



Zambia

Key Performance Indicators

(Closeout Results: November 2013 to November 2018)

Report Date: February 10, 2019

Compact Signing Date:	10-May-12
Entry into Force Date:	15-Nov-13
End of Compact Date:	15-Nov-18
Compact Closeout Period:	15-Nov-18 to 15-Mar-19
Current Compact Budget:	\$354.8 Million

Project/Objective	Projected Economic Benefits and Beneficiaries	Activity/Outcome	Key Performance Indicators	Baseline	End of Compact Target	Quarter 1 through Quarter 20 Actuals (Nov 2018)	Percent Compact Target Satisfied (Nov 2018)
Water Supply, Sanitation and Drainage Project <i>Objective: Increase access to water supply, sanitation services and decrease in the incidence of flooding thus decreasing the incidence and prevalence of water-related disease, productive days lost due to disease and time to collect water, cost of water and new sanitation, and business and residential flood losses</i>	<i>Estimated discounted \$292.1 million increase in income over the life of the investment. Compared to discounted costs of \$194.4 million. These income benefits are expected to accrue to 1,230,000 people.</i>	Infrastructure Activity <i>Outcome: Decrease the incidence and prevalence of water-related disease through increased access to clean water and decreased incidence of flooding.</i>	Non-revenue (NRW) ³ (%)	57	34	45	52%
			Metering ratio ⁴ (%)	68	90	66	-9%
			Volume of water produced ¹ (cubic meters per day)	23,085,180	24,631,810	18,844,560	-274%
			Continuity of Service ² (Hours per day)	18	22	17	-25%
			Number of connections (Water) ⁵	0	27,000	8,637	32%
			Number of kiosks constructed	0	37	35	95%
			Length of water distribution network constructed ⁶ (Km)	0	325	242	74%
			Length of transmission lines constructed/ rehabilitated (km)	0	62	76	122%
			Number of meters installed/replaced ⁷	0	56,000	15,458	28%
			Total Length of sewer pipes constructed (Tertiary) ⁸ (km)	0	82	0	0%
			Number of connections (sewerage) ⁹	0	7,520	0	0%
		Length of drains constructed / rehabilitated ¹⁰ (km)	0	27.50	23.4	85%	
		Institutional Strengthening Activity <i>Outcome: Improve financial sustainability, operations and maintenance, environmental management and social inclusion of LWSC (Lusaka Water Supply and Sewage Company), LCC (Lusaka City Council) and support Compact outcomes through the Innovation Grant Program.</i>	Operating cost coverage ¹¹ (%)	107	115	109%	33%
			O&M Costs covered by Collection ¹² (%)	83	100	113	176%
			People trained in hygiene and sanitary best practices	0	310	316	102%
			Value of contract agreements signed with grantees (USD)	0	6,000,000	5,840,508	97%
			People trained in social and gender integration and social inclusion	0	210	320	152%
			Number of beneficiary individuals	0	50,000	91,383	183%

1. The units for this indicator will be updated to cubic meters. MCC M&E is currently conducting a revision of the WASH common indicators. Compact investments made a small improvement in capacity of the water treatment plant (by an estimated 1.5 million cubic meters per quarter, a 6% increase from baseline).

2. This indicator is reported by LWSC on a quarterly basis and has fluctuated throughout the compact. It is an average for all districts of Lusaka; the number of hours of water supply can vary dramatically by neighborhood. The indicator was intended to capture how reduction in physical losses would be expected to increase the available water supply and therefore lengthen service hours. However, other factors including the under-performance of a works contractor hampered NRW reductions.

3. Data quality remains a serious issue for this indicator: no accurate baseline is available because the network can't be isolated. Isolating the network is essential to the accurate measurement of physical losses, which is in turn essential to the accurate quantification of commercial losses.

4. This indicator tracks the percentage of metered customers in the utility's database. Compact-funded NRW reduction efforts included a major clean-up and update to the customer database.

5. Due to an underperforming contractor and delays in the customer database cleanup, meters could not be installed. This work is continuing post-compact.

6. Progress on work in Mtendere was reported by an underperforming works contractor, and there are early indications that it may need to be redone. Therefore, no work from Mtendere is being counted towards the completion of the target. The Government of Zambia is continuing this work, and this indicator is being tracked post-compact.

7. Due to delays from an under-performing and ultimately terminated works contractor, 56,000 water meters were purchased but less than one third of them were actually installed. The Government of Zambia is continuing this work, and this indicator is being tracked post-compact.

8. The underperforming contractor reported that work on 75 km of pipe had been completed, but there are early indications that some portion may need to be redone. Therefore, no work from Mtendere is being counted towards the completion of the target. The Government of Zambia is continuing this work, and this indicator is being tracked post-compact.

9. The underperformance and ultimate termination of a works contractor prevented this target from being met. The Government of Zambia is continuing this work, and this indicator is being tracked-post compact

10. Due to an official rescoping, the drain was reduced in length. However, due to an administrative oversight on the part of MCC, the target was not changed. The adjusted contractual target after the Lumbumba drain rescoping was 23.8 km, based on the construction supervisory engineer's weekly progress report

11. LWSC severely underestimates the real costs of preventative maintenance in its annual budgets, making the indicator look artificially high.

12. LWSC is not including adequate maintenance as part of their budget planning. The artificially low operations and maintenance budget makes it appear as if collection revenues are sufficient to cover more than 100% of the O&M needs, causing this indicator's achieved value to be artificially high.