



A BRIEF NOTES ON WATER SECTOR BUDGET FOR FY 2017/2018

**Presentation to the WSDP - Steering
Committee Meeting – 22nd
September, 2017 at MOWI**

BY

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PRESENTATION LAYOUT

1. Introduction;
2. Reflection on FY 2016/2017;
 - ❖ Approved Budget FY 2016/2017;
 - ❖ Disbursement Performance;
3. Approved Budget FY 2017/18;
 - ❖ Sector Priorities FY 2017/18;
 - ❖ Approved Budget FY 2017/2018;
4. Summary of Tables; and
5. The End.



1. INTRODUCTION

Annual budgets in the water sector are aligned to the Water Sector Development Programme (WSDP 2006-2025) consistent with the National Planning frameworks such as FYDP II, TDV 2025, and Ruling Party Manifesto;

The program development objective is to strengthen water sector institutions for integrated water resources management and improve access to water supply and sanitation services; and

This broad objective is to be achieved through management and development of water resources concurrently with increasing water supply and sanitation services in both urban and rural areas. This also, can be achieved through collaboration between different stakeholders including you DPs and GoT

2. Reflection on Current Approved Budget FY 2016/2017

In each financial year budget including 2016/2017 and 2017/2018, projects and activities have been formulated to achieve that overall National objective in the Water Sector as it has been indicated in the previous slides.

The summary of the approved budget for WSDP components in FY 2016/2017 is as shown in the table below:

2. 1. Approved Budget FY 2016/2017

Table 1: Summary of the approved budget in WSDP Components

S/ N	WSDP Components	Approved Budget FY 2016/2017 (TSHS)					
		Local Funds	Share	Foreign Funds	Share	Total	Share
1	Water Resources Management	50,000,000,000	7%	12,750,272,500	5%	62,750,272,500	7%
2	*Rural Water Supply	373,340,500,000	54%	48,220,000,000	32%	421,560,500,000	48%
		0		36,940,000,000		36,940,000,000	
3	Urban Water Supply and Sewerage	240,000,000,000	35%	152,400,446,500	57%	392,400,446,500	41%
4	Sanitation and Hygiene	0	0%	4,800,000,000	2%	4,800,000,000	1%
5	Programme Delivery Support	26,814,500,000	4%	11,668,218,771	4%	38,482,718,771	4%
	Grand Total	690,155,000,000		266,778,937,771		956,933,937,771	
		313,706,818		121,263,154		434,969,972	
		72%		28%			

2.2. Disbursement of funds in FY 2016/2017

- By 31st May 2017, a total of **TZS 261.806 billion**, which is equivalent to **27.4%** of the total approved budget has been disbursed;
- The disbursement includes **TZS 196.911 billion** from GoT (equivalent to **28.5%** of the total local budget component) and **TZS 64.895 billion** from DPs (equivalent to **24.3%** of the total foreign component);
- Most WSDP Basket Fund DPs have mainly honoured their commitment in Financial Year 2016/2017;
- Accounting for earmarked funds continued to be a challenge; and
- The disbursement is summarized in **Table 2**; and expenditure in **Table**.

2.2 Disbursement 2016/2017 cont.....

Table 2: Disbursement Performance for WSDP Basket DPs

S/N.	Donor	Beneficially	Disbursed Amount		
			Original Currency	USD	TZS
1.	DFID	Component 2 & 4	6.6 Million GBP	8,210,403.21	15,671,627,640.43
			6.6 Million GBP	8,745,666.41	18,933,155,628.28
			0.85 Million GBP	1,051,578.11	2,320,500,000.00
2.	AFD	All Component	12 Million Euro	12,515,408.56	27,969,810,489
3.	KfW	Component 3 - IFF Financing Facility	4.0 Million Euro	0	0
Total				30,523,056.29	64,895,093,757.71

Table 3: Expenditure Disbursed Funds at Component level for the financial year 2016/2017 as of May, 2017 (Source MIS Report as of May, 2017)

S/N	Component Description	Approved Budget (TZS)	Actual Release (TZS)	% of Approved Budget
1	Water Resource Management	62,750,272,500	11,483,203,309.6800	18.30
2	Rural Water Supply	421,560,500,000	89,776,694,715.9863	19.58
	Rural Water Supply - LGAs	36,940,000,000		
3	Urban Water Supply and Sanitation	392,400,446,500	83,578,720,785.3600	21.30
4	Sanitation and Hygiene	4,800,000,000	3,150,000,000.0000	65.63
5	Programme Delivery Support	38,482,718,771	11,453,922,895.0700	29.76
		956,933,937,771	199,442,541,706.0960	20.84

3. APPROVED BUDGET FY 2017/2018

3.1. Water Sector Priorities for Financial Year 2017/2018

- The budget for FY 2017/2018 has been prepared taking into account some of the on going activities in WSDP I and the planned interventions in the WSDP II.
- Targets and cost estimates have taken into account projections given by WSDP implementing agencies during the budget preparation process.
- Major areas of focus in each component are highlighted below:-

3.1 Sector Budget Priorities

COMPONENT 1

- ❖ Completion and approving of IWRM & Development Plans in all 9 River and Lake Basins and their implementation;
- ❖ Demarcation and gazetting of water sources;
- ❖ All 9 Water Basin offices are capacitated for effective WR management;
- ❖ Water storage and Security improved through construction of 2 strategic dams (Farkwa and Ndembera) and rehabilitation of medium size dams;
- ❖ Basin Water Offices for Lake Victoria, Lake Tanganyika, Lake Rukwa, Lake Nyasa, Ruvuma and IDB constructed;
- ❖ All 16 water quality laboratories strengthened and become fully functional; and
- ❖ Effluent discharge permits issued;

3. 1 Sector Budget Priorities Cont.....

COMPONENT 2 (medium term targets)

- ❖ Completion of on-going projects, rehabilitation of malfunctioning projects and construction of new water points from the existing water supply projects aiming at increasing water supply coverage for rural population from the current 72% to 77%.

COMPONENT 3 (medium term targets)

- ❖ Water supply coverage in regional headquarters **increase** from the **current 86% to 95%**;
- ❖ Water supply coverage in National Projects, Small towns and DWSSAs **increase** from the **current 60% to 75%**;
- ❖ Water supply coverage in DAWASA service area (DSM city, Bagamoyo & Kibaha townships) **increase** from the current **72% to 75%**;
- ❖ **Connections of 15,000 new houses** to the public sewer systems; and
- ❖ **Construction of 60 wastewater** treatment ponds.

3.1 Sector Budget Priorities

Cont.....

COMPONENT 4

- ❖ Construction and rehabilitation of improved latrines and WASH facilities in primary and secondary schools.
- ❖ Rehabilitation of sanitation facilities in health centres; and
- ❖ National Sanitation Campaign in rural communities.

COMPONENT 5

- ❖ Enhancing Sector coordination and performance monitoring systems;
- ❖ **Improving ICT systems** (MIS, WPM) for effective implementation of WSDP;
- ❖ Enhancing Sector capacity for effective implementation of WSDP;
- ❖ Facilitation of implementation of water projects under PPP arrangement; and
- ❖ Creating conducive working environment.

3.2 The Approved Budget FY 2017/2018

The approved budget estimates for FY 2017/2018 have been prepared **basing on the budget ceilings provided by the GOT** for the case of local component, the commitment from some DPs for earmarked projects and those from the WSDP Basket donors.

The total approved budget for FY 2017/2018 is **USD 319,103,075** (TZS 702,026,766,000). Out of that, **USD 185,735,292** (TZS 408,617,643,000) is local funds and **USD 133,367,783** (TZS 293,409,123,000) is foreign funds.

APPROVED BUDGET FY 2017/2018 Cont.....

able 4: Summary of budget allocation in FY 2017/2018 at component level in TZS

COMP	LOCAL		FOREIGN		TOTAL	
	Amount	Share	Amount	Share	Amount	Share
1	27,500,000,000	7%	33,607,360,000	11%	61,107,360,000	9%
2	220,000,000,000	54%	43,410,000,000	39%	263,410,000,000	48%
	0		**71,435,018,000		71,435,018,000	
3	143,000,000,000	35%	130,000,000,000	44%	273,000,000,000	39%
4	0	0%	**6,985,000,000	2%	6,985,000,000	1%
5	18,117,643,000	4%	7,971,745,000	3%	26,089,388,000	4%
TOTALT ZS	408,617,643,000	58%	293,409,123,000	42%	702,026,766,000	
TOTAL USD	185,735,292		133,367,783		319,103,075	

***Funds budgeted in votes other than vote 49 (i.e. Regional votes TZS 71,435,018,000 (LGA TZS 70,435,018,000 and RS 1,000,000,000); and other Line Ministries – NSC TZS 6,985,000,000) for implementation of RWSS.*

APPROVED BUDGET FY 2017/2018 Cont.....

Table 5: Budget Allocations for WSDP II - Foreign Financing

Na.	Donor	Funding Channel	Support in original currency	Estimated Amount available - FY 2017/2018		
				(in Mill USD)	(in TZS)	Components
1	DFID	Basket	65.7 Mn GBP	10.55	23,200,000,000	Component - 2
		Basket		3.18	6,985,000,000	Component - 4
		Basket	78.6 Mn GBP	24.36	53,600,000,000	Component - 2
2	WB/IDA	Earmarked	225 Mn \$	13.64	30,000,000,000	Component - 3
				4.55	10,000,000,000	Component - 1
		Earmarked	9 Mn \$	1.82	4,000,000,000	Component - 3
3	AFD	Basket	40 Mn EUR	10.91	24,000,000,000	All Components
4	AfDB	Earmarked	233.916 Mn USD	25.90	56,972,000,000	Component - 3
5	INDIA	Earmarked	178.125 Mn USD	11.75	25,854,000,000	Component - 3
		Earmarked	268.34 Mn USD	9.36	20,600,000,000	Component - 3
6	BADEA	Earmarked	98.34Mn USD	7.02	15,438,000,000	Component - 2
7	UNDP/GEF	Earmarked	2 Mn USD	0.45	1,000,000,000	Component - 1
8	EU	Earmarked	51.26 Mn EUR	0.71	1,560,000,000	Component - 3
9	KfW	Earmarked	20 Mn EUR	0.45	1,000,000,000	Component - 3
		Basket	5 Mn EUR	2.36	5,200,000,000	Component - 3
10	JICA	Earmarked	JP YEN	6.36	14,000,000,000	Component - 2
Total				133.37	293,409,000,000	



Mwisho

**Asanteni sana
kwa kunisikiliza**