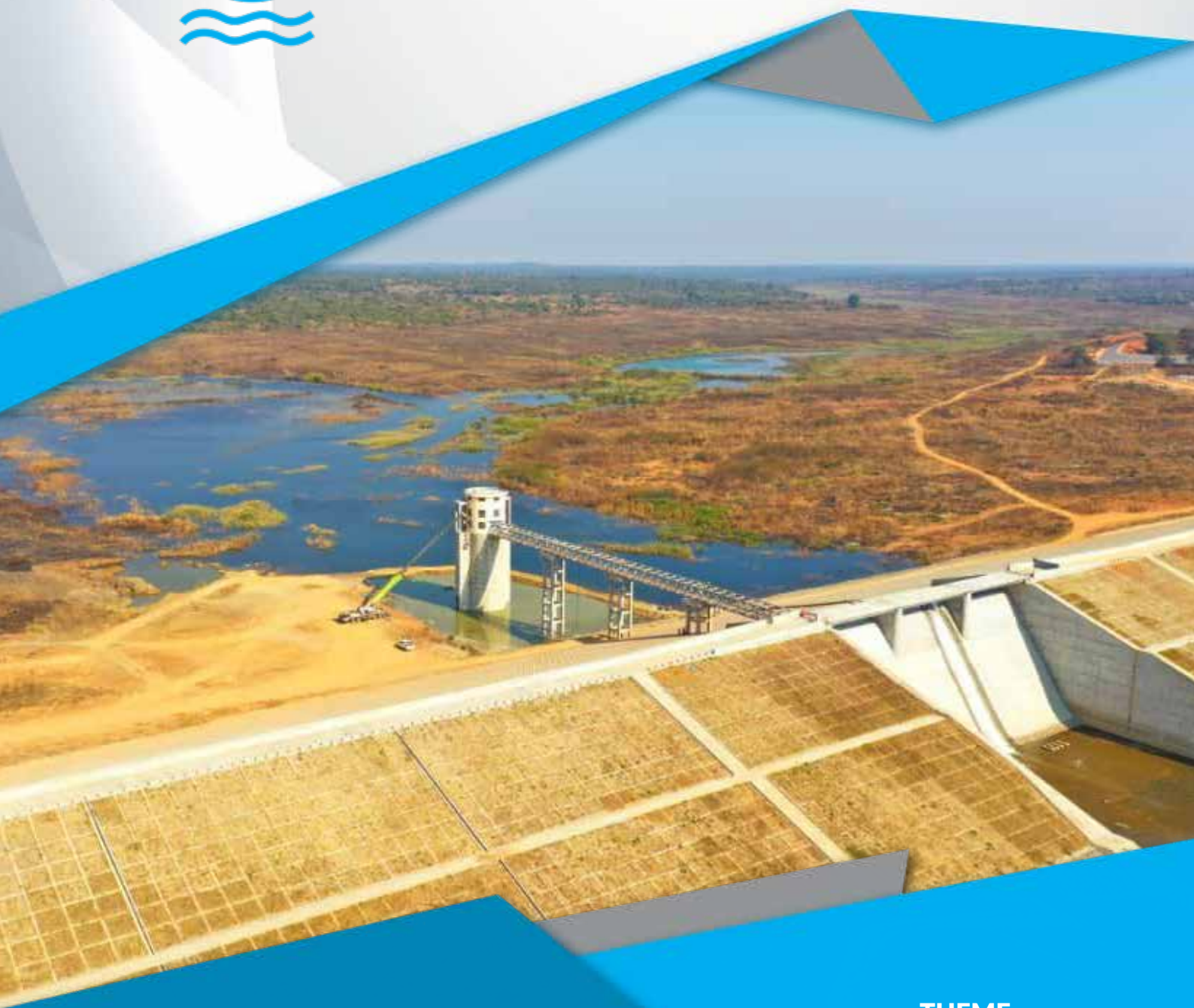




KAFUBU WATER AND SANITATION COMPANY LIMITED



THEME

“Sustainably Enhancing Service
Delivery to Meet Customer Needs
Through Innovation”

STRATEGIC PLAN

2023 – 2027



A team of Cabinet Ministers took a picture after touring Kafulafuta Dam to check on the progress



Minister of Water Development and Sanitation Hon. Mike Mposha (l) franked by Permanent Secretary Eng. Joe Kalusa (c)



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COMPANY LIMITED**

STRATEGIC PLAN

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Customer Needs Through Innovation”*

FOREWORD



The population explosion on the Copperbelt and in Zambia as a whole has come about with its own challenges. The population boom poses a serious challenge and stress on service providers such as Kafubu Water and Sanitation Company (KWSC), which is mandated to ensure that citizens have access to safe and clean drinking water including acceptable sanitation. However, KWSC faces a myriad of challenges in satisfying its customers. Its challenges range from old and poor infrastructure, high Non Revenue Water (NRW), poor collections, high operational costs and low tariffs amongst others.

Despite the many historical hurdles that the firm is facing, the management team at KWSC is determined and resolved to turn around the Company's fortunes and status. The 2023 to 2027 Strategic Plan responds to the many community concerns that have impeded the utility from offering acceptable services to community members. This document has been carefully crafted and structured through wide consultations with different experts within the utility. By means of this document, KWSC is ready to create synergies with all players, partners and other key stakeholders in the water and sanitation sector to turn around the utility. The utility envisages to pragmatically resolving the historical problems so that residents have access to water and proper sanitation.

Under this buoyant strategic plan, the firm projects and places itself to operate as a viable commercial utility. The provision of clean and safe drinking water to residents in our catchment areas is our first priority. In the period 2023 to 2027, KWSC projects to increase its clientele base by integrating more households on its database thereby increasing revenue. The Company also intends to increase the metering ratio thus increasing income. KWSC plans to rehabilitate the dilapidated water and sanitation reticulation networks. The utility further intends to extend its water and sanitation services to un-serviced areas; with network extensions, standalone water schemes for rural areas and offsite sanitation management. This strategic plan offers solutions to the many challenges that the utility has been facing. However, for KWSC to achieve its benchmarks, the firm requires the support of Government and its cooperating partners. It is envisaged that this strategic plan will improve KWSC's service delivery and significantly transform it into a sustainable and viable water utility Company.

A handwritten signature in black ink, appearing to read 'Watson Ng'ambi', written over a light blue background.

Eng. Watson Ng'ambi
Board Chairperson

ACKNOWLEDGEMENTS



Formulating this document was a daunting task. Preparation of the document required a lot of time and effort. KWSC management is confident that this document once implemented will change the face of the utility. Management and staff at Kafubu Water and Sanitation Company (KWSC) sincerely pays gratitude to various players in the sector chiefly; The Government of the Republic of Zambia through the Ministry of Water Development and Sanitation, NWASCO and all partners and players in the water sector for their guidance and continued support to the Company. KWSC management will endeavor to actualise the strategic plan so that the intended outcomes and benefits of sustainably enhancing service delivery to meet customer needs are met. KWSC management is indebted to everyone, individually and severally for the enormous effort and contribution in formulating this plan.

A handwritten signature in blue ink, appearing to read 'Joe Mbewe'.

Joe Mbewe
Managing Director



ABBREVIATIONS AND ACRONYMS

Act	Act of Parliament
BV	Boundary Valve
BSC	Balanced Score Card
CEO	Chief Executive Officer
CP	Cooperating Partner
CU	Commercial Utility
CWIS	City Wide Inclusive Sanitation
DMA	Demand Management Area or District Metered Area
GRZ	Government of the Republic of Zambia
GIS	Geographical Information System
FSM	Fecal Sludge Management
KWSC	Kafubu Water and Sanitation Company Limited
IEC	Information, Education and Communication
IT	Information Technology
IWA	International Water Association
MBO	Management by Objectives
M&E	Monitoring and Evaluation
MWDS	Ministry of Water Development and Sanitation
NDP	National Development Program
NRWSSP	National Rural Water Supply and Sanitation Program
NRW	Non-Revenue Water
NTTF	National Technical Task Force
NUWSSP	National Urban Water Supply and Sanitation Program
NWASCO	National Water Supply and Sanitation Council
PESTEL	Political Economic Social Technological Environment Legal
PPP	Public-Private Partnership

PSP	Private Sector Participation
PMS	Project Management System
RBI	Regulation by Incentive
SDA	Sustainable Development Area
SDG	Sustainable Development Goal
SLG	Service Level Guarantee
SLA	Service Level Agreement
SLI	Specific Leakage Index
SP	Strategic Plan
SRS	Special Regulatory Status
SWOT	Strengths Weaknesses Opportunities Threats
OSS	On Site Sanitation
UFW	Unaccounted for Water
USAID	United States Agency for International Development
WASH	Water, Sanitation and Hygiene
WSS	Water Supply and Sanitation
ZABS	Zambia Bureau of Standards
ZEMA	Zambia Environmental Management Agency
ZMW	Zambian Kwacha Rebased
ZMA	Zambia Metrology Agency
8NDP	8th National Development Plan



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KWSC Board members and senior management staff posing for a photo after touring Kafulafuta Dam



EXECUTIVE SUMMARY

Kafubu Water and Sanitation Company Limited is mandated to provide water and sanitation services in its areas of operation i.e. Ndola, Luanshya, Masaiti and Mpongwe. At the close of 2022, the combined population of the 4 districts was 1,149,860 with **89%** and **61%** of the **urban** population receiving water and sanitation services respectively.

In the last 10 years, the Company has received considerable amounts of capital investments, which have helped in enhancing its operations and service delivery. The Board and Management of KWSC aims to build on the gains from past and ongoing projects, through Innovative strategic decisions to further improve the quality and coverage of water and sanitation services. Managements strategic thrust for the period in planning is to make the Company the bastion of resilience and sustainability in the modern-day dynamic corporate and technological world. To this effect, the strategic plan for the period in planning of 2023-2027 is based on the following 5 pillars:

- 1) Universal coverage of water and sanitation services
- 2) Financial Sustainability
- 3) Quality Service Delivery
- 4) Operational Efficiency
- 5) Change Management

The pillars to the strategy are in line with Government and National Policy on the provision of water and sanitation services i.e. the National Water Policy of 2010, the National Water Supply and Sanitation Policy, the 8th National Development Plan (NDP), Vision 2030 and United Nations Sustainable Development Goals. The Objectives set for the period in planning are as follows:

- **Objective 1:** To Reduce Non-Revenue Water from 75% to 25% by 2027
- **Objective 2:** To Increase O&M Coverage from 52% to 110% by 2027
- **Objective 3:** To Increase Service Delivery and Sanitation Coverage (Offsite and Onsite) from 62% to 85% by 2027
- **Objective 4:** To Improve Staff Productivity Levels from 81% to 98% by 2027
- **Objective 5:** To Develop and Maintain Quality Management Systems by 2027
- **Objective 6:** To Improve Liquidity and Profitability

For the successful implementation of the plan a total of K1.91 billion will have to be sourced internally and externally with the Company's internal revenue potential for the period in planning being able to carter for over a third of the implementation cost.



The infrastructure at the Lubuto Sewerage treatment plant that has been refurbished.



The newly constructed Midway Water treatment plant in Luanshya

CHAPTER ONE

BACKGROUND

Kafubu Water & Sanitation Company Limited formerly known as Kafubu Water and Sewerage Company Limited (KWSC) was established in the year 2000 to provide water, and sanitation services by three local authorities on the Copperbelt Province. These are Ndola City Council, Luanshya Municipal Council and Masaiti District Council. The formation of the utility was based on the Water Supply and Sanitation Act No 28 of 1997 section 9, which states that;

“a local authority may resolve to establish a water supply and sanitation utility as a Company under the Companies Act as follows:

- a) as a public or private Company;
- b) as a joint venture with an individual or with any private or public Company;
- c) as a joint venture with another local authority or several other local authorities provided that the majority shares shall be held by the local authority”.

At its establishment, KWSC was not responsible for areas within its legal jurisdiction that were formerly operated by the former mining conglomerate Zambia Consolidated Copper Mines (ZCCM) in the Municipality of Luanshya. This was due to the existence of an interim service provider established by the Government to provide water supply, sewerage and solid waste disposal services to all areas formerly served by ZCCM. This arrangement ceased in October 2007 when Government decided to harmonize service provision on the Copperbelt Province. The harmonization of the services resulted in an enlarged service area and an increased customer-base that included Luanshya.

KWSC has been engaging with Mpongwe District Council to take over operations and provision of water and sanitation services to Mpongwe. The takeover is expected to take place during the implementation of this strategic plan.

Institutional Review

Vision

To be the leading water and sanitation Company in Africa

Mission Statement

To provide efficient and high-quality water and sanitation services within the Company's prescribed operational areas on a sustainable commercial basis

Slogan

Service, Efficiency, Commitment

Core Values

Technical excellence and quality

We remain committed to the general principle to ensure that we strive for excellence and quality in all our activities, judged against the highest international standards. We insist on quality as the overriding criterion for all our activities

Customer centered

We shall strive to respond to all customer concerns in a timely, efficient and effective manner.

Integrity

We are committed to the value of transparency and high ethical standards in the discharge of our functions and all interactions with the public

Team Work

We shall endeavour to create a conducive work place atmosphere in which combined actions of a group of employee's efforts yields effective and efficient results in service delivery to its customers.

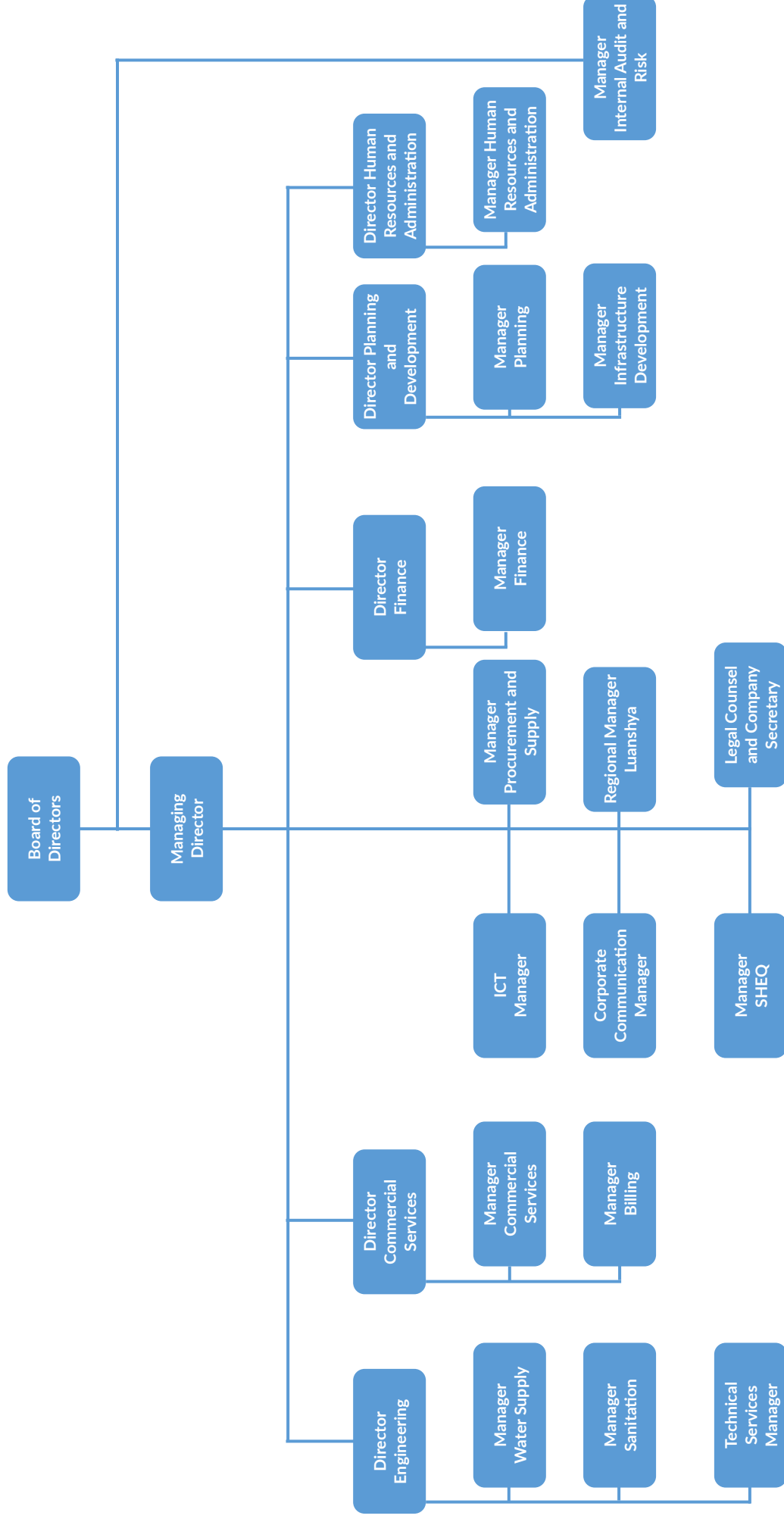
Health and Safety

As KWSC, we are committed to safeguard the health and safety of our employees as well as our customers in all our areas of operations.



KWSC Limited Board Members in Mpongwe District inspecting projects

Governance Structure



Departmental Functions and Objectives

/ Engineering

The department of Engineering is responsible for water production and distribution as well as provision of onsite and offsite sanitation services. The functions of the department are as follows:

- a) Abstraction, treatment, transmission and distribution of raw water;
- b) Collection, transportation, conveyance and treatment of waste water to be safely disposed off in the environment;
- c) Installation and Maintenance of water and waste water treatment plant equipment;
- d) Management of water meters;
- e) Identify, quantify and monitor the non-revenue water in order to reduce physical losses;
- f) Inspect water and sewerage installations in order to identify faults and illegal activities;
- g) Motor vehicle and mobile equipment maintenance and repairs; and
- h) Ensure safe containment of onsite fecal sludge.

/ Commercial Services

The department of Commercial Services is responsible for the sale of water, sanitation and other services and products in order to generate revenue for the Company. The department is also responsible for receiving and facilitating the resolution of customer complaints. The key functions of the department are as follows:

- a) Develop and implement policies, strategies and procedures for commercial operations in order to guide commercial operation;
- b) Develop, review and implement tariff structures for water and sanitation services and other products in order to ensure cost reflective services;
- c) Undertake meter reading, billing, bill distribution, and revenue collection;
- d) Manage applications for new service connections, new subscriptions and other services;
- e) Maintain the customer database in order to facilitate decision making;
- f) Provide customer services in order to provide information and facilitate resolution of complaints;
- g) Collaborate with Finance on the preparation of the annual budget;
- h) Identify, remove and/or regularize illegal connections and meter bypasses in order to minimize commercial losses;
- i) Enforce appropriate debt collection measures for defaulting customers;
- j) Market the Company's services and products in order to grow the customer base;
- k) Identify and develop new streams of business in order to grow the revenue base; and
- l) Undertake community sensitization and education awareness campaigns in

the Company's catchment areas in order to ensure stakeholder support in the implementation of Company programs.



Installation of a new pump at the Itawa Water Treatment plant in Ndola

Human Resource and Administration

The department of Human Resource and Administration is responsible for the management and development of human resources in order to enhance productivity and maintain harmonious industrial relations. Furthermore, the department is responsible for providing administrative and logistical support services in order to ensure smooth operation of the Company. Functions of the department include;

- a) Manage and develop human resource in order to enhance individual and organizational performance;
- b) Develop, review and implement human resource policies and guidelines in order to conform to statutory requirements;
- c) Conduct human resource planning in order to ensure constant availability of required staff and facilitate informed decision making;
- d) Coordinate change management programs in order to adapt to changes in the environment;
- e) Coordinate industrial relations programs in order to ensure harmony in the institution;

- f) Develop, interpret and disseminate Terms and Conditions of Service in order to maintain consistency and promote fairness in their application;
- g) Coordinate the implementation of the Performance Management Systems (PMS) in order to enhance staff performance;
- h) Manage records in order to ensure safe storage and easy retrieval of information; and
- i) Provide logistical and administrative support services in order to facilitate the smooth operation of the Company.

Planning and Development

The Planning and Development department is responsible for corporate infrastructure development projects and coordinates the formulation and monitoring of the corporate plan in order to ensure sustainable operations and achievement of the Company's objectives. It is also responsible for conducting operational research in order to provide information for decision-making. The department performs the following functions as listed below:

- a) Coordinate planning and development of water and sanitation systems in urban and peri-urban communities;
- b) Coordinate the design, construction, rehabilitation and expansion of existing and new water supply and sanitation infrastructure;
- c) Coordinate planning, implementation and review of the Strategic Plan and other plans;
- d) Coordinate the preparation of the annual work plans and reports;
- e) Develop project proposals to facilitate resource mobilization;
- f) Facilitate resolution of conflicts with stakeholders in the implementation of water and sanitation projects;
- g) Maintenance of the Company's buildings in order to prolong their lifespan and provide a conducive working environment;
- h) Coordinate data collection and reporting for NWASCO Information System and the Company's Geographical Information System (GIS);
- i) Monitor and evaluate implementation of programs and projects undertaken by the Company; and
- j) Facilitate the execution of Environmental and Social Impact Assessments (ESIA) and the development of the associated Environmental and Social Management Plans (ESMP) for Water Projects.

Finance

The department of Finance is responsible for the Company's financial management and performs the following functions:

- a) Coordinate the preparation of annual budget in order to facilitate mobilization of financial resources;
- b) Monitor and control the Budget;
- c) Manage internal control procedures in order to prevent financial loss ,enhance

transparency and accountability in the utilization of financial and material resources;

- d) Develop and implement the Finance Systems Procedure Manual;
- e) Provide advice on financial matters to management in order to facilitate decision making and mitigate financial risks;
- f) Treasury management and investments;
- g) Account for all Company revenue;
- h) Process payments in order to meet contractual obligations;
- i) Process payroll in order to meet contractual and statutory obligations;
- j) Maintain Financial records for future reference;
- k) Prepare Financial and Management reports in order to facilitate management decision making and comply with international accounting standards and statutory obligations;
- l) Produce audited financial statements in order to comply with statutory obligations and provide information to shareholders;
- m) Manage the fixed asset register in order to safeguard the Company's assets; and
- n) Manage financial risks in order to mitigate losses.

Internal Audit

The internal audit and risk unit is responsible for providing independent assurance on the Company's governance, risk management and the effectiveness of internal control systems. The functions performed by the department include:

- a) Formulate and implement audit policies to ensure effective internal controls and safeguard public resources;
- b) Prepare and implement an annual audit plan;
- c) Conduct planned audit, performance and specialized audit assignments;
- d) Conduct periodic reviews of the Company's internal control systems;
- e) Undertake post-audits of all payments to ensure correctness and reliability of all accounting records;
- f) Coordinate risk management in order to facilitate implementation of mitigation measures;
- g) Collaborate with external Auditors on the auditing of the Company; and
- h) Monitor and review implementation of Board resolutions in order to provide assurance.

Safety, Health, Environment & Quality

At KWSC, occupational health, safety, Environment and quality is an integral part of our code of conduct, guided by our SHE and quality policies. The SHEQ department is mandated to ensure that all KWSC workplaces are safe for our employees, contractors, visitors, and/or any other persons who may be affected by our operations. The SHEQ department is responsible for:

- a) Ensuring Compliance with applicable national, regional and local Health, Safety, Environment and quality (SHEQ) regulations and statutory obligations and other Good Industrial practices;

- b) Providing safe and clean water that meet the Zambia Bureau of Standards (ZABS) standards for drinking water to all customers, to ensure customer satisfaction;
- c) Developing, implementing and maintaining SHEQ management systems aligned with our policy commitments and beliefs;
- d) Driving a continuous improvement SHEQ program, through, setting targets, assessing and reporting SHEQ performance;
- e) Providing all employees with appropriate internal and external SHEQ training
- f) Promoting a positive SHE culture within our organisation through effective communication, participation and consultation with employees in the workplace;
- g) Proactive management of workplace hazards and associated risks through risk assessments, audits and workplace inspections;
- h) Preventing occupational injury and ill health to employees and contractors by providing a safe and healthy working environment;
- i) Maintaining a proactive and robust environmental management system for sustainable use of resources and minimize negative environmental impacts; and
- j) Conservation of natural resources, through adoption of environmentally friendly and energy efficient technology and process improvements.

Procurement and Supply

The Procurement and Stores unit is responsible for procurement of goods, works and non-consulting services to achieve organizational objectives. The functions performed by the department include:

- a) Formulate and implement the Annual Procurement Plan in Line with the Public Procurement (PPA) Act and Public Procurement Regulations;
- b) Procurement of Goods, works and Services timely;
- c) Facilitate the Procurement Committee Meetings;
- d) Submission of Procurement Committee Minutes and Periodic Reports to Zambia Public Procurement Authority in Line with the Regulations and the Act;
- e) Receipt of all Stock materials, Services and works Procured and Issue to departments;
- f) Stores accounting, Inventory Control and periodic stock taking
- g) Coordinate and Manage Periodic Stock Taking

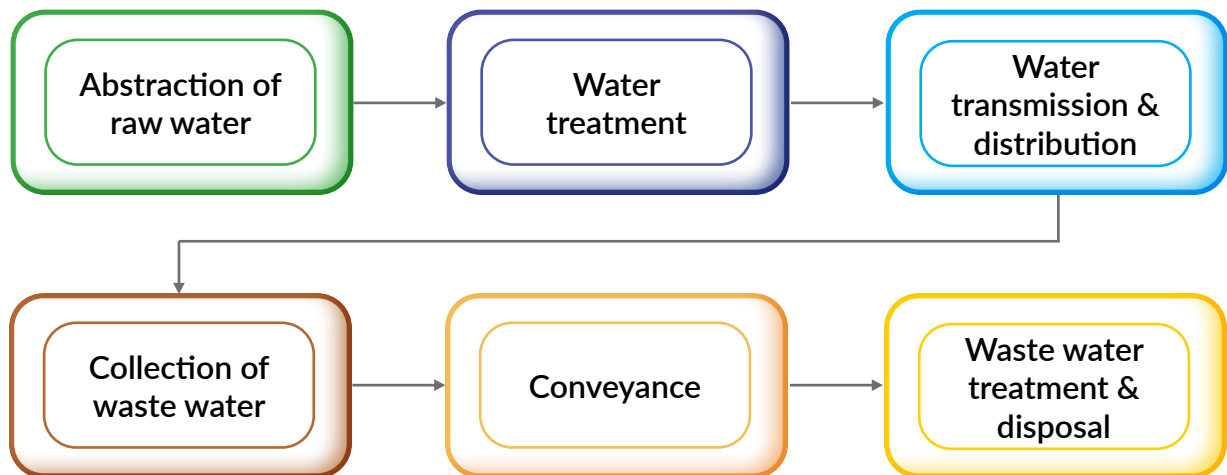
Luanshya Regional Office

The Company's Luanshya regional office is responsible for providing oversight for the Company's operations in the districts of Luanshya, Masaiti and Mpongwe. The office performs the following functions;

- a) Abstract, treat and distribute water in order to provide clean and safe water;
- b) Collect and transport waste water safely to treatment facilities;
- c) Treat and dispose of waste water safely to the environment;
- d) Mobile collection of sewage and deposit in treatment facilities;
- e) Install and maintain water and sewage plant and equipment;
- f) Management of water meters;

- g) Inspect water and sewerage installations in order to identify faults and illegal activities;
- h) Meter reading, billing and bill distribution; and
- i) Collect and account for revenue.

Core Business



Water Abstraction

1 Abstraction of Raw water	2 Water Treatment	3 Water Transmission	4 Water Distribution	5 Customer care
i. Intake works ii. Transmission	i. Chemical feeding and storage ii. Filtration iii. Treated water storage	i. Transmission mains ii. Storage iii. Trunks pumping	i. Storage ii. Distribution Mains iii. Pumping pipes and valves	i. Metering ii. Meter reading iii. Billing iv. Resolving of complaints
6 Revenue Collection	7 Collection of Waste water	8 Conveyance	9 Waste water Treatment	10 Waste water Reuse
i. Disconnection and reconnection ii. Actual collection iii. Updating payment with agencies iv. Adjustment of customer accounts	i. Sewer connections ii. Maintenance sewer reticulation system	i. Trunk sewers ii. Unblocking of sewers iii. Repairs of sewer lines	i. screening ii. disposal of debris iii. Sedimentation iv. Biological Process v. Sludge Treatment	i. Discharge of water into rivers/ streams



Our Customer Care team is always ready to serve you

CHAPTER TWO

REVIEW OF THE 2018-2022 STRATEGIC PLAN

Objectives	Intended Outcome	Objective Performance	Performance Score
To Increase Customer Satisfaction Level From 69% To 90% By June 2022	<ul style="list-style-type: none"> • Increment in Sales Growth • Effective Communication with Stakeholders • Enhanced Customer Satisfaction Index 	73%	High
Increase Revenue Collection From 55% To 98% By 2020/21	<ul style="list-style-type: none"> • High Meter Reading Efficiency • Increased Revenue Collection • Increase In Revenue Collection 	69.7%	High
Increase The Current Revenue Base By 50% (From K117.7 Million To 216 Million In 2022)	<ul style="list-style-type: none"> • Increased Revenue 	48.6%	Low
Reduce Accounts Receivables of ZMW 280 Million to Not More Than 45 Million by 2022	<ul style="list-style-type: none"> • Reduced Debt 	-135.7%	Very Low
Reduce Level of Account Payables from ZMW100 million to ZMW50 million By2022	<ul style="list-style-type: none"> • Financial Sustainability 	-400%	Very Poor

Ensure 100% Automation and Integration of All Business Processes By Dec 2021	<ul style="list-style-type: none"> • Operational Efficiency Fully Automated Supply Chain Management System • Automated Document Management System • Automated Reminders of Annual Leave, Notch Adjustment and Contract Renewal • Automated Asset Management System 	84%	Very High
To Ensure Optimal Utilization Of The Company Resources To Dec 2021	<ul style="list-style-type: none"> • Detection and Prevention of Fraud and Errors • Business Continuity • Reduction of Theft of Company Property • Reduction In Fleet Operational Costs 	86%	Very High
Improve Staff Productivity Level From 65% To 90% By June 2021	<ul style="list-style-type: none"> • Efficiency and Effectiveness in Operations • Optimum Productivity • Optimum Staffing • Business Continuity • Optimum Productivity 	65%	High
Improve Employees' Satisfaction Level From 68% To 80% By September 2021	<ul style="list-style-type: none"> • Increased Productivity 	56%	Low

Successes

- a) Mobilization and implementation of resources for raw water source development
- b) Implementation of alternative methods of payments and increased use of ICT's
- c) Increased automation of operations i.e. production(engineering) & billing, e-billing (Commercial)
- d) Completed restructuring exercise; one of the key objectives under the bracket of human capital management for the 2018-2022 strategic plan was the improvement of efficiency, under which revising the Company structure was the main component, with the draft structure done, this remains a considerable step in achieving optimal staffing and worker efficiency.
- e) Improved customer care; this has been achieved through increased customer care clinics, online complaints logging by customers this has also been complemented by improved rate of customer resolution.
- f) Growth in potential customer base

Challenges

- a) Suspension of the Kafulafuta Water Supply System Project (KWSSP); a number of strategies were to be achieved through the project. A delay in completion of the project meant a number of objectives could not be achieved fully.
- b) The covid-19 pandemic hindered Company operations as employees worked in rotations, which affected productivity and a number of customer-based activities were put on hold, these challenges were compounded by a slowdown in economic activities, which had a considerable impact on financial indicators.
- c) Delayed approval and non-implementation of the revised tariff for the period 2018-2022 had constrained the Company's financial position, this is despite increase in the cost of operational overheads and cost of energy and chemicals.

Lessons

- a) A number of objectives under the strategic plan for the period in planning 2018-2022 were for the greater part tied to the KWSSP, which moving forward the Company is looking to achieve the majority of set objectives from operational means.
- b) Buy-in into the strategic plan and set objectives by taking a bottom-up consultative approach developing the document.
- c) For the period in planning 2018-2022 the Company's' cooperate budget was not well aligned to the strategic plan and as such Company operations ran parallel to the strategic direction which meant that despite considerable efforts from implementers, only so much of the strategic goals and objectives could be achieved.

CHAPTER THREE

SITUATIONAL ANALYSIS

SWOT Analysis

INTERNAL FACTORS	STRENGTHS <ul style="list-style-type: none"> i. Good cooperate governance ii. Business monopoly iii. Educated and competent workforce iv. Abundant quality raw water sources v. Large customer and revenue base with a good number of high consumers vi. Automated operations 	WEAKNESSES <ul style="list-style-type: none"> i. Dilapidated water distribution and sanitary sewer infrastructure ii. High Non-Revenue Water iii. Outdated customer database iv. Low O&M coverage v. Low liquidity vi. Poor work culture
	OPPORTUNITY <ul style="list-style-type: none"> i. Regulatory support ii. Goodwill from cooperating partners iii. Extension of operation mandate iv. High demand of WS&S in new growth centers 	THREATS <ul style="list-style-type: none"> i. Infrastructure and equipment vandalism ii. Water theft iii. Encroachment on Company installations and raw water sources iv. Low and non-cost reflective tariffs v. Poor customer perception vi. Climate change vii. High energy cost
EXTERNAL FACTORS		

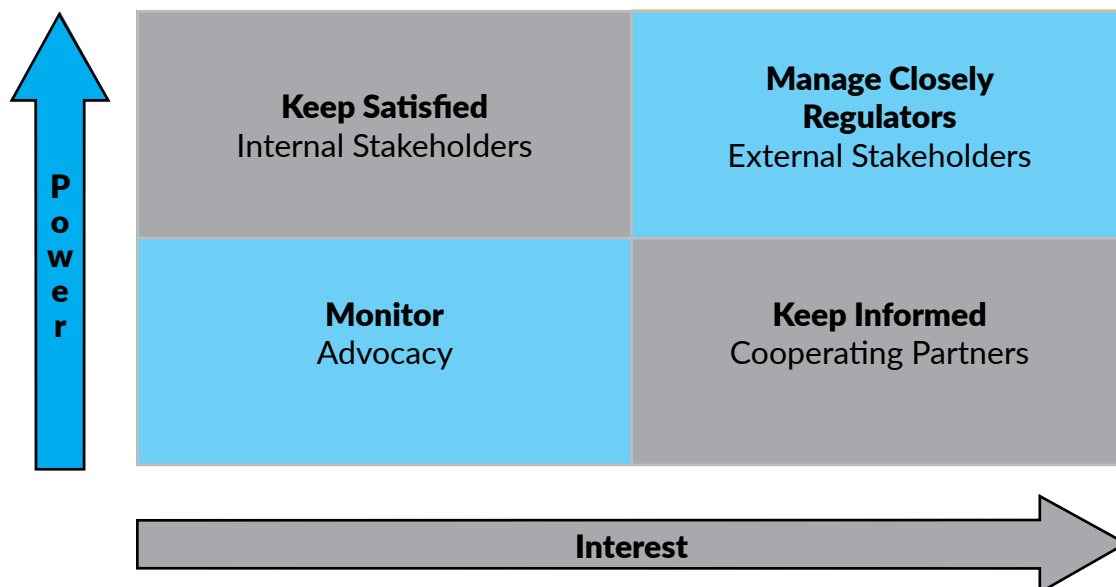
PESTEL

	Impact on the Institution	
	Positive Factors	Negative Factors
Political	<ul style="list-style-type: none"> i. Prevalence of political stability ii. Strong environmental regulations in place to protect raw water sources and prevent pollution. iii. Strong political will 	<ul style="list-style-type: none"> i. Various levels of Company operations ii. High levels of corruption
Economic	<ul style="list-style-type: none"> i. Robust economic recovery plan ii. Reduced inflation rate iii. Stabilized exchange rate iv. Financial support from GRZ and cooperating partners for the water sector 	<ul style="list-style-type: none"> i. Unstable energy costs i.e. fuel and power ii. High foreign exchange rates iii. High cost of repair materials and essential equipment and spares. iv. Unavailability of essential equipment and spares on the local market v. High interest rates
Social	<ul style="list-style-type: none"> i. Steady population growth rate ii. Well planned new population growth centers. 	<ul style="list-style-type: none"> i. Poor attitudes towards environmental consciousness/protection. ii. Increased rate of groundwater extraction due to increased demand. iii. Poor payment culture by some sector of society iv. No sense of ownership for installations by society
Technological	<ul style="list-style-type: none"> i. Good attitude and support for green energy initiatives. ii. Availability of technologies that can enhance performance or enable us execute certain processes more efficiently 	<ul style="list-style-type: none"> i. May attract vandals ii. Ever changing renewable energy technologies requiring continuous development and revision of standards, codes and guidelines

Technological	<ul style="list-style-type: none"> iii. Good information systems on water supply infrastructure iv. Decentralizing of energy institutions v. Enhancing coordination among key stakeholders for effective implementation of renewable technologies 	
Environmental	<ul style="list-style-type: none"> i. Good aptitude and support for green energy initiatives. ii. Availability of abundant raw water sources. iii. Low frequency of natural disasters iv. Prioritizing the implementation of adaptation actions in Zambia's Nationally Determined Contributions to achieving improved adaptive capacity, reduce vulnerability and enhance resilience to climate change for both human and biophysical systems 	<ul style="list-style-type: none"> i. Climate change e.g. global warming, droughts or low rainfall ii. Poor attitudes towards green or ecological friendly products iii. Deforestation iv. Low integration of climate change in key sectors at national level and climate information services and early warning systems for efficient disaster and climate risk preparedness
Legal	<ul style="list-style-type: none"> i. The legal environment around the water sector is well defined with institutional roles clearly stipulated. ii. Strong statutory regulation around the water sector iii. Encouraging the multiplicity of players in the energy market through appropriate institutional and legal frameworks 	<ul style="list-style-type: none"> i. Poor regulation in use of OSS for growth centers around water sources; ground and surface.

Stakeholder Analysis and Mapping

Internal Stakeholders	Board of Directors	Strategic Guidance and Policy Formulation
	Employees	Operationalization of policies and execution set actions
	Employees Union	Consultative
	Employees Union	Policy implementation
Internal Stakeholders	Customers	Recipient of service and provide feedback
	Local Authorities	Shareholder
	Ministry Of Energy	Issue policy direction
	Ministry Of Finance	Resource mobilization and guarantee
	Ministry Of Health	Health regulation
	Ministry Of Justice	Legal advice
	Ministry Of Water Development And Sanitation	Issue policy direction
	Zambia Metrology Agency	Measurement Standards Authority
	ZESCO	Service Provider
Regulators	ERB	Regulator
	NWASCO	Regulator
	WARMA	Regulator
	ZEMA	Regulator
Cooperating Partners	African Development Bank	Financial Assistance
	European Union	Technical and Financial Assistance
	European Investment Bank	Technical and Financial Assistance
	GIZ	Technical and Financial Assistance
	The Melinda Gates Foundation	Technical and Financial Assistance
	The World Bank	Technical and Financial Assistance
	USAID	Technical and Financial Assistance
Advocacy	Media Houses	Communication and Marketing



KWSC Managing Director Mr. Joe Mbewe elaborating a point to Copperbelt Province Deputy Permanent Secretary Daniel Kamenga at the Zambia International Trade Fair ZITF

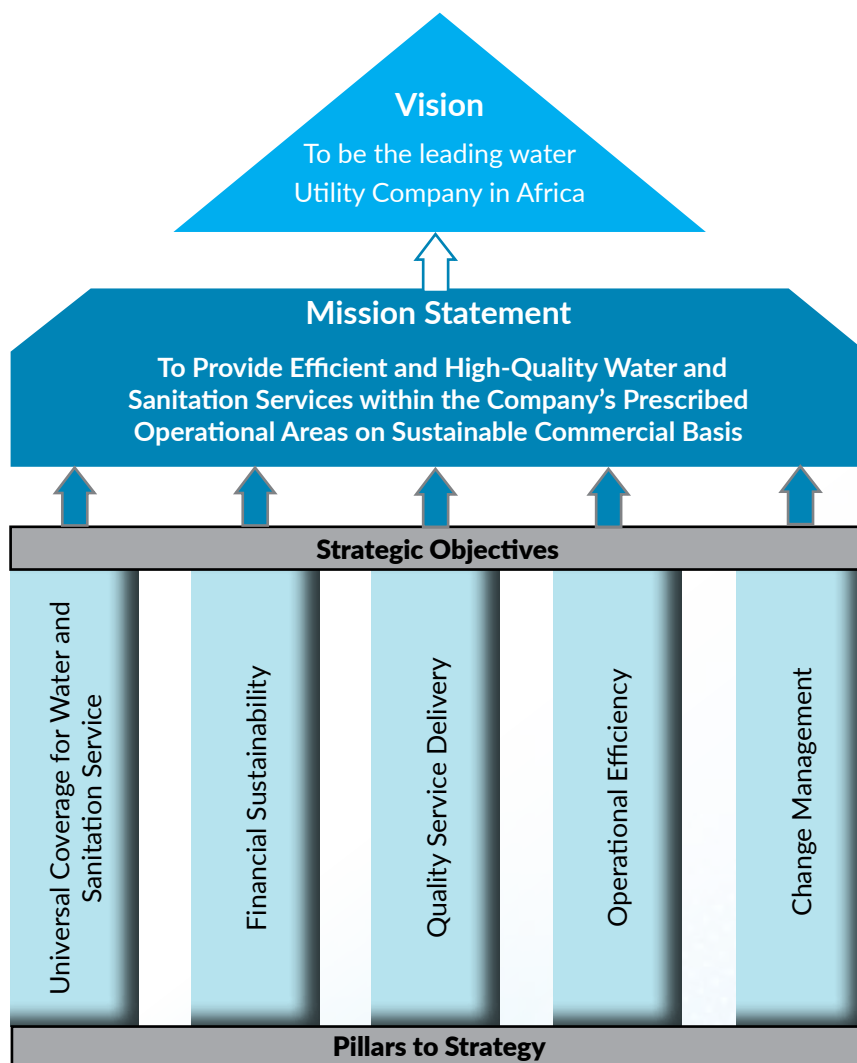
CHAPTER FOUR

STRATEGIC ANALYSIS

Pillars to Strategy

The strategic Plan objectives will fall under five Strategic Pillars under the strategic theme “Sustainably Enhancing the Core Business of the Company to meet Customer Satisfaction through Innovation”. The following are the strategic pillars:

1. Change Management
2. Operation efficiency
3. Quality Service Delivery
4. Financial Sustainability
5. Universal Coverage for Water and Sanitation Service



Alignment to National Policies and Strategies

8th National Development Plan 2022 - 2026

Policy Statements/Objectives:

"No.2 – Human and Social Development, Development outcome No 3 – Improved Water Supply and Sanitation

Strategy: Rehabilitation of 416km of dilapidated water distribution network

Strategy: Improve sanitation services.

No.3 – Environmental Sustainability, Development Outcome No. 1 – Enhance mitigation and adaption to climate change

Strategy: Development and implementation of FSM and OSS business models

National Water and Sanitation Policy of 2020

Policy Statements/Objectives:

Vision: "a country's population that has sustainable and equitable access to safe water supply, adequate sanitation and improved services".

Measures:

The strategic direction of the Company is primarily to increase service coverage for water and sanitation in urban and rural areas. Furthermore, the Company looks to implement strategies aimed at addressing a number of service level parameters such as hours of supply, water quality, and customer complaint handling etc. in a bid to improve service delivery.

UN Sustainable Development Goals

Policy Statements/Objectives:

"SDG No.6: Ensure availability and sustainable management of water and sanitation for all"

- By 2030, achieve universal and equitable access to safe and affordable drinking water for all
- By 2030, achieve access to adequate and equitable sanitation and hygiene for all and end open defecation, paying special attention to the needs of women and girls and those in vulnerable situations
- By 2030, improve water quality by reducing pollution, eliminating dumping and minimizing release of hazardous chemicals and materials, halving the proportion of untreated wastewater and substantially increasing recycling and safe reuse globally

Measures:

Objectives 1&3 of the strategic plan look to address the provision and improvement of urban and rural water services as the Company plans to extend urban networks and work with cooperating partners in the implementation of standalone rural water schemes. Objective 3 in particular is aimed at addressing issues pertaining to access to sanitation and environmental protection by implementing OSS, FSM, CWIS and improving quality of treated effluent respectively.

NTTF NRW Strategic Framework***Policy Statements/Objectives:***

“Strategic Objective 4: Assist CUs and other stakeholders in human capacity building and development for measurement, reduction and management of NRW. “

Measures:

The Company remains committed to addressing NRW, this is to be attained by actualization of objective No.1, which employs strategies aimed at reducing and managing non-revenue water.



2023-2027 Objectives and Strategies

S/N	Objective	Strategies	Key Results
1	Objective 1 To Reduce Non-Revenue Water from 75% to 25% by 2027	Bi annual customer database clean up	<ul style="list-style-type: none"> • Accurate billing data • Reduced customer billing complaints • Reduced billing adjustments • Identify commercial and physical losses
		Systematic rehabilitation of 416Km of 1,130 Km existing network of dilapidated water network distribution infrastructure	<ul style="list-style-type: none"> • Improved hours of supply • Reduced numbers of leakages • Improved pressure at customer points • Reduced water supply customer complaints
		Pressure management in the Company's service catchment	<ul style="list-style-type: none"> • Regulated pressure • Reduced pipe burst • Reduced leakage volume • Reduced no water complaint
		Universal metering and replacement of all meters older than 10 years	<ul style="list-style-type: none"> • Reduced meter inaccuracy (under/over registering) • Reduction of commercial losses
		Systematic meter maintenance	<ul style="list-style-type: none"> • Increased meter efficiency • Accurate billing • Reduced meter related complaints
		Enhance active leak control program	<ul style="list-style-type: none"> • Identify leak location • Quantify number of leakages • Reduced physical losses
		Create DMA's for all suburbs on the Company's service catchment	<ul style="list-style-type: none"> • Zoned areas • Quantify physical losses by suburbs

S/N	Objective	Strategies	Key Results
2	Objective 2 To Increase O&M Coverage from 52% to 110% by 2027	Increase billing K12million to K16million	<ul style="list-style-type: none"> • Able to meet the operating costs • Reduced trade payable
		Increase revenue -collection efficiency from 83% to 92%	<ul style="list-style-type: none"> • Able to meet the operating costs • Reduced trade payable
		Reduce operational costs by 10%	<ul style="list-style-type: none"> • Improve liquidity • Increase profitability
		Grow customer base from 70,500 to 100,000	<ul style="list-style-type: none"> • Increased revenue base • Increased water service coverage
		Reduce 50% of trade payables from 180days to 60 day	<ul style="list-style-type: none"> • Good will/suppliers' confidence • Benefit value for money
3	Objective 3 To Increase Service Delivery and Sanitation Coverage (Offsite and Onsite) from 62% to 85% by 2027	Systematic replacement of 120km of 597km of the sanitary sewer network	<ul style="list-style-type: none"> • Increased revenue base • Increased sanitation coverage • Reduced blockages and overflows • Reduced sanitation related customer complaints
		Development and implementation of FSM and OSS business models to account for 23% of SSW coverage	<ul style="list-style-type: none"> • Increased sanitation coverage • Increased revenue base
		To Increase offsite sanitary sewer coverage in urban areas by 5%	<ul style="list-style-type: none"> • Increased sanitation coverage • Increased revenue bas
		To increase volume of waste water which is safely treated and disposed from 42,000m ³ /day to 100,000m ³ /day	<ul style="list-style-type: none"> • Safe environment

S/N	Objective	Strategies	Key Results
4	Objective 4 To Improve Staff Productivity Levels from 81% to 98% by 2027	To improve Staff retention	<ul style="list-style-type: none"> Experienced work force Reduced training cost Retain Institutional memory
		To develop and implement performance management systems by April 2023	<ul style="list-style-type: none"> Fully functional performance management system
		To Improve working environment	<ul style="list-style-type: none"> Motivated workforce Conducive work environment Employee satisfaction
		To implement cultural change management program	<ul style="list-style-type: none"> Improved Company KPIs Improved employee attitude
5	Objective 5 To Develop and Maintain Quality Management Systems by 2027	Implement ICT governance framework	<ul style="list-style-type: none"> Improved operations and auditing of ICT
		Enhance functionality of the Enterprise Resource Planning system	<ul style="list-style-type: none"> Improved tracking of system complaints and service requests (escalation) Accurate financial statements in place Improved tracking of assets in the systems Supply chain management in place
		Adopt and implement local and international standards	<ul style="list-style-type: none"> Compliance to international standards
		Develop maintenance modules	<ul style="list-style-type: none"> Maintenance schedules in place Develop water production volumes module System generated NRW Meter management module

S/N	Objective	Strategies	Key Results
6	Objective 6 Enhance and broaden current revenue base	To improve Staff retention	<ul style="list-style-type: none"> • Increase liquidity • Able to meet operation and maintenance costs • Declare dividends • reinvestments
		Prudent financial management	<ul style="list-style-type: none"> • Attain financial efficiency • Reduced costs

Assumptions & Risk to Strategies

S/N	Strategies	Assumptions	Risk to Strategy (Likelihood)	Impact on Strategy	Mitigating Measures
1	Bi annual customer database cleans up	There will be available supporting procedure, human and financial resources	Medium	High	(i) Expedite and streamline procedure development and approval processes ii) Implementation of the exercise in a phased manner to reduce the impact of the resources that would be required at any given stage of implementation.
	Systematic rehabilitation of 416Km of 1,130 Km existing network of dilapidated water network distribution infrastructure	The Company will be able to allocate 1% through in-house budget annually and the MWDS will be able to successfully engage cooperating partners and source for financial support	High	High	Engage GRZ and aggressive revenue collections on outstanding debt.

S/N	Strategies	Assumptions	Risk to Strategy (Likelihood)	Impact on Strategy	Mitigating Measures
1	Pressure management in the Company's service catchment	The water network will have been rehabilitated and physical losses kept to the barest minimum	Medium	High	In-house network repair of lines that severely affect pressure management
	Universal metering and replacement of all meters older than 10 years	The liquidity position of the Company will have improved	Medium	High	Engage high debtors (GRZ) on the reduction of account receivables so as to make funds available for the implementation of the strategy.
	Enhance active leak control program	There will be sufficient human capital and material resource for the establishment of a team	Medium	High	<ul style="list-style-type: none"> i) Gradual build up and maintain a maintenance material stock from operational funds ii) Utilization of available human capital i.e. distribution and NRW teams to implement the exercise in the early phases.
	Create DMA's for all suburbs on the Company's service catchment	The KWSSP will have successfully implemented the DMA component of the project on the unserved areas, the existing areas to be worked on in-house	Low	High	Engage GRZ and aggressive revenue collections on outstanding debt.

S/N	Strategies	Assumptions	Risk to Strategy (Likelihood)	Impact on Strategy	Mitigating Measures
2	Improve revenue collection efficiency from 83% to 95%	There will be increased uptake of ICT's for both customers and the Company around payment systems	Medium	Medium	Increased customer sensitization on available electronic payment systems available to them.
	Reduce operational costs by 10%	The Company would have implemented sustainable energy solutions, NRW reduction will have been implemented system operational reforms will have been implemented	Medium	High	Optimise operational costs
	Grow customer base from 70,500 to 100,000	Service coverage will have increased by means of network extension	Medium	High	By connecting potential customers who are along existing networks
	Reduce 50% of trade payables from 90 days to 45 day	The liquidity position of the Company will have improved	Medium	Medium	Gain stakeholder confidence by engaging them
3	Systematic replacement of 120km of 597km of the sanitary sewer network	The Company through the MWDS would be able to successfully engage cooperating partners and source for financial support.	High	High	By allocating internal resources

S/N	Strategies	Assumptions	Risk to Strategy (Likelihood)	Impact on Strategy	Mitigating Measures
3	Development and implementation of FSM and OSS business models to account for 18% of SSW coverage	The Company will have aligned its internal policy to the national sanitation policy. The Company through the MWDS would be able to successfully engage cooperating partners and source for financial support.	High	High	By allocating internal resources
	To Increase offsite sanitary sewer coverage in urban areas	The Company through the MWDS would be able to successfully engage cooperating partners and source for financial support	High	High	Use surcharge on sanitation for network extension
	To increase volume of wastewater which is safely treated and disposed from 42,000m ³ /day to 100,000m ³ /day	Increased offsite/ onsite sanitation coverage & improved WWTP Utilization Ratio.	High	High	Continuous management of waste water overflows
4	To improve Staff retention	Successful implementation of human resource reforms	Medium	Medium	Provide work incentives schemes
	To develop and implement performance management systems	Enhanced productivity because merit performance will be recognized and rewarded accordingly.	Low	Low	Reward achieved set KPI,s for individual employees

S/N	Strategies	Assumptions	Risk to Strategy (Likelihood)	Impact on Strategy	Mitigating Measures
4	To Improve working environment	Timeous construction of new offices and implementation of human resource reforms	Low	Medium	Deter occupational related illnesses and create a conducive work environment
	To implement change management program	There will be a sense of ownership and belonging	Low	Low	Develop positive work culture which ultimately foster productivity
5	Implement ICT governance framework	Available supporting procedure, human and financial resources	Medium	Medium	Implementation of the framework in a phased manner to reduce the impact resources would have at any given stage of implementation.
	Enhance functionality of the Enterprise Resource Planning system	Availability of requirements, human and financial resources	Low	Low	Implementation of the exercise per functionality as required.
	Adopt and implement local and international standards	Availability of requirements, human and financial resources	High	Medium	Phased implementation of the standards
	Develop maintenance modules	Availability of supporting procedures, human and financial resources	High	Medium	Implementation of the module in phases to reduce the impact of resources on implementation of each stage.

CHAPTER FIVE

RESOURCE ANALYSIS

The Company has a number of key resources that it looks to leverage to achieve the set strategic objectives as shown in the Table below. These include financial, human resource, and technological resources. The utility will also seek support from stakeholders including the Government of the Republic of Zambia, regulatory bodies and other cooperating partners. Financial resources in particular, will require substantial mobilisation internally and externally.

S/N	Resource	Availability			Remarks
		Unavailable	Partially available	Available	
1	Financial		x		<ul style="list-style-type: none"> Revenue collected from provision of water and sanitation services to customers Government through the national budget Cooperating partners Private sector funding through Public –Private Partnerships
2	Human Resource		x		<ul style="list-style-type: none"> Qualified and competent work force The Company's revised structure allows for optimal staffing
3	Technological		x		<ul style="list-style-type: none"> The Company has invested in a number of technologies both software and hardware Progressive integration of technologies in Company operations i.e. automation, ERP's
4	Regulatory Structure		x		<ul style="list-style-type: none"> WSSP of 2020 NTTF 8th – NDP National Water Policy of 2010

S/N	Resource	Availability			Remarks
		Unavailable	Partially available	Available	
5	Relational		x		<ul style="list-style-type: none"> • Number of willing cooperating partners (financial and administrative) • WBG • IDA • MWDS
6	Infrastructure		x		<ul style="list-style-type: none"> • Newly constructed water sources and supply infrastructure

Monitoring and Evaluation

KWSC will entrust its Secretariat, the Planning and Development Directorate to oversee the implementation of the set objectives taking into account the different operating environments and roles of each directorate. The directorates and departments will contribute to the achievement of the set objectives as stipulated in the action plan.

The Secretariat will be responsible for implementing, monitoring and evaluating the Plan and communicating to other directorates and departments. It will arrange for quarterly meetings with heads of departments to review the status of the strategic plan implementation as it relates to their respective areas. The Secretariat will be reporting to the Board of Directors through the relevant committees. The secretariat will compile annual reports on the progress made in the implementation of the plan and present it to the Annual General Meeting with the financial statements.

The strategic plan will be reviewed mid-term to ensure the necessary changes in the objectives, strategies and activities are effected based on new information regarding the Company or the environment.

Evaluation of the performance of the strategic plan will involve the periodic assessment of data against preset indicators to determine the extent to which achievements compares with set targets and reports produced.

Action Plan

Objective 1: To Reduce Non-Revenue Water from 75% to 45% by 2027

OKR	Strategies	Actions	KPI	Baseline	Responsible Directorate	Cost of Strategy(ZMW)	Timeframe												
							2023			2024					2025				
	Bi annual customer database clean up	Develop and review data collection policies and procedures	i. Approved Policy and procedures ii. Policy and Procedure review minutes	Currently to be included as part of revised Commercial Policy	Commercial Services	650,000													
		Conduct biannual customer data capture exercises	i. Data capture plan ii. field data entry logs iii. data capture reports	1 database clean-up exercise conducted in 2022															
		Conduct data validation and ETL (Extraction Transformation and Loading)	i. Hardware acquisition for ETL ii. Normalized Customer Database entries	Data validation for tariffs being conducted as part of Promun System monthly billing procedures.															
	Systematic rehabilitation of 416Km of 1,130 Km existing network of dilapidated water network distribution infrastructure	Develop and implement network audit policies and procedures	i. Approved Policy and procedures ii. Policy and Procedure review minutes	Draft Water Audit Procedures in place	Engineering	326,000,000													
		Conduct network audit	i. Water Infrastructure categorization report ii. Water supply inventory report iii. Quarterly Network evaluation reports i.e., ELI, NRW, ILI, SL/km sub indicator analysis/PM Zone. iv. Bi-annual comprehensive network audit report	Water Supply Inventory Available Quarterly evaluation reports available	Engineering														

OKR	Strategies	Actions	KPI	Baseline	Responsible Directorate	Cost of Strategy(ZMW)	Timeframe				
							2023	2024	2025	2026	2027
		Mobilize resource for network rehabilitation	i. Detailed resource and resource allocation plans ii. Comprehensive financing proposal iii. Engagement minutes with prospective partners iv. Commitment of partner(s) MoU, Disbursement and availability of resources	Concept notes developed	Planning and Development & Finance						
		Implement phased network rehabilitation for dilapidated distribution network infrastructure	i. Distribution network infrastructure profiling ii. Network rehabilitation technical designs and specifications iii. 80% of identified dilapidated network infrastructure rehabilitated	0 km done	Planning and Development						
	Pressure management in the company's service catchment	Develop and implement meter management policies and procedures	i. Approved Policy and procedures ii. Policy and Procedure review minutes	Draft Metering Policy in place	Engineering	5,000,000					
		Conduct a network wide pressure survey	i. Pressure survey plan ii. Pressure survey quarterly reports iii. Create and map pressure zones	Identification of all fire hydrants and critical pressure points in the mains and distribution network has been done and have been categorized by suburb/distribution zone.	Engineering						
		Create and manage pressure zones	i. Successfully implemented TMPC	Distribution Network	Engineering						

OKR	Strategies	Actions	KPI	Baseline	Responsible Directorate	Cost of Strategy(ZMW)	Timeframe											
							2023			2024			2025			2026		
			(Time modulated pressure control) ii. Network pressure analysis report and pressure zone map iii. Install BVs across all pressure zones	Hydraulic Model Available Daily Demand Assessment Available														
	Universal metering and replacement of all meters older than 10 years	Develop and implement universal metering policies and procedures	i. Approved Policy and procedures ii. Policy and Procedure review minutes	Draft Metering Policy in place	Engineering	90,000,000												
		Install bulk meters at production and distribution facilities	i. Production and distribution centers profiling ii. 100% metering of all production and distribution centers	6/9 production centers meters & 0/16 distribution centers metered	Engineering													
		Document all meters older than 10 years	i. Meter profiling and categorization report	Draft report in place	Engineering													
		Install new customer meters and replace all meters older than 10 years	ii. Meter installation and replacement reports iii. 90% metering ratio iv. 100% meter replacement	Metering ration 67% 0% meter replacement	Engineering													
		Develop and maintain meter data base	i. Updated meter database	Meter database in place, pending periodic updates	Engineering													
	Enhance active leak control program	Develop and implement leakage control policies and procedures	i. Approved Policy and procedures ii. Policy and Procedure review minutes	Leakage Control Procedures In Place	Engineering	84,000,000												
		Formulate leakage identification and control program	i. Active leak management system in place	M-Water Platform being utilized to tag locations of leaks/bursts	Engineering													
		Establish dedicated and functional leakage repair	i. 60% reduction in network infrastructure	Unit not in place	Human Resource &													

OKR	Strategies	Actions	KPI	Baseline	Responsible Directorate	Cost of Strategy(ZMW)	Timeframe											
							2023	2024	2025	2026	2027							
		unit	leakage index		Engineering													
		Establish and maintain minimum buffer stock for leak repair materials	i. Maintain 2 months cover of leak repair material above average monthly requirement.	Buffer stock @0months coverage	Purchasing and Supply													
	Create DMA's for all suburbs on the company's service catchment	Develop and implement network operation policies and procedures	i. Approved Policy and procedures ii. Policy and Procedure review minutes	Draft Network Management Procedures in place.	Engineering	50,000,000												
		Systematic creation of DMA's for across the company's operation catchment	i. Installed boundary valves across all identified DMA's ii. Installed bulk meters across all identified	Delineation report for all zones in Ndola completed 2 DMA's created	Engineering													
		Routine operationalization of created DMA's unit	i. DMA operation procedures and manuals ii. DMA operation monthly reports leakage index	Not being done	Engineering Engineering													
		Establish and maintain minimum buffer stock for leak repair materials	i. Maintain 2 months cover of leak repair material above average monthly requirement.	Buffer stock @0months coverage	Purchasing and Supply													
	Create DMA's for all suburbs on the company's service catchment	Develop and implement network operation policies and procedures	i. Approved Policy and procedures ii. Policy and Procedure review minutes	Draft Network Management Procedures in place.	Engineering	50,000,000												
		Systematic creation of DMA's for across the company's operation catchment	i. Installed boundary valves across all identified DMA's ii. Installed bulk meters across all identified	Delineation report for all zones in Ndola completed 2 DMA's created	Engineering													
		Routine operationalization of created DMA's	i. DMA operation procedures and manuals ii. DMA operation monthly reports	Not being done	Engineering													

Objective 2: To Increase O&M Coverage from 52% to 110% by 2027

OKR	Strategies	Actions	KPI	Baseline	Responsible Directorate	Cost of Strategy	Timeframe				
							2023	2024	2025	2026	2027
	Improve revenue collection efficiency from 83% to 95%	Review and implement commercial policies and procedures	i. Approved Policy and procedures ii. Policy and Procedure review minutes	Approved Commercial Policies and Procedures in place. Last revised May, 2019	Commercial Services	50,000,000					
		Install electromagnetic meters for key customers	i. Key customers profiling ii. Installed meters at all identified key customers	High consumer profiling done 1/12 installed	Engineering						
		Install smart meters	i. 10% of meters replaced with smart meters (Pilot)	0 installed	Engineering						
		Conduct customer maintenance policies and procedures	i. Customer clinic schedules	Customer	Commercial						
		Enhance maintenance programs and checklists	i. Approved maintenance schedules guidelines for all plant and mobile equipment ii. Standard operating procedures for all plant and mobile equipment	Plant Maintenance Schedules not in place, Draft SOP's in place	Engineering						
		Maintain buffer stock for maintenance materials	i. Maintain 50% stock above required material for two maintenance cycles	Buffer stock at 0 % coverage	Purchasing and Supply						
		Create and maintain engineering asset register	i. Updated engineering asset register (quarterly)	In place	Engineering						
		Implement pre-project appraisal and PMS for all projects	i. Approved project appraisal templates ii. Acquired PMS iii. Project appraisal and PMS reports	Not in place	Planning and Development						

OKR	Strategies	Actions	KPI	Baseline	Responsible Directorate	Cost of Strategy	Timeframe																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																					
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		Strengthen internal controls across all company operations	<div><div>i.</div>Updated departmental risk registers</div> <div><div>ii.</div>Approved departmental policies</div> <div><div>iii.</div>Reconciliation reports</div> <div><div>iv.</div>Departmental internal audit reports</div> <div><div>v.</div>Approved departmental SoP's</div> <div><div>vi.</div>Enforced inter-departmental SLA's</div>	Risk register in place, pending updates Department al policies in partially in place Draft SoP's in place Department al SLA's not in place	Internal Audit & All Departments																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																							

Objective 3: To Increase Service Delivery and Sanitation Coverage (Offsite and Onsite) from 62% to 85% by 2027

OKR	Strategies	Actions	KPI	Baseline	Responsible Directorate	Cost of Strategy	Timeframe																			
							2023			2024			2025			2026			2027							
	Systematic replacement of 120km of 597kmof the sanitary sewer network	Develop and implement network audit policies and procedures	i. Approved Policy and procedures ii. Policy and Procedure review minutes	Not in place	Engineering	750,000,000																				
		Sanitary sewer network update mapping and profiling	i. Updated network maps and infrastructure profiles	Network maps in place, pending update	Planning and Development																					
		Mobilize resource for network rehabilitation	i. Detailed resource and resource allocation plans ii. Comprehensive financing proposal iii. Engagement minutes with prospective partners iv. Commitment of partner(s) MoU, Disbursement and availability of resources	Concept notes done	Planning and Development & Finance																					
			Implement phased network rehabilitation for dilapidated network infrastructure	i. Poor network infrastructure rehabilitated	0 km done		Planning and Development																			
	Development and implementation of FSM and OSS business models to account for 18% of SSW coverage	Customer sensitization	i. Customer engagement plan and schedule ii. Customer engagement reports iii. Customer feedback analysis reports	Customer engagement reports in available	Commercial Services	150,000,000																				
		Develop and implement FSM and OSS business models	i. Benchmark reports with other CU's ii. Market analysis report iii. Approved and operational business plan iv. Grow FSM and OSS services coverage to account for 18% of sanitation coverage by client No. v. Training for all operating company employees and 3 rd party users vi. 40% increase in volume	Not in place	Engineering & Commercial Services																					

OKR	Strategies	Actions	KPI	Baseline	Responsible Directorate	Cost of Strategy	Timeframe											
							2023			2024			2025			2026		2027
			of fecal and Septage that is safely treated and disposed offsite.															
		Increase proportion of safely treated onsite fecal sludge	i. Build sanitation JMP ladders ii. Benchmark with other CU and implement CWIS iii. Safely managed onsite FS to account for 80% of JMP ladder	JMP ladder in place, pending update CWIS not being done Onsite sanitation account for 32.4%	Engineering & Planning and Development													
		To develop rural water supply and sanitation schemes to cover 70% of rural growth centers in the company's service catchment	i. 70% sanitation service for rural growth centers	Not in place	Engineering & Planning and Development													
		Sign MoU's with LA's for rural water and sanitation management	i. MoU in place	Not in place	Engineering													
	To Increase offsite sanitary sewer coverage in urban areas	Conduct network extension feasibility studies	i. Feasibility study report	Concept notes done	Planning and Development	120,000,000												
		Resource mobilization	i. Detailed resource and resource allocation plans ii. Comprehensive financing proposal iii. Engagement minutes with prospective partners iv. Commitment of partner(s) MoU, Disbursement and availability of resources	Concept notes done	Planning and Development & Finance													
		Network extension to unserved areas	i. Additional laid networks to attain 85% service	Sanitation coverage at	Planning and Development													

OKR	Strategies	Actions	KPI	Baseline	Responsible Directorate	Cost of Strategy	Timeframe																							
							2023			2024			2025			2026			2027											
			coverage	72.2%																										
	To increase volume of wastewater which is safely treated and disposed from 42,000m³/day to 100,000m³/day	Expand existing wastewater treatment facilities Rehabilitate existing treatment to attain 10% utilization ratio	i. 100,000m³/day treated to set standards by the regulator	42,000	Planning and Development	75,000,000																								

Objective 4: To Improve Staff Productivity Levels from 81% to 98% by 2027

OKR	Strategies	Actions	KPI	Baseline	Responsible Directorate	Cost of Strategy	Timeframe																						
							2023			2024			2025			2026			2027										
	To improve Staff retention	Develop and implement reward and retention policies and procedures	i. Approved Policy and procedures ii. Policy and Procedure review minutes	Draft in progress	Human Resource and Administration	5,000,000																							
		Develop succession plan for key and critical positions Develop and implement skill gap training programs	i. Key and critical positions identification report ii. Approved and functional succession plan iii. Training needs assessment report iv. Training calendar v. Trained staff completion certificates and post training evaluation reports	Draft in place	Human Resource and Administration																								
		Strengthen onboarding orientation	i. Approved onboarding procedures ii. Staff post probation survey reports	Programme in place	Human Resource and Administration																								
	To develop and implement performance management systems	Implement balance score card framework	i. Established employee KPI measurement metric ii. BSC evaluation reports	Working closely with consultant	Human Resource and Administration	4,000,000																							
		Implement a management by objectives framework	i. Established MIS ii. Approved departmental and employee work plans(Annual, quarterly,	Work in progress	Human Resource and Administration																								

OKR	Strategies	Actions	KPI	Baseline	Responsible Directorate	Cost of Strategy	Timeframe														
							2023			2024			2025			2026			2027		
			monthly)																		
	To Improve working environment	Foster positive organizational culture	i. Company core values communication plan and periodic employee feedback reports ii. Ethics committee – employee engagement minutes/reports		Human Resource and Administration	10,000,000															
		Policy review i.e. communication, harassment and disciplinary	i. Policy and Procedure review minutes	Policies in place	Human Resource and Administration																
		Review and improve work environment ergonomics	i. Work ergonomics periodic survey ii. Recommendations action plan	Done with the help of SHEQ Department	Human Resource and Administration																
		Employee work environment satisfaction survey	i. Survey report ii. Recommendations action plan	Base to be established with the help of the consultant	Human Resource and Administration																
	To implement change management program	Benchmarking with other water utility company's	i. Benchmarking report	Base to be established with the help of the consultant	Human Resource and Administration	500,000															
		Adopt and implement Lewin's 3 stage change management framework	i. Approved and functional frame work	Base to be established with the help of the consultant	Human Resource and Administration																

Objective 5: To Develop and Maintain Quality Management Systems by 2027

OKR	Strategies	Actions	KPI	Baseline	Responsible Directorate/D epartment	Cost of Strategy	Timeframe														
							2023			2024			2025			2026			2027		
	Implement ICT governance framework	Identification and adoption of type of framework	i. Framework review and adoption report	ITIL V4 and COBIT 5	ICT	1,500,000															
		Process assessment, Process design, Training	i. Framework review report ii. Certification reports from training	ITIL V4	ICT																
		Process Improvement	i. Compliance measures in place and adhered to	Available after the first practice is implemented	ICT																
	Enhance functionality of the Enterprise Resource Planning system	Conduct system assessment to identify missing modules in operations	i. Modules inventory list	Not done	ICT	2,100,000															
		Procure missing modules	i. All missing modules in place	Available after module inventory list	ICT																
	Adopt and implement local and international standards	Installations and operations gap assessment	i. Gap assessment report	Not being done	Planning and Development and SHEQ	31,000,000															
		Installations upgrade and staff certification	i. Training certificates ii. Upgrade completion certificates/reports	Not being done	SHEQ																
		Adopt operation procedures as per standard	i. Adopted and operationalized procedures	Not in place	SHEQ																
		Company regulatory certification	i. Certifications	Not in place	SHEQ																
	Develop maintenance modules	Compile technical and operations equipment inventory list	i. Updated inventory list	Not done	Engineering	1,000,000															
		Develop and implement maintenance schedules	i. Adhered to maintenance schedules ii. Maintenance reports	Not being done	Engineering																
		Procure CMMS	i. System in place and operationalized	Not in place	Engineering																

Objective 6: To Improve Liquidity and Profitability

OKR	Strategies	Actions	KPI	Baseline	Responsible Directorate	Cost of Strategy	Timeframe									
							2023		2024		2025		2026		2027	
	Enhance and broaden current revenue base	Implement alternative channels for revenue collection	i. 40% reduction in number of paypoints ii. 40% increase in electronic payments by No. of clients	All pay points and payments under finance	Finance	70,000,000										
		Commercialisation of laboratory services	i. Approved business plan ii. Net profit turnover from laboratory services	K55, 017 collected from laboratory services in 2022	Planning and Development & Commercial Services											
		Value addition and commercializing of treated effluent and fecal sludge.	i. Approved business plan ii. Net profit turnover from sales	Not in place	Engineering & Planning and Development											
		Increased uptake of onsite renewable energy	i. To cater for 40% of company energy needs	Not in place	Planning and Development & Engineering											
		Increase number of high consumer connections	i. No. of HC's identified / No. connected	12 identified 6 connected and accounts opened	Commercial Services											
	Prudent financial management	Optimal staffing	i. 8employees/1000 connections	8/1000	Human Resource and Admiration	100,000										
		Adherence to budget	i. Budget review reports ii. Budget control measures in place	Not in place	Finance											
		Review and comply with debt management policy	i. Policy review minutes ii. Periodic debt management reports	Not being done	Finance											

Detailed Budget

Strategies	Actions	Timeframe				
		2023	2024	2025	2026	2027
Revenue						
Water Supply and Sanitation Billing (ZMW,000)		200,000	200,000	200,000	200,000	200,000
Government Grants (ZMW,000)		4,000	4,000	4,000	4,000	4,000
Grants from Cooperating Partners (ZMW,000)						
External Investments(Loans/PPP's) (ZMW,000)						
Total						
Expenditure						
Bi annual customer database clean up	Develop and review data collection policies and procedures	50,000	-	-	-	-
	Conduct biannual customer data capture exercises	100,000	100,000	100,000	100,000	100,000
	Conduct data validation and ETL(Extraction Transformation and Loading)	-	25,000	25,000	25,000	25,000
Systematic rehabilitation of 416Km of 1,130 Km existing network of dilapidated water network distribution infrastructure	Develop and implement network audit policies and procedures	20,000	-	-	-	-
	Conduct network audit	Not it 2023 Budget	925,000	925,000	925,000	925,000
	Mobilize resource for network rehabilitation	20,000	65,000	65,000	65,000	65,000
	Implement phased network rehabilitation for dilapidated distribution network infrastructure	Not it 2023 Budget	76,000,000	76,000,000	76,000,000	76,000,000
Pressure management in the company's service catchment	Develop and implement meter management policies and procedures	20,000	-	-	-	-
	Conduct a network wide pressure survey	80,000	200,000	200,000	200,000	200,000
	Create and manage pressure zones		1,000,000	1,000,000	1,000,000	1,000,000
Universal metering and replacement of all meters older than 10 years	Develop and implement universal metering policies and procedures	50,000	50,000	50,000	50,000	50,000
	Install bulk meters at production and distribution facilities	Not it 2023 Budget	2,500,000	2,500,000	2,500,000	2,500,000
	Document all meters older than 10 years	75,000	75,000	50,000	50,000	50,000
	Install new customer meters and replace all meters older than 10 years	Not it 2023 Budget	14,800,000	14,800,000	14,800,000	14,800,000
	Develop and maintain meter data base	Not it 2023 Budget	50,000	50,000	50,000	50,000
Enhance active leak control program	Develop and implement leakage control policies and procedures	50,000	-	-	-	-
	Formulate leakage identification and control program	50,000	-	-	-	-
	Establish dedicated and functional leakage repair unit	Not it 2023 Budget	75,000	75,000	75,000	75,000
	Establish and maintain minimum buffer stock for leak repair materials	3,200,000	20,100,000	20,100,000	20,100,000	20,100,000
Create DMA's for all suburbs on the company's service catchment	Develop and implement network operation policies and procedures	50,000	50,000	50,000	50,000	50,000
	Systematic creation of DMA's for across the company's operation catchment	Not it 2023 Budget	11,937,500	11,937,500	11,937,500	11,937,500
	Routine operationalization of created DMA's	Not it 2023 Budget	500,000	500,000	500,000	500,000
Improve revenue collection efficiency from 88% to 95%	Review and implement commercial policies and procedures	50,000	50,000	50,000	50,000	50,000
	Install electromagnetic meters for key customers	Not it 2023 Budget	2,560,000	2,560,000	2,560,000	2,560,000

Strategies	Actions	Timeframe				
		2023	2024	2025	2026	2027
Revenue						
Water Supply and Sanitation Billing (ZMW,000)		200,000	200,000	200,000	200,000	200,000
Government Grants (ZMW,000)		4,000	4,000	4,000	4,000	4,000
Grants from Cooperating Partners (ZMW,000)						
External Investments(Loans/PPP's) (ZMW,000)						
Total						
Expenditure						
	Install smart meters	Not it 2023 Budget	7,000,000	7,000,000	7,000,000	7,000,000
	Conduct customer clinics	Not it 2023 Budget	500,000	500,000	500,000	500,000
	Improve complaint resolution	Not it 2023 Budget	687,500	687,500	687,500	687,500
Improve billing efficiency	Apply for and implement cost reflective tariffs	-	-	-	-	-
Reduce operational costs by 10%	Develop and implement installations and equipment maintenance policies and procedures	50,000	50,000	50,000	50,000	50,000
	Enhance maintenance programs and checklists	100,000	100,000	100,000	100,000	100,000
	Maintain buffer stock for maintenance materials	Not it 2023 Budget	2,400,000	2,400,000	2,400,000	2,400,000
	Create and maintain engineering asset register	100,000	100,000	100,000	100,000	100,000
	Implement pre-project appraisal and PMS for all projects	50,000	50,000	50,000	50,000	50,000
	Strengthen internal controls across all company operations	100,000	100,000	100,000	100,000	100,000
	Implement budget modules in ERP	Not it 2023 Budget	200,000	200,000	200,000	200,000
	Prepare and circulate monthly cost control report to departmental heads	-	-	-	-	-
	Conduct midterm budget reviews	50,000	50,000	50,000	50,000	50,000
	Enhance fleet management	Not it 2023 Budget	625,000	625,000	625,000	625,000
	Overtime containment	50,000	50,000	50,000	50,000	50,000
	Alternative sourcing of water treatment chemicals	Not it 2023 Budget	5,000,000	5,000,000	5,000,000	5,000,000
	Grow customer base from 70,500 to 80,000	Network extension in unserved areas	Not it 2023 Budget	1,700,000	1,700,000	1,700,000
Implement rural water schemes		Not it 2023 Budget	9,100,000	9,100,000	9,100,000	9,100,000
Network infill		Not it 2023 Budget	1,700,000	1,700,000	1,700,000	1,700,000
Reduce 50% of trade payables from 90days to 45day	Develop and implement debt management policies and procedures	50,000	-	50,000	-	-
	Develop and adhere to payment plans	200,000	-	200,000	-	-
Systematic replacement of 120km of 597km of the sanitary sewer network	Develop and implement network audit policies and procedures	50,000	-	-	-	-
	Sanitary sewer network update mapping and profiling	Not it 2023 Budget	750,000	-	800,000	-
	Mobilize resource for network rehabilitation	Not it 2023 Budget	250,000	250,000	250,000	250,000
	Implement phased network rehabilitation for dilapidated network infrastructure	Not it 2023 Budget	186,825,000	186,825,000	186,825,000	186,825,000
Development and implementation of FSM and OSS business models to	Customer sensitization	100,000	-	-	-	-
	Develop and implement FSM and OSS business models	-	500,000	-	-	-
	Increase proportion of safely treated	-	12,250,000	12,250,000	12,250,000	12,250,000

Strategies	Actions	Timeframe				
		2023	2024	2025	2026	2027
Revenue						
Water Supply and Sanitation Billing (ZMW,000)		200,000	200,000	200,000	200,000	200,000
Government Grants (ZMW,000)		4,000	4,000	4,000	4,000	4,000
Grants from Cooperating Partners (ZMW,000)						
External Investments(Loans/PPP's) (ZMW,000)						
Total						
Expenditure						
account for 18% of SSW coverage	onsite fecal sludge					
	To develop rural water supply and sanitation schemes to cover 70% of rural growth centers in the company's service catchment	Not it 2023 Budget	25,000,000	25,000,000	25,000,000	25,000,000
	Sign MoU's with LA's for rural water and sanitation management	-	400,000	-	-	-
To Increase offsite sanitary sewer coverage in urban areas	Conduct network extension feasibility studies	-	1,000,000	1,000,000	1,000,000	1,000,000
	Resource mobilization	100,000	100,000	100,000	100,000	100,000
	Network extension to unserved areas	Not it 2023 Budget	28,875,000	28,875,000	28,875,000	28,875,000
To increase volume of wastewater which is safely treated and disposed from 42,000m³/day to 100,000m³/day	Expand existing wastewater treatment facilities Rehabilitate existing treatment to attain 0.9 utilization ratio	-	-	25,000,000	25,000,000	25,000,000
To improve Staff retention	Develop and implement reward and retention policies and procedures	50,000	-	-	-	-
	Develop succession plan for key and critical positions	Not it 2023 Budget	1,225,000	1,225,000	1,225,000	1,225,000
	Develop and implement skill gap training programs					
	Strengthen onboarding orientation	50,000	-	-	-	-
To develop and implement performance management systems	Implement balance score card framework	2,000,000	2,000,000	-	-	-
	Implement a management by objectives framework	-	-	-	-	-
To Improve working environment	Foster positive organizational culture					
	Policy review i.e. communication, harassment and disciplinary	-	-	-	-	-
	Review and improve work environment ergonomics	Not it 2023 Budget	2,500,000	2,500,000	2,500,000	2,500,000
	Employee work environment satisfaction survey	-	-	-	-	-
To implement change management program	Benchmarking with other water utility company's	50,000	50,000	50,000	50,000	50,000
	Adopt and implement Lewin's 3 stage change management framework	50,000	50,000	50,000	50,000	50,000
Implement ICT governance framework	Identification and adoption of type of framework	100,000	-	-	-	-
	Process assessment, Process design, Implementation, and Training	-	400,000	-	-	-
	Process improvement	100,000	300,000	200,000	200,000	200,000
Enhance functionality of the Enterprise Resource Planning system	Conduct system assessment to identify missing modules in operations	100,000	-	-	-	-
	Procure missing modules	Not it 2023 Budget	400,000	400,000	1400,000	400,000
Adopt and implement local and	Installations and operations gap assessment	Not in 2023 Budget	5,000,000	5,000,000	5,000,000	-

Strategies	Actions	Timeframe				
		2023	2024	2025	2026	2027
Revenue						
Water Supply and Sanitation Billing (ZMW,000)		200,000	200,000	200,000	200,000	200,000
Government Grants (ZMW,000)		4,000	4,000	4,000	4,000	4,000
Grants from Cooperating Partners (ZMW,000)						
External Investments(Loans/PPP's) (ZMW,000)						
Total						
Expenditure						
international standards	Installations upgrade and staff certification	Not in 2023 Budget	6,000,000	5,000,000	2,000,000	2,000,000
	Adopt operation procedures as per standard	Not in 2023 Budget	200,000	200,000	100,000	100,000
	Company regulatory certification	Not in 2023 Budget	-	-	200,000	200,000
Develop maintenance modules	Compile technical and operations equipment inventory list	50,000	-	-	-	-
	Develop and implement maintenance schedules	50,000	-	-	-	-
	Procure CMMS	-	900,000	-	-	-
Enhance and broaden current revenue base	Implement alternative channels for revenue collection	Not it 2023 Budget	4,000,000	4,000,000	4,000,000	4,000,000
	Operationalizing laboratory services on a commercially sustainable basis	Not it 2023 Budget	-	-	-	-
	Value addition and commercializing of treated effluent and fecal sludge.	Not it 2023 Budget	10,000,000	10,000,000	4,000,000	-
	Increased uptake of onsite renewable energy	Not it 2023 Budget	10,000,000	10,000,000	5,000,000	-
	Increase number of high consumer connections	Not it 2023 Budget	250,000	250,000	250,000	250,000
Prudent financial management	Optimal staffing	25,000	25,000	-	-	-
	Adherence to budget	-	-	-	-	-
	Review and comply with debt management policy	25,000	25,000	-	-	-

2018-2022 performance Review

Objective	Intended Outcomes	Objective Performance Rating	Remark(s)
To enhance the water source capacity to meet production of 230,000m ³ /day by 2022	<ul style="list-style-type: none"> Increased availability of raw water Improved base flows Increased yield 	90%	<ul style="list-style-type: none"> Primal to the achievement of the objective was the development and construction of the Kafulafuta dam. But, for the delay in completion of the project which was initially set for December 2021, the objective could have to achieve the objective outside the period in planning i.e. post 2022. Compounding the issue of poor raw water quality and quantity which seriously affects plant handling capacity, the vandalism of the borehole installations in the Minsundu well field has further exacerbated the challenges surrounding raw water sources. Other than construction of the Kafulafuta dam other actions by the Company that have fostered the achievement of the objective include but not limited to the commissioning of the new raw water intake unit at Kafubu river intake, installation of raw water pumps at Mikomfwa dam and installation of compact at Masaiti intake. The biggest challenge and effectively risk to the objective has been that its achievement has been closely intertwined with a few capital projects the delay of which has had a serious impact on the performance of the objective.
To ensure 100% compliance to NWASCO water quality standard as adopted from WHO and ZABS.	<ul style="list-style-type: none"> Improved water quality Improved Quality Increased efficiency 	72.5%	<ul style="list-style-type: none"> To ensure compliance to the set water quality standards the Company prioritized installation of quality monitoring devices in the plants, this was for technical and economic reasons, instruments installed among others include, turbid meters, pH meters and automation of chlorine dosing systems for consistent quality monitoring and control. Raw and treated water quality monitoring and control has through the period in planning met the set standards. The challenge has however been with the associated cost of treating the water to the required standard, this is primarily owing to the poor raw water quality which is not just uneconomical with regards to chemical consumption but also affects the efficiency of the plants, as they require back washing every so often.

Objective	Intended Outcomes	Objective Performance Rating	Remark(s)
Transmission and Equitable Distribution of 100,000m³/ day of Quality Water by June 2022	<ul style="list-style-type: none"> Transmission of 100,000m³/d Incremental network coverage and reduction of physical water losses 	63%	<ul style="list-style-type: none"> The objective looked to address for 1. The physical losses in the transmission and distribution mains and for 2. Water distribution network coverage. For both parts of the objective targets the Company employed both operational and project approaches, the effectiveness of operational measures put in place to get to the targets have been limited by resource availability compounded by the vastness of the Company's service catchment, this left the greater part of the objective target to capital projects Furthermore, under the operational approach to achieving the objective target, the Company has developed operation and maintenance manuals for transmission and distribution infrastructure as well leakage reporting and repair mechanisms, which if closely adhered to would have significantly contributed to the achievement of the objective target outside capital projects.
Reduction of Non-Revenue Water from 86% to 25% by December 2022	<ul style="list-style-type: none"> from 86% to 25% by 2022Reduction of NRW Reduction in leakages Reduction of water losses Incremental sales growth Improved monitoring Increment in sales growth Improved debt collection (revenue) 	34%	<ul style="list-style-type: none"> The object was set to reduce non-revenue water at an annual average of no less than 12%, achievement of the objective was dependent on a number of facets of the Company's operations, which needed to be aligned for the target to be achievable. For this, considering the scale of implementation the Company looked cooperating partners, i.e. the Melinda-Gates foundation through the regulator NWASCO for customer data capturing and database clean up, an activity that remains paramount to addressing NRW, furthermore the Company went on to include and NRW component in most of its capital projects. For the operational approach of addressing the issue, and NRW section was constituted to look into addressing both the engineering and commercial aspects of NRW i.e. issues ranging from leak logging and repair, meter testing to looking into billing reports.

Objective	Intended Outcomes	Objective Performance Rating	Remark(s)
To efficiently collect, convey, treat and dispose of 70,000m ³ per day of wastewater in an environmentally friendly manner by 2022	<ul style="list-style-type: none"> Enhanced system capacity utilization Reduced sewer overflows Retained capacity Controlled quality of industrial and trade facilities discharges Minimized misuse of sewerage systems Increased sewer coverage both in terms of area and population Increased capacity of sewerage treatment plants System operate at optimum capacity operations comply to regulatory standards. Alternative ways of using treated wastewater 	51.4%	<ul style="list-style-type: none"> Achievement of the objective was significantly linked to the just ended DANIDA funded Kafubu Sanitation Improvement Project (KWSIP), the project addressed all facets of the objective directly linked, but for limitations in the scope it could not address all the issues set out by the objective in full. The project largely looked at the treatment of waste water and succeeded at this i.e. construction of WWSP in Luanshya and rehabilitation and restoration of the mechanized plants in Ndola to design capacities, but did not however concertedly look into the transmission of waste water and sanitary sewer network coverage. For transmissions and coverage, i.e. overhauling dilapidated sanitary sewer mains, the Company had looked to operations with assistance from MWDS. The current transmission of and treatment of waste water stands at 27,000m³ and 9,000m³ per day for Ndola and Luanshya per day. Plant utilization remains low due to insufficient supply remains as it leads to low sanitary sewer flows which on average are 80% of supply, a challenge peculiar to Luanshya whose facility utilizations range from as low as 10% in the case of Mpatamatu WWSP and a high of 80% in the case of Kamirenda ponds, with an overall average of 40-50%. The Ndola facilities stand at 100% and 50% utilization for the Kanini and Lubuto facilities respectively. Compounding the issue of dilapidated conveyance infrastructure, low sanitary sewer loads have also been noted as to why the target conveyance could not be achieved for the period in planning
To grow sales volume of water from 14% to 75% of the production by June 2022	<ul style="list-style-type: none"> Increment in sales growth 	12%	<ul style="list-style-type: none"> The increase in water volume sales is inversely proportional to the change in the NRW figure, which remains significantly higher than the target figure and as such the performance of the objective is directly tied to the performance of the Company.

Objective	Intended Outcomes	Objective Performance Rating	Remark(s)
To increase customer base from 65,000 to 80,000 by June 2022	<ul style="list-style-type: none"> Increment in sales growth 	37.3%	<ul style="list-style-type: none"> The objective sought to make an additional 15,000 new connections to get to the target figure of 80,000 total connections, of these 5,595 new connections have been made, putting the total number of connections for the Company to 70,595. The objective target could not be made despite the Company putting in place and implementing measures to see to its completion, this largely included the planning and laying of the new network extension under the KWSSP, was to cover new developments and unserved areas to bring on board an additional 20,000 new connections, but for the suspension and extension of completion time of the project this could not be done using in-house resources.
To increase customer satisfaction level from 69% to 90% by June 2022	<ul style="list-style-type: none"> Increment in sales growth Effective communication with stakeholders Enhanced customer satisfaction index 	73%	<ul style="list-style-type: none"> By looking to increase sales growth, the Company worked to improve on a number of parameters that are directly connected to the service level, on the most important being the increase in hours of supply, and engagement of customers, the Company held a number of customer care clinics and improved on the dissemination of information to customers via BMS from 18% in 2017 to 69% in 2022, furthermore the Company met 87% of the customer service level guarantee indices as set out by the regulator.
Increase revenue collection from 55% to 98% by 2020/21	<ul style="list-style-type: none"> High meter reading efficiency Increased revenue collection Increase in revenue collection 	71.3%	<ul style="list-style-type: none"> For the period in planning, revenue collection has increased by 30% i.e. from 55% to 85%. This could be largely attributed to a number of factors, one of which is the high billing efficiency (99%), replacement of old and faulty meters, installation of prepaid meters and opening up of alternative means of payment i.e. e-payments and new pay points in strategic locations. Progress on the objective was however slowed by the delayed installation of the remaining 16,000 prepaid meters; which when installed will significantly improve collection efficiency, the un-timeous payment by government institutions and other HC's has also contributed to the challenges in reaching the objective target.

Objective	Intended Outcomes	Objective Performance Rating	Remark(s)
Increase the current revenue base by 50% (from K117.7 million to 216 million in 2022)	<ul style="list-style-type: none"> Increased revenue 	48.6%	<ul style="list-style-type: none"> Revenue base increase by 40% to K165.4Million/year, growth in revenue base was dependent on the increase in new connections, the lack of upward tariff adjustment had also significantly contributed to the Company falling short of the target, as the regulator has not effected or approved a tariff increment since 2017, the Company has also looked to implementing FSM business models, following the change in mandate, a model which is still in its infancy and could only contribute so much to the revenue base before it is perfected.
Reduce accounts receivables of ZMW 280 Million to not more than 45 Million by 2022	<ul style="list-style-type: none"> Reduced debt 	-135.7%	<ul style="list-style-type: none"> Accounts receivables have since increased for the period in planning to K380Million, much of which could be attributed to outstanding debt by HC's i.e. government institutions. The Company has put in measures to address the issue of high receivables from domestic consumers most the peri-urban areas that have challenges with debt settling, by installing pre-paid meters. To address the issue with HC's the Company has looked to debt swapping with some government institutions such as ZESCO through the MoF but this has only addressed the challenge to a certain extent.
Reduce level of account payables from ZMW100million to ZMW50million by2022	<ul style="list-style-type: none"> Financial sustainability 	-400%	<ul style="list-style-type: none"> Accounts payables have increased from K100Million at the beginning of the period in planning to more than K200Million, this could largely be attributed to the two factors i.e. 1) High cost of O&M which at present is well over 130%, 2) Low liquidity levels largely owing to the large sum of account receivables which if liquated would be in excess of a100% of the payables.
Ensure 100% automation and integration of all business processes by Dec 2021	<ul style="list-style-type: none"> Operational efficiency Fully automated supply chain management system Automated document management system Automated reminders of annual leave, notch adjustment and contract renewal Automated asset management system 	84%	<ul style="list-style-type: none"> The objective performed well as it for 1) did need not capital input and 2) much of the activities could be done in-house, with very little to no dependence on external entities. Intended systems have been put in place and partially deployed with only a few glitches that need to remedied in systems such as the automated reminders for leave etc. before they could be fully put to use. The Company is working to have all system glitches resolved and systems in full use before the close of the period in planning.

Objective	Intended Outcomes	Objective Performance Rating	Remark(s)
To ensure optimal utilization of the Company resources to Dec 2021	<ul style="list-style-type: none"> Detection and Prevention of Fraud and Errors Business continuity Reduction of theft of Company property Reduction in fleet operational costs 	88%	<ul style="list-style-type: none"> Internal controls have been put in place to primarily see to the achievement of the objective, the Company is to revise the account policy and systems before the close of the period in planning.
Improve staff productivity level from 65% to 90% by June 2021	<ul style="list-style-type: none"> Efficiency and effectiveness in operations Optimum productivity Optimum staffing Business continuity Optimum productivity 	67%	<ul style="list-style-type: none"> Much of the progress of the objective rests with the review and implementation of the new Company structure, the review of which has been done, job descriptions spelled out and signed by respective job holders.
Improve employees' satisfaction level from 68% to 80% by September 2021	<ul style="list-style-type: none"> Increased productivity 	56%	<ul style="list-style-type: none"> A number of key actions in achieving the target objective particularly surrounding training have been put in place, delay in the implementation of actions pertaining work environment i.e. employee perception surveys and implementation of findings as indeed adherence to the OHS act of 2020 posed a challenge in seeing the objective achieved.
Overall Performance		57.47	



KWSC

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