

SITUATION REPORT (SITREP) # 584

7TH – 11TH SEPTEMBER 2026

WATERFUND STRENGTHENS WSPs CAPACITY AND ACCESS TO COMMERCIAL FINANCING THROUGH K-WASH PROGRAMME

Water Sector Trust Fund (WaterFund), is implementing the Kenya Water and Sanitation Hygiene (K-WASH) Programme, a six-year World Bank-supported programme aimed at benefiting 33 Water Service Providers (WSPs), across 19 Counties. The programme seeks to increase sustainable access to water in rural areas, expand sanitation services, eradicate open defecation, and improve the financial performance of WSPs. The programme is supported by an investment of USD 458 million. Under K-WASH programme, WaterFund is implementing Result Area 3 (RA3): Strengthening the Operational and Financial Performance of WSPs in the participating Counties.

In support of the programme, WaterFund and The World Bank convened a two-day mission with financial stakeholders, to explore opportunities for mobilizing commercial financing for the water sector. As the programme seeks to serve communities across Kenya, it was crucial to go beyond project implementation by assessing the readiness of WSPs, identifying risks, and exploring credit enhancement measures, and guarantee mechanisms to facilitate commercial financing. The mission provided an opportunity to share experiences, and gain valuable insights into the opportunities and challenges associated with commercial financing for investments in the water sector.

Key lessons emerged on strengthening collaboration between WSPs and financial institutions, particularly in building their capacities and creating an enabling environment for sustainable commercial financing.

WaterFund's participation in this strategic mission was instrumental, given its role in implementing Result Area 3 (RA3): Strengthening the Operational and Financial Performance of WSPs in the participating Counties.



Mr. Isaac Kega, General Manager, Programmes, WaterFund, chairing the meeting



Ms. Ruth Nganga, General Manager, Fund Development, WaterFund, sharing her insights during the deliberations



Ms. Aileen Castro, Water and Sanitation Specialist, The World Bank, taking part in the discussions



Mr. Peter Koech, Manager, Water and Sanitation Services, WaterFund, engaging in discussions



Delegation from The World Bank, financial stakeholders and WaterFund, keenly following deliberations during the mission



WATERFUND CONDUCTS DTF OPERATORS' TRAINING TO STRENGTHEN CAPACITY FOR SUSTAINABLE SANITATION

On 24th to 29th August, 2026, WaterFund conducted a one-week training for Decentralized Treatment Facility (DTF) operators, at Kundakindu DTF, which was completed in April, 2026. Implemented by Wote Water and Sewerage Company Limited (WOWASCO), in Makueni County, the project is designed to improve access to sustainable plot-level sanitation, and safely managed faecal sludge treatment services for 25,000 residents in urban low-income areas in the County. The facility was implemented under WaterFund's Up-Scaling Basic Sanitation for the Urban Poor (UBSUP) 3rd Call Programme, with construction financed by the German Development Bank (KfW) and the Government of Kenya (GoK).

WaterFund prioritizes project sustainability, hence training DTF operators was vital to ensuring the effective and sustainable operation of the facility. Participants underwent an intensive training on DTF operations, facilitated by WaterFund's experienced technical staff. The sessions provided a comprehensive understanding of sludge management and treatment processes, including quality monitoring, operation and maintenance (O&M) procedures, the DTF business model, and effective recordkeeping. Participants also gained practical experience through exercises using the DTF tariff calculation tool, as well as hands-on field inspections. In addition, the training covered the rules and regulations governing the safe and effective operation of DTF facilities.

Capacity building of DTF operators, is one of the key interventions through which WaterFund is strengthening the sustainability of sanitation infrastructure, and ensuring that these investments deliver lasting impact to communities.

Through continued investment in capacity building and sanitation infrastructure, WaterFund remains committed to strengthening the skills and systems required for effective operation, maintenance and long-term sustainability.



Ms. Stella Warue, Principal Programme Officer, Sanitation, WaterFund, making a presentation



Participants taking part in an out-door learning session



Left: Incinerator facility at Kundakindu DTF in Makueni County

Right: Anaerobic Baffled Reactor (ABR) at Kundakindu DTF

