



RESULTS-BASED FINANCING PROGRAM FOR SUSTAINABLE IMPROVED SANITATION AND HYGIENE SERVICES IN UGANDA

DISTRICT GUIDANCE NOTE

February 2026



water for people



The Sanitation & Hygiene Fund



INTRODUCTION

The Government of Uganda, through the Ministry of Health and the Ministry of Water and Environment, with support from the Sanitation and Hygiene Fund, has developed and is implementing a Results-Based Financing (RBF) program for sustainable Improved Sanitation and Hygiene (ISH) services. This program aims to deliver verified, basic household sanitation and hygiene outcomes at scale across Uganda. It is designed to catalyze sustainable ISH outcomes in targeted districts by incentivizing long-term results through an RBF approach, thereby advancing progress toward national and international development goals, particularly Sustainable Development Goal 6.2. The program has two specific objectives:

1. Increase the number of households using basic sanitation and hygiene facilities.
2. Increase number of villages with universal access to sanitation.



The main objective of the program is to increase the number of households using basic sanitation and hygiene facilities

PURPOSE OF THE GUIDANCE NOTE

This guidance note outlines the key features of the RBF program for government staff responsible for its implementation at the district level. It details the program's objectives and scope, explains the RBF concept, and describes the necessary steps district local governments must take to achieve and report results and qualify for payments under the program. Districts should also refer to the Program Operations Manual for comprehensive details on the actions required to receive payments.

This program is being implemented across four districts including Kamuli, Buikwe, Kayunga & Kabarole.





WHAT HAS CHANGED IN THIS REVISION

Following a review of program performance and verification data, the RBF program has been streamlined from eight Disbursement Linked Indicators (DLIs) down to two DLIs. The revised structure consolidates the previous facility-construction and handwashing indicators into two combined indicators, each requiring that a functional handwashing facility accompany the sanitation facility. The village-level universal sanitation indicator, the leaders' indicator, the health facility financing indicator, and the two coordination-meeting indicators have been discontinued under the revised structure.

The RBF program now incentivizes the achievement of program objectives through payments triggered by two (2) Disbursement Linked Indicators (DLIs), measured and assessed quarterly.

DLI	Indicator
DLI 1	Number of households with access to a newly constructed basic sanitation facility with a functional handwashing facility
DLI 2	Number of households with access to a basic sanitation facility following an upgrade, with a functional handwashing facility



INDEPENDENT VERIFICATION

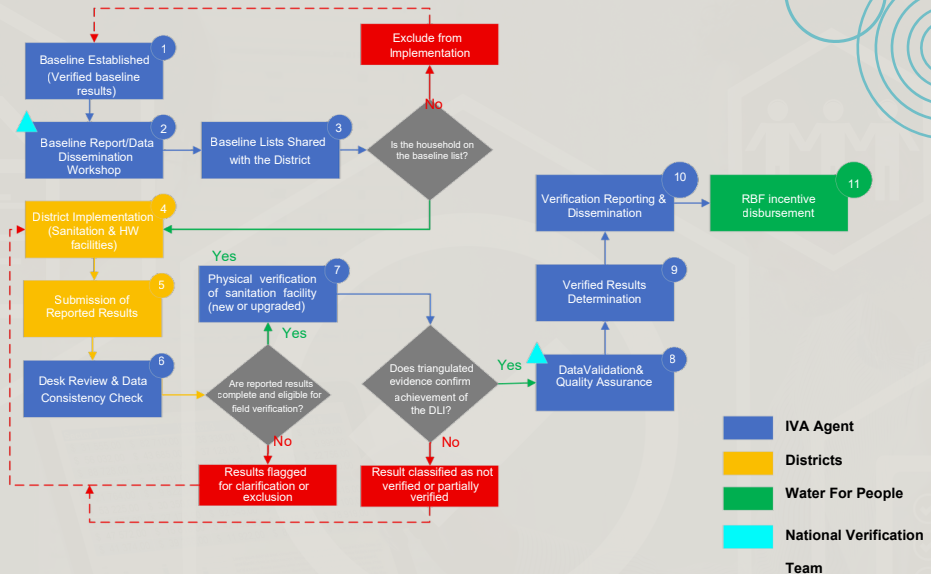
Independent verification is the safeguard that sits between district-reported results and actual incentive payment under the RBF program. Rather than being verified solely by the Line ministries and Water For People, results are checked by an independent firm, the Independent Verification Agent (IVA) engaged to independently verify sanitation outputs. Their role includes conducting household surveys, verifying sanitation facilities on the ground, ensuring data accuracy and credibility, confirming achievement of the DLIs, and supporting accountability and learning across the program. This arrangement keeps the program's payment-for-results structure credible, protecting against over-reporting while giving districts and financing partners confidence that the numbers behind each payment reflect facilities that genuinely exist and are being used.

The independent verifier is engaged to provide independent verification of sanitation

Deliverables of the Independent Verification Agent (IVA)

1. Conduct household surveys
2. Verify sanitation facilities
3. Ensure data accuracy and credibility
4. Confirm achievement of DLIs
5. Support accountability and learning in the program

VERIFICATION FRAMEWORK



DL1: 100,000UGX PER NEW BASIC SANITATION WITH HANDWASHING

Indicator: Number of households with access to a newly constructed basic sanitation facility with a functional handwashing facility.

New facilities refer to sanitation facilities constructed by households that did not have any sanitation facility at baseline.

To qualify for payment under DLI 1, the household must meet the following conditions:

- 1.The latrine should be one of the following types: flush / pour flush latrine to septic tank or pit; Ventilated Improved Pit (VIP) latrine; traditional pit latrine with washable slab; or composting toilet including twin pit latrine.
- 2.The latrine should have a fitted wooden lid (except for VIP, flush and pour flush) or a sato pan.
- 3.The latrine should have sturdy solid walls that protect the user, and a lockable door and roof that provides privacy and security to the user.
- 4.The latrine should have an intact washable slab with no cracks or holes (other than the drop hole).
- 5.The latrine should not be shared with other households.
- 6.The household must have a functional handwashing facility located inside the latrine facility or near it, with both soap (or detergent) and water available for use.
- 7.The handwashing facility must include a sink with a tap, or a tippy tap, that can provide water for handwashing.

EXAMPLE



**One (1) household
constructs a new basic
sanitation facility with a
functional handwashing
facility**

**The District Gets
100,000UGX**

DLI 2: 50,000 UGX PER UPGRADED BASIC SANITATION FACILITY WITH HANDWASHING

Indicator: Number of households with access to a basic sanitation facility following an upgrade, with a functional handwashing facility.

To qualify for payment under DLI 2, the upgraded facility must meet the following conditions:

- 1.The latrine should be a traditional pit latrine with a washable slab.
- 2.The drop hole should have a fitted wooden lid or a sato pan.
- 3.The latrine should have sturdy solid walls that protect the user, and a lockable door and roof that provides privacy and security to the user.
- 4.The latrine should have an intact washable slab with no cracks or holes (other than the drop hole).
- 5.The latrine should not be shared with other households and should have been in existence at baseline.
- 6.The household must have a functional handwashing facility located inside the latrine facility or near it, with both soap (or detergent) and water available for use, including a sink with a tap or a tippy tap.



EXAMPLE



One (1) household upgrades an existing facility to a basic sanitation facility with a functional handwashing facility

**The District Gets
50,000UGX**

ALLOWABLE AREAS FOR UTILISATION OF THE INCENTIVE

SN	Category of Activity	Maximum Allocation (%)
1	Subcounty: SDA during sanitation and hygiene promotion activities in additional villages (supported by a workplan)	
2	Subcounty: Transport during sanitation and hygiene promotion activities in additional villages (supported by a workplan)	
3	District: SDA during sanitation and hygiene promotion activities in additional villages (supported by a workplan)	5%
4	District: Transport during sanitation and hygiene promotion activities in additional villages (supported by a workplan)	10%
5	Purchase of ICT equipment like phones or tablets to be allocated to the staff responsible for end-lining (digital mapping of households that invest in basic sanitation and hygiene during the program)	15%
6	Purchase of transport equipment to be allocated to the Health Inspectorate Staff. This is only allowable if a District attains at least 80% of all annual targets.	40%
	Total	



Utilization at the subcounty level is not restricted. If ICT or transport equipment is not purchased, the incentive can be redirected to support scaling efforts at the subcounty level.



The Sanitation & Hygiene Fund

The Results-Based Financing (RBF) initiative is part of the larger project, **"Accelerating Access to Improved Sanitation and Hygiene Services Using Market-Based Approaches in Uganda."** It is funded through a generous grant of \$6,300,000 from the **Sanitation and Hygiene Fund**, with co-financing from the Ugandan government amounting to \$1,567,950. Running from April 2023 to September 2026, the initiative aims to improve sanitation and hygiene services across seven districts; Buikwe, Buyende, Kabarole, Kamuli, Kayunga, Luuka, and Kole, reaching approximately 2.35 million people.

The key objectives of the project include increasing access to improved sanitation in communities, schools, and healthcare facilities. **Water For People Uganda**, as the lead implementer, is working closely with partners such as the Ministry of Health, the Ministry of Water and Environment, the Ministry of Education and Sports, IRC (the Uganda Water and Sanitation NGO Network), AMREF, and District Governments to foster sustainable and inclusive solutions, ensuring that no one is left behind.



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