Results-Based Financing for Faecal Sludge Management

Knowledge Learning Briefs Round 1

Kampala • Kayunga • Kamuli • Fort Portal

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BLOG 1

Does Results-Based Financing Increase Faecal Sludge Management Service Coverage?

Operators are making more trips, reaching more clients, and delivering more sludge to treatment plants. The coverage story is real, but it rests on foundations the program will need to protect.

For years, the economics of pit emptying in Kampala and secondary towns worked against the people who needed it most. Operators ran trucks in a crowded, largely unregulated market where prices were squeezed, treatment plants sometimes closed their gates, and a full latrine in a low-income neighborhood was as likely to be emptied into a storm drain at night as into a cesspool truck. Water For People's Results-Based Financing (RBF) facility, funded by the United Nations' (UN) Sanitation and Hygiene Fund (SHF), set out to change that calculus by paying operators for every additional cubic meter of sludge safely delivered to a treatment plant beyond an agreed baseline. The question is straightforward: has it worked?

The answer emerging from the field, across Kampala, Kayunga, Kamuli and Fort Portal, is a qualified but genuine yes.

Faecal sludge treatment volumes have increased

A cesspool operator in Kayunga District described moving from roughly 10 trips a month before the programme to as many as 25 afterward, a more than twofold increase attributed directly to the incentive. At the association level, the Gulpers Association Uganda reported monthly sludge collection across its members growing from around 5,000–7,000 barrels to 10,000–12,000 barrels since the RBF arrangement began. For ACTOU, trips per worker per day rose from about two to four or five.

In Fort Portal, Water For People programme staff confirmed the same direction: companies using cesspool trucks are "registering beyond what they used to have previously." In Kamuli, a manager at Brilliant Foods described how the incentive had enabled his team to purchase additional drums and increase the number of workers. The growth is not confined to one geography or one type of operator.

"Before the programme, we used to make a maximum of about 10 trips per month. Since the introduction of the incentives, we now make up to 25 trips per month."
- Cesspool operator, Kayunga

Crucially, this is not simply more activity - it is more sludge reaching the right place. Treatment-plant data clerks at Nalukolongo, Lubigi, and Fort Portal independently confirmed the trend from the receiving end: more operators are bringing sludge to designated sites rather than disposing of it elsewhere. When both operators reporting trips and clerks receiving them describe the same upward movement, the coverage gain is more than anecdotal.

How the incentive actually changes behaviour

The mechanism is subtler than "pay people more, and they do more." The incentive is structured as a payment on volumes above a monthly baseline. One entrepreneur described a baseline of 75 trips, after which each additional cubic meter earned roughly UGX 6,000. In Fort Portal, Water For People staff explained that only about 3% of households in the municipality are connected to the sewer, meaning the vast majority depend on off-site emptying. The RBF incentive was designed specifically to motivate operators to "increase on their marketing" and actively seek new clients in that underserved market.

Operators consistently described the top-up not as profit they pocket, but as a margin that lets them reach clients they previously could not afford to serve. As one ACTOU representative put it, the incentive means that when a client "had no money because of fuel," the operator could still work for that little money, knowing the incentive would fill the gap. In Kamuli, Brilliant Foods introduced a payment plan that has a 40% down payment with three months to pay it back, specifically to make emptying affordable to households that cannot pay in full. The incentive is enabling creative solutions to the affordability barrier.

Demand is being pulled, not just pushed

Coverage has also expanded because the programme has invested in making services findable. In Kayunga, the Central Umbrella introduced a toll-free customer service number. In Kamuli, the Water Officer described mobilization that goes far beyond technical staff: "We bring on board the leaders in the community, the local and honorable councilors, the elders, opinion leaders, and religious leaders to spread the message." In Fort Portal, a senior inspector noted the sector had grown from only two or three service providers to multiple trained companies equipped with gulper technology.

The Kamuli District Health Officer confirmed the demand-side shift, observing that "when you attach an incentive to the output, people have more morale to work because they are motivated." Institutions like schools and hospitals have responded too, increasingly adopting formal emptying services rather than informal alternatives.

Real, but not yet secure

None of this means the coverage problem is solved. Operators were candid about the fragility. Seasonal fluctuations, ageing equipment, and rising fuel costs all threaten throughput. In Fort Portal, the data clerks described losing seven trips in a single month because National Water staff locked the treatment-plant gate on weekends and at night. In Kamuli, Mr. Kunya noted that sludge from ordinary latrines is extremely heavy and difficult to pump, raising the cost per trip for the operators serving the hardest clients.

And nearly every operator raised the same structural anxiety: when the programme raises the volume target, it can push the incentive out of reach. As one ACTOU member explained, increasing the target "is an indirect way of eliminating me from your incentive." A coverage strategy built on incentives only works if the targets remain achievable for the smaller operators serving the hardest places.

The evidence from Round 1 is nonetheless encouraging. RBF has measurably increased the volume of sludge safely emptied and delivered, expanded operator client bases across multiple districts and towns, and begun to redirect waste from drains and channels into treatment plants. The task ahead is to protect those gains: to keep targets realistic, to help operators invest beyond repairs into the trucks and equipment that would let coverage grow further, and to sustain the affordability that is bringing previously unserved households into the market for the first time.

BLOG 2

Are Financial Incentives Improving Safety and Compliance in Faecal Sludge Emptying Operations?

Safe disposal, PPE, and documentation are improving. Regulatory enforcement is not. The incentive has changed what operators do, but it cannot substitute for the regulation only government can provide.

Faecal sludge emptying is dangerous, dirty, and historically informal work. Operators handle human waste, often in cramped settlements, sometimes at night, frequently with little protective equipment and few incentives to dispose of what they collect at a licensed treatment plant rather than the nearest drain. A results-based financing model that pays only for sludge safely delivered to an approved facility creates, in theory, a powerful pull toward safer and more compliant practice. The interviews conducted in June 2026 now covering Kampala, Kayunga, Kamuli, and Fort Portal suggest that pull is real, though it is working faster on some dimensions of safety than others.

Safe disposal: the compliance win at the core of the model

The single most important compliance behavior the programme targets is where sludge ends up. By design, an operator earns the incentive only when a truck arrives at a treatment plant, is logged, photographed, and its volume recorded. That structure has changed disposal behavior directly. Treatment-plant data clerks across multiple sites confirmed that under the incentive, more operators are bringing sludge to designated disposal sites rather than disposing of it elsewhere. In Kamuli, the environmental health inspector Mr. Kunya captured the shift plainly: “We no longer entertain the crude way of emptying where people would dig a pit and bury faecal matter within their compound.” The community itself has become a monitoring force; Kunya reported that residents now “report anyone attempting to empty crudely.”

“We no longer entertain the crude way of emptying where people would dig a pit and bury faecal matter within their compound.”
- Mr. Kunya, Environmental Health Inspector, Kamuli Municipal Council

Protective equipment and professionalism are rising

ACTOU reported that training under the programme explicitly added PPE use at worksites and that members now procure protective gear regularly. Customers corroborate this. A facility manager rated the service 4.5 out of 5 and singled out safety: teams arrive “with all the necessary PPEs required.” A Makindye household observed operators who “wear gloves while doing all this” and clean the site after work. In Kamuli, Brilliant Foods reported investing incentive earnings directly into safety gear and protective equipment for staff, alongside purchasing additional drums and hiring more workers.

Documentation discipline as a form of compliance

Because payment is tied to verified results, operators have had to become disciplined record-keepers. Monthly reporting, planning meetings, and supervision activities have strengthened accountability. At the treatment plants, the shift to tablet-based M-Water and Kobo applications has created a verifiable audit trail. In Fort Portal, the data clerk described a dual system: “We capture data using the tablet where the app is installed, and we were provided with notebooks so we note those trips.” Photo verification has become the backbone of trust, providing evidence trails that reduce fraudulent reporting. In Kamuli, the Water Officer confirmed the effect: “Reporting has improved; the quality and the rate of reporting have increased.”

Where compliance is still lagging

Yet the interviews are equally clear that incentives have not fixed everything. The most direct assessment came from the Kayunga District Health Officer, who stated plainly that the RBF mechanism has “not yet fully influenced operator compliance with regulations.” Stronger testing and enforcement mechanisms had been planned but not fully implemented. In Fort Portal, Senior Inspector Lucy described the same gap from the enforcement side: operators have been trained, but “the city has not yet started to totally regulate or enforce them.” Spillages during emptying and transportation persist. Enforcement is limited by capacity and, Lucy added candidly, by “issues like police corruption.” Fort Portal is now planning a standby court to prosecute cases immediately.

In Kamuli, Mr. Kunya described a complementary approach: a bylaw has been submitted to the Attorney General for certification that would allow the municipal council to license service providers and enforce terms and conditions. Until these regulatory instruments are in place, compliance depends on incentive-driven good behavior rather than enforceable standards.

The overall trajectory is positive. By tying money to safe disposal and verifiable documentation, the RBF facility has made the safe, compliant path the profitable path. Operators have followed, adopting PPE, disposing at treatment plants, and keeping better records than before. The frontier now is regulatory: pairing the incentive’s behavioral pull with the enforcement, testing, and standards that only local government and sector regulators can provide. Incentives have proven they can reward good practice. They cannot, on their own, regulate an industry.

BLOG 3

Understanding Customer Experience in Incentivized Faecal Sludge Management Markets

Customers describe faster, cleaner, more professional service than they have ever received. The remaining barrier is not quality; it is price.

Most evaluations of sanitation programmes look at the supply side: how many operators, how many trips, how many cubic meters. But a results-based financing facility that succeeds in changing operator behavior ultimately has to prove itself in the experience of the households and institutions being served. VIDA interviewed clients directly, from school proprietors and facility managers to households in Makindye and communities in Kamuli and Fort Portal. Their testimony offers a ground-level view of what an incentivized FSM market feels like from the receiving end.

Responsiveness is the experience customers value most

If one theme dominates, it is speed. Ms. Were of Jerox Educational Center described her provider in the simplest terms: “The moment you call, it comes.” The facility manager working with SEYAN Brothers echoed it; even when busy, the operator would “get someone to come and do that work urgently for me within an hour.” A Makindye household said operators “work very fast, and they go back; it is hard to notice” they were ever there. In Kamuli, Mr. Kunya confirmed the demand-side shift: “The community has started adopting modern emptying technology, and we frequently receive calls for these services.”

This responsiveness creates a loyalty effect that matters for market development. Ms. Were explained that once she found a provider who “does my work very well,” she saw no reason to switch: “Why do I change?” In an industry historically characterized by informality and mistrust, incentive-supported operators are earning repeat business through reliability.

“The moment you call, it comes. He’s doing my work very well, so why do I change?”
- Ms. Were, Jerox Educational Center

Professionalism and hygiene are being noticed

Customers notice not only that operators come quickly but how they conduct themselves. The SEYAN Brothers client praised teams that arrive with full PPE, announce themselves before starting, and send experienced crews even when the lead operator is unavailable. A Makindye household described operators who “clean after working,” “wear gloves,” and “care for the hygiene of their customers.” In Fort Portal, Lucy noted that the introduction of gulper technology had expanded the range of operators available, giving customers more choice and raising the competitive bar for service quality.

Affordability: better, but still the fault line

On price, the customer experience is more nuanced. Several institutional clients regarded the service as fair value. The SEYAN Brothers client compared prices against the wider market and concluded the operator was “within range.” But for lower-income households, the standard emptying charge around UGX 100,000 in Kampala remains a barrier. A Makindye respondent captured the tension: the price is “fair for those who can afford it, but out of reach for many.”

In Kamuli, Mr. Kunya described the affordability pressure from a different angle: where digging a replacement pit once cost around UGX 200,000, formal emptying with transport to the treatment plant can now reach UGX 300,000–400,000, with distance as a major cost driver. This price differential works against adoption of safe emptying, particularly in rural areas.

Operators are experimenting with solutions. In Kamuli, Brilliant Foods introduced a structured payment plan: 40% down payment with three months to complete, specifically designed for households that cannot pay the full fee at once. In Fort Portal, the gulper technology allows households to empty just two or three barrels at a time if they cannot afford a full vacuum truck, lowering the per-visit cost substantially. These are supply-side innovations that directly respond to the affordability barrier customers describe.

What customers would change

Asked for improvements, customers were refreshingly practical. The recurring complaint was odor: clients asked operators to find better chemicals to control smell during emptying. In Kamuli, Mr. Kunya raised a sector-level challenge that affects both operators and customers: the growing volume of non-degradable waste pampers, sanitary pads, bottles, broken plates thrown into latrines, which blocks equipment and causes sludge to be rejected at the treatment plant. This is not a problem the operator can solve; it requires behavioral change at the household level, supported by community messaging and, in institutional settings, by proper waste segregation.

The customer experience under the incentivized model is one of fast, professional, increasingly trusted service, a marked improvement on the informal market that preceded it. The programme’s challenge is to extend that positive experience down the income ladder, ensuring that affordability support reaches the households for whom UGX 100,000 remains the difference between a safely emptied latrine and a flying toilet.

BLOG 4

When the Numbers Don't Match: Building Trust in Verification at the Treatment Plant

Operator records and plant records disagree. The gap is not about dishonesty. It is about a single data clerk, a locked gate on Sunday, and a night shift that does not exist.

In a results-based financing model, the number is the money. An operator is paid for verified volume, which means the entire programme rests on a single, deceptively simple question: does everyone agree on how much sludge was actually delivered? When the answer is yes, the incentive flows smoothly and trust builds. When operator records and treatment-plant records disagree, the disagreement strikes directly at the operator's trust in the programme. The June 2026 interviews, now covering treatment plants in Kampala and Fort Portal, surfaced this friction repeatedly.

The friction is structural, not accidental

ACTOU described the problem plainly: operators keep their own daily trip records; Water For People maintains its count through clerks stationed at the treatment plants. When they diverge, "I may be having 130, and their system has 120," the programme's record prevails. For an operator whose income depends on the count, being told the discrepancy will be resolved against them is a genuine source of grievance.

What makes this structural rather than a matter of dishonesty is the cause. The gap opens because the clerk, the single point at which a trip becomes an official, payable record, is not always present when the trip happens. The Fort Portal data clerk described this with uncomfortable specificity: "Last month they were complaining that seven trips were not recorded. They dumped at night three trips, and the four trips were done on Sunday. So we could not record them because we've not seen them. We cannot record what we have not seen."

"Seven trips were not recorded. They dumped three trips at night, and the four trips were done on Sunday. We cannot record what we have not seen."
- Data clerk, Fort Portal

The gatekeeping problem

In Fort Portal, the friction has an additional layer that did not surface in the Kampala interviews. The treatment plant is managed by National Water, and the facility operator, a National Water employee, does not always cooperate with the Water For People data clerks. The Fort Portal data clerk described a pattern: on weekends, the

National Water officer "doesn't want us to capture that data." When operators call to arrange dumping, the officer asks whether they have informed the data clerk. If they have not, the officer tells them not to bother: "Don't tell them. Come around." The result is legitimate trips that bypass the data system entirely, creating unrecorded volumes that operators later dispute.

The National Water facility officer in Fort Portal, interviewed separately, offered a different perspective. He described his own recording system as reliable, noted no data quality issues, and appeared only partially aware of the Water For People incentive arrangement operating alongside his own processes. The disconnect is institutional: two parallel data systems operating at the same site, with limited coordination between them.

The clerks are working under real constraints

The clerks at Nalukolongo, Lubigi, Bugolobi, and Fort Portal described a job done largely outdoors: rain damaging tablets, sun washing out screens, wind making it impossible to hold an umbrella and operate a tablet at once. They work long hours without off days. When several trucks arrive at once, mistakes happen. In Fort Portal, the clerk described working in shifts with one colleague at the plant and one in the field doing demand creation, but the coverage is thin, and the backup system is a handwritten notebook.

In Kamuli, the Brilliant Foods manager flagged a different data challenge: "The network disturbs us" when trying to submit records digitally. Some customers also provide wrong information, adding another layer of noise to the data that reaches the verification system.

Payment delays turn data friction into open conflict

When data-matching problems combine with delayed incentive payments- delays reported of up to two months- the friction curdles into open hostility. A Lubigi data clerk described operators becoming hostile, refusing photography, and accusing project staff of withholding money. The clerks, who have no control over disbursement timing, absorb the anger. Data integrity and payment timeliness are not separate issues: a late payment makes every small discrepancy feel like evidence of bad faith.

The encouraging finding beneath the friction is that the verification system is fundamentally sound: digital tools are working, photo evidence is trusted, and supervisors catch and correct errors. The gaps are at the edges: night-time coverage, weekend access in Fort Portal, staff welfare, reconciliation rules, and payment timing. They are fixable. Getting them right matters far beyond accounting. In a results-based programme, the credibility of the number is the credibility of the whole enterprise.

BLOG 5

The Last Mile of Sanitation: Can Incentives Reach the Slum?

The incentive has proven it can bend toward equity. The question is whether the programme will design it so that it reliably does.

Every sanitation programme eventually meets its hardest test in the same place: the dense, low-income, informal settlement where roads give out, water tables rise, and the households who most need safe emptying can least afford it. Kampala's slums, Kamuli's peri-urban margins, Fort Portal's unplanned settlements these are where the faecal sludge management challenge is most acute and where the stakes for public health are highest. They are also, by every operator's account, the hardest places to serve.

The problem the last mile poses

The barriers stack. Accessibility: trucks cannot physically reach homes down narrow, unpaved lanes. Poor toilet usage: latrines fouled by bottles, metals, plastics, pampers, and sanitary pads that block equipment and contaminate sludge. And above all, financing: residents who cannot raise the emptying fee. ACTOU named the slums directly as "the ones that give you headache," citing "accessibility, usage, poor usage" and "financing."

In Kamuli, Mr. Kunya described the affordability dimension in hard numbers: formal emptying with transport to the plant can cost UGX 300,000–400,000, against the UGX 200,000 a household might once have spent digging a replacement pit. Distance is the killer: the cost of hiring a private truck is passed directly to the household, and private truck owners are often reluctant to carry sewage at all.

In Fort Portal, Senior Inspector Lucy added a behavioral dimension: "Some community members prefer the old method of digging a pit and burying it once full rather than using lined, emptiable latrines." Cultural practices of throwing trash into toilets mean sludge is often rejected at the treatment plant due to poor quality, creating a loop of frustration for operators who complete the trip but cannot offload. Poverty compounds everything: Lucy noted it remains a barrier "for those who cannot afford modern emptying facilities."

"Before the incentive, communities would suffer with sanitary-related diseases… they used even to pour into the water channels."
- ACTOU representative

The evidence that incentives are reaching further

The findings are genuinely hopeful. The RBF incentive, a subsidy on safely delivered volume, turns out to be well suited to extending affordability at the bottom of the market. An ACTOU operator explained that because of the incentive, he could serve a client who "had no money because of fuel" for less, knowing the incentive would fill the gap. In Kamuli, Brilliant Foods went further with a structured payment plan: 40% down payment, three months to clear the balance, specifically targeting households that cannot pay in full. In Fort Portal, Lucy pointed to the gulper technology as an equity tool: it allows people to "empty just two or three barrels if they cannot afford the full price of a vacuum truck," bringing the per-visit cost within reach of poorer households.

In Kamuli, the district's water officer described a mobilization strategy that reaches well beyond technical staff: "We bring on board the leaders in the community, the local and honorable councilors, the elders, opinion leaders, and religious leaders." This broad-based engagement is creating demand in communities that were previously outside the formal service market. The environmental health inspector confirmed that the community now actively monitors and reports crude emptying, a social enforcement mechanism the incentive helped to create.

Why the gains remain fragile

The same interviews warn against complacency. Rising fuel prices were mentioned by almost every stakeholder as steadily eroding the affordability the subsidy creates. Physical access remains unsolved: a truck still cannot enter a lane it cannot fit down, leaving the densest settlements dependent on smaller gulper equipment that operators describe as old and inefficient. In Kamuli, the Assistant District Health Officer identified poverty as a barrier that extends beyond the emptying fee: "People say they don't have the money to buy structures or dig pits. Some dig pits and then abandon them."

There is also a design tension the programme must manage. Because the incentive rewards volume above a target, an operator maximizing income has a rational pull toward high-volume institutional clients the schools and hospitals that fill a truck in a single visit rather than the scattered, low-volume households of the slum. The evidence suggests operators are choosing to serve the poor anyway, from a mix of incentive-enabled affordability and genuine commitment. But sustaining that choice may require the programme to actively tilt the incentive toward equity rather than assuming volume-chasing and last-mile coverage will always align.

The overarching lesson is that results-based financing has proven it can reach further than the old market ever did, pulling operators into low-income areas, displacing illegal dumping, and making safe emptying affordable at the margin for the first time. But the last mile will not be reached by the incentive alone. It will take a deliberate pairing of the volume incentive with targeted subsidy for the poorest households, investment in the roads and drainage that make settlements accessible, and the smaller, appropriate equipment that can navigate them. The programme has shown that the incentive can bend toward equity. The next phase is to design it so that it reliably does.

The United Nations Sanitation and Hygiene Fund (SHF) provided US$6.3 million in catalytic financing and technical assistance to implement the “Accelerating Access to Improved Sanitation and Hygiene Services using Market-Based Approaches in Uganda” Project from April 2023 to 30 September 2026.

The Project was implemented by Water For People Uganda, working with the Ministry of Health as the Government lead institution, providing policy direction, oversight, coordination, and stewardship throughout implementation. Other implementing partners included the Ministry of Water and Environment, Ministry of Education and Sports, IRC, Uganda Water and Sanitation NGO Network (UWASNET), Kampala Capital City Authority (KCCA), Finnish Mondial, and participating District Local Governments.

The Project reached approximately 2.4 million people across seven districts: Buikwe, Kabarole, Kamuli, Kayunga, Luuka, Buyende and Kole, and five urban areas: Fort Portal City, Kamuli Municipality, Kayunga Town Council, Kampala Capital City and Kole Town Council. It focused on scaling household sanitation and hygiene services, strengthening sustainable WASH and menstrual health and hygiene services in schools and healthcare facilities, and promoting innovation for safely managed sanitation and hygiene.

For more information

Water For People Uganda

Plot 15B Kitante, Close (Off Yusuf Lule Road)

P.O. Box 1420 Kampala

+256 (0) 393 216 512

uganda.waterforpeople.org