



ANNUAL REPORT

**COMMUNITY WATER SUPPLY AND SANITATION SYSTEMS IN
PERI-URBAN LOW INCOME SETTLEMENTS
OF DAR ES SALAAM
TAN0400411**

DECEMBER 2007

Table of contents

1	Project sheet	4
2	Brief factual overview.....	5
3	Overview of activity planning	7
	3.1 <i>Activity overview</i>	7
	3.2 <i>Analysis of activity planning (1 page)</i>	9
4	Financial overview.....	9
	4.1 <i>Overview of expenditure versus financial planning</i>	9
	4.2 <i>Analysis of financial planning (1 page)</i>	9
5	Monitoring of the indicators.....	10
	5.1 <i>Specific objective</i>	10
	5.2 <i>Results</i>	10
	5.3 <i>Indicator evolution (chart)</i>	10
6	Assessment of monitoring criteria.....	11
	6.1 <i>Efficiency</i>	11
	6.2 <i>Effectiveness</i>	11
	6.3 <i>Sustainability</i>	11
7	Measures and recommendations	11
	7.1 <i>Overview of the assessment criteria</i>	11
	7.2 <i>Recommendations</i>	11
8	Planning for the upcoming year (Year N+1).....	12
	8.1 <i>Activity planning year N+1</i>	12
	8.2 <i>Financial planning year N+1</i>	1
9	Conclusions	14
	9.1 <i>Activities and Finance</i>	14
	9.2 <i>Monitoring criteria</i>	14

9.3 *Advice of the JLCB on the recommendations* 14

10 Annexes 14

Project sheet

: Project Title: **COMMUNITY WATER SUPPLY AND SANITATION SYSTEMS
IN PERI-URBAN LOW INCOME SETTLEMENTS OF DAR ES
SALAAM**

BASIC INFORMATION ON THE PROJECT.

Navision code	TAN 04 004 11
National Number DGDC	NN 20021/11
Country	Tanzania
DAC sector / sub sector (Water and Sanitation)	14020
National institution in charge of the execution	MoW&I
Agencies in charge of the execution	BTC
Number of BTC international cooperation experts	None
Duration of the project (according to SA)	36 months
Start date of the project:	
According to SA	25/08/2005
According to CMO	01/08/2007
End date of the project	
According to SA	25/08/2011
Estimated	01/08/2010
Project management method	Co-Management
Project budget	
Belgian budget	1 510.504,43 EUR
Tanzanian budget	300,000 EUR
Total project budget	1.810.504,43 EUR
Period covered by the report	Year 2007

2. Brief factual overview

The existing water supply sources and infrastructure in the city of Dar es Salaam do not meet the increasing population and demand for water and sanitation services. To address the problem of water shortage and poor sanitation in the city of Dar es Salaam, in 1997 the Government of Tanzania (GoT) requested support from the Government of Belgium (GoB).

Water Supply and Sanitation Project

Initial bilateral agreement

During the sixth Joint Commission on Development Co-operation between the United Republic of Tanzania and the Kingdom of Belgium, which took place in Dar Es Salaam on 15th and 16th of October 2002, Belgium confirmed its support to the improved water supply for marginalized areas of Dar Es Salaam in the Indicative Development Co-operation Programme (IDCP 2003-2007). The project was to be implemented in collaboration with the Ministry of Water and Livestock Development (now Ministry of Water and Irrigation) and the Municipalities of Dar es Salaam.

The identification of this project took place early 2004, and the Specific Agreement was signed on the 25th of August 2005. The formulation took place end of November 2005. An exchange of letters was finalized in July 2007 (12/06/2007 and 17/07/2007) to approve and add the TFF to the Specific Agreement, to adapt the project to the changed institutional modalities in Tanzania and to migrate the project to the 3rd management contract between BIC and the Belgian state.

Water Facility Project

In response to the Second Call for proposals of the ACP-EU Water Facility (9th European Development Fund), BIC – in consultation with its partners – prepared a project proposal in the C-component (co-financing of civil society and decentralised cooperation initiatives). The proposal was submitted in June 2006. The Belgian budget eligible for the water facility funding was estimated at 1.35 M EUR (excluding solid waste activities). A co-financing of about 3.65 M EUR by the European Commission was requested.

Initially, the project featured on the reserve list, but in October 2007, the European Commission informed BIC that EU has decided to grant the award. A contract was signed between BIC and the European Commission at the end of December 2007.

Additional bilateral contribution

While the project proposed to the ACP-EU Water Facility was on the reserve list, the Tanzanian party requested an additional budget for the project (ref. correspondence of 17 April 2007 by the Ministry of Water, and correspondence of 4 May 2007 by the Ministry of Finance). The proposal will be submitted to the GoB in early 2008 for consideration.

Project purpose

The general objective of the project is “living conditions of the communities in peri-urban areas of Dar es Salaam city is improved”. **Specifically** the project seeks to improve provision of clean, safe and reliable water supply and sanitation in 14 selected project areas in peri-urban and low income settlements of Dar es Salaam. The project contributes to achieving the objectives of the World Summit on Sustainable Development and the Millennium Development Goals (MDGs) on water and sanitation i.e to halve the proportion of people who have no access to water and sanitation by 2015. The project also supports the GoI in achieving its development goals as set out in the National Strategy for Growth and Reduction of Poverty, 2005/10 (NSGRP)

The expected results of the intervention are therefore expected to result into:

- Increased access to safe water in the target areas (14 wards or sub wards) from 33% to 50 %
- Better sanitation facilities and services
- better management and operation and maintenance (O&M) of the water supply and sanitation systems and
- Different tested models of sustainable community based water supply and sanitation services

The targeted populations will benefit from the provision of clean, safe and reliable water supply, improved hygiene and sanitation practices and services will have a positive effect on the time spent fetching water. Other benefits are better health by the reduction of illness together with better productivity and less health expenses; better care for HIV/AIDS affected people by proximity access to water and sanitation.

The project has been designed and will be implemented to complement and link with the ongoing GoI and other donors’ initiatives on water supply and sanitation

3. Overview of activity planning

3.1 Activity overview

Result Area	Activity	Status	Remarks
Project inception phase	1.1. Approval of the TFF	<ul style="list-style-type: none"> • The JLPC approved the TFF in March 2006 • The exchange of letters between the GoT and the GoB was finalized in July 2007 • The convention for implementation between BTC and DGDC was finalized in July 2007 	The official approval of the project document allowed preparation for project implementation
	1.2. The GoT requested additional funds from the GoB	<ul style="list-style-type: none"> • In May 2007 the GoT submitted a proposal to GoB for consideration. • The response from the GoB is anticipated in 2008 	The proposal will be finalized in early 2008.

Belgian Technical Cooperation

	<p>2.1. Preparation for project start</p>	<ul style="list-style-type: none"> • In August 2007 the MoW&I, BTC and EoB met and prepared an action plan for the start up of project • The Principle project account was opened in October 2007 • Ministry of Water and Irrigation in collaboration with BTC prepared tender document for procurement of vehicles, terms of reference (job descriptions) for project staff notably Technical Assistants (Civil Engineer , Social Engineer and the Project Accountant) 	<p>Procurements and recruitments of staff will be finalized in early 2008.</p>
<p>3.1. Revision of the EU-WF proposal</p>		<ul style="list-style-type: none"> • The proposal was revised in October 2007. 	<p>Submitted to EC for consideration</p>
<p>3.2 Negotiation of contract with the EC</p>		<ul style="list-style-type: none"> • The negotiation of contract started in October and the signing was finalized in December 2007. 	
<p>3.2. Defining modalities of project implementation</p>		<ul style="list-style-type: none"> • In November 2007 the three parties (MoF, MoW&I, BTC and EC) agreed on the use of EDF procurement procedures. 	

3.2 Analysis of activity planning

Approval of the Technical and Financial File (TFF) of the project has been approved during the JLPC meeting of 24th March 2006.

While the project proposed to the ACP-EU Water Facility was on the reserve list, on the 4th May 2007 GoI through MoF submitted a proposal to the Government of Belgium through EoB requesting additional funds of EUR 2.4 million. The proposal was submitted to the GoB for consideration in March 2008.

In order to take into account some modification in the Belgian administration (new management contract between BTC and GoB), an exchange of letters has been signed between the two countries on the 12th June 2007 and 17th July 2007.

Subsequently BTC was authorized by the Director General of Development Cooperation (DGDC) of Belgium to start the implementation of activities on the 1st August 2007.

In August 2007 a meeting was held with the Ministry of Water and Irrigation, the Embassy of Belgium and BTC. The purpose of the meeting was to prepare a plan and agree on the way forward for the starting up of project implementation. The plan for the August-December was prepared and adopted.

In October 2007 EU-Water Facility informed BTC on the approval of the proposal and asked for the revision of the documents accordingly. BTC reviewed the project budget and implementation modalities so as to harmonize with that of EU-WF. The revision process was heavily involved the Legal department and International Service of BTC HQs.

Subsequently negotiations on the contract with the EU-WF took place in November – December 2007 and the signing of contract was effected on the 21st December 2007.

As the additional contribution from the EU Water Facility would have implications on staff (local versus international profiles) recruitment and project activities, the start-up of the project was postponed to the moment when EU gave its final answer concerning their contribution.

4. Financial overview

4.1 Overview of expenditure versus financial planning

Due to the above mentioned circumstances the project could not spend any finances in 2007.

4.2 Analysis of financial planning

See 4.1. above.

5. Monitoring of the indicators

5.1 Specific objective

The specific objective of the project is “Provision of clean, safe and reliable water supply and sanitation in selected project areas in peri-urban settlements of Dar es Salaam improved on a sustainable basis”.

As the project activities have not started it is not applicable to make any assessment.

5.2 Results

As outlined under section 3.1 and 3.2 above, the project has achieved all the milestones for project preparation. However it is not yet time to make any assessment of result indicators as none of the activities have been implemented.

5.3 Indicator evolution

Not applicable as the project has not started implementation of activities.

6. Assessment of Monitoring Criteria

6.1 Efficiency

NA

6.2 Effectiveness

NA

6.3 Sustainability

NA

7. Measures and recommendations

7.1 Overview of the assessment criteria

The GoB and GoI finalized exchange of letters in June-July 2007 and the signing of implementation agreement between the GoB and BTC was finalized in August 2007. However the project could not start as it was necessary to finalize the revision of the proposal for the EU-Water Facility, negotiations and signing of contract. The contract has been signed on the 21st December 2007.

7.2 Recommendations

- Project preparation plan to be defined and agreed between implementation parties.
- JLPC to be organized.
- Negotiation and approval of the Additional funds to be finalized.
- File to be prepared and submitted to the Belgian authorities in order to increase Belgian contribution.
- Answer concerning additional contribution by Kingdom of Belgium to be sought

8 Planning for the upcoming year 2008

8.1 Activity planning and budgeting for year 2008/09

Preliminary programme for Start up project (January to June 2008)							
Activities	January	February	March	April	May	June	Action by:
Finalizing contract with EU							BTC & EU
Exchange of letter for bilateral cooperation organizing the 1st JLPC							EoB, MoF, MoW & BTC
Call for funds from EU							MoW & BTC
Assigning Consultant for preparation activities							BTC
Recruitment process starts for Nat/Intl posts							BTC & MoW
Letter appointment of National Coordinator							BTC & Tender committee
National Technical Adviser & Accountant start							MoW
Vehicle/office equipment Tender preparation							BTC
Tender Evaluation and awarding (BTC pool purchase)							BTC & Tender committee
Recruitment process of International Social Engineer							BTC
International Social Engineer starts							BTC
Call for Consultant base line study							PMT
Selecting & assigning Consultant							PMT & Tender Committee
Conducting baseline study							PMT
Setting up Municipal Steering Committee							PMT & 3 Municipalities
Monthly financial Report							PMT & BTC
revised work plan prepared							PMT
organizing the 2nd JLPC							PMT

8.2 Financial planning for year 2008

Community Water Supply and Sanitation Systems in Peri-Urban and Low Income Settlements Dar es Salaam		Partner Country:	Tanzania	Project start date: 2008 Estimated Duration: 60 Months		
BIC Navision code: IAN0400411						
Budget Headings	Description for the Action	Q1	Q2	Q3	Q4	Total
Expenses						
1.	Human Resources	1,000	45,000	55,275	55,275	156,550
2.	Travel				1,200	1,200
3.	Office equipment, vehicles and supplies	2,000	105,000	16,720	16,720	140,440
4.	Local office/Action costs		28,700	8,128	8,128	44,956
5.	Other costs, services		1,500	19,500	34,500	55,500
6.	Other			50,000	50,000	100,000
7.	Subtotal direct eligible costs of the Action (1-6)	3,000	180,200	149,623	165,823	498,646
8.	Administrative costs		10,400	10,400	10,400	31,200
9.	Subcontracting related to construction activities			50,000	50,000	100,000
10.	Total (8+9)	0	10,400	60,400	60,400	131,200
12.	Total eligible costs of the Action (10+11) 2008	3,000	190,600	210,023	226,223	629,846

9. Conclusions

9.1 Activities and Finance

The project is expected to start implementation of activities in 2008. The financial planning covers 4 quarters of 2008. The activity table 8.1 and financial plans 8.2 are based on the assumptions that activities are normally undertaken during the inception phase. The activity and financial planning will be reviewed by the PMT and will be reflected in the quarterly planning in the due course.

9.2 Monitoring criteria.

- A monitoring of project will be undertaken by the PMT to be recruited in early 2008
- BTC and MoW&I Experts will follow up project implementation very closely

9.3 Advice of the JLPC on the recommendations

- Approve the proposal for additional funds and recommend way forward.
- Approve the 2007 annual report
- The JLPC to confirm and approve the use of 9th EDF (European Development Funds) procurement regulations
- JLPC approve the PMT, composition of the JLPC and tender committee.

10. ANNEXES

No annexes at this stage

Project: Community Water Supply and Sanitation Systems in peri-urban low income settlements
 Country: Tanzania
 Navision code: TAN0400411
 GEO advisor: Olivier Chanoine
 Year: 2007
 Meeting JLCB: 19th February 2008

To be filled out by the RR

1 The activity planning is up to date and a new activity planning has been made	Yes X	No		
2 The financial planning is up to date and a new financial planning has been made	Yes X	No		
3 The baseline is up to date regarding the indicators	Yes X	No		
4 The minutes of the meeting of the JLCB mention the discussion of the annual report	Yes X	No		
5 The annual report has been transmitted to the attaché	Yes not yet	No		
6 The annual report has been transmitted to the partner country	Yes not yet	No		
7 The measurement of the indicators for the specific objective was	Problematic	Insufficient	Sufficient X	Good
8 The measurement of the indicators for the results was	Problematic	Insufficient	Sufficient X	Good
9 The annual report was delivered on time (deadline before 15 february) to BTC-HQs	> 15/03	01/03-15/03	15/02-01/03 X	< 15/02
10 Efficiency has been coded	No	Yes		
11 The proposed measures for more efficiency are	NA X	Not clear	Clear	
12 Effectiveness has been coded	No	Yes		
13 The proposed measures for more effectiveness are	NA X	Not clear	Clear	
14 Sustainability has been coded	No	Yes		
15 The proposed measures for more sustainability are	NA X	Not clear	Clear	
16 The recommendations have been formulated	No	Yes X		
17 The proposed recommendations are	NA	Not clear	Clear X	
18 It is clear who will execute the recommendations	NA	Not clear	Clear X	
19 It is clear who will follow-up the recommendations	NA	Not clear	Clear X	
20 The annual report is elaborated with the partner	NA	No	Yes X	



Give your additional comments, regarding the 'problematic' and 'insufficient' cases:

The project activities started only at the end of 2007 after the EoL was f