Sanitation Coverage	5	5,858,968.40	4,130,248.60	9,989,217.00
WSTF Institutional Capacity	6	21,769,747.15	3,768,388.25	25,538,135.40
Bank Charges		35,190.00	14,880.00	50,070.00
<b>Total Payments</b>		<b>94,752,447.82</b>	<b>44,897,227.78</b>	<b>139,649,675.60</b>
<b>Closing Balance - 30.06.2019</b>		<b>268,246,603.57</b>	<b>230,078,451.49</b>	<b>230,078,451.49</b>
<b>Represented by:</b>				
<b>Cash and Bank balances</b>		242,882,006.80	84,690,814.95	84,690,814.95
<b>Add - Project Receivables - J6P</b>	7	26,411,658.32	148,765,035.59	148,765,035.59
<b>Add - Project Receivables -OLD GOS (Kimangao Water Pr</b>	7	1,075,603.00	1,075,603.00	1,075,603.00
<b>Receivables - Unsurrendered Imprests</b>		4,624,500.00	83,878.00	83,878.00
<b>payables - CRMs Cost, Suppliers, WVAT &amp; Imprest refunds</b>		(6,747,164.55)	(4,536,880.00)	(4,536,880.00)
		<b>268,246,603.57</b>	<b>230,078,451.54</b>	<b>230,078,451.54</b>
		-		
<b>Notes</b>				<b>(0.05)</b>
<p><b>1. Ksh. 70 million</b> was received during the year being GoK counterpart funding. There is also cash in transit of <b>USD 2,842,431.29</b> being funds from the Government of Sweden which WSTF is unable to access due to missing budgets in the Printed Estimates. These funds are currently being held at the Central Bank of Kenya. Accrued Interest Earned totalled to <b>Ksh. 6.7 million</b></p> <p><b>2. Ksh. 5.89 million</b> was spent under Component 1, being Service Agents Fee for doing projects designs and surveys, County Water bills development and Capacity Building of Counties' expenses. The total Expenditure incurred during the year was <b>Ksh. 28.82 million</b></p> <p><b>3. Ksh. 10.5 million</b> was spent under Component 2, being funds accounted for by the WRUAs, WRA Fees and WSTF Administration fee. The total Expenditure incurred during the year was <b>Ksh. 21.75 million</b></p> <p><b>4. Ksh. 17.58 million</b> was spent under Component 3, this being funds accounted for by the Water Projects, Service Agents fees and WSTF Administration fees. The total Expenditure incurred during the year was <b>Ksh. 53.48 million</b></p> <p><b>5. Ksh. 4.13 million</b> was spent under Component 4, being funds accounted for by the Sanitation and CLTS projects and Sanitation Operational Performance. The total Expenditure incurred during the year was <b>Ksh. 9.99 million</b></p> <p><b>6. Ksh. 3.76 million</b> was spent under Component 5 being CRMs costs, Audit costs and Joint Annual Operations Monitoring Exercise (JAOME). The total Expenditure incurred during the year was <b>Ksh. 25.53 million</b></p> <p><b>7. Out of the Total Disbursement to projects (Water Services, WRUAs and Sanitation ) Ksh. 149.84 million</b> had not been accounted for as at 30th June 2019 and this forms the projects receivables figure</p>				

## Fund Accountability Statement- Green Growth and Employment Programme

WATER SERVICES TRUST FUND				
GREEN GROWTH & EMPLOYMENT PROGRAMME (GGEP)				
FUND ACCOUNTABILITY STATEMENT				
AS FROM 1ST JULY 2018 TO 30TH JUNE 2019		QUARTERS 1,2 &3	QUARTER 4	ANNUAL
	Note	FYR 18/19 (As at 31.03.19)	FYR 18/19 (As at 30.06.19)	FYR 18/19 CUMULATIVE
Opening Balance - Bank		76,250,786.30	146,126,968.26	76,250,786.30
Opening Balance - Receivables		677,060.80	26,315,249.50	677,060.80
Opening Balance - Payables		(3,972,173.80)	(7,003,471.80)	(3,972,173.80)
<b>Total - Opening Balance</b>		<b>72,955,673.30</b>	<b>165,438,745.96</b>	<b>72,955,673.30</b>
<b>Receipts</b>				
Funds Received from DANIDA	1	120,000,000.00	-	120,000,000.00
Interest Earned	1	1,057,881.91	851,253.93	1,909,135.84
<b>Total Receipts</b>		<b>121,057,881.91</b>	<b>851,253.93</b>	<b>121,909,135.84</b>
<b>Total funds available for use</b>		<b>194,013,555.21</b>	<b>166,289,999.89</b>	<b>194,864,809.14</b>
<b>Payments</b>				
1. County Capacity & Engagements	2	1,610,045.00	529,934.00	2,139,979.00
2. Water & Sanitation Access	3	1,015,910.00	2,704,252.10	3,720,162.10
3. Water Resources Management	4	8,931,868.30	12,202,634.00	21,134,502.30
4. Capacity Building of Implementing Agents	5	971,270.00	1,283,132.00	2,254,402.00
5. Private Public Partnership	6	-	2,523,353.00	2,523,353.00
6. WSTF Institutional Performance	7	8,804,569.45	1,998,037.05	10,802,606.50
9. Financial Management Advisor	8	7,220,244.00	2,207,820.00	9,428,064.00
10. Bank Charges		20,902.50	12,840.00	33,742.50
<b>Total Payments</b>		<b>28,574,809.25</b>	<b>23,462,002.15</b>	<b>52,036,811.40</b>
<b>Closing Balance - 30.06.2019</b>		<b>165,438,745.96</b>	<b>142,827,997.74</b>	<b>142,827,997.74</b>
<b>Represented by:</b>				
Cash and Bank balances		146,126,968.26	82,077,739.54	82,077,739.54
Project Receivables -GGEP	9	25,246,849.50	62,861,706.20	62,861,706.20
Payables - TA Cost, Suppliers		(7,003,471.80)	(2,136,236.00)	(2,136,236.00)
Receivables		1,068,400.00	24,788.00	24,788.00
		<b>165,438,745.96</b>	<b>142,827,997.74</b>	<b>142,827,997.74</b>
				-
<b>Notes:</b>				
1. <b>Ksh. 120 million</b> was received from the Danish Embassy during the Financial year and the Total Interest Earned was <b>Ksh. 1.9 million</b> . There was a cash in Transit of <b>Ksh. 50 million</b> at the Central Bank of Kenya (The National Treasury)				
2. <b>Ksh. 529,934/-</b> was incurred under Component 1 - County Capacity and Engagements being advertisement costs for Expression of Interest. The total funds accounted for during the financial year was <b>Ksh. 2.14 million</b> and this included GGEP Launch expenses.				
3. <b>Ksh. 2.70 million</b> was incurred under Component 2 - Water and Sanitation Access being funds accounted for by the Water and Sanitation projects and WSTF Administration fee. The total funds accounted for during the financial year was <b>Ksh. 3.72 million</b>				
4. <b>Ksh. 12.2 million</b> was incurred under Component 3 - Water Resources Management being funds accounted for by WRUAs, WRA fees and WSTF Administration fee. The total funds accounted for during the financial year was <b>Ksh. 21.1 million</b>				
5. <b>Ksh. 1.2 million</b> was incurred under Component 4 - Capacity Building of Implementing Agents. The total cost incurred during the financial year was <b>Ksh. 2.25 million</b>				
6. <b>Ksh. 2.5 million</b> was incurred under Component 5 - Private Public Partnership being benchmarking visits costs				
7. <b>Ksh. 1.99 million</b> was incurred under component 6 -WSTF Institutional Performance being project monitoring costs, CRMs and Audit costs. The total funds accounted for during the financial year was <b>Ksh. 10.8 million</b>				
8. <b>Ksh. 2.2 million</b> was incurred under Technical Advisor's costs being Remuneration costs. The total cost incurred during the financial year was <b>Ksh. 9.4 million</b>				
9. Out of the funds disbursed to projects, <b>Ksh. 62.86 million</b> had not been accounted for as at 30th June 2019 forming part of project receivables.				

## Fund Accountability Statement for Drought Emergency Response Programme

WATER SERVICES TRUST FUND				
GoK /MTAP II PROGRAMME				
FUND ACCOUNTABILITY STATEMENT - DANIDA				
AS FROM 1ST JULY 2018 TO 30TH JUNE 2019				
		QUARTERS 1,2 & 3	QUARTER 4	ANNUAL
	Note	FYR 18/19 (As at 31.12.18)	FYR 18/19 (As at 31.03.19)	FYR 18/19 CUMULATIVE
<b>Opening Balance -Bank</b>		8,161,240.04	373,526.00	8,161,240.04
<b>Opening Balance -Project Receivables - MTAP II</b>		4,638,495.55	-	4,638,495.55
<b>Opening Balance -Project Receivables - MTAP I</b>		26,525.00	26,525.00	26,525.00
<b>Opening Balance - Payables - Retention Fee Hulugho Project</b>		(4,953,195.99)	-	(4,953,195.99)
<b>Opening Balance - Payables - CRMs &amp; Audit costs</b>		(343,129.00)	(308,216.00)	(343,129.00)
<b>Total Opening Balance</b>		<b>7,529,935.60</b>	<b>91,835.00</b>	<b>7,529,935.60</b>
<b>Receipts</b>				
Interest earned	1	80,647.90	292.31	80,940.21
<b>Total Receipts</b>		<b>80,647.90</b>	<b>292.31</b>	<b>80,940.21</b>
<b>Total funds available for use</b>	1	<b>7,610,583.50</b>	<b>92,127.31</b>	<b>7,610,875.81</b>
<b>Payments</b>				
Hulugho, Mkunumbi & Pangani Water Projects	2	4,638,495.55	-	4,638,495.55
WSTF Administration Cost - 5%	3	2,353,217.35	-	2,353,217.35
<b>Managerial &amp; Financial Oversight - DERP</b>				
Audit Costs	4	525,625.60	(308,216.00)	217,409.60
Bank Charges		1,410.00	90.00	1,500.00
<b>Total Payments</b>		<b>7,518,748.50</b>	<b>(308,126.00)</b>	<b>7,210,622.50</b>
<b>Closing Balance - 31.03.2019</b>		<b>91,835.00</b>	<b>400,253.31</b>	<b>400,253.31</b>
<b>Represented by:</b>				
Cash and Bank balances - MTAP II		373,526.00	1,010.31	1,010.31
Opening Balance -Project Receivables - MTAP I		26,525.00	26,525.00	26,525.00
Transferred to WSTF Operational Account (Audit Fee)	5	(308,216.00)	372,718.00	372,718.00
		<b>91,835.00</b>	<b>400,253.31</b>	<b>400,253.31</b>
<b>NOTES:</b>				
1. The expenditures incurred under MTAP II Danida Programme were based on 'No Cost Extension' Request - This was further authorized to finance DERP activities. Total Interest earned during the period was <b>Ksh. 80,940.21</b> . The total funds available for spending during the year was <b>Ksh. 7.89 million</b>				
2. <b>Ksh. 4.6 million</b> were funds accounted for by Mkunumbi and Pangani Water Projects				
3. <b>Ksh. 2.3 million</b> was 5% WSTF Administration fee accrued over the programme period				
4. <b>Ksh. 525,625.60</b> was audit fee for the financial year 2017/2018. However <b>Ksh. 308,216/-</b> was already provided for as at 30th June 2018. The net audit fee during the year therefore is <b>Ksh. 217,409.60</b>				
5. <b>Ksh. 372,718.00</b> was meant to cater for the final Audit of the DERP programme for the period <b>July - December 2018</b> , upon programme completion. The audit was to be undertaken after the closure of the programme, the reason why the funds were transferred to WSTF Operational Account on 12th April 2019.				

## IMPLEMENTATION STATUS OF THE ANNUAL WORK

### PLANS Implementation Status of the Annual EU SHARE Work Plan

Component	Output	Activity	Annual Targets	QUARTERLY TARGETS AND ACHIEVEMENTS											
				Q1 targets	Q1 Achieved	Q2 Target	Q2 achieved	Variance	Q3 Targets	Q3 achieved	Variance	Q4 Targets	Q4 achieved	Variance	
Strategic Objective 2: To finance the development of sustainable water & sanitation services and management to improve access for 5 m people in underserved areas	Water Services Delivery systems developed and implemented in 6 priority counties and contributing to alleviating bottlenecks to economic growth, reducing vulnerability and sustaining the natural resource base	Support to implementation of community water projects	15	5	5	4	3	1	2	1	3	2	2	3	
		Support to implementation of community sanitation projects	12	6	5	3	2	1	3	2	1	3	2	0	3
		County Resident Monitors Costs	6	6	6	6	6	0	6	6	0	6	6	6	0
Strategic Objective 4: To enhance capacity development for efficient service delivery and ensure sustainability of investments	Capacity of WSTF and implementing partners to efficiently deliver services is enhanced	County engagement meeting and proposal writing activity- Information campaigns to target locations	0	0	0	0	0	0	1	1	0	0	0	0	
		Training of sub grantees in financial management & other relevant skills	0	0	6	6	0	0	0	0	0	0	0	0	0
		Training of sub grantees in operation & monitoring training	0	0	6	6	5	1	1	1	0	0	0	0	0
	Project monitoring costs- year 3 projects		12	5	4	5	5	0	5	4	1	4	4	0	
	Project Audit Costs-For FY 2016/2017		1	0	0	1	1	0	0	0	0	0	0	0	

## Implementation Status of the MTAP II EI-SHARE Projects

No.	Project Name	County	Target population	WSTF Disbursement (Ksh)	Funded activities	Implementation status	Level of project completion
1	Sericho community	Isiolo	4,500	9,733,000	1No. EIA, Rehabilitation of 30,000m <sup>3</sup> water pan, 2No. Cattle troughs, 1No. Solar powered pump, 2 plastic tanks 10m <sup>3</sup> , 2No. 2 door VIP latrines, Training (O &M, sustainability)	<ol style="list-style-type: none"> <li>1) All activities reported complete.</li> <li>2) Training in O&amp;M done and report submitted.</li> <li>3) Final completion report submitted</li> <li>4) FAS submitted and cleared by finance</li> <li>5) Completion certificate is received.</li> </ol>	Overall project completion based on weighting is at <b>100%</b> .
2	Dadacha Basa Community	Isiolo	3,000	9,969,000	1No. New 100m <sup>3</sup> masonry tank, 1No. Repair 100m <sup>3</sup> masonry tank, 8Km distribution lines, 3 No. rainwater harvesting tanks, 2 No. repair Cattle troughs, 1No. New cattle trough, 2 No. water kiosks, 3No. 4 door VIP latrines & Training	<ol style="list-style-type: none"> <li>1) All activities reported complete</li> <li>2) Training in O&amp;M done and report submitted.</li> <li>3) FAS submitted</li> <li>4) Final completion report received.</li> <li>5) Completion certificate received.</li> </ol>	Overall project completion based on weighting is at <b>100%</b> .
3	Tuale Community	Isiolo	4,700	9,733,000	1No. EIA, 1No. New 30,000m <sup>3</sup> water pan, 2No cattle troughs, 2No 2 door VIP latrines & CBO training.	<ol style="list-style-type: none"> <li>1. All the activities reported complete</li> <li>2. O/M training report submitted</li> <li>3. Project completion report submitted</li> <li>4. FAS submitted</li> <li>5. Completion certificate is received.</li> </ol>	Overall project completion based on weighting is at <b>100%</b> .
4	Gotu, Boji Dera	Isiolo	4,700	9,998,327	<p>a) <b>Gotu Water supply project</b>                      4No. 120watts Enhancing solar panels, 1No. SQ flex pump, 3Km pipeline, 1 No. New 100m<sup>3</sup> masonry tank, 1 No. Fencing of tank area, 1 No. lockable steel gate, 1No. Water Kiosk, 2No. Cattle troughs &amp; CBO training.</p> <p>b) <b>Boji Dera Water supply project</b>                      1No. intake sump, 1No. Spring area fence, 1No. Submersible pump, 6No. Solar panels, 2Km pipeline, 1No. 50m<sup>3</sup> masonry tank, 1No. Wildlife watering trough, 1No. Community water point.</p> <p>c) <b>Gotu-Boji Community Sanitation project</b>                      2 no. 2 door VIP latrine.</p>	<ol style="list-style-type: none"> <li>1. All project activities reported complete</li> <li>2. FAS submitted and cleared</li> <li>3. O/M training report submitted</li> <li>4. Final project completion report submitted</li> <li>5. Completion certificate received.</li> </ol>	Overall project completion based on weighting is at <b>100%</b> .
5	Kawalash community	Isiolo	4,700	9,973,500	1No. EIA, 1No. New 30,000m <sup>3</sup> water pan, 2 no. water troughs, CBO Training, 2 No. 2 door VIP latrines for Kalawash, 1No. 4 door VIP latrines for schools in Mokori	<ol style="list-style-type: none"> <li>1. All the activities reported complete</li> <li>2. O/M Training report submitted</li> <li>3. Project completion report submitted</li> <li>4. FAS and completion certificate submitted</li> </ol>	Overall project completion is at <b>100%</b> .
6	Handaki community	Wajir	2,870	9,953,500	1No. EIA, 1No. New 30,00m <sup>3</sup> water pan, 2No cattle troughs, 2No 2-door VIP latrines & CBO training.	<ol style="list-style-type: none"> <li>1 All activities reported complete</li> <li>2. O/M Training done and report submitted</li> <li>3. Final completion report submitted</li> <li>4. FAS submitted and cleared by finance.</li> </ol>	Overall project completion based on weighting is at <b>100%</b> .

No.	Project Name	County	Target population	WSTF Disbursement (Ksh)	Funded activities	Implementation status	Level of project completion
7	Turbani Community	Wajir	6,340	9,997,500	1No. EIA, 1No. New 30,00m <sup>3</sup> water pan, 2 cattle troughs, 2No. 2-door VIP latrines & CBO training.	5. Completion certificate submitted 1. All activities reported complete 2. O/M Training done and report submitted 3. Final completion report submitted 4. FAS submitted and cleared by finance. 5. Completion certificate submitted	Overall project completion based on weighting is at 100%.
8	Ingrir Gumi Gayo	Wajir	4,250	9,805,500	1No. EIA, 1No. New 30,00m <sup>3</sup> water pan, 2 cattle troughs, 2No. 2-door VIP latrines & CBO training.	1. All activities reported complete 2. O/M Training done and report submitted 3. Final completion report submitted 4. FAS submitted and cleared by finance. 5. Completion certificate submitted	Overall project completion based on weighting is at 100%.
9	Boji Garas community	Wajir	2,571	7,075,480	1No. EIA, 1No. new 50m <sup>3</sup> elevated steel tank, 3 Km 2" dia. pipeline, 3 No. new water kiosks, 6No. 10m <sup>3</sup> plastic tanks, 6No. 2 door VIP latrines, Fencing & Training	1. All activities reported complete 2. O/M Training done and report submitted 3. Final completion report submitted 4. FAS submitted and cleared by finance. 5. Completion certificate submitted	Overall project completion based on weighting is at 100%.
10	Wangadud community	Wajir	7,590	9,995,000	1No. EIA, 1No. New 30,000m <sup>3</sup> water pan, 2 cattle troughs, 2 No. 2-door VIP latrines, Fencing & CBO training.	1. All project activities reported complete 2. O&M training not yet done. 3. FAS Submitted and cleared by finance. 4. Final completion certificate submitted 5. Final project completion report submitted	Overall project completion based on weighting is at 100%.
11	Buna community	Wajir	1,800	9,997,500	1No. EIA, 1No. New 30,000m <sup>3</sup> water pan, 2 No. new cattle troughs, 2 No. 2-door VIP latrines & CBO training.	All project activities reported complete 2. O&M training not yet done. 3. FAS Submitted and cleared by finance. 4. Final completion certificate submitted 5. Final project completion report submitted	Overall project completion based on weighting is at 100%.
12	Manda Maweni Pipeline Extension	Lamu	700	9,230,000	6.5 Km HDPE Pipeline extension, 2No. Water kiosks, 2No. 10m <sup>3</sup> rain water harvesting tanks, 2 No. 4 door VIP, 2No. 2-doors VIP & Training	1. All project activities reported complete 2. FAS submitted, but has unaccounted balances 3. Training done and report submitted 4. Final completion report pending 5. Completion certificate Prepared 6. Pipeline testing done and repairs done	Overall project completion based on weighting is at 100%.
13	Mkunumbi Community	Lamu	8,022	9,986,740	1No. well rehabilitation, 1No. Solar pump, 1No. 50m <sup>3</sup> elevated steel tank, 1 No. 10m high tower, 7.2Km HDPE distribution line, 1 No. Fence, 2No. water kiosks, 2No. 2-doors VIP latrines with 2 No. hand washing facilities, branding & training.	1. All project activities reported complete 2. FAS Submitted but has unaccounted balances 3. Final completion report pending 4. Completion certificate prepared 5. O/M training done and report submitted	Overall project completion based on weighting is at 100%.

No.	Project Name	County	Target population	WSTF Disbursement (Ksh)	Funded activities	Implementation status	Level of project completion
14	Nairobi Area Community	Lamu	7,104	9,998,920	1No.EIA, 1No. New 30,000m <sup>3</sup> water pan, 2No. New Water troughs, fencing, 2No. 2-doors VIP latrines with hand washing facilities, branding & training	<ol style="list-style-type: none"> <li>All project activities reported complete</li> <li>FAS Submitted, but has unaccounted balances</li> <li>O/M training done and report received.</li> <li>Final completion report submitted</li> <li>Completion certificate prepared</li> </ol>	Overall project completion based on weighting is at 100%
15	Pangani Pipeline Extension	Lamu	600	9,302,680	2.5 km 90mm HDPE pipeline extension, 4 km 63mm HDPE feeder pipelines, 1 km HDPE feeder pipeline, 4 No water kiosks, 2 No water harvesting structures 10m <sup>3</sup> each, 3Nos 4-door VIP, 2Nos 2-door VIP latrines, branding & training	<ol style="list-style-type: none"> <li>All project activities reported complete</li> <li>FAS Submitted, but unaccounted balances</li> <li>O/M training done</li> <li>Final completion report prepared and submitted</li> <li>Completion certificate prepared</li> </ol>	Overall project completion based on weighting is at 100%.
16	Witu WATSAN Project	Lamu	16,061	9,990,000	1No. 120m <sup>3</sup> elevated steel tank, 1 No. water kiosk, 4.5Km pipeline extension, 5 Nos. 2-door VIP latrines, 3 Nos. 4-door VIP latrines, branding & training	<ol style="list-style-type: none"> <li>All project activities reported complete</li> <li>FAS Submitted</li> <li>Final completion report submitted</li> <li>Completion certificate submitted</li> <li>O/M training done and report submitted</li> </ol>	Overall project completion based on weighting is at 100%.
17	Kone Community	Tana river	2,400	9,622,000	1No. EIA, 1 No. new 30,000m <sup>3</sup> Water pan, 2 No. new Water troughs; 2 No. 2 doors VIP latrine & CBO Training	<ol style="list-style-type: none"> <li>Expansion of water pan to required capacity, as per BOQ not yet complete</li> <li>FAS Submitted, but has unaccounted balances</li> <li>O/M training not yet done</li> <li>Final completion report pending</li> <li>Completion certificate pending</li> </ol>	Overall project completion based on weighting is at 60%.
18	Katsangani/Hurara Community	Tana river	10,200	9,047,500	1 No. Hydrogeological Survey, 1 No. new well; 1 solar powered pump, 1No. 10m <sup>3</sup> elevated plastic tank; 3.5Km rising main pipeline; 30m river crossing, 7Km UPVC 2" distribution pipeline, 2No.yard taps & training.	<ol style="list-style-type: none"> <li>All activities are reported complete</li> <li>Project completion report submitted.</li> <li>FAS Submitted and are cleared by finance.</li> <li>O/M training report submitted</li> <li>Completion certificate submitted</li> </ol>	Overall project completion based on weighting is at 100%.
19	Aghi Community	Tana river	1,980	9,955,000	1no. EIA, 1no. new 30000m <sup>3</sup> Water pan, 2 No. new Water troughs; 2 No. 2 doors VIP latrines & Training	<ol style="list-style-type: none"> <li>All the activities reported complete</li> <li>Project completion report submitted.</li> <li>O/M training report submitted</li> <li>FAS submitted and are cleared by finance.</li> <li>Completion certificate is received.</li> </ol>	Overall project completion based on weighting is at 100%.
20	Dhidhap community	Tana river	5,285	9,980,000	1no. EIA, 1no. new 30000m <sup>3</sup> Water pan, 2 No. new water troughs; 3 No. 2 doors VIP latrines & Training	<ol style="list-style-type: none"> <li>All the activities reported complete</li> <li>Project completion report submitted.</li> <li>O/M training report submitted</li> <li>FAS submitted with zero balances</li> <li>Completion certificate received.</li> </ol>	Overall project completion based on weighting is at 100%.

No.	Project Name	County	Target population	WSTF Disbursement (Ksh)	Funded activities	Implementation status	Level of project completion
21	Bokawan Community	Tana river	1,394	9,695,000	1 No. Hydrogeological survey, 1No. Borehole, 1No. Solar powered submersible pump; 1 No. 10m <sup>3</sup> elevated plastic tank; 800m rising main pipeline; 2.5km distribution pipeline, 2 No. new Cattle trough; 2 No. 2 door VIP latrines; 2 No. Water kiosks & CBO training.	<ol style="list-style-type: none"> <li>1. All the activities reported complete</li> <li>2. Project completion report submitted.</li> <li>3. O/M training report submitted</li> <li>4. FAS submitted and cleared by finance.</li> <li>5. Completion certificate submitted</li> </ol>	Overall project completion based on weighting is at 100%.
22	Kurkum	Marsabit	542	9,740,000	1 no. Well, 1 no. solar pump, 5.2 km pipeline, 2Nos. 4-door VIP Latrines, 2 Nos. 2- door VIP Latrines, 1No. Water kiosk, 1No. 25m <sup>3</sup> masonry tank & Training	<ol style="list-style-type: none"> <li>1. All the activities reported complete</li> <li>2. Project completion report received.</li> <li>3. O/M training report submitted.</li> <li>4. FAS submitted and cleared by finance.</li> <li>5. Completion certificate received.</li> </ol>	Overall project completion based on weighting is at 100%.
23	Huka Adhi	Marsabit	1,380	9,570,000	1No. EIA, 1 No. Rehabilitation of water pan, 4Nos. 4-door VIP Latrines, 4 Nos. 10m <sup>3</sup> RWH plastic tank, 2No. 2-door VIP latrines & Training	<ol style="list-style-type: none"> <li>1 All the project activities reported complete</li> <li>2. O/M training already done and report submitted</li> <li>3. Completion report submitted</li> <li>4. FAS submitted and cleared by finance.</li> <li>5. Completion certificate received.</li> </ol>	Overall project completion based on weighting is at 100%.
24	Kubi Qallo 2 community	Marsabit	5142	9,996,782	1 No. 100m <sup>3</sup> masonry tank; 1 No. pump house; 3 No. cattle troughs; 6 No. 2 door VIP latrines; 2 No. community water points; 3.6km pipeline & CBO training.	<ol style="list-style-type: none"> <li>1. All the activities reported complete</li> <li>2. Project completion report received.</li> <li>3. O/M training done and report submitted</li> <li>4. FAS submitted</li> <li>5. Completion certificate received.</li> </ol>	Overall project completion based on weighting is at 100%.
25	Sotowesa Community	Marsabit	3800	9,962,500	1No. EIA, 1No. New 3000m <sup>3</sup> Water pan, 2 No. cattle troughs; 2 No. 2 doors VIP latrines, branding, CBO training.	<ol style="list-style-type: none"> <li>1. All the activities reported complete</li> <li>2. Project completion report submitted.</li> <li>3. O/M training report submitted</li> <li>4. FAS submitted</li> <li>5. Completion certificate submitted</li> </ol>	Overall project completion based on weighting is at 100%.
26	Funan Qumbi (Sololo)	Marsabit	1500	9,150,000	1 No. EIA, 1 No. new 20,000m <sup>3</sup> Water pan, 2 No. Cattle troughs; 2 Nos. 10m <sup>3</sup> RWH system; 3 No. 2 door VIP latrines; branding & CBO training.	<ol style="list-style-type: none"> <li>1. All the activities reported complete</li> <li>2. Project completion report submitted.</li> <li>3. O/M training report received.</li> <li>4. FAS submitted.</li> <li>5. Completion certificate received.</li> </ol>	Overall project completion is at 100%.
27	Abdisamit community	Garissa	10,000	9,491,000	1 No. EIA, 1No. Rehabilitation to 30,000m <sup>3</sup> water pan, 2No. Water Troughs, 7 No. 2 door VIP latrines, 1 No. 2 Door VIP latrines & CBO training.	<ol style="list-style-type: none"> <li>1. All the activities reported complete</li> <li>2. Training (O&amp;M, Sustainability) report received.</li> <li>3. FAS submitted</li> <li>4. Final completion report received.</li> <li>5. Completion certificate received.</li> </ol>	Overall project completion based on weighting is at 100%.
28	Balich community	Garissa	4,200	8,104,983	1 No. Infiltration gallery, 1 No. well, 1 No. solar powered pump, 8 km Upvc pipeline, 4 No. water Kiosks, branding, 8 No. 2-Door VIP latrines, 4 No. 2-Door VIP latrines & training.	<ol style="list-style-type: none"> <li>1. All the activities reported complete</li> <li>2. Project completion report submitted.</li> <li>3. O/M training report submitted</li> <li>4. FAS submitted and Completion certificate.</li> </ol>	Overall project completion based on weighting is at 100%.
29	Dertu WATSAN	Garissa	542	8,307,230	1No. 50m <sup>3</sup> elevated steel tank, 1No. 9m high tower,	<ol style="list-style-type: none"> <li>1. All project activities reported complete</li> <li>2. Completion certificate submitted</li> </ol>	Overall project completion

No.	Project Name	County	Target population	WSTF Disbursement (Ksh)	Funded activities	Implementation status	Level of project completion
	project				5 km UPVC pipeline, 4No. Water Kiosks, 6No. New cattle troughs, 3No. rehabilitation of Cattle troughs, 4 No. 2 Door VIP Latrines, branding & CBO training.	3. Final completion report submitted 4. Training (O&M, Sustainability) report received. 5. FAS submitted	based on weighting is at 100%.
30	Ijara WATSAN project	Garissa	37,490	9,714,300	1No. rehabilitation of water pan, 2 No. 2 Door VIP latrines for community, 4 No. 2 Door VIP latrines for 3 schools, 5 km pipeline, 1No. 6m RC tank tower, 2 No. 10m <sup>3</sup> plastic tanks, 4No. Water Kiosks, 3No. New Cattle troughs, 1 No. solar powered pump, 1 no. fence for water pan, branding & CBO training.	1. All the activities reported complete 2. Project completion report submitted. 3. O/M training report submitted 4. FAS submitted and was cleared by finance. 5. Completion certificate received.	Overall project completion based on weighting is at 100%.
31	Kotile WATSAN project	Garissa	9,935	9,000,700	1No. 50m <sup>3</sup> steel elevated tank, 1No. 9m high tower, 1 No. submersible pump, 2 km upVC pipeline, 4No. water Kiosks, 8No. RWH 10m <sup>3</sup> plastic tanks each, branding, 2No. 2 Door VIP Latrines, 6 No. 2 Door VIP latrines for 3 Schools & training.	1. All the activities reported complete 2. Project completion report submitted. 3. O/M training report submitted 4. FAS submitted and was cleared by finance. 5. Completion certificate received.	Overall project completion based on weighting is at 100%.
32	Kasha WATSAN project (Well upgrade & pipeline extension)	Garissa	6,700	7,891,183	1 No. rehabilitation of Well, 1 No. 6m RC tank tower, 2 No. 10m <sup>3</sup> plastic tanks, 9 Km Upvc pipeline, 5 No. Water Kiosks, 2 Nos. 10m <sup>3</sup> Rain water harvesting system, 9 No. 2 Door VIP latrines, Branding & CBO training.	1. All the activities reported complete 2. Project completion report submitted. 3. O/M training report submitted 4. FAS submitted and was cleared by finance. 5. Completion certificate received.	Overall project completion based on weighting is at 100%.
	<b>Total</b>		<b>181,998</b>	<b>303,967,825</b>			

## MTAP II - Water Resources Projects' Status

No	Project name	Category	County	WSTF commitment (Ksh)	Disbursed funds – Ksh	Balance Ksh	WRMA support – Ksh.	Scope of Funded Activities	Completion Status
1	North Horr	Level 2	Marsabit	4,124,040	3,172,350	951,690	618,606	<p><b>1<sup>st</sup> Disbursement</b></p> <ol style="list-style-type: none"> <li>1) Carry out Abstraction and pollution survey along North Horr river</li> <li>2) Install 11 No. 10m<sup>3</sup> plastic tanks</li> </ol> <p><b>2<sup>nd</sup> Disbursement</b></p> <ol style="list-style-type: none"> <li>1) Construct 10 No. bee hives</li> <li>2) Construct 6 troughs, carry out sensitization ,meetings and carry out water quality testing</li> <li>3) Accountant</li> </ol>	Completed
2	Ewaso Habaswein	Level 2	Wajir	4,877,350	3,673,350	1,204,000	731,603	<p><b>1<sup>st</sup> Disbursement</b></p> <ol style="list-style-type: none"> <li>1) Collect hydrological, landuse, population and economic activities data.</li> <li>2) Fencing Alan lus water pan (100x150m) and construction of waste disposal pit.</li> <li>3) Riparian Identification and pegging ewaso &amp; lag dima 8days –</li> <li>4) Soil and water conservation (Gabion) Lag dima</li> <li>5) Establishment of a tree nursery at Habaswein</li> <li>6) Purchase &amp; installing 9 no. 10m<sup>3</sup> tanks/ sensitization/ shed construction</li> <li>7) Sensitization of stakeholders on riparian identification and pegging</li> </ol> <p><b>2<sup>nd</sup> Disbursement</b></p> <ol style="list-style-type: none"> <li>1) Climate change-</li> <li>2) Project monitoring &amp; reporting training workshop</li> <li>3) Livelihood component(greenhouses) –</li> <li>4) Accounting</li> </ol>	Completed
3	Buna	Level 2	Wajir	4,300,050	2,401,700	1,898,350	645,008	<p><b>1<sup>st</sup> Disbursement</b></p> <ol style="list-style-type: none"> <li>1) Collect hydrological, land use, population and economic activities.</li> <li>2) Protection of 1No spring and fencing of 2 N</li> <li>3) Domestic water pans (200m x 150m) Ingrir and Buna.</li> <li>4) Construction of waste disposal pit</li> <li>5) Construction of green houses on demo farms and a tank</li> </ol> <p><b>2<sup>nd</sup> Disbursement</b></p> <ol style="list-style-type: none"> <li>1) Sensitization on resilience building through restocking and Protection of grazing patterns</li> <li>2) Project monitoring &amp;reporting training workshop</li> <li>3) Accounting.</li> <li>4) Accounting.</li> <li>5) Development of 1 No tree nursery</li> </ol>	Completed

No	Project name	Category	County	WSTF commitment (Ksh)	Disbursed funds – Ksh	Balance Ksh	WRMA support – Ksh.	Scope of Funded Activities	Completion Status
								25mx30m 6) Flood management	
								<b>1<sup>st</sup> Disbursement</b> 1) Rehabilitation of an earth pan at Mkunumbi Ksh.3,078,000 2) SCMP review, Ksh. 646,400 3) Delineate the area, develop map and initiate gazette process of Lamu & L. Kenyatta, Ksh. 338,000	
4	Lake Kenyatta	Level 3	Lamu	9,961,600	5,147,400	4,814,200	1,494,240	<b>2<sup>nd</sup> Disbursement</b> 1) Catchment protection Ksh. 645,600 2) Carry out tree planting exercises in 10 selected sites-within selected beneficiary institution and 50 Riparian members - Ksh. 449,400 3) Construction of soil and water control structures[gabion and grass strips] - Ksh. 912,000 4) Piloting of modern roof catchment in Government institutions and provision of storage tanks, 5 No. plastic tanks, Ksh. 999,400 5) Budget for construction and fencing of bomani sand dam and planting of trees, Ksh. 1,806,500 6) Construction of djambia at Mapenya, Ksh 1,106,300	Completed
								<b>1<sup>st</sup> Disbursement</b> 1) One day planning meeting for rain roof water harvesting and floating for quotations, Ksh.59,000 2) Awareness creation on installation of storage tanks and watering troughs - Ksh. 73,500 3) Planting of indigenous trees in schools and public places Financial management training and preparation of financial accounting, Ksh. 736,500	
5	Witu	Level 2	Lamu	4,954,440	2,595,000	2,359,440	743,166	<b>2<sup>nd</sup> Disbursement</b> 1) Installation of 10 no. rain roof water harvesting Ksh. 1,690,000 2) Abstraction survey for WITU sub catchment, Ksh. 805,000 3) Livelihood activities (beekeeping) Subira women group, Ksh 320,240 4) Baseline survey to collect data on water resources and socio economic status Ksh 697,00 5) WRUA institutional capacity strengthening Ksh 417,000	Completed

No	Project name	Category	County	WSTF commitment (Ksh)	Disbursed funds – Ksh	Balance Ksh	WRMA support – Ksh.	Scope of Funded Activities	Completion Status
6	Hindi Bele	Level 2	Lamu	4,224,130	1,949,200	2,274,930	633,620	<b>1<sup>st</sup> Disbursement</b> 1) Construct 10 gabions along Bele Bele river and other parts of the sub catchment- Ksh. 1,198,000.00 2) Installation of 5 10,000liters tank at public places- Ksh. 731,200.00	Completed
								<b>2<sup>nd</sup> Disbursement</b> 1) Construct 1 Djabia in Mkunguni- Ksh. 640,430.00 2) Carry out Abstraction and pollution survey along Bele Bele river – Ksh. 751,700.00 3) Plant and tend 20,000 trees at Bele Bele well fields- Ksh. 1,410,800.00 4) Report writing and Hire of accountant- Ksh. 72,000.00	
7	Badha Hurri	Level 2	Marsabit	4,461,500	2043800	2417700	669,225	<b>1<sup>st</sup> Disbursement</b> 1) Carry out a baseline survey and water resources mapping 2) Construct 6 troughs, carry out sensitization ,meetings and carry out water quality testing 3) Construct 5 No. 10,000ltr tanks	Completed
								<b>2<sup>nd</sup> Disbursement (not disbursed)</b> 1) Construct 10 No. bee hives 2) Construct 2 No. Djabias 3) Accountants	
8	Shitley	Level 2	Wajir	4,430,590	2869900	1560690	664,589	<b>1<sup>st</sup> Disbursements</b> 1) Install 12 No. 10m3 roof water harvesting tanks, 2) Training on good governance, & proposal development and accounting	Completed
								<b>2<sup>nd</sup> Disbursement</b> 1) Carry out a baseline survey and water resources mapping 2) Construct 2 water troughs, 3) Fence Far Boor water pan, 4) Construct 10. No bee hives	

## EU SHARE Rural Water & Sanitation Projects Approved for Support in Year 3 & 4

No.	Projects name	County	Proposed Activities	Target population	WSTF committed amount - Ksh	Disbursed amount - Ksh	Funds balances	Project status as at 30th June 2019
1	Gababa	Garissa	Construction of 20,000m <sup>3</sup> water pan, fencing, 2 door VIP latrine	2,500	9,813,608.00	9,813,608.00	0	Overall progress is 100% completion. Final completion report submitted.
2	Korakora	Garissa	4 km pipeline, 1 water kiosk, stand pipe, 50m elevated steel tank on 6m tower, 2 door VIP latrine	1,200	7,967,434.00	7,967,434.00	0	Overall progress is 100% completion. Final completion report submitted.
3	Labibombi	Garissa	Construction of 20,000m <sup>3</sup> water pan, fencing, 2 door VIP latrine	2,000	10,015,778.00	10,015,778.00	0	Overall progress is 100% completion. Final completion report submitted.
4	Shimbrey	Garissa	Borehole drilling & equipping, 2 water kiosks, 2 door VIP latrine, cattle trough, pump house, 10m <sup>3</sup> elevated plastic tank	3,000	9,318,170.00	9,318,170.00	0	Overall progress is 100% completion. Final completion report submitted.
5	Awaraitu	Isiolo	Borehole drilling & equipping, solar system, generator house, 9km pipeline	420	13,318,550.00	13,318,550.00	0	Project is on-going, contractor laid 5km out of 7km. Bore hole drilled at 120m & yielded. De-fluoridation unit not yet installed.
6	Kinna	Isiolo	Service pump, power connection, rehabilitation of perimeter fence, 3 km pipeline, 2 No. 2 door VIP latrine	18,000	6,198,359.00	6,198,359.00	0	Overall progress is at 100% completion. WSP yet to submit final completion report
7	Sericho	Isiolo	Rehabilitation of solar system, Rehabilitation of 50m <sup>3</sup> masonry tank, 5km pipeline, 2 water kiosks	9,600	8,042,393.00	8,042,393.00	0	Overall progress is at 100% completion, WSP yet to submit final completion report.
8	Ngalilabia	Isiolo	Borehole drilling, solar system, rehabilitation of 2 kiosks, generator house, perimeter fence, 1km pipeline, 2No. 2door VIP latrine	400	13,786,150.00	13,786,150.00	0	1 <sup>st</sup> phase is 100%, 2 <sup>nd</sup> phase on additional funding is 60% completed, steel tank on-going.
9	Isakhia	Wajir	Construction of 20,000m <sup>3</sup> water pan, fencing, EIA, 2No. 2 door VIP latrine	600	10,219,008.00	10,219,008.00	-	Overall progress is 100% completion. Final completion report submitted
10	Konton	Wajir	Construction of 20,000m <sup>3</sup> water pan, fencing, EIA, 2No. 2 door VIP latrine	1,000	10,279,008.00	10,279,008.00	-	Overall progress is 100% completion. Final completion report submitted
11	Haragal	Wajir	Elevated steel tank 50m <sup>3</sup> , raising main, distribution line, water kiosk	1,000	4,998,120.50	4,998,120.50	-	Overall progress is 100% completion. Final completion report submitted
12	Dugo	Wajir	Construction of 20,000m <sup>3</sup> water pan, fencing, EIA, 2No. 2 door VIP latrine	600	10,219,008.00	10,219,008.00	-	Overall progress is 100% completion. Final completion report submitted

No.	Projects name	County	Proposed Activities	Target population	WSTF committed amount - Ksh	Disbursed amount - Ksh	Funds balances	Project status as at 30th June 2019
13	Griftu	Wajir	Equipping of an existing Borehole with a Solar pump & accessories, Renovation to existing pump house and repair of fence & a 2 door VIP latrine	10,000	4,985,400.00	4,985,400.00	-	Overall progress is 100% completion. Final completion report submitted
14	Madhalibah	Wajir	Desilting of a 18,000m <sup>3</sup> water pan, fencing, environmental protection, branding	3,560	4,598,300.00	4,598,300.00	-	Overall progress is 100% completion. Final completion report submitted
15	Maramitu B water & Environmental CBO	Tana river	Large diameter borehole drilling and solar equipping pipeline, 50m <sup>3</sup> ground steel tank and 2No water kiosk, 5 yard taps, 2No. 2 door VIP latrine.	2,000	12,025,800.00	12,025,800.00	0	Overall progress is at 100% completion. WUA yet to submit final completion report
16	Katsangani – Hurara phase 2	Tana river	Well construction & equipping with wind pump, 3 km pipeline Upvc 40mm, 25m <sup>3</sup> ground masonry tank, 10m <sup>3</sup> plastic tank on a 12m tower, booster pump	2,500	8,450,000	8,450,000.00	0	Overall progress is at 100% completion. WUA yet to submit final completion report
17	Bokawan water & sanitation	Tana river	50m <sup>3</sup> masonry tank, 3 km 50mm Upvc class C pipeline, 2 water kiosk, 1 camel trough, 1, donkey trough, 1 shoats trough	2,000	6,500,000	6,500,000	0	Overall progress is at 100% completion. WUA yet to submit final completion report
18	Mudhe water & sanitation project	Marsabit	Construction of 3 Berkads of 150m <sup>3</sup> , cascading dams & construction of 2 No. 2 door VP latrines at Mudhe E/C/D	2,000	10,000,000	10,000,000.00	0	Overall progress is at 100% completion. WSP yet to submit final completion report
19	Badhanot water & sanitation project	Marsabit	Desilting of existing water pan, 2No. 3 door VIP latrines at Uran Godha primary school	2,000	8,000,000	8,000,000	0	Overall progress is at 100% completion. WSP yet to submit final completion report
20	Kargi borehole water supply project	Marsabit	Borehole equipping, rising main, storage tank, distribution lines, water kiosks, solar pump, 2 VIP latrines	3,325	12,006,950.00	12,006,950.00	0	Overall progress is at 85% completion. Contractor on site finalizing implementation activities.
21	Quachacha water pan	Marsabit	Construction of a new water pan of 25,000m <sup>3</sup> , 2 no. 2 door VIP latrines.	1,500	10,000,000.00	5,000,000.00	5,000,000	Overall progress is at 75% completion. On-going project, contractor implementing auxiliary works & pan fencing.
<b>Grand Total</b>					<b>190,742,036.50</b>	<b>185,742,036.50</b>	<b>5,000,000.00</b>	

## Implementation Status of the Annual Work Plan for UTaNRMP

Strategic area	Key result area	Activity	Output indicator	Means of verification/ evidence	Annual target	Quarterly targets and achievements								Variance	
						Q1 Target	Q1 Achieved	Q2 Target	Q2 Achieved	Q3 Target	Q3 achieved	Q4 Target	Q4 Achieved		
<b>Goal Two: To enhance WSS access by 7 million people (Urban poor and underserved rural)</b>															
e) Enhance involvement in Water Resources Mgt & climate change mitigation; d) Improve capacity of implementation partners	Financing of water resources management initiatives and relevant climate change mitigation initiatives at the community level; Financing of WRUAs	Finance Water Resource Projects (Level II WRUA & CFA projects)	No. of Projects funded	WRUA reports WRA reports	10	0	0	10	0	10	0	10	8	2	
		Finance Water Resource Projects (Level III WRUA projects)	No. of Projects funded	WRUA reports WRA reports	6	0	0	6	0	6	0	6	13	0	
		Finance Water Resource Projects (Level IV WRUA projects)	No. of Projects funded	WRUA reports WRA reports	1	0	0	1	0	1	0	1	1	0	
		Undertake field appraisal for WRUA & CFA projects	No. of Appraisal Reports	Field Appraisal Reports	83	83	0	0	0	0	0	0	0	0	0
		WRA & KFS management fee	No. of Project monitored/s supports	WRA& KFS reports	15	0	0	15	0	15	0	15	2.03 M	5.15 M	
		WSTF Administrative fee			5	0	0	5	0	5	0	5	3.8 M	2.6 M	
		Internal Project Monitoring by programme staff.	No. of Project monitoring reports	Project Monitoring Reports	17	0	0	17	0	17	0	17	0	5 ( carry over WRUAs from call 2)	
		External Project Monitoring by WRA&KFS	No. of Project monitoring reports	Project Monitoring Reports	17	0	0	17	0	17	0	17	0	5( carry over WRUAs from call 2)	
		Projects Monitoring by CRMs	No. of Project monitoring Reports	Project Monitoring Reports	17	0	0	17	0	17	0	17	0	49( carry over WRUAs from call 2) + 44 projects of call 3	
		Hold 2No. Capacity Building Workshops for the CFAs & WRUAs - Cost to include for advertisement	No. of Sensitization / Capacity Building Workshops held	Sensitization/ Capacity Building Reports	2	0	0	2	0	2	0	2	4 (1 Advertisment for successful projects and 3 training sessions for WRUAs & CFAs)	1 ( training of WRA WRUA coordinators)	-2

## IFAD UTaNRMP - Water Resources Projects' Status as at 30th June 2019

No	Project name	Category	County	WSTF commitment (Ksh)	Disbursed funds – Ksh	Balance Ksh	WRUA support Ksh.	Scope of Funded Activities	Completion Status
1	Kathandeni (South East Mount Kenya Forest Ngariama Association CFA	Level 3	Kirinyaga	2,713,800.00	1,312,600.00	1401200	770,000.00	<p><b>1<sup>st</sup> Disbursement</b> Agroforestry support- nature base livelihoods 900 No. Macadamia seedlings. •Maintenance of previously planted areas 10 Ha. •Report writing- physical and financial</p> <p><b>2<sup>nd</sup> Disbursement</b> <b>Community forest protection scout training of 20No. Scouts for 21 days.</b> •Seedling production 10,000 No bamboo seedlings •Report writing physical and financial.</p>	Completed 1 <sup>st</sup> tranche activities. Planning meeting done. Maintenance of previously planted area of 10 hectares has been done with 10,000 seedlings planted, spot weeding has been done and creeper cutting is also completed. Procurement of Macadamia for agroforestry completed and the LPO issued for supply.
2	Kangaita CFA	Level 3	Kirinyaga	4,753,309.00	3,366,800.00	1,386,509.00	750,000.00	<p><b>1<sup>st</sup> Disbursement</b> Seedling production and agroforestry; 2,000 grafted tree tomato seedlings, 1,000 Hass avocados and 1,000 yellow passion. •Agroforestry support - nature base livelihoods 900No. Macadamia seedlings •Planting 20 Ha with 1,000 bamboo seedlings •Physical and financial report writing</p> <p><b>2<sup>nd</sup> Disbursement</b> • Maintenance of previously planted areas 10 Ha , • Community scout training of 10 scouts for 21 No. day • Conservation of shrine •Report writing Physical and Financial</p>	Completed 1 <sup>st</sup> tranche activities. Rehabilitation of the previously planted area completed totaling to 20Ha, beating up of 1000seedlings, spot weeding and creeper cutting, green house installation ongoing, 1,840 community members/CFA members benefited from the agroforestry seedlings which were Hass avocado, tomatoes, yellow passion and mulberry the seedlings have been planted in the farms

No	Project name	Category	County	WSTF commitment (Ksh)	Disbursed funds – Ksh	Balance Ksh	WRUA support – Ksh.	Scope of Funded Activities	Completion Status
3	Njukini West CFA	Level 3	Kirinyaga	3,508,000	2,691,000.00	817,000.00	953,200.00	<p><b>1<sup>st</sup> Disbursement</b>            Agroforestry support - 8000No. Avocado seedlings.            • 1No. Green house and 10,000No. Bamboo seedlings production.            • Capacity building - 45No. CFA members on bamboo propagation.            Report writing physical and financial</p> <p><b>2<sup>nd</sup> Disbursement</b>            Capacity building 20No. community scouts            •Report writing physical and financial</p>	Completed 1 <sup>st</sup> tranche activities. Planning meeting done. Sensitization meeting held on agroforestry and handling fruit trees for farmers. Agroforestry seedlings 8,000 No. procured and distributed to 30 farmer groups totaling to 800 farmers. The procurement of green house is complete, installed and mounted. The Bamboo seedlings quotations have been floated
4	Castle CFA	Level 3	Kirinyaga	1,887,600.00	1,302,600.00	585,000.00	875,560.00	<p><b>1<sup>st</sup> Disbursement</b>            • Bamboo seedlings production 10,000No. and green house construction.            • Maintenance of previously planted areas 10Ha.            Report writing physical and financial</p> <p><b>2<sup>nd</sup> Disbursement</b>  <b>Livelihood activity; planting of 8000 tree tomato fruits.</b>            •Report writing physical and financial</p>	Completed 1 <sup>st</sup> tranche activities. Planning meeting done. Rehabilitation of previously planted area 10 Ha completed with beating up of 4,000 No. seedlings. Spot weeding in the previously planted forested areas is complete. The Quotation analysis for the green house, tank and bamboo seedlings is ongoing.
5	Wanjerere CFA	Level 2	Muranga	1,190,000.00	1,170,000	20,000.00	364,000	<p><b>1<sup>st</sup> Disbursement</b>            Seedling production-100,000 seedlings, planning meeting/sensitization and training on production establishment 15 No. members for 2 No. days.            Report writing (physical and financial)</p> <p><b>2<sup>nd</sup> Disbursement</b></p>	Completed 1 <sup>st</sup> tranche activities. Planning meeting done and sensitization about the project with different stakeholders done. Training on tree nursery establishment ongoing. The establishment of a tree nursery to hold 100,000 seedlings is ongoing with filling tubes with soil ongoing.

No	Project name	Category	County	WSTF commitment (Ksh)	Disbursed funds – Ksh	Balance Ksh	WRUA support – Ksh.	Scope of Funded Activities	Completion Status
6	New Njukiri CFA	Level 3	Embu	3,197,015.00	2,323,315.00	873,700.00	692,740.00	<p><b>1<sup>st</sup> Disbursement</b> Seedling production with 150,000 No. indigenous Seedlings.  <ul style="list-style-type: none"> <li>• Maintenance of previously planted areas 20Ha.</li> <li>• Report writing (Physical and financial)</li> </ul> </p> <p><b>2<sup>nd</sup> Disbursement</b> Bee keeping 50 No hives  <ul style="list-style-type: none"> <li>•Community forest protection scout training of 6 members for 21 days</li> <li>•Report writing physical and financial</li> </ul> </p>	Completed 1 <sup>st</sup> tranche activities. The planning meeting done. The nursery establishment has started, nursery materials procured and tube are being filled with soil. Spring protection is completed. The Pack house construction is ongoing and on track
7	MEFECAP CFA	Level 3	Meru	3,267,700.00	2,544,000	723,700.00	1,216,000.00	<p><b>1<sup>st</sup> Disbursement</b> Maintenance of previously planted areas 20 Ha .  <ul style="list-style-type: none"> <li>•Capacity building - 30No. scouts trainings.</li> <li>•200,000No seedlings production</li> <li>• Nature trail 2Km.</li> <li>•Report writing (Physical and financial)</li> </ul> </p> <p><b>2<sup>nd</sup> Disbursement (not disbursed)</b>  <ul style="list-style-type: none"> <li>•Ecotourism - Camp site development.</li> <li>•Report writing physical and financial</li> </ul> </p>	Completed 1 <sup>st</sup> tranche activities. Except the nature trail put on hold until relevant permits are granted.
8	Othaya Zuti CFA	Level 3	Nyeri	3,542,600.00	2,730,400.00	812,200.00	2,192,500.00	<p><b>1<sup>st</sup> Disbursements</b>  <ul style="list-style-type: none"> <li>•10,000No. Seedlings production including fencing and water tank</li> <li>•Capacity building training of 15No. Scouts.</li> <li>•Maintenance of previously planted areas 10Ha .</li> </ul> </p> <p>Report writing (Physical and financial)</p>	Completed 1 <sup>st</sup> tranche activities. Joint planning meeting with CFA officials, Forest manager and CRM. Maintenance of previously planted areas 10ha. Setting up of tree nursery and procurement of tools on going

No	Project name	Category	County	WSTF commitment (Ksh)	Disbursed funds – Ksh	Balance Ksh	WRUA support – Ksh.	Scope of Funded Activities	Completion Status
9	Kabaru CFA	Level 3	Nyeri	2,733,050.00	1,321,050.00	1,412,000.00	806,000.00	<p><b>2<sup>nd</sup> Disbursement</b> Forest road improvement 66km</p> <p><b>1<sup>st</sup> Disbursement</b> Tree seedlings production 100,000 seedlings and water supply. •Report writing Physical and Financial.</p> <p><b>2<sup>nd</sup> Disbursement</b> Maintenance of previously planted sites 30 Ha •Report writing physical and financial</p>	Completed 1 <sup>st</sup> disbursement activities. Joint planning meeting with CFA officials, Forest manager and CRM. Setting up of the tree nursery clearing and setting up of seedbeds Procurement of tree nursery materials, fencing;
10	Kabage CFA	Level 3	Nyeri	2,843,800.00	1,618,900.00	1,224,900.00	739,200	<p><b>1<sup>st</sup> Disbursement</b> •Bee keeping- 3 No. apiary (100 langstroth bee hive). • Forest protection and conservation in all stations (6No.scouts training for 21 days and patrol). • Exchange tour to Kamuguru catholic farm Embu - 35 No. members for one day. •Report writing Physical and financial.</p> <p><b>2<sup>nd</sup> Disbursement</b> •Fish farming tilapia and mudfish- 2No. New fish ponds and 3No. old ponds at Kahigant 1000 fringerings each •Forest road improvement 11Km •Report writing physical and financial NB: Budget for fish farming revised to include a seine net and number of fish ponds reduced from 6 to 5. Project was deemed viable after a simple cost benefit analysis which indicated higher profitability in the long run</p>	Completed 1 <sup>st</sup> disbursement activities. Joint planning meeting with CFA officials, Forest manager and CRM. Exchange visit to Kamuguru catholic farm

No	Project name	Category	County	WSTF commitment (Ksh)	Disbursed funds – Ksh	Balance Ksh	WRUA support – Ksh.	Scope of Funded Activities	Completion Status
11	Chania WRUA ( call 2 carry over project)	Level 2	Nyeri	4,855,300	1,007,175.00	3,848,125.00	-	<b>2<sup>nd</sup> Disbursement</b> Spring protection •Report writing •Capacity building on IWRM •Riparian land conservation and protection, •Abstraction and Pollution survey, •Monitoring and evaluation	Project 100 % complete. 4no Springs protected Capacity building on IWRM completed Riparian land conservation and protection, completed (Pegging of .....km and planting of ..... Abstraction and Pollution survey completed Monitoring and evaluation
12	Sagana WRUA ( call 2 carry over project)	Level 3	Nyeri	7,341,700.00	1,140,250.00	6,201,450.00	-	<b>2<sup>nd</sup> Disbursement</b> • Riparian Conservation and Protection of Ngutui Wetland • Final report preparation • Capacity building • Baseline survey • Roof water harvesting tanks (29 tanks) • Construction of common water intake • Monitoring and reporting	Project 100% complete. Riparian Conservation and Protection of Ngutui Wetland completed Final report preparation completed and shared with WSTF through WRA Capacity building completed Baseline survey completed Roof water harvesting tanks (29 tanks) Construction of common water intake completed but needs follow up Monitoring and reporting completed



STRATEGIC AREA Strategies	Key Result Area	Activity	Output Indicator	Means of Verification/ Evidence	Unit of Measure	Annual Target		Quarterly Targets & Achievements		Quarterly Targets & Achievements		Quarterly Targets & Achievements		Notes			
						Q1 Target	Q1 Actual	Q2 Target	Q2 Actual	Q3 Target	Q3 Actual	Q4 Target	Q4 Actual		Variance	Variance	
		County workshops/trainings to disseminate GESI guidelines	No. of Counties with adopted GESI guidelines	County WRM, WS/SAN M&E reports Case studies	No	6								GESI guidelines development have not been completed.			
			No. of Counties with M&E providing disaggregated data (in access to WRM, WS/SAN)														
		Production of materials/information packages on GESI - Project monitoring tools and proposal forms.	Proportion of projects/project designs mainstreaming GESI concerns	Project design reviews, projects monitoring and assessments	%	100	100	0	100					Due to delayed development of GESI guidelines, there is no specific document to be applied by projects.			
Goal Two: To enhance WSS access by 7 million people (Urban poor and underserved rural)																	
e) Enhance involvement in Water Resources Mgt. & climate change mitigation	IMPROVED MANAGEMENT OF WATER RESOURCES: Financing of water resources management initiatives and relevant climate change mitigation initiatives at the community level; Financing of WRUAs	Finance WRUAs to implement Sub catchment management plans Level II	No. of WRUA projects financed-Level II	WRUA reports WRA reports	No	5	5	1	4								
			No. of WRUA projects financed-Level III	WRUA reports WRA reports	No	3	2	0	2						Only 2 projects funded due to the number of proposals received.		
			No. of Project monitored/ supported	WRA reports	No	8	4	0	4	8	2	6	4	0	4	0	This is due to the number of projects funded.
			No. of WRUA proposals reviewed	Proposals and Appraisal Reports	No	1											
		Revise and produce WDC booklets	No. of revised WDC booklets	WDC booklets Printed versions and their circulation	No	1											







STRATEGIC AREA/Strategies	Key Result Area	Activity	Output Indicator	Means of Verification/Evidence	Unit of Measure	Annual Target	Quarterly Targets & Achievements			Notes		
							Q1 Target	Q1 Actual	Variance			
							Q1 Target	Q1 Actual	Variance			
		Carry out corruption perception index	% corruption perception index/number reported	Corruption perception index report	%	100	100	100	0			
		Conduct Annual Harmonized Audit	Harmonized annual audit conducted.	Annual Harmonized Audit reports	No.	1	1	1	0			
		Develop WSTF Research and Innovations strategy and guidelines	Research funding cycle developed	Documented Research Project Funding Cycle Calls for Proposals	No.	1	1	0	1	Research funding cycle was not conducted and will be carried out in FY2019/2020		
		Staff Training on Sanitation, Project Management, M&E, GIS, PMIS WRM and Water Management, governance and procurement	No. of staff training on various capacity areas	Staff Training records	No.	10	5	1	4	5		
		Funded proposals on knowledge management	No. of research initiatives promoted	Call for proposals	No.	12				6	Call for research proposals not conducted as research funding cycle strategy is yet to be developed.	
		Support to Water Forums national/international events	No. of Water Forums attended	Congress Reports	No.	1	1	1	0	1		
		End of programme evaluation report	Evaluation carried out on 5 key areas	End of programme report	No.	1				1	Not conducted as the programme period was extended	
		WSTF annual impact report published	No. of annual impact report published	WSTF Annual impact report	No.	1				1	The reports were published and are to be published in FY2019/2020	
		GESI mainstreaming by WSTF - Engagement of PWDs and Trainings of Gender Committee members	GESI mainstreaming in WSTF	GESI Committee reports	No.	1				1	1	0

## Status of Funded J6P Water Projects as at 30<sup>th</sup> June, 2019

J6P BATCH II WATER, SANITATION AND WRUA PROJECTS								
No	County	Project Name	Target Population	Proposed Activities	Approval Status (Approved/ Not approved)	Completion rate (%)	Population reached	Remarks
BATCH II WATER PROJECTS								
1	Lankipia	Solio Settlement Scheme Water Project	59,031 25,899	Gravity main pipeline - 31.5km Distribution network - 30km of assorted pipe sizes Storage tanks (2No. Of 225m <sup>3</sup> ) Accompanying Measures - to include 1700 water meters	Approved	25	0	Implementation of works in progress.
2	Tharaka Nithi	Kibung'a- Kakimiki water project	24,481	25.5Km pipeline of assorted sizes and fittings 3No. Standard In situ water kiosks 500No. Consumer meters	Approved	27	0	Implementation in progress
3	Tharaka Nithi	Kathwana phase 2 water project	9,550	Conventional treatment plant of capacity 3000m <sup>3</sup> per day Double grade 9 house Backwash system Chlorination house 500No. Consumer meters	Approved	10	0	Implementation in progress
4	Narok	Sogoo Water project	10,000	Drilling and Equipping of 3 boreholes 29.5km of pipeline (Rising main and distribution network) Procurement and installation of 1000 meters 2 No Grade 9 and office block 2No storage tanks of capacity 225m <sup>3</sup> and 100m <sup>3</sup>	Approved	3	0	Implementation in progress
5	Narok	Olopikidongoc water project	3,500	Water Pan of 30,000m <sup>3</sup> Cattle Trough Water Sump/Storage Pump House and Pumping Unit 2km of pipeline	Not approved	0	0	Financing contract not signed



3	Laikipia	Sirimon Water project	9,375	Construction of Composite Filtration Unit (CFU), Chemical house. Procurement of consumer water meters.	Approved	0	0	Procurement of works is in progress.
4	Nandi	Cheptil Dam water project	3,250	Construction of pump house and installation of pumps, Construction of 250m <sup>3</sup> storage tank 2km of Pipeline construction (distribution network).	Approved	10	0	Implementation of works in progress
5	Nandi	Kimng'oror water project	3,160	Spring protection CFU connection to the existing system Laying of distribution network (600m) Office block completion - wiring and electrification	Approved	12	0	Implementation of works in progress
6	Nandi	Lelmokwo water project	5,850	Pump installation Construction of 11.4km of pipeline Construction of an office block	Approved	15	0	Implementation in progress
7	Nandi	Kimatkei Kipkoiil water project	5,585	Rehabilitation of the intake Construction of 5km of gravity main pipeline Construction of 5km of distribution network	Not approved	0	0	Financing contract not signed
8	Kwale	Majimboni Muungano water project	1,985	Construction of back wash system Procurement of consumer water meters	Approved	0	0	Procurement process taking place.
BATCH II SANITATION PROJECTS			2,345					
1	Narok	Kilgoris Public Sanitation	800	Construction of 1No PSF at the Bus park/ stage Hygiene Promotion and supervision	Approved	0	0	Procurement process taking place.

2	Narok	Olopidong'oc Primary school sanitation	220	2No. 4door VIP's latrines, one with Urinal Hygiene promotion and sensitization	Approved	0	0	Procurement process taking place.
3	Narok	Mosiro Boarding Primary school sanitation	220	2No. 4door VIP's latrines, one with urinal Hygiene promotion and sensitization	Approved	0	0	Procurement process taking place.
4	Kwale	Egri Primary School Sanitation	220	2No. 4door VIP's latrines, one with Urinal Hygiene promotion and sensitization	Approved	0	0	Procurement process taking place.
5	Kwale	Madibwani Primary School sanitation	190	1No. 4door VIP's latrines for girls 1No. 3door VIP's latrines, with Urinal Hygiene promotion and sensitization	Approved	0	0	Procurement process taking place.
6	Tharaka Nithi	Kathwana secondary school	220	8 door pour flush toilets with urinal Septic tank of 40m <sup>3</sup> - cost to include sewer connections from the two blocks to the septic tank Hygiene promotion and IEC Materials on handwashing	Approved	0	0	Procurement process taking place.
7	Lankipia	Bungoma Primary school sanitation	225	3No. 3door VIP's at Bungoma primary Hygiene promotion and sensitization	Approved	5	0	Implementation of works in progress
8	Kwale	Panama Shimoni Sanitation Project	150	6 door pour flush sanitation block for Shimoni primary school with Urinal Hygiene promotion and sensitization	Approved	0	0	Procurement process taking place.
9	Tharaka Nithi	Kamwene sanitation	100	2No 2door VIP's Hygiene Promotion	Approved	3	0	Implementation in progress
WRUA Projects								

1	Migori	Tebesi Gwitonyi WRUA	<p>Awareness creation on waste disposal</p> <p>Replacement of eucalyptus with indigenous trees. - 10,000 seedlings, transportation and planting.</p> <p>Restoration of wetlands - inventory, protection and rehabilitation</p> <p>Construction of soil conservation structures (gabions &amp; diversion ditches)</p> <p>Train WRUA members on soil &amp; water conservation techniques (survey, demonstration on terracing, cut-off drains &amp; grass strips) for 3 days</p> <p>Pollution survey</p> <p>2No. Capacity building meetings for WRUA members on preparation for implementation of EDCP</p> <p>WRUA exchange visit</p>	Approved	0	0	Procurement process taking place.
2	Narok	Naroosura WRUA (L3)	<p>Construction of Communal Water Points</p> <p>Construction of Cattle Troughs</p> <p>Tree Nursery Establishment</p> <p>Protection of Catchment areas</p> <p>Riparian Marking and pegging</p> <p>Establishment of Apiary ( Beehives)</p>	Approved	0	0	Procurement process taking place.
3	Narok	Enosagami WRUA	<p>SCMP Review</p> <p>Catchment protection</p> <p>Riparian land protection</p> <p>Rain water harvesting tanks - 10No 10m<sup>3</sup> tanks and gutters</p>	Approved	0	0	Procurement process taking place.

## Status of Funded J6P Water Resource Projects (Transboundary WRUAs)

NO	COUNTY	WRUA NAME	TOTAL PROJECT COST	FUNDED ACTIVITIES	IMPLEMENTATION STATUS
1	Nandi	Mbogo	4,762,325.00	<p>Institutional Development: Exchange tour</p> <p>Roof Water Harvesting structures (5 No. tanks)</p> <p>Protection of 5 No. springs</p> <p>Rehabilitation of 7500 m<sup>3</sup> Water pan (Kandege)</p> <p>Capacity building 70 No. WRUA members on livelihood projects (local poultry rearing)</p> <p>Poultry keeping</p> <p>Training on tree nursery establishment</p> <p>Tree nursery establishment</p>	<p>Exchange tour to Mt Elgon Region done with 40 WRUA members participating for 4 days</p> <p>installation of 5 No 10,000 m<sup>3</sup> rainwater harvesting tanks complete and operational at St. Peters Secondary school, Songhor Mixed Secondary School, Mutomon Secondary School, Simotwet Primary School and Mbogo Valley Dispensary</p> <p>Protection of 5 No. springs complete: fencing done, and branded at Chepnoet, Chembai, Kondamet, Kaptumaiyo &amp; Cheptembei Locations</p> <p>Rehabilitation of the water pan 98% done, access path pending and clearing of site.</p> <p>Capacity building 70 No. WRUA members on livelihood projects (local poultry rearing) done for 3 days</p> <p>Poultry rearing completed; 7 No chicken coops have been constructed with 185 hens having been procured. Currently 160 No are being reared. The deficit is due to some succumbing to diseases.</p> <p>Training on tree nursery establishment complete, 30 WRUA members trained for 2 days</p> <p>The tree nursery has been established. Ongoing tree seedlings transplanting.</p>
2	Nandi	Kundos	4,770,350.00	<p>Training on procurement, financial management, fish pond and bee keeping as well as tree nursery establishment</p> <p>Tree nursery establishment</p> <p>Protection of 5 No. springs</p> <p>Roof Water Harvesting structures (9 No. tanks)</p>	<p>Training on procurement, financial management, fish pond and bee keeping as well as tree nursery establishment complete, 30 members were trained for 3 No. days.</p> <p>The tree nurseries have been established. (2no). Nursery 1 has 26,000 seedlings while nursery 2 has 12,000 seedlings</p> <p>5 No springs already protected and branded: Nani spring, Kiptere Spring, Boiyo spring, Kamobon/Kaborowo spring and Kamarram Spring.</p> <p>Installation of the rain water harvesting tanks complete; branded and operational (10NR): 1. Kitapko p. school, 2. Murguywo pri.school, 3. Kapsarut p.school, 4. Kebeuro sec. school, 5. Ibanja sec. school, 6. Kapsean p.school, 7. Kipchawat p.school, 8. Chepsire dispensary, 9. Chepkongony dispensary, 10. Chemalal secondary</p>

					Bee keeping complete (langstroth bee hives installed with 4/20 hives colonized)
					2 no fish ponds constructed and stocked with fingerlings: fish pond 1 stocked with 2,500 , fish pond 2 stocked with 1,500
					Exchange visit to Mt Elgon carried out for 4 days with 40 members
					WRUA publicity done, 150No. t shirts and 200 No. brochures were printed.
					SCMP review complete, awaiting submission of the SCMP document.
					Tree planting of 6,000 seedlings done along Sirimon River.
					Main water harvesting tanks at Kirithina dispensary, Nidemu and Daiga secondary schools. Construction of the common intake completed and project meters installed
					Institutional development - training on financial and procurement management, Exchange visit and
					Training on financial and procurement management conducted for 2 days.
					Exchange visit conducted to Mkungu Kiriri WRA, Lake Naivasha basin. A total of 26 WRUA members and 1no. WRA staff participated
					Water resource protection- pollution control and river clean up done at Likii river
					Monitoring and information- River Gauge System completed
					training for bee keeping and appropriate sites identified
					SCMP review carried out and adopted by stakeholders, final draft shared to WRA HQ
					Change of scope from rehabilitation of Katheri dam to bee keeping approved
					Tree planting of 10,000 seedlings completed along R.Likii and in 2 No. primary Schools.
					WRUA awaiting 2nd disbursement for implementation of 2nd tranche activities of K.sh. 5,548,700
					Trees planted and tree nursery established
3	Laikipia	Sirimon	4,987,965.00		
					Infrastructure development-RWH tanks (3 No.)
					Water allocation pan - construction of a common intake
					Catchment conservation -tree planting of 6000 No. seedlings
					Institutional development - training on financial and procurement management
					Exchange visit
					Water resource protection- pollution control and river clean up
					SCMP review
					Infrastructure development -RWH tanks (12 No.)
					infrastructural development- rehabilitation of Katheri dam
					infrastructural development-Construction of demo water pans
					Result based aid- 23 water tanks of 5m3 each
					Monitoring and information-RGS
4	Laikipia	Likii	9,850,800.00		
					Water resource protection- pollution control and river clean up done at Likii river
					Monitoring and information- River Gauge System completed
					training for bee keeping and appropriate sites identified
					SCMP review carried out and adopted by stakeholders, final draft shared to WRA HQ
					Change of scope from rehabilitation of Katheri dam to bee keeping approved
					Tree planting of 10,000 seedlings completed along R.Likii and in 2 No. primary Schools.
					WRUA awaiting 2nd disbursement for implementation of 2nd tranche activities of K.sh. 5,548,700
					Trees planted and tree nursery established

## Status of the Implementation of the Annual Work Plan – GGEP as at 30th June, 2019

Output	Activity	Output Indicator	Means of Verification (as per Result Frame Work)	Annual Targets	Q1 Targets	Q1 Achievements	Q2 Target	Q2 Achievements	Q3 Target	Q3 Achievements	Q4 Target	Q4 Achievements	Annual Achievements
<b>County capacity enhancement</b>													
<b>GGEP Output 1:</b> <i>ASAL Counties capacity and engagement in Water related planning Improved</i>	Signing of MoU	No. of MoU Signed	Signed MoUs	8	8	7		1					8
	Fiduciary & technical risk assessment	No. of assessment	Assessment reports	8	8		3	2	5	1			3
	County Stakeholder Workshops on Management models	No. of workshops held	Workshop reports	8	8		4			7	4		7
	Appraisal of proposed water and sanitation projects	No. of appraised projects	Appraisal reports	26	26	1	8	6	10	15	8		22
	Finance Rural Water Projects	No. of Projects funded	Contracts signed, disbursement memos	13	13		2	3	4	2	2	3	8
	Finance Rural Sanitation Projects	No. of Projects funded	Contracts signed, disbursement memos	13	13	5	2	3	4	2	2	2	7
	Monitor implementation of Rural projects	No. of projects monitored	Monitoring reports	26	26		8		8	6	1	0	12
	Appraisal of proposed water resource projects	No. of appraised projects	Appraisal reports	12	12	2	1		4	4	5	4	8
	Finance Level II WRUA Projects - New	No. of Projects funded	Contracts signed, disbursement memos	5	5		1		2		2	1	1
	Finance Level II WRUA Projects - On going	No. of Projects funded	Contracts signed, disbursement memos	4	4	2	2	4					4
<b>GGEP Output 3:</b> <i>Sustainable and Community Based Management of Water Resources Improved</i>	Finance Level III WRUA Projects	No. of Projects funded	Contracts signed, disbursement memos	6	6	2			2	1	2	1	4
	Finance Level III WRUA projects - On going	No. of Projects funded	Contracts signed, disbursement memos	1	1					1	1		1
	Monitor implementation of WRUA projects	No. of projects monitored	Project Monitoring reports	12	12	4	2	4	4	2	2	2	10
	Technical support to WRUAs by WRMA	No. of Project monitoring reports	Project Monitoring Reports	12	12		4	4	4		4		4
	Capacity building workshops for WUAs and WRUAs	No. of workshops held per county	Workshop reports	6	6		2		4	2		2	4
	Induction training & orientation of CRM & Service agents	No. of trainings conducted	Training report	2	2		1			1	1		1
	Support to Resident Engineers/Service Agents for implementation	No. of Resident Engineers/Service Agents engaged	Resident Engineer/SA Contract, implementation reports	30	30				15		1	5	-
	Quarterly review meetings	No. of quarterly meetings	Quarterly meetings report	8	8		4			2	4	2	4
	Rotational Meeting	No. of rotational meeting	Rotational meeting	1	1						1	0	-

Output	Activity	Output Indicator	Means of Verification (as per Result Framework Work)	Annual Targets	Q 1 Targets	Q 1 Achievements	Q 2 Target	Q 2 Achievements	Q 3 Target	Q 3 Achievements	Q 4 Target	Q 4 Achievements	Annual Achievements	
<b>Output 5: Experience Generated from PPP in Water Provision in ASALs</b>	<b>Development of a PPPs Framework.</b>													
	Consultancy services to develop the PPCPs operating framework	No. of consultants engaged	Consultancy reports	1					1	0			-	
	<b>Rollout of the PPPs Framework</b>													
	CRM/Staff training and capacity development	No. of CRM/staff trainings conducted in the PPP framework	Training report	3			3						7	
	County Training on PPCP Models - bench marking	No. of PPP trainings conducted	Training report	8							8		7	
	<b>Project monitoring /field monitoring activities</b>													
	Spot checking monitoring	No. of projects visited	Spot checking monitoring reports	10			5	5				5	2	7
	Annual Operations Monitoring	Proportion of funded projects monitored	Annual Operations monitoring report	100			100				260			260
	Annual Operations Monitoring cloud storage	No. of contract signed	Cloud storage in use	1			1				1			1
	<b>Output 6: Strengthen institutional performance of WSTF</b>	<b>WSTF Staff Capacity Development Programme</b>												
Purchase of staff laptops		No. of staff with new laptops	Laptops purchased	5			5						5	
Training in Project Management, Monitoring and Evaluation, IWRM, Gender, Green Growth, climate change		No. of staff trained	Staff training reports	6			2	3	2	1	2	4	8	
Engineering software's		No. of software's licenses	Staff using the software	4			4						4	
Institutional branding & publicity		No. of GGEP strategy, no. of WSTF publications	Audio visual and publications	Lump sum			3						3	
<b>County Resident Monitors</b>														
Remuneration		No. of CRMs engaged	Payment records	8	8	8	8	8	8	8	8	8	8	8
CRM Training		No. of trainings conducted		1			1				1			1
Transport, logistics and stationary			Finance Reports	8	8	8	8	8	8	8	8	8	8	8
<b>Internal and external auditing</b>														
Harmonised Audit Costs	No. of audits conducted	Audit reports	1			1	1						1	
Follow up and reporting on audit question costs outstanding on a Monthly basis	No. of follow-ups visits conducted	Audit follow-ups reports	8			4	4	4	4	4			8	
Green Growth Conference	No. of conferences held	Conference Reports	1								1	1	1	
Conduct WSTF Institutional Functional Analysis	Functional Analysis conducted	WSTF Functional Analysis Report	1			1	0						-	

## Approved GGEP Water and Sanitation Projects

No	Projects name	County	Proposed Activities	Target population	WSTF committed amount - Ksh	Disbursed amount - Ksh	Funds balances	Project status as at 31.03.2019
1	Harajab Water and Sanitation Project	Garissa	ESIA, design, borehole development, 50m <sup>3</sup> elevated steel tank, 150m rising main, 300m distribution line, 2No. Water kiosks, 3No. Livestock troughs, 1No. VIP latrine, fencing of site, capacity building & accompanying measures	2,000	19,258,439	4,557,245	14,701,194	Procurement process was suspended at tender award stage due to a DANIDA directive of freezing all implementation activities in the county.
2	Libahlow Water and Sanitation Project	Garissa	ESIA, design, borehole development, 50m <sup>3</sup> elevated steel tank, 3.8Km rising main, 1.3Km distribution line, 3 No. Water kiosks, 3No. Livestock troughs, 4No. VIP latrine, fencing of borehole site, capacity building & accompanying measures	2,250	23,036,034	4,560,322	18,475,712	Procurement process was suspended at tender award stage due to a DANIDA directive of freezing all implementation activities in the county.
3	Sheba-aad Water and Sanitation Project	Garissa	ESIA, design, borehole development, 50m <sup>3</sup> elevated steel tank, 550m rising main, 300m distribution line, 2No. Water kiosks, 3No. Livestock troughs, 1No. VIP latrine, fencing of site, capacity building & accompanying measures	420	19,115,464	4,153,192	14,962,272	Procurement process was suspended at tender award stage due to a DANIDA directive of freezing all implementation activities in the county.
4	Nanighi Water and Sanitation Project	Tana river	Hydrogeological survey, design, EIA, borehole development, solar pumping system, 50m <sup>3</sup> steel tank on a tower, 3No. Water kiosks, 5km pipeline, VIP latrines, capacity building & accompanying measures	8,000	18,205,200	0	18,205,200	WSP to implement this project after recommendations from the capacity assessment. Contract to be signed in the next quarter.
5	Kipao Water and Sanitation Project	Tana river	Hydrogeological survey, EIA, design, 30M large diameter well, submersible pump & solar system, fencing around solar site, 48m <sup>3</sup> steel tank on a tower, 6No. Water kiosks, 4km pipeline, 2 No. VIP latrines & accompanying measures	8,161	18,041,400	0	18,041,400	WSP to implement this project after recommendations from the capacity assessment. Contract to be signed in the next quarter.
6	Lanqura Community Water Supply Project	Mandera	EIA, 50,000m <sup>3</sup> Earth Pan construction, solar powered pumping system, water storage tank, 1No. Water kiosk, 3No. Latrines, 5km long rising mains, 1Km Distribution pipeline.	3,000	34,538,400	1,346,059	33,192,341	Procurement process on going - tender award stage.
7	Sake Community Rural Water Supply Project	Mandera	EIA, 50,000m <sup>3</sup> Earth Pan construction, pumping system, water kiosk, VIP Latrines, pipeline	4,000	34,538,400	1,346,059	33,192,341	Procurement process on going - tender award stage.
8	Kiunga Water & Sanitation Project	Lamu	Construction of 15.093KM Pipeline, Construction of 15km high,50m <sup>3</sup> steel elevated Tank, Construction of 50m <sup>3</sup> Sump Tank, Supply and install Solar Pumping set, Supply and Install Solar Generator for Existing R.O Plant, Construction of Perimeter fence for Kiunga Water Station,6No.4 Door VIP latrines ,Accompanying Measures	4,584	34,403,865.75	17,298,531	17,105,335	Contract signed and first disbursement sent to the WSP.
9	Kizingitini Water & Sanitation Project	Lamu	Construction of 21.21km pipeline, Construction of 15m high,50m <sup>3</sup> steel elevated Tank, Rehabilitation of existing 30m <sup>3</sup> sump Tank, Supply and install solar pumping set, Supply and Install Solar Generator for existing R.O plant, Construction of perimeter fence for Kizingitini Water station, 4 No. 4 door VIP latrines, 1 No. 2 door VIP latrines, Accompanying Measures	4,657	40,557,443	16,613,711	23,943,732	Contract signed and first disbursement sent to the WSP.
10	Namoru	Turkana	Solar pumping system, 50m <sup>3</sup> elevated tank, 5 No. stand	2,400	29,679,975	2,246,359	27,433,616	Design and survey of the project is

	Alkwan Lokokkor Water Project		pipes, 5 No. livestock trough, 10 rising main, 10km distribution line, 2No. 4 door VIP latrines & accompanying measures							complete. WSTF team currently reviewing the tender documents prior to advertisement in the local papers.
11	Lokichar Water & Sanitation Extension Project	Turkana	Project Survey and Design,SP5A Pumping unit,2kw motor, Solar & support structure,100m <sup>3</sup> elevated steel tank on a 10m tower at lokichar,2No.insitu Water Kiosk at Kambi Baraka & kapese village, Construction of 4 No. stand pipes secured on concrete platforms,7.6km pipeline-63mm & 50 mm HDPE Pipes,4 No. 10m <sup>3</sup> plastic tanks, fabricate elevated steel towers 6m high to install 2 plastic tanks at IDP & Kapese village,2No. Water trough, Borehole compound fencing 30sq with concrete poles, construction of 2No.4 door VIP latrines including 2No. hand washing stands, hygiene promotion and IEC Materials, Accompanying Measures	10,700	15,918,000	0	15,918,000	0	15,918,000	Project approved by the Board. Contract to be signed in the next financial year after opening of bank account.
12	Kangirisae Water & Sanitation Extension Project	Turkana	Design, Survey, solar equipping,50m <sup>3</sup> elevated steel tank on a 10m tower, 20.insitu open kiosk, 4.6km pipeline, 1No.10m plastic tank,2 no. supply & installation of 3x3 sq. base tanks stand-2m, 2No.standard cattle troughs, borehole compound fencing,2No.4 door VIP latrines,2No. hand washing stands, Accompanying measures	3,643	15,319,500	0	15,319,500	0	15,319,500	Project approved by the Board. Contract to be signed in the next financial year after opening of bank account.
13	Godoma Watiti Water & Sanitation Project	Marsabit	EIA, design, reverse osmosis & ultra-filtration plant, solar equipping, 50m <sup>3</sup> elevated steel tank on 10m tower, rising main & distribution line - 5.7km, pump house, 2N. Insitu water kiosks, 2No-pre-paid metering systems, borehole compound fencing, and 2No. Livestock troughs, 2No. Two door VIP latrines, hygiene promotion & IEC materials & accompanying measures	6,327	23,908,397	-	23,908,397	-	23,908,397	Project on hold until WSP is cleared by Audit department.
14	Lataka Community Water Supply Project	Marsabit	EIA, design, 50m <sup>3</sup> elevated steel tank on a 10m tower, 2km distribution line, 1No. Water kiosk, 1No. Pre-paid meter technology, 2No. 30m livestock troughs, 2No. Two door VIP latrines, Hand washing 1No. Stand, hygiene promotion & IEC material and accompanying measures	8,000	18,786,662	-	18,786,662	-	18,786,662	Project on hold until WSP is cleared by Audit department.
15	Mogore Water & Sanitation Extension Project	Isiolo	Design, survey, 50m <sup>3</sup> elevated steel tank on a 12m tower, fencing of tank area, 4 No. consumer meters, 2No. Two door VIP latrines, 1No. hand washing stands, hygiene promotion & IEC material & accompanying measures	2,100	5,280,000	0	5,280,000	0	5,280,000	County and WSP reviewing the implementation contract prior to signing in the next financial year.
16	Malkagalla - Dadachallafe Water & Sanitation Extension Project	Isiolo	Design, survey, 1No. Pump house, 2No. Fencing of borehole & booster station sites, 1No. Masonry sump tank, installation of solar pumping booster station, rehabilitation & testing of 4.5km pipeline, 1No. 50m <sup>3</sup> elevated steel tank, 2No. Two door VIP latrines, 1No. hand washing stands, hygiene promotion & IEC material and accompanying measures	5,000	10,422,185	0	10,422,185	0	10,422,185	County and WSP reviewing the implementation contract prior to signing in the next financial year.
17	Godarupa Water & Sanitation Extension Project	Isiolo	Design, survey, 50m <sup>3</sup> masonry storage tank, rising main & distribution pipeline - 3756m, 2No. Water kiosks, 1 pre-paid metering system, 2No. Two door VIP latrines, 1No. hand washing stands, hygiene promotion & IEC material & accompanying measures	3,500	6,819,000	0	6,819,000	0	6,819,000	County and WSP reviewing the implementation contract prior to signing in the next financial year.
	<b>Grand Total</b>			<b>78,742</b>	<b>367,828,364</b>	<b>52,121,478</b>	<b>234,514,586</b>			

## Status of Funded Water Resources Projects- GGEP as At 30th June 2019

APPROVED WRUAs UNDER GREEN GROWTH & EMPOWERMENT PROGRAMME - GGEP									
No	WRUA Name	County	Level	Proposed activities	Contract Amount - Ksh	WRA Fees - K.sh	Disbursed amount - K.sh	Current status	
1	Bubisa	Marsabit	Level 1	Planning meeting	1,388,600.00	208,290.00	1,388,600.00	Capacity building of WRUA members done for better understanding of the sub catchment in terms of challenges faced and interventions towards promoting Integrated Water Resources Management.	
				Capacity building meeting					
				SCMP development workshop,					
				Compilation,					
				Ratification				SCMP developed, compiled and ratified and review by WRA. Revised SCAMP resubmitted to WSTF	
2	Shurr	Marsabit	Level 1	Planning meeting	1,410,900.00	211,635.00	1,410,900.00	Capacity building of WRUA members done for better understanding of the sub catchment in terms of challenges faced and interventions towards promoting Integrated Water Resources Management.	
				Capacity building meeting					
				SCMP development workshop,					
				Compilation,					
				Ratification				SCMP developed, compiled and ratified and review by WRA. Revised SCAMP resubmitted to WSTF	
3	Turbi	Marsabit	Level 1	Planning meeting	1,361,700.00	204,255.00	1,361,700.00	Capacity building of WRUA members done for better understanding of the sub catchment in terms of challenges faced and interventions towards promoting Integrated Water Resources Management.	
				Capacity building meeting					
				SCMP development workshop,					
				Compilation,					
				Ratification				SCMP developed, compiled and ratified and review by WRA. Revised SCAMP resubmitted to WSTF	
4	Wama	Marsabit	Level 3	Deslting of 40,000 m <sup>3</sup> Dambala Gombo water pan	9,404,000.00	1,410,600.00	121,620.00	Contract signed and 1 <sup>st</sup> disbursement sent. Procurement process on going – tender evaluation.	
5	Alikune	Garissa	Level 1	Planning meeting	1,223,600.00	183,540.00	1,223,600.00	Capacity building of WRUA members done for better understanding of the sub catchment in terms of challenges faced and interventions towards promoting Integrated Water Resources Management.	
				Capacity building meeting					
				SCMP development workshop,					
				Compilation,					
				Ratification				SCMP developed, compiled and ratified and review by WRA. Revised SCAMP resubmitted to WSTF	
6	Annam	Garissa	Level 1	Planning meeting	1,344,100.00	201,615.00	1,388,600.00	Capacity building of WRUA members done for better understanding of the sub catchment in terms of challenges faced and interventions towards promoting Integrated Water Resources Management.	
				Capacity building meeting					
				SCMP development workshop,					
				Compilation,					
				Ratification				SCMP developed, compiled and ratified and review by WRA. Revised SCAMP resubmitted to WSTF	
7	Gedilun	Garissa	Level 1	Planning meeting	1,430,200.00	214,530.00	1,430,200.00		

APPROVED WRUAs UNDER GREEN GROWTH & EMPOWERMENT PROGRAMME - GGEP

No	WRUA Name	County	Level	Proposed activities	Contract Amount - Ksh	WRA Fees - Ksh	Disbursed amount - Ksh	Current status
8	Khansahosle	Garissa	Level 1	Capacity building meeting	1,227,800.00	184,170.00	1,227,800.00	Capacity building of WRUA members done for better understanding of the sub catchment in terms of challenges faced and interventions towards promoting Integrated Water Resources Management. SCMP developed, compiled and ratified and review by WRA. Revised SCAMP resubmitted to WSTIF
				SCMP development workshop, Compilation,				
				Ratification				
				Planning meeting				
9	Lagha Marothi	Garissa	Level 1	Capacity building meeting	1,300,800.00	195,120.00	1,300,800.00	Capacity building of WRUA members done for better understanding of the sub catchment in terms of challenges faced and interventions towards promoting Integrated Water Resources Management. SCMP developed, compiled and ratified and review by WRA. Revised SCAMP resubmitted to W
				SCMP development workshop, Compilation,				
				Ratification				
				Planning meeting				
10	Lagha Togwene	Garissa	Level 1	Capacity building meeting	1,301,500.00	195,225.00	1,301,500.00	Capacity building of WRUA members done for better understanding of the sub catchment in terms of challenges faced and interventions towards promoting Integrated Water Resources Management. SCMP developed, compiled and ratified and review by WRA. Revised SCAMP resubmitted to W
				SCMP development workshop, Compilation,				
				Ratification				
				Planning meeting				
11	Tawakal	Garissa	Level 1	Capacity building meeting	1,310,400.00	196,560.00	1,310,400.00	Capacity building of WRUA members done for better understanding of the sub catchment in terms of challenges faced and interventions towards promoting Integrated Water Resources Management. SCMP developed, compiled and ratified and review by WRA. Revised SCAMP resubmitted to W
				SCMP development workshop, Compilation,				
				Ratification				
				Planning meeting				
12	Kotile WRUA	Garissa	Level 1	Capacity building meeting	1,423,100.00	213,465.00	1,423,100.00	Capacity building of WRUA members done for better understanding of the sub catchment in terms of challenges faced and interventions towards promoting Integrated Water Resources Management. SCMP developed, compiled and ratified and review by WRA. Revised SCAMP resubmitted to W
				SCMP development workshop, Compilation,				
				Ratification				
				Planning meeting				

APPROVED WRUAs UNDER GREEN GROWTH & EMPOWERMENT PROGRAMME - GGEP

No	WRUA Name	County	Level	Proposed activities	Contract Amount - K.sh	WRA Fees - K.sh	Disbursed amount - K.sh	Current status
13	Sharaha	Garissa	Level 1	<p>Planning meeting</p> <p>Capacity building meeting</p> <p>SCMP development workshop,</p> <p>Compilation,</p> <p>Ratification</p>	1,416,500.00	212,475.00	1,416,500.00	Capacity building of WRUA members done for better understanding of the sub catchment in terms of challenges faced and interventions towards promoting Integrated Water Resources Management. SCMP developed, compiled and ratified and review by WRA. Revised SCAMP resubmitted to W
14	Habarow	Garissa	Level 2	<p>Construction of a 30x2.1 m wide sub surface sand dam at Habarow Lagha upstream</p> <p>Construction of a 30x2.1 m wide sub surface sand dam at Habarow Lagha middle part</p>	3,638,840	545,826	2,108,920	WSTF will disburse funds for actual construction of the sand dams upon submission and approval of technical design reports and construction drawings. The funds to be disbursed would have to tie to the BoQ that would be in tandem with the designs. The WRUA is almost through with the design of the sand dam and the design report/drawings will be sent to WSTF as soon are finalized.
15	Kasha	Garissa	Level 3	<p>Planning and procurement of a consultant</p> <p>Engineering Survey, design and other legal requirement (EIA , Hydrological survey, soil test and pan Design</p> <p>Construction of the 30,000 m3 Water Pan, offtake system and associated structures</p>	9,825,000	1,308,825	8,725,500	Procurement of contractor for construction of the water pan was done. Tender advert notice was put up in the newspaper and evaluations was done. WSTF reviewed the evaluation minutes before providing a no objection to the WRUA. Environmental Impact Assessment was done. No objection was given to the WRUA to start the actual construction work, which is currently ongoing.
16	Buriya	Wajir	Level 2	<p>Construction of a 23m. Wide sand dam along Lagha Harr</p> <p>Construction of a 23m. Wide sand dam along Lagha Bisig</p>	4,269,600.00	640,440	2,468,300.00	WSTF will disburse funds for actual construction of the sand dams upon submission and approval of technical design reports and construction drawings. The funds to be disbursed would have to tie to the BoQ that would be in tandem with the designs. The WRUA is almost through with the design of the sand dam and the design report/drawings will be sent to WSTF as soon they are finalized.
17	Kipsing	Isiolo	Level 2	<p>Construction of a 23m. Wide sand dam along Kipsing Lagha</p>	4,271,600	640,740	2,469,300.00	WSTF will disburse funds for actual construction of the sand dam upon submission and approval of technical design reports and construction drawings. The funds to be disbursed would have to tie to the BoQ that would be in tandem with the designs. The WRUA is almost through with the design of the sand dam and the design report/drawings will be sent to WSTF as soon s they are finalized.
18	Kuro Bisan Owo	Isiolo	Level 2	<p>Exchange visit</p> <p>Inventory survey to determine the cost estimates on boreholes and pans requiring rehabilitation</p>	4,956,600	743,490	2,651,300.00	WSTF will disburse funds for actual construction upon submission and acceptance of technical design reports and construction drawings. The funds to be disbursed will be in

APPROVED WRUAs UNDER GREEN GROWTH & EMPOWERMENT PROGRAMME - GGEP

No	WRUA Name	County	Level	Proposed activities	Contract Amount - K.sh	WRA Fees - K.sh	Disbursed amount - K.sh	Current status
19	Garfasa	Isiolo	Level 3	Construction of a 23m. Wide sand dam along kuro L'agha and alelaide L'agha Seminar on Improved Water Resource Management (2 days x 3 seminars)  Sensitization workshops on planned grazing and rangeland management Engineering Survey, design and other legal requirement (EIA , Hydrological survey, soil test and pan Design Construction of the 20,000 m <sup>3</sup> Water Pan, offtake system and associated structures including fencing Launching of project/planning , Planting of 3 acre mangroves in DangaGalge degraded area and training by KFS, Alternative clean energy (60 biogas kits / 400 energy saving jikos), Rain water harvesting technologies in Schools – 5 No. 10,000 , infiltration gallery, Development of land use plans and resource mapping, Purchase and Transport 6,000 tree seedlings and plant seedlings trees along the riparian area/river bank for 7 days, Development of grazing by-laws/county grazing bills , Conservancy Management Plan, Nursery Establishment Project planning, Community sensitization, sand dam construction(45m*0.6m*2.7m), Monitoring and procurement, Design and approvals	9,990,500	1,498,575	5,000,000	harmony with the BoQ estimates and designs. The WRUA is almost through with the design of the sand dam and the design report/drawings will be sent to WSTF as soon as they are finalized.  Actual construction of water pan ongoing and phase 1 is almost complete.
20	Lower Tana Delta Conservancy	Tana River			9,633,320	1,444,998	4,886,840	Contract signed. 1 <sup>st</sup> tranche disbursed
21	Lorigum WRUA	Turkana			5,200,000	780,000	2,500,000	Contract signed. 1 <sup>st</sup> tranche disbursed

## Status of the Implementation of the Annual Work Plan – WLP as at 30th June, 2019

WATER & LIVELIHOOD WORK PLAN FOR 2019 - 2020 FINANCIAL YEAR												
Output	Output Indicator	Activity	Activity Indicator	Means of Verification (as per Result Frame Work)	Annual Targets	Quarterly Targets					Annual Achieved	
						Q1 Target	Q1 Achieved	Q2 Target	Q2 Achieved	Q3 Target		Q3 Achieved
WLP Output 1: ASAL Counties capacity and engagement in Water related planning Improved	Countries effectively using water and sanitation data for planning in CIDPs and perform their regulatory functions	County capacity enhancement										
		County Stakeholder Workshops - Programme launch & stakeholder sensitization	No. of meetings/workshops held	Minutes, Workshop reports	4	2	2					
WLP Output 2: Water and Sanitation Access and Deficit in ASALs Addressed	Number of people with new services from WSTF in this engagement & Number of people receiving an improved and sustained service from WSTF in this engagement as a % of new people reached	Appraisal of water and sanitation projects	No. of appraised projects	Appraisal reports	5	5						
		Finance Rural Water Projects	No. of Projects funded	Contracts signed, disbursement memos	5		3	2				
WLP Output 3: Sustainable and Community Based Management of Water Resources Improved	Number of WRUAs graduating to next level of performance for water resource management	Finance Rural Sanitation Projects	No. of Projects funded	Contracts signed, disbursement memos	5		3	2				
		Monitor implementation of Rural projects	No. of projects monitored	Monitoring reports	7			4				3
Sub total		Appraisal of water resource management projects	No. of appraised projects	Appraisal reports	5	5						
		Finance WRUA Projects - New	No. of Projects funded	Contracts signed, disbursement memos	5		3	2				
WLP Output 4: Capacity building of implementing Agents (WRUAs, CHOs, WUs) Improved	Number of successfully implemented projects by WRUAs and Was & Revenues collected as a percentage of operating cost by Was	Monitor implementation of WRUA projects	No. of projects monitored	Project Monitoring reports	4			2				2
		Capacity building workshops for Implementing Partners	No. of workshops held per county	Workshop reports	2	1		1				
WLP Output 5: Strengthen institutional performance of WSTF	WSTF has access to and able to analyze regularly updated data on water and sanitation coverage in counties	Induction training of PIU	No. of trainings conducted	Training report	1	1						
		Project monitoring /field monitoring activities										
		Spot checking monitoring - M&E	No. of projects visited	Spot checking monitoring reports	10			5				5
		Project Implementation Unit										
		Programme Implementation Unit field visits	No. of visits	Reports	12	3		3				3

**WATER & LIVELIHOOD WORK PLAN FOR 2019 - 2020 FINANCIAL YEAR**

Output	Output Indicator	Activity	Activity Indicator	Means of Verification (as per Result Frame Work)	Annual Targets	Quarterly Targets								Annual Achieved
						Q1 Target	Q1 Achieved	Q2 Target	Q2 Achieved	Q3 Target	Q3 Achieved	Q4 Target	Q4 Achieved	
		Programme Implementation Unit training	No. of staff trained	Staff training reports	4		1	2	1			1		
		Purchase of staff laptops	No. of staff with new laptops	Laptops purchased	6	6								
		Satellite phones & GPS	No. of satellite phones & GPS	Satellite phones & GPS in use	1	1								
		Vehicle logistics - fuel, insurance & service	No. of vehicles	Work ticket, fuel card	12	3	3	3				3		
		Driver - remuneration & medical	No. of staff	Payment records	12	3	3	3				3		
		Office space & administration	No. of office	Tenancy agreement, payment receipts	12	3	3	3				3		
		Internal and external auditing												
		Harmonized Audit Costs	No. of audits conducted	Audit reports	1							1		
		Automation of Proposal Application system- Turkana West Programme(TA support)	Online application system established	Online application system	1	1	0	0				0		0

**STATUS OF THE IMPLEMENTATION OF THE WSTF RESULTS FRAMEWORK – JUNE, 2019**

Key Result Area	Result code	RESULTS	Account code	OBJECTIVELY VERIFIABLE INDICATORS (Quantifiable)	MEANS OF VERIFICATION	RISKS / ASSUMPTIONS	UNIT OF MEASURE	BASELINE	2018/19 TARGET	CUMULATIVE ACHIEVED	
<b>RESULT AREA 1: COUNTY CAPACITY DEVELOPMENT</b>											
County capacity enhanced County capacitated in fulfilling their constitutional responsibilities in establishing of an enabling environment for the provision and monitoring of WRM,WS/SAN Services	11	PLANNING / MONITORING County capacitated in utilizing factual, evidence based decision support systems in planning of investments.	111	# Counties with accurate baseline WS coverage data (available and updated - online).	Web inspection Annual county water service coverage reports (similar to WASREB impact - for county	County Political Buy-in to public display of information.	No	0	6	6	
				# Counties where online data corresponds to County stated estimates of coverage	County documents/reports Case studies/analysis reports on data		No	0	6	0	
				# County water development strategies/water master plans (demonstrating coherent staged approach to WRM,WS/SAN development)	County water strategies and/or water master plans		No	0	6	4	
	12	INSTITUTIONAL /LEGAL FRAMEWORK A clear county framework for the development of effective sustainable pro-poor water services, supported.	# Counties having prototype county water law	121	County water bills SPAs with SSPs	County water bills SPAs with SSPs	MWT/ WASREB/ WRA support and County Political Buy-in to joint support of WARIS type performance reporting system.	No	0	6	0
			# County with Water Bills (utilizing county prototype water bill for a coherent legal framework for licensing SSPs)	122	County/WSTF project financing agreements County financing of similarly identified projects (WRM, WS/SAN)	County/WSTF project financing agreements County financing of similarly identified projects (WRM, WS/SAN)		No	0	0	0
			# County budgets and co-financing of joint WSTF / county efforts (WRM/WS/SAN)	123	Co-financing/financing agreements Case study analysis of County contributions to water sect	Co-financing/financing agreements Case study analysis of County contributions to water sect		No	0	0	0
			# SSP (small service providers) recognized under service provision agreements	124	SPAs - signed agreements	SPAs - signed agreements		No	7	0	0
			# County WRUA associations established	125	County WRUA association registered	County WRUA association registered		No	0	2	0
	13	HUMAN RIGHTS/ GENDER EQUITY AND SOCIAL INCLUSION County has capacity to record and address the needs of the underserved, ensuring GESI	# Intercountry/inter-WRUA Transboundary MOUs signed	126	Signed intercounty / inter-WRUA agreements	Signed intercounty / inter-WRUA agreements	Assumes coherent delineation of reporting on WU performance between WASREB and Counties	No	0	2	4
			# WSTF contributions made to improvement to County/WRA/WRUA – Alignment within WDC framework	127	Revised WDC Modules Printed versions and their circulation Case studies	Revised WDC Modules Printed versions and their circulation Case studies		No	0	1	0
	13	HUMAN RIGHTS/ GENDER EQUITY AND SOCIAL INCLUSION County has capacity to record and address the needs of the underserved, ensuring GESI	# Counties with GESI guidelines	131	County WRM, WS/SAN M&E reports Case studies	County WRM, WS/SAN M&E reports Case studies		No	0	6	0
			# Counties with M&E providing disaggregated data (in access to WRM,WS/SAN)	132	County WRM, WS/SAN M&E reports	County WRM, WS/SAN M&E reports		No	0	0	0

Key Result Area	Result code reference	RESULTS	Account code reference	OBJECTIVELY VERIFIABLE INDICATORS (Quantifiable)	MEANS OF VERIFICATION	RISKS / ASSUMPTIONS	UNIT OF MEASURE	BASELINE	2018/19 TARGET	CUMULATIVE ACHIEVEMENT
<b>RESULT AREA 2: IMPROVED MANAGEMENT OF WATER RESOURCES</b>										
WRM CAPACITY ENHANCED WRM initiatives protecting water resources and ensuring access and equity in water access thereby reducing water related conflicts and environmental degradation at intra/inter county level.	21	WRM COMPLIANCE CONFLICT REDUCTION WRUA capacity enhanced to support measurement, regulation and abstraction/effluent discharge compliance in addressing water conflicts at	231	# of WRUAs/area with WAPs developed/ endorsed by county	WAPs	Assumes water stress in sub catchment, Continued support from WRA, WRUAs of capacity exist in Counties	No	12	12	4
			232	# County WRM reports - WRUAs/Sub catchment areas with water flow data/abstraction compliance mgt data	# County WRM reports		No.	12	12	0
			233	# Sub catchment river flow control regimes/MOU's agreements endorsed/in operation	WAPs endorsed		No	12	12	1
			234	Increased % of funding to WDC directed toward measurement, bulk meters (versus catchment conservation)	# WDC Contract analysis (case studies)		%	-	0	100
	22	CATCHMENT CONSERVATION AND REHABILITATION WRUA capacity to implement catchment conservation and protection through their sub catchment management plans enhanced	241	# SCAMPs contracts signed	WRUA/County-WSTF agreements funding cycles	Assumes continued support of WRA and/or sourcing of qualified SAs, Agency agreements	No	0	0	0
			242	# WRUAs contracts completed /funds cleared	PMIS		No	-	59	12
			243	# WRUAs in category/Level 1,2,3,4	PMIS		No	-	-	59
			244	Ksh investment in WRUA SCAMPs	PMIS		Million Ksh	17.4	-	116.67
	23	WRUA OPERATIONAL SUSTAINABILITY WRUA operational sustainability enhanced	221	# WRA agency/contracts or agreements with WRUA providing a sustained income based	WRA agency/contracts	Assumes willingness of WRUA to enter into Agency agreements with WRUAs	No.	0	2	0
			222	# WRUA membership	WRUA reports		No	-	0	0
223			# /\$ WRUA activities financed by Counties	County budgets	%		0	0	0	
224			WRUA incomes increased	County M&E system Case studies WRUA reports	Ksh		-	0	0	
24	251	WRM HR/GESI Equitable benefits derived through WR interventions		Equitable benefits derived by all including vulnerable groups derived through WR interventions	GESI disaggregated data at baseline and impact reporting Case studies		%	0	0	0

WATER SECTOR TRUST FUND RESULTS FRAMEWORK										
Key Result Area	Result code	RESULTS	Account reference code	OBJECTIVELY VERIFIABLE INDICATORS (Quantifiable)	MEANS OF VERIFICATION	RISKS / ASSUMPTIONS	UNIT OF MEASURE	BASELINE	PROGRAMME TARGET	ACHIEVED
<b>RESULT AREA 3: SUSTAINABLE ACCESS TO WATER SERVICES</b>										
IMPROVED WATER SERVICE Water supply projects ensure improved equitable access to water services.	31	WS COVERAGE Increase in water access and utilization of services (coverage) for the un-served.	311	Number of people gaining access to improved drinking water sources	Contracts WPM updated data Project completion and verification reports	Budgets as indicated are made available	No	-	1,400,000	30,133
	32	WU SERVICE QUALITY / OPERATIONAL EFFICIENCY WU Operational performance in the sustainable provision of water services improved	321	Number of people receiving improved quality of service from existing improved water sources . Kiosk to house connection, Hours of supply, complaints response time etc. WU operational performance indicators improved (selected from WASREB performance indicators) o Revenue as % O&M o Reduction in NRW o Billing %	PMIS project completion reports / field verification reports	Budgets as indicated are made available	No	-	994,998	1,145,446
			322	WU operational performance indicators improved (selected from WASREB performance indicators) o Revenue as % O&M o Reduction in NRW o Billing %	County WS (Impact) reports (QTR/Annual)	Several pre-defined	-	-	-	
			323	(GOOD PRACTICE MATRIX) Incl: Innovative Public Private Community WS Management Partnerships tested, WUs have business plans, tariff reviews and agreements. #WUs accessing/eligible for commercial credit OBA	Contracts Case studies Good practice report matrix	County prioritizes utility performance	No	0	0	
	324	WU operational performance indicators improved (selected from WASREB performance indicators) o Revenue as % O&M o Reduction in NRW o Billing %	PMIS Case studies in promotion of WU credit worthiness assessment	No	24	-	-			
33	WATER SERVICES HUMAN RIGHTS, GENDER EQUITY AND SOCIAL INCLUSION (WS HR/GES) All members of society (within WU mandated water service areas) with equitable access to and derive benefit from improved water services	331	All community members within WU mandated areas benefit equally (#/% poorest seen to benefit)	County QTR disaggregated data showing equal access Case studies	-	No	-	-	-	

Key Result Area	Result code reference	RESULTS	Account code reference	OBJECTIVELY VERIFIABLE INDICATORS (Quantifiable)	MEANS OF VERIFICATION	RISKS / ASSUMPTIONS	UNIT OF MEASURE	BASELINE	2018/19 TARGET	CUMULATIVE ACHIEVED
<b>RESULT AREA 4: SUSTAINABLE ACCESS TO SANITATION SERVICES</b>										
IMPROVED SANITATION SERVICE ACCESS Sanitation investments ensure improved equitable access to sanitation.	41	IMPROVED INSTITUTIONAL SANITATION ACCESS Improved access to sanitation facilities in public places (markets, schools, health centres- within mandated supply areas of water utilities)	411	# of facilities constructed	Project progress reports		No	84	12	1
			412	# of schools with latrines meeting recommended GOK latrine/student ratio.	Midterm and end term evaluation reports	Budgets as indicated are made available	No	60	12	0
			413	# of schools/health centers / other public institutions providing adequate sanitation services	DoE statistics		No	84	12	0
			414	# of institutions with hand washing facilities	DoPH statistics		No	3	12	0
	42	HOUSEHOLD SANITATION COVERAGE Household sanitation coverage increased (within WU mandated supply areas)	421	# of villages attained ODF status	ODF Verification reports/certifications		No	0	162	54
			422	# of villages maintaining ODF status (1 year after ODF attained)	ODF follow up monitoring reports	DPoH is able and willing to conduct CLTS activities in WU mandated service areas	No	0	0	0
			423	# of rural HH (within the mandated areas of the WU) with improved latrines/sanitation facilities	DoPH statistics National census		No	0	1,600	TBD
			424	# HH with hand washing facilities	DoPH statistics, CHW reports Case studies - learning of lessons (before /during)		No	0	1,600	TBD
	43	SANITATION GENDER EQUITY AND SOCIAL INCLUSION (WS HR/GESI) All members of society (within WU mandated water service areas) equitably have access to and derive benefit from improved sanitation services	431	# of most vulnerable HHs having acquired improved sanitation facilities	PMIS / Project M & E field reports		#/%	0	0	0
			432	# of public latrines with disability access	PMIS / Project M & E field reports		No	0	1	0
			433	# of institutions with menstrual hygiene facilities	PMIS / Project M & E field reports		No	0	0	0
			434	# HH accessing financing/alternative financing e.g. loans for improved sanitation products/services	PMIS / Project M & E field reports		No	0	0	0

Key Result Area	Result code	RESULTS	Account code	OBJECTIVELY VERIFIABLE INDICATORS (Quantifiable)	MEANS OF VERIFICATION	RISKS / ASSUMPTIONS	UNIT OF MEASURE	BASELINE	2018/19 TARGET	CUMULATIVE ACHIEVED		
<b>RESULT AREA 5: CAPACITY DEVELOPMENT OF WSTF TO FULFIL IT'S MANDATE</b>												
WSTF CAPACITY ENHANCED WSTF able to undertake its mandate through strengthened institutional capacity	51	PROJECT MANAGEMENT TOOLS Project Management Tools developed for standardized, planning, financing, implementation and monitoring of Improved Water Services and WRM Investments	511	New Project cycle tools prepared and used in 6 counties	Rural cycle contracts signed PMIS Vfm Reports		No	0	0	0		
			512	Project cycle tools operationalized and revised based on their effectiveness/lessons learnt	WSTF reports PMIS PC Tool revisions	County buy-in to JGP Project Cycle	No	0	0	0		
			513	M&E WU Performance Monitoring framework operational with all water points updated online linked to PMIS	Web page review		No	0	0	0	0	
	52	HARMONISATION AND ALIGNMENT Operational systems within the WSTF contribute to investment alignment and harmonization for more transparent operation and coordination of investments	Operational systems within the WSTF harmonized and aligned for different funding sources. Follow up of (ALIGNMENT MATRIX) To include: Joint oversight/steering committees. Joint/single audit systems harmonised Joint/single universal results framework. Common WSTF reporting systems (County to WSTF and WSTF to investors). Joint operational monitoring. Joint programme evaluations and assessments. Joint/single online WRM/WS/SAN information system (majj data). Joint/single PMIS system (common systems for follow up and reporting of projects urban/rural). Joint/single approaches to VAT	521		WSTF ALIGNMENT MATRIX reporting follow up by WSTF Annual reports	Unified intention to harmonize systems amongst all stakeholders	No. No. No. No. No. No. No. No.	0 0 0 0 0 1 0 0 0 1 0 0	1 1 1 1 1 1 0 0	1 1 0 0 1 0 0 0	
				531	Location specific unit costs follow up systems - established and maintained	Unit costs guidelines		No	0	0	0	0
				532	#/% WSTF participation in procurement process at county level	Procurement reports		No.	0	0	0	0
				533	# County Tender assessments/contractor selection results made public on web	Web page review	Willingness of stakeholders to support transparent public information systems	No	0	0	0	0
	534	WSTF CAPACITY TO MANAGE FIDUCIARY RISK WSTF's capacity to manage fiduciary risk enhanced	\$ Audit annual QCs QCs as a % of funds disbursed Total outstanding QCs	534		Audit and audit follow up reports		%	-	<10	1.79	
				535	# Enterprise risk survey recommendations implemented	WSTF enterprise risk action plan and reports		%	0	100	80.5	
				541	Research funding cycle defined and call for research proposals	Online web calls Documented research cycle	Water Bill 2014 indicates role of WSTF in terms of its research promotion role	No	0	0	0	
	54	WSTF RESEARCH INNOVATION The WSTF supports innovative research initiatives in addressing key water sector	#/\$ funds directed to supporting innovative research initiatives	542		WSTF reports		Ksh M	0	0	0	

Challenges	543	Evidence of research results applied in investment programmes	Case studies	No	0	0	0	
55 WSTF HUMAN RESOURCE CAPACITY The capacity of WSTF to contribute to the WSTF's fulfilment of its objectives enhanced	551	% technical staff as % of total staff	WSTF M&E systems WSTF HRD Records	%	34.6	75	51	
		Average annual disbursement / staff number		%	57	-	61	
		% / # Staff attrition		%	3.8	5	4.8	
		Staff gender balance		%	41.4	30	49	
56 WSTF BUSINESS PROCESS PERFORMANCE WSTF demonstrates improved business performance over time	561	Development index Development versus recurrent expenditure	Accounts	%	53	70	57.9	
	562	Project processing efficiency	PMIS	Days	-	120	0	
	563	Red flag alert system operational - % of projects red flagged	Red flag reports	No	0	1	>1	
	564	WSTF monitoring visits per project	PMIS	No	0	1	1	
	571	# Articles/academic products published	Papers	No	0	3	0	
57 KNOWLEDGE MANAGEMENT Lessons learnt, research Information, Education and Communication on Rural WS/Sanitation and WRM Modalities developed.	572	# Research initiatives promoted/funded	Call for proposals Grantee reports	No	0	6	1	
	573	# Impact and Vfm studies undertaken	Vfm reports/Case studies	No	0	1	0	
	574	# size of funding portfolio	WSTF investments	Assumes WSTF reflected as research and innovation institution in 2014 water bill	TBD	TBD	TBD	TBD
		#/% Funds mobilized from (corporate/private sector sources/Countries)	WSTF Annual reports					
		# total funds mobilized (including commercial banks, other co-financing arrangements, county or sub catchment funds)	Case studies into reasons and means to increase corporate attractiveness of WSTF					





# WaterFund

Financing the Water Sector

**WATER SECTOR TRUST FUND**

Water Sector Trust Fund  
P.O. Box 49699 Nairobi, Kenya  
CIC Plaza, Mara Road, Upper Hill  
Tel: +254-20-2720696/2729017/018,

Website: [www.waterfund.go.ke](http://www.waterfund.go.ke)  
Email: [info@waterfund.go.ke](mailto:info@waterfund.go.ke)

**WaterFund is ISO 9001:2015 Certified**