

No-one left behind

Putting the water sector to work
for inclusive growth and sustainable
industrialisation

SUMMARY



Water Sector Equity Report 2019

Tanzania Water and Sanitation Network
(TAWASANET) March 2019





The Tanzania Water and Sanitation Network (TAWASANET) is the network of Tanzanian civil society organisations working in the water and sanitation sector. The network works to increasing sharing between civil society organisations, promote partnerships between civil society and other sector stakeholders, build the capacity of civil society in the water and sanitation sector, and to strengthen the voice of civil society in national policy debates.



Shahidi wa Maji is a Tanzanian NGO working with government, communities and the private sector towards sustainable and equitable water resource management for a fair water future. Shahidi leads the Uhakika wa Maji programme in Tanzania which uses social accountability monitoring with citizens, evidence-based advocacy with civil society, water stewardship with private sector and capacity building with government to improve the responsiveness and performance of water governance.



SIMAVI is a Netherlands based International NGO, believing health is the first step out of poverty since 1925. With good health, one can look after oneself and one's family and lift oneself out of poverty. That is why Simavi works towards a healthy life for all through WASH and SRH programs. Simavi is registered in Tanzania, working in collaboration with local NGO's, private sector and government partners on WASH in Health, SRH and Social accountability interventions.



WaterAid is an International Non-Governmental Organisation, with a vision of ensuring Safe Water Sanitation and Hygiene (WASH) for Everyone, Everywhere by 2030. Since its inception in 1983, WaterAid has been working in partnership with the Tanzanian Government, Development Partners, Civil Societies, Communities and the Media to improve WASH services access to the most vulnerable populations in Tanzania.

This is Tanzania's tenth report on equity in water and sanitation. TAWASANET has committed to prepare such a report on an annual basis, as per the mandate provided to it at the 2008 Joint Water Sector Review.

Cover photograph: Water collection from the Yaeda River, Mbulu District, SwM 2016.

Acknowledgements

The report was prepared through collaborative effort by TAWASANET, Shahidi wa Maji, Water Witness International, Simavi and WaterAid. TAWASANET acknowledges the dedication of its members in drafting the report. Special thanks to Dr Nick Hepworth for bringing together the final report and thanks to the Uhaika wa Maji Programme for financing its preparation. The Uhakika wa Maji Programme managed by Shahidi and Water Witness International receives funding from DFID, the Scottish Government, GIZ and the William and Flora Hewlett Foundation and provides much of the evidence upon which the report is based.

Executive summary

This year's Water Sector Equity Report focuses on the role of improved water sector performance in realising Tanzania's goal of reaching semi-industrialised, middle-income status by 2025. It draws on evidence from TAWASANET members, community monitoring, published research, recent analysis by the World Bank, and other reliable sources to highlight opportunities for the water sector to stimulate and sustain an inclusive and water secure economy.

Our report is set in the context of Tanzania's second Five Year Development Plan and its emphasis on growth in water dependent sectors, alongside our new status as a water stressed country facing an uncertain future climate. We examine performance across five themes which will have a major influence on the success of our economic transition: **the adequacy of water, sanitation and hygiene (WASH) for a healthy and skilled workforce; water stewardship by the private sector; water secure towns and cities; sector financing and accountability.** In each, we explore what is working well and what needs to change. Based on this we put forward eleven clear recommendations for what needs to change to ensure sustainable development where no-one is left behind.

Adequate WASH for a healthy and skilled workforce

Healthy people and with access to safe water, sanitation and hygiene will be the drivers of economic growth. As well as improving health, wellbeing and educational standards, improving access to WASH can save the economy TSh 521 Billion per year, or 1 percent of GDP of lost productivity related to waterborne disease.

Around 60% of Tanzanians now have access to improved water, although levels of access vary. Over 50% face collection times of over 30 minutes, time that could be spent in school or work. Only 60% of water points are functional. Other persistent problems include water quality, reliability and affordability: Tanzanians typically spend 5% of their household expenditure on water compared to the global norm of 2%. See Figure 1 for a snapshot of WASH performance in Tanzania.

Improvements in access to sanitation in rural and urban areas are promising, though access to proper handwashing facilities is still only at 50% for rural and 72% for urban population. **Worryingly, across all these indicators, gains made have been experienced by the wealthiest. The poorest wealth quintiles have seen minimal gains or even declines in improved access.**

The government of Tanzania has a strong commitment to improving WASH in schools. Data from 2014 indicated that only 74% of schools had improved latrines and only 24% of rural schools had a handwashing station. School WASH guidelines have not been fully implemented because of limited funding and disbursement of budgets.

Sustainable WASH services in health care facilities (HCF) are critical for a healthy population and strong workforce. Data from 2014 show that 67% of HCFs have access to improved water supply and 70% have access to improved sanitation. However, 53% of HCFs reported routine severe shortages, one third lack proper handwashing facilities, and water available to HCFs is often unsafe, showing signs of faecal contamination.

Adequate WASH in our communities, health facilities and schools are a bellweather of progress. By prioritising improved WASH for the poorest communities, in schools and HCFs the water sector can play a leading role in delivering sustainable and inclusive development.

SEE RECOMMENDATIONS 1 and 2.

Access to safe, functional, and improved water points remains too low.



Only **60%** of Tanzanians get their drinking water from an improved source.

In 2016, **40%** of water points were reportedly **non-functional**, with many failing in the first year after construction.

About **two-thirds** of all piped water users in urban areas reported that they were **unable to access water** for at least one day in the previous two weeks.

The sanitation sector achieved gains in coverage in recent years, but still has a long road ahead.



Though almost all Tanzanians practice fixed-point defecation, over **80%** of rural Tanzanians rely on **rudimentary, unimproved sanitation** facilities.

In urban areas, despite a **13%** increase in total improved sanitation, overall coverage of sewerage networks remains **low** with less than **2%** coverage in 2016.

Hygiene promotion and WASH in schools and hospitals remain neglected goals.



About **22%** of households and **75%** of schools lack a functional hand-washing facility with available soap and water.

Over **half** of health facilities report routine water shortages, which can interfere with hygienic care.

Rurality and wealth have a notable impact on access to WASH services.



Rurality explains **45%** of lack of access to improved water, while poorer wealth status explains **50%** of lack of improved sanitation access.

Only **13%** of the population practices open defecation. However, of those, **75%** are in the **B40** of the wealth distribution.

Poor WASH undermines public health and human development.



Waterborne diseases stemming from poor WASH are an issue of concern. In 2017 some **4,985** cholera cases, including **99** deaths, were reported in Tanzania Mainland and Zanzibar.

Lack of WASH can interrupt healthy childhood development by increasing risk of enteric infections and reducing retention and absorption of essential nutrients. In Tanzania, **35%** of children under age five are stunted.

Figure 1. A snapshot of WASH performance in Tanzania (Source: World Bank 2018) N.B.B40 means the bottom 40% of the population when ranked by wealth.

Water stewardship for inclusive and sustainable industrialisation

Water stewardship is the use of water that is socially equitable, environmentally sustainable and economically beneficial (see Box 1). Tanzania's economy is water dependent, so water stewardship practice by the private sector is particularly important. To illustrate this we contrast case studies of good water stewardship with cases of water abuse by business, and through this generate lessons for the future.

Evidence shows that good water stewardship supports inclusive and sustainable economic growth, by ensuring efficiency, legal compliance, and resilience planning on farms and in factories, and by mobilising investment and innovation to help communities, smallholders and supply chains. Conversely, **poor water stewardship spells disaster**. Our case studies show how the textiles and mining sectors risk economic disaster and health impacts for millions of people because of irresponsible practices and industrial pollution. We also document how regulatory enforcement has failed to control this industrial pollution over the past 10 years. Based on this analysis propose ways to promote good, and to eliminate bad water stewardship in Tanzania. Action is needed now to ensure new investment is sustainable, to reverse impacts on vulnerable communities, and to ensure that Tanzania avoids the 5-10% GDP costs seen in India and China as a result of industrial pollution.

SEE RECOMMENDATIONS 3 and 4.

BOX 1. What is water stewardship?

Water stewardship is the use of water that is socially equitable, environmentally sustainable and economically beneficial. Stewardship is about taking care of something which you do not own, and water stewardship provides a pathway for the private sector to use water responsibly and to fulfil its roles in supporting delivery of the water SDGs. Stewardship comes from the recognition that business faces risks if water is not well managed (regulatory, reputational and financial) and that economic opportunities are greater for everyone when water is well managed. Stewardship is simply making real the water user participation envisaged as an essential part of Integrated Water Resource Management. It is nothing to do with water privatisation and focuses on supporting government to implement policy, ensuring compliance and looking at ways in which companies can join collective action at community, catchment and supply chain scales to improve water security for all.

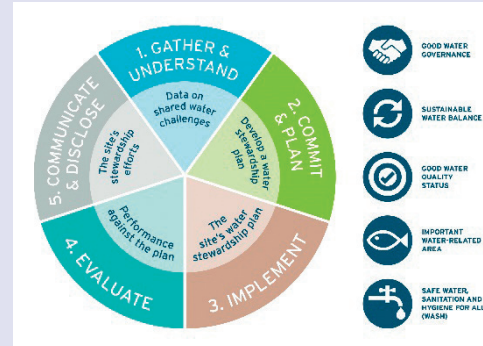
Initiatives such as **the 2030 Water Resources Group, the International Water Stewardship Programme and the Alliance for Water Stewardship (AWS)** have been active in Tanzania to demonstrate the value of water stewardship.

The AWS has led development of a global standard which guides and differentiates responsible water users in the private sector through auditing their performance against best practice. Implementers **work through 5 steps to assess** and take effective action **toward 5 outcomes**. To demonstrate credibility to communities, government, investors and customers AWS sites can be 3rd party certified to obtain the AWS label.

Implementation globally, and in Ethiopia, Kenya, Tanzania, Zambia, Malawi and South Africa demonstrates benefits for:

Private sector and investors:

- ◆ A cost-effective framework for safeguarding against water related threats.
- ◆ State-of-the-art guidance and benchmarking against global best practice.
- ◆ Due diligence and risk mitigation across investment portfolios and supply chains.
- ◆ Improved stakeholder relations, investment & social/statutory licence to operate.



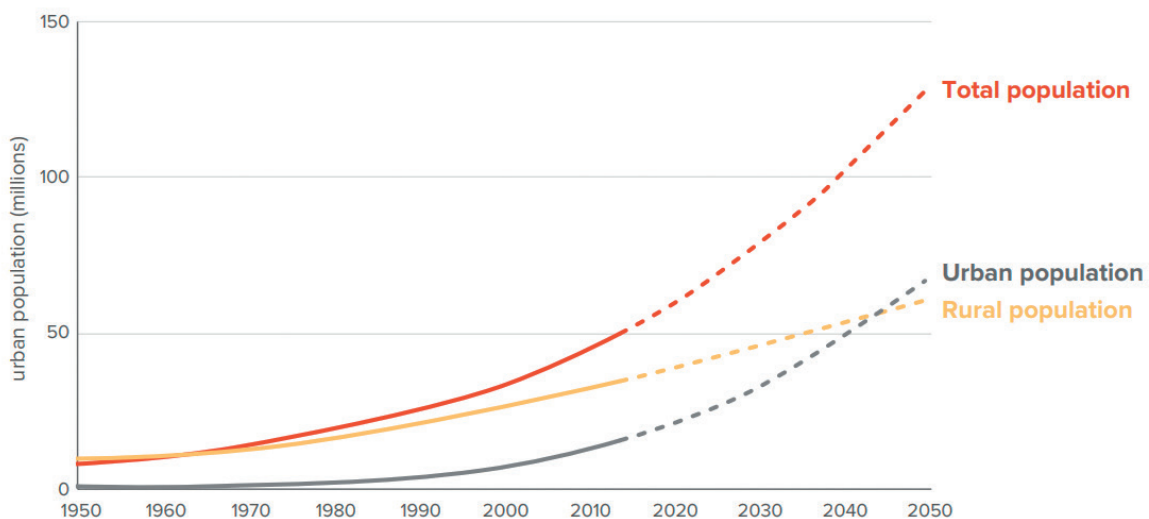
Government, smallholders and communities:

- ◆ Proactive compliance with laws and policies, and the 'do no harm' principle.
- ◆ New engagement on shared problems including WASH, climate & financing.
- ◆ New investment & political profile for sector priorities, governance & advocacy.
- ◆ Safe working conditions, sustainable use, pollution control & conflict resolution.

Water secure and resilient towns and cities

With the sixth fastest rate of urban growth anywhere on earth (see Figure 2), Tanzania's economic wellbeing will be determined by how well we can meet the water security needs of our growing towns and cities. We draw on household survey data to explore how limited access, poor water quality, sanitation, pollution and flooding influence inequitable urban growth.

Figure 2. Tanzania's total, rural and urban population (millions), 1950-2050.



Source UN DESA/World Bank 2018

Unreliable access to water poses serious problem for 49% of households surveyed in Dar es Salaam and 77% in Morogoro. It interrupts daily activities, school and work, and means walking long distances, ill-health, poor hygiene and extra costs. These rates are typical of other urban areas in Tanzania.

In some wards water quality is a major problem. In Morogoro, over 50% of surveyed households reported quality problems due to objectionable taste, salt, smell, colour which contributed to extra costs for treatment and ill health. As many as 35% of community water sources in Dar and 52% of those in Morogoro showed signs of faecal contamination.

Sanitation can be a problem for as many as two thirds of households in some wards, causing pollution, disease and nuisance. In Dar es Salaam 57% of human excreta is discharged untreated to the environment and 2164m³ of raw sewage are discharged into Dar's waters each day, enough to fill a ten-story building. Such grim statistics contribute to the costly waterborne disease burden in Tanzania where since August 2015 we've seen 33,421 cases and 542 deaths from cholera.

We show the catastrophic impacts of urban flooding which will be a major contributor to a predicted 2% reduction to GDP growth due to climate impacts by 2030.

These problems impact on livelihoods, income generation and education and are disproportionately felt by the poor who face 'hydraulic exclusion': paying as much as 5 times more for water services than those in more affluent parts of town.

Improving urban planning and the provision of sanitation, reliable, affordable and good quality water supply, solid waste management and flood protection in towns and cities will benefit businesses, the poor and our economy. Given the scale of the challenge and its importance for inclusive growth, we urge a 'new deal' for urban water security which matches strong leadership, enforcement and sectoral co-ordination with the strategic investment needed to ensure that no-one is left behind by our rapid urbanisation.

SEE RECOMMENDATIONS 5 and 6.

Appropriate financing for strong water institutions

Adequate financing is a pre-requisite for improved performance by water sector institutions. As water demands grow, sector funding must keep pace to ensure provision. Our analysis reveals some worrying trends:

- ◆ **Water sector budget allocations have been cut by 25% overall and 20% for Water Resource Management (WRM) since 2016/17 - a period when government budgets have increased overall (see Figures 3 & 4).**

Figure 3. Total Water Sector Budget Allocation

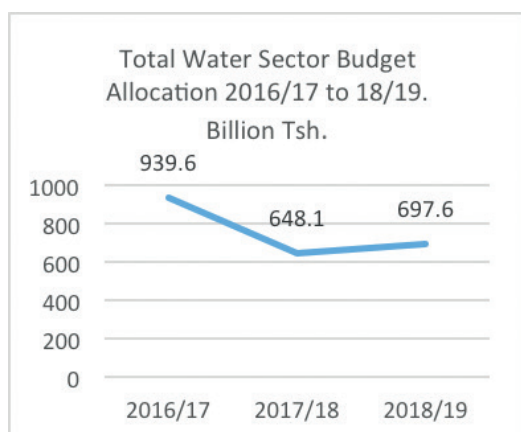
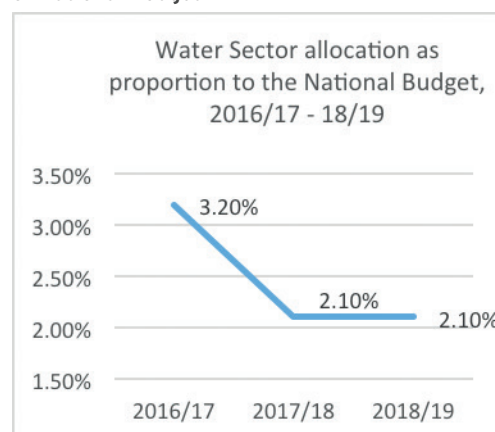


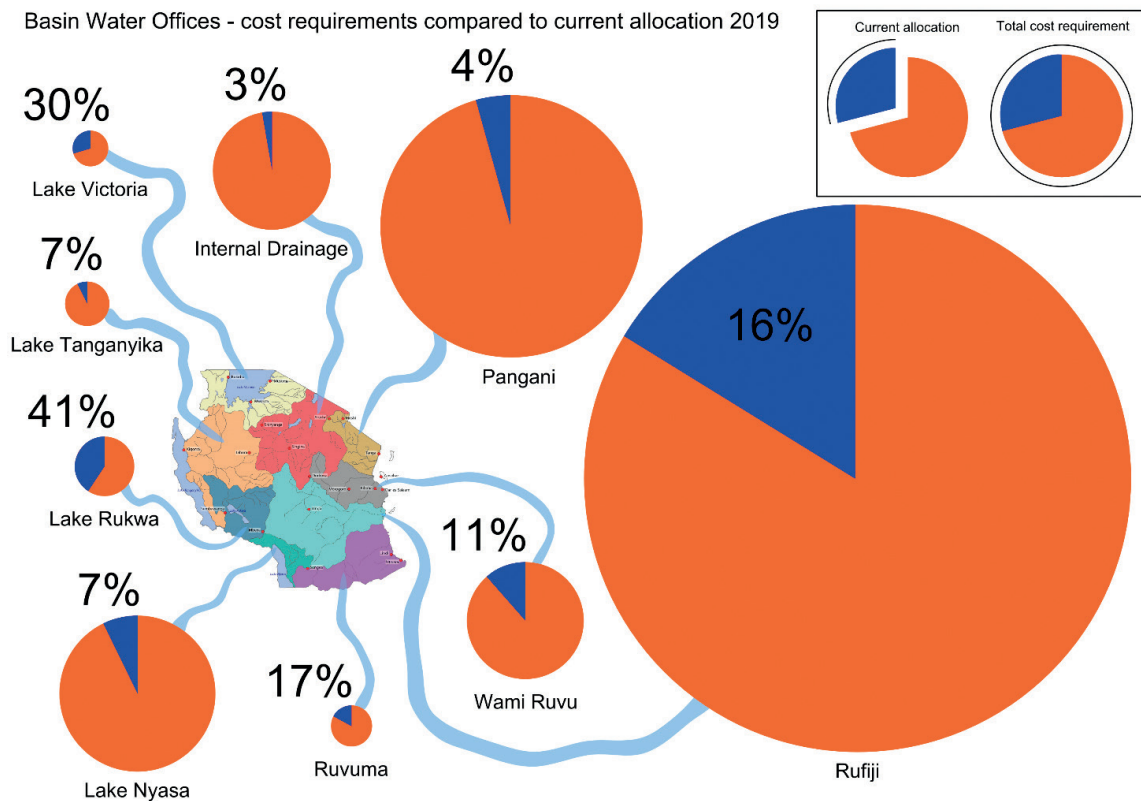
Figure 4. Water Sector allocation as proportion of National Budget



- ◆ Ongoing problems with disbursement and expenditure mean that as little as 28% of allocated budget is being spent. It is not clear why. As well as difficulties with absorptive capacity, in previous years this mismatch has been the result of non or late disbursement.
- ◆ The WRM Financing Options study shows that the WRM subsector is starved of the human and financial resources it needs to operate. Only 18% of the funds needed to deliver water resource management are available. Some BWBs receive as little as 3% of the resources they need, and typically they have less than half the professional staff required to deliver their important duties.
- ◆ Basin Water Boards are working hard to generate revenue through fees and charges, but against a total annual need of US\$42 Million/year for WRM in Tanzania, user fees are generating only 3.3%.
- ◆ Tanzania should be spending between 0.64 % to 1.4 % of its GDP on the provision of safe water, sanitation, and water resource management. Cuts since 2016 mean that we are falling well short of such targets with only 0.57% of GDP allocated, and as little 0.16% spent.

Budget cuts and low spend across the sector will undermine efforts towards economic growth and poverty reduction in Tanzania. Massive underinvestment in water resource management at the basin scale has very significant implications for the country's water security, equitable growth and future prosperity (see Figure 5).

SEE RECOMMENDATIONS 7, 8 and 9



Source of information: Water Resources Management Financing Options. Ministry of Water and Irrigation. Feb 2019.

Figure 5. Basin Water Offices - cost requirements compared to current allocation 2019

Accountability at the centre of improved water sector performance

Effectively holding institutions, organisations and people to account is a key step towards a fairer water future in Tanzania. Stronger accountability can ensure that solutions can be targeted quickly, cost-effectively and fairly, and that no-one is left behind (see Figure 6).



Figure 6. Processes at play in social accountability (after Robinson 2016).

Our analysis shows:

- ◆ Most households surveyed are not aware of their own rights and responsibilities, or the duties of government on water issues. This stops them from taking positive action themselves or demanding action from others to solve water problems.
- ◆ Some authorities in the water sector itself don't play by the rules. In some basins UWASAs do not hold valid water use permits for around half of the water abstractions they use, do not have wastewater discharge permits or comply with discharge standards at their treatment ponds, and are paying only 13% of the water user fees owed to the BWBs. Such low accountability within the sector limits revenue, credibility and exposes the public, the environment and water users to major risks.
- ◆ It isn't clear how well water stakeholders, such as the private sector are performing because this performance isn't systematically documented or disclosed. A major driver for good performance is therefore missing.
- ◆ Whilst our sector dialogue process and JWSR are mechanisms to be proud of, improving them further through stronger mechanisms for mutual accountability will pay dividends.

SEE RECOMMENDATIONS 10 and 11.

Whether it is through adequate WASH in our schools and hospitals, stopping environmental abuse by business, ensuring water security for towns and cities, or proper financing and accountability, the water sector has a leadership role to play in economic growth which does not hurt or lock out the poor. The message is clear. **Businesses, communities and government have common cause: to drive sustainable and inclusive development we all need a well performing, properly resourced and accountable water sector.**

By drawing on evidence from the field, case studies and research we make this case for why a strong and functional water sector which prioritises inclusion and equity must be at the centre of sustainable industrialisation in Tanzania. Industrialisation can be an important step towards poverty reduction, through job creation, value addition and export revenue but only if it is supported by water sector which can provide services, protect the vulnerable, ensure resilience to shocks and enforce the rules.

If we learn from the mistakes of other countries and act now, a strong water sector can accelerate economic growth and poverty reduction. Analysis shows particularly strong links between better water management and economic growth in Tanzania. TAWASANET members look forward to close collaboration to deliver our recommendations, to help shape a vibrant water sector which will better serve all Tanzanians and our economy.

Tanzania Water Sector Equity Report Recommendations 2019

1. **Budgets for improved WASH, the implementation of the National Guidelines for WASH in Health Care Facilities and Schools need to be increased, and barriers to disbursement and spend of approved funds urgently addressed.** Strong coordination between implementing agencies, the Ministry of Health and Ministry of Education, Science and Technology under leadership from the Ministry of Water will be necessary to meet the SDGs. A targeted mechanism such as a Sanitation and Hygiene Fund may help to address the funding blind spot on improved sanitation and hygiene.
2. **Baselines, indicators and monitoring of WASH performance in schools and health care facilities are required to inform national learning, accountability and tracking** against targets including the National Sanitation Campaign, WSDP II and SDG 6.
3. **Establish good water stewardship as the norm for all business and investors in Tanzania.** The Ministry and BWBs can encourage water stewardship through for example: explicit promotion of water stewardship via policy and statutory guidance; setting favourable tariff structures for those demonstrating water stewardship credentials; liaison with Ministry of Finance and Planning, Tanzanian Investment Centre, Growth Corridors and others so that water stewardship is established as a condition of business operations; and further collaboration among sector stakeholders and Universities to nurture Tanzania as a regional hub of water stewardship practice.

4. **Ensure effective enforcement to eradicate poor water stewardship.** Urgent attention is needed to address the flagrant and ongoing breaches of water law by business which impact on community livelihoods, public health, the economy and government credibility. Options include: immediate prosecution of test cases to send a clear signal of intent; training and equipping of enforcement staff within the BWBs; clearer delineation of responsibilities between BWBs and NEMC; public disclosure of compliance data for water users; enforcement guidelines and incident reporting mechanisms; and implementation of the very powerful polluter pays provisions in Tanzania law.
5. **New strategic investment in urban water security.** The Ministry of Water, sector stakeholders and partners should clearly set out the economic costs and benefits of urban water security in Tanzania. The future infrastructure needs, level of investment, and levels of return on that investment, required to equip our cities with strategic water supplies, sanitation, waste water treatment and flood protection must be clearly set out to stimulate and guide action and investment.
6. **Revitalised regulation and enforcement for urban water security.** The laws and regulations required to address the causes of urban water insecurity lie dormant. Powers to control abstraction, protect catchments, enforce standards of service on reliability, water quality, prevent encroachment and dumping of waste, ensure sewage collection and treatment are all in place. The regulatory stimulus of enforcing these rules can generate economies of scale and investment required to reverse growing water insecurity and hydraulic exclusion. As an immediate step, water quality monitoring and regulation of informal and private sector water providers upon whom many urban poor rely should be prioritised.
7. **Strong sector leadership is needed to reverse the worrying trend of year on year declines in water sector budget allocations.** Future allocation should better reflect our commitment to deliver inclusive growth and meet the SDGs - typically of at least Tsh 790 billion per annum (0.64% of GDP) on water supply and sanitation, and at least a five-fold increase in budgets for WRM.
8. **Urgent action is needed to address limited budget dispersal or low absorptive capacity.** The reasons for the sector spending less than 30% of allocated budgets need to be understood and acted on as a priority, and the results and recommendations presented to the JWSR.
9. **The WRM financing strategy outlined by the MoW in 2019 should be implemented as a priority once its pro-poor credentials have been verified.** It is likely to be a lifeline for the sector.
10. **Water sector actors and authorities should develop and implement plans to help the public understand their roles, responsibilities and statutory duties, and establish working, transparent and time-bound mechanisms for 'customer' reporting and response.** A national water 'hotline' is a potentially cost-effective mechanism to improve government responsiveness to the needs of citizens and water users.
11. **A review of the systems and strategies in place to ensure mutual accountability for water security by all stakeholders should be delivered, with detailed recommendations for stronger accountability at the JWSR 2020.** This should be comprehensive and explore how to improve the performance review frameworks for the private sector, UWASAs, COWSOs, WUAs, BWBs, Ministry Departments as well as NGOs and donors. In the immediate future, a programme of work to ensure that the UWASAs comply with provisions under the WRMA 2009 and its daughter regulations would help maintain the credibility of the sector.

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