

STRATEGIC PLAN 2022-2025



Gulpers
Association
Uganda
Limited

Strategic Plan

I. Executive Summary	Page 2
II. Problem Description	Page 5
III. GAU Service Solution	Page 6
IV. Three Year Milestones and Vision	Page 7
V. Strategy	Page 8
VI. Funding needs.....	Page 9
Appendices	Pages 11 -13
A. Leadership Team Information	
B. Core Organization Values	
C. Major Risks	

I. Executive Summary

Overview

Uganda still faces many WASH challenges – 7 million Ugandans lack access to safe water and **28 million do not have access to improved sanitation facilities**, almost half of all of Kampala’s residents still use unimproved sanitation facilities, which do not meet minimum quality standards and that present the risk of contaminating the environment. Only 47% of sanitation facilities are clean enough to be used properly, and 45% are abandoned after five years because they are full or have broken down (Makerere University, 2011). Majority of these residents are in informal settlements that are not easily reached by cesspool trucks for emptying. The only permanent solution to this sanitation crisis is a sustained increase in inclusive sanitation service delivery for safe waste management. Gulpers Association Uganda Limited (GAU) is a registered social entity that unites now 32 independent sanitation enterprises that offer sanitation services especially in the informal settlements including pit emptying and transportation of Faecal waste to treatment centres for proper dumping and treatment.

Gulpers Association Uganda Limited was formed in 2017 to unite and organize companies dealing in pit emptying business (gulping). The association has grown in membership over the years from 8 to 32 registered companies to date. Gulpers association Uganda limited is managed by an executive committee which constitutes seven positions; that is Chairperson, Vice Chairperson, Secretary, Treasurer, Publicity Secretary, Welfare Secretary and an Ex-official/Advisor. The association holds monthly meetings for both the executive and general meetings. The association works with a separate disciplinary committee to ensure that gulper companies comply with set standards of the Faecal Sludge management as set by the regulators. Furthermore, the association has a team of 4 health coordinators, to ensure that gulper members do not break public health regulations. According to the GAU policies, membership is cancelled for companies which fail to comply with the guidelines stated in KCCA ordinance (2019). GAU enforcement has greatly contributed to the improvement of service delivery and customer satisfaction and created demand for the service. Additionally, GAU offers training and mentorship to its members for business growth.

Our model revolves around serving the unreachable settlements that are hard to be served by the cesspool trucks. We currently offer employment to about 300 operators that work in the 32 companies and serve on average 800 Households every month.

Program Model

We provide a “market bundle” of services to mainly the families in informal settlements in peri-urban areas and small towns: Our programs are aligned to the KCCA Weyonje sanitation theme of “Build it, Use it, Empty it”. All sanitation facilities in Kampala should be emptiable.

- **Build it (toilets improvement)**: we are in position to identify Households with sanitation needs and directly link them to service providers that construct or improve toilet facilities. Some of the members of GAU have capacity to construct the toilets.
- **Use it (Hygiene and sanitation education)**: we encourage our clients to have lined toilet facilities, to always keep them clean, to avoid dumping solid matter in their toilets facilities. This requires continual sensitization. We also participate in community hygiene campaigns.
- **Empty it (gulping)**: our core area of service is toilets and septic tanks emptying especially in informal settlements that may not easily be served by cesspool truck operators. We use the gulper equipment to empty the pits, put the waste in properly sealed barrels that we transport to the treatment plants for treatment and safe management.

There are many sanitation programs in the Uganda – what makes ours unique is the complete bundle of services that we provide that come at flexible and affordable rates. There are other service providers that offer pit latrine and septic tanks emptying services including the cesspool trucks operators and the manual illegal emptiers. The cesspool trucks don’t easily reach the informal settlements that don’t have proper road networks. The illegal emptiers operate in a very unsafe way and carry out illegal dumping

activities against the NEMA regulations and KCCA health standards, exposing themselves, their customers and their communities to health hazards and pollution of the environment.

We are always eager to identify these illegal emptiers, take them through intensive training and mentorship and later on assimilate them into the regulated service provision system. Our operators can reach the unreached communities and serve the customers using safe tools and equipment at affordable rates. GAU as an association promotes the different member entrepreneurs.

GAU is currently managing a Faecal Sludge dumping station at Lubigi treatment plant. The station receives about 27m³ of Faecal Sludge per day. This Faecal Sludge volume is significantly small compared to the total volume of FS generated by the ever increasing population in Kampala. An implication that only a small fraction of the Faecal Sludge that should be managed, there is room for growth. The gulping business mainly targets inaccessible pit latrines in slums where roads are impassable for the cesspool trucks. The business involves marketing, site survey, negotiation and agreement on terms, pit emptying operations, payments, transporting and final dumping at the dumping station at Lubigi.

Normally gulping at sites is done by teams of two to six people depending on volume of FS to be emptied. Gulper pit emptying starts with marketing of the service with help of local leaders, Village health teams and community activation teams. This marketing is done through branded trucks/tricycles, business cards and brochures, recruitment of agents and door to door marketing, radio and other mediums. Through marketing, communities are advised to empty their full pit latrines to avoid sanitation related diseases. People with full pit latrines get the phone contact and address of the pit emptying company and can arrange for a site survey prior to the pit emptying job. In addition, customers who were once served by a gulper pit emptying company, recommend other people to call the same pit emptiers. Whenever a call from a customer is received, a site survey is arranged and done by an officer who fills up the survey form and bills the customer accordingly. On the other hand, transfer tanks are used in the different parishes to extend gulping services to the poor communities. Under the transfer tank model, a transfer tank is stationed in a given parish and Community Activation Teams (CATs) register interested households (HH) in the different parishes. These registered Households are served by the gulper entrepreneurs at a subsidized fee and the emptied Faecal Sludge is disposed at the transfer station.

The limited number of gulper companies leaves a bigger fraction of the market unserved. Illegal emptying practices continue to prevail in Kampala city for the Faecal Sludge that is not managed by GAU. There's need to recruit new pit emptying entrepreneurs to match the available pit emptying market. Furthermore, the increasing population resulting from urbanization in Uganda has necessitated the need to scale up gulping technology in the growing cities in Uganda. Therefore, there is need to widen the market penetration of the gulper pit emptying technology through market activations, sanitation drives, and recruitment and training new entrants in the gulping business. Refresher training are also important to ensure that pit emptying operators offer a reliable and hygienic service.

A. Proven Impact

GAU produces substantial results for the members whose activities have a significant impact on our communities. On average, we serve about 800 Households every month. Through our member companies we employ about 300 people whose families members depend on them for livelihood. We directly contribute to prevention of diseases and environmental protection in our communities. We have also contributed to national development; our entrepreneurs are responsible citizens that comply with tax and permit regulations as expected by the Government authorities. The communities we serve have a real demand for what we offer on a continual basis. This allows us to have high confidence in the quality of our impact.

B. Scalability

In 2017, our first year of operations, we had 8 registered sanitation member companies. In the last 5 years, we have grown to 32 member companies. Our solution is built to be broadly scalable, and we will serve over 5,000 families in the next 36 months. GAU's solution has been built from the beginning for

scalability, and we have invested heavily in standardized protocols and training of management staff to enable future growth. We are looking at spreading our reach to other towns outside the Kampala metropolitan. We plan to set up a full scale operations in other regions like the western Uganda, increase our memberships and operations.

C. Sustainability

Since 2017, when we started as an association, we have been working on strengthening the association in areas of leadership, capacity building of the member enterprises, and working on issues of licenses and permits for our members, creating collective marketing value for our members, membership growth and management of stakeholders' expectations. Though there were a number of challenges and obstacles that we had to overcome, we have managed to register some significant growth, recognition and community acceptance of the gulping services. Now we collect around 10,000m³ of Faecal Sludge every year. We manage our dumping bay that receives the Faecal Sludge collected by our operators for dumping and treatment. We foresee a continual relevance of our services in the communities for the coming years. We envisage an association of over 100 member companies operating not only in Central Uganda but across the country in the coming 5 years. We are working towards making the gulping operations more safe and efficient for our operators through innovative and safe gulping technology. Together with Water For People we are working on adopting the Gulper 4 which is safer and cleaner to use. All our operators are well trained in health and safety measures. They keep community health safety guidelines as they go about their daily work. As the communities continue to accept our services, our operations will profitably grow and the sustainability of GAU as an association will be achieved.

II. Problem Description

Client Characteristics

GAU majorly serves unserved families that have been left behind by other emptiers such as the cesspool truck operators. Majority of our customers stay in the informal settlements and slum areas. Others are located in small towns. Our clientele is made up of Households, Landlords, Schools, Clinics, Markets and Places of Worship. They are very price sensitive and do require a lot of education about our work. Many have sanitation facilities that don't meet the set minimum standards. Others do dump solid materials in the pits which make our work more complex. We serve the five divisions of Kampala, Rubaga, Kawempe, Nakawa, Central and Makyindye. We also serve the neighboring districts including, Wakiso and Mukono. We even reach further areas like Mpigi, Kayunga and Jinja. The problem is that majority of our customers are not served by the cesspool trucks operators which exposes them to either abandoning the full pits or using illegal emptiers that pollute the environment. Our solutions serve them well.

GAU currently serves clients in Kampala and surrounding areas.

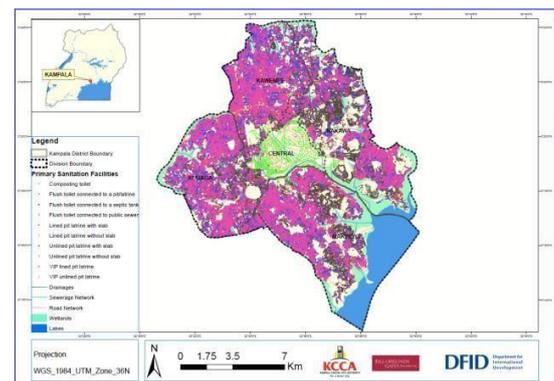


Fig 1: Shows FS management in the 5 divisions of Kampala

Creating value for our members

What value does GAU as an association offer to its members? Would it better/possible to operate a sanitation business using the gulping technology without necessarily being a member of GAU? What benefits does GAU give to its members?

The answers to the above questions can only be answered by the members of the association and are a direct reflection of the members' satisfaction of the leadership and management of GAU as an association. We know that to date, we have registered growth in membership but that alone cannot account for members loyalty to the association. Every year the members renew their membership, and as an association we are not immune to members exit. We need to conduct a members' satisfaction survey to help us understand how the members feel about the management of the association and gather data so we can make informed decisions that can create significant value for our members. Members' satisfaction is always work in progress.

GAU provides a solid cover to its members when it comes to licenses and permits, currently the dumping station is managed by GAU and all member companies utilize the station (the dumping station was built with the funding and support from Water For People together with KCCA). GAU actively promotes training among the member companies. Many of the trainings are directly organized by GAU together with its Partners. There is still room for improvement when it comes to collective marketing of the Gulping services to create direct business growth for each member companies. There are occasional deals like the KCCA subsidized community pit emptying that are managed by GAU benefiting the member companies. GAU takes on the role of advocating for the gulping services. Also the GAU has managed to unite the different players and enforced compliance to the regulations that govern the service provision. Several members agree that it's better to operate a gulping business as a member of GAU than going into business on your own.

III. GAU Service Solution

Program and growth model

We have decided to take on a hybrid approach that focusses on organic growth, scaling, duplication and partnerships management as we strive to build up structures and members' capacity and meet stakeholders' expectations.

- Organic growth: Majority of our entrepreneurs start by working for the established member companies and as they get experience and capacity, they themselves register their own businesses and join the association. They employ others who take on the same growth path. We are looking at supporting and enhancing this cycle of internal growth. We plan to deliberately put in place initiatives to enhance internal growth.
- Scaling and duplication: We plan to grow by scaling and duplication in other locations. Mostly our members are in Kampala and Wakiso Districts. We shall open up our membership to entrepreneurs from other districts. We will open up offices in other regions and if possible establish dumping points in those areas.
- Meaningful partnerships: Leverage for growth through building meaningful partnerships. Our model is incomplete without accommodating the direct inputs of our partners. We are still very dependent on our partners for growth.

When it comes to service delivery, it is the *completeness* of our service bundle that makes GAU innovative. The technology we use though simple is effective to meet the needs of our customers, the operators conduct business in a professional way, health and safety is paramount, affordability of our services is key:

- Site visit and advisory, our operators take it on to first assess the pits of the client and advise on whether it needs emptying and the volumes that need to be emptied. They also agree with the customers on the pricing of the service which is usually charged per barrel emptied.
- Removal of solid waste, If the client agrees, the operator first remove the solid waste from the pits by forking them out. They are also placed in separate containers for disposal.
- Pit treatment and emptying, the pits are usually treated with disinfectants to kill the smell and germs then the gulping process takes place. We use the gulpers to sack out the Faecal Sludge into the barrels that we properly seal.
- Safe transportation of the Faecal Sludge, we place the properly sealed barrels onto tricycles or trucks and transport them Faecal Sludge to the dumping point which is located at the premises of the NWSC treatment plant at Lubibgi.

We have proven that this model generates value for our members and guarantees continual service delivery to our communities. Now we need to prove that we can execute this at scale. Our milestones for the next 36 months are to show that we can work 1) at scale: to more than double our membership, 2) while maintaining impact for the unserved families, 3) near financial break-even: 85% expenses covered by program revenues.

IV. Three Year Milestones and Vision

Three-year Milestones.

Our organization is driven by metrics, and we have three major milestones that we strive to reach: scale, quality of impact, and financial sustainability. Our proposed milestones for the next three years are summarized as follows:

Scale	Impact	Financial sustainability
<i>National Footprint</i> <i>10 districts by 2025</i>	<i>Quality of client impact</i> <i>5,000 happy customers</i>	<i>85% of operational costs covered by revenue</i> <i>Nearly breakeven by 2025</i>

The next section describes our strategy to achieve these targets. **Scale** milestones will be achieved through same-organic growth, as well as through the launch of operations in new districts. **Impact** milestones will be closely monitored by our measurement staff, and will be achieved by maintaining or improving programs quality. **Sustainability** milestones are covered in more detail in the program budget. As our programs reach more clients, we will be able to achieve significant economies of scale.

Vision

Reaching our 2025 milestones will be an important validation point – to have an impactful, financially-sustainable program at a “respectable” scale of 5,000+ families served through 200+ member companies. Yet this is only a drop in the bucket compared to the ocean of need in Uganda for sanitation solutions. GAU’s Vision is a society in which citizens especially those in the informal settlements of Uganda have equitable access to basic sanitation services at affordable costs through quality service delivery by the member companies.

We hope to use this validation point as a launching pad to grow a large revolution in sanitation micro entrepreneurship and service delivery in Uganda.

- After this stage, we will continue to scale our own program at anticipated 40-85% per year.
- We can infect partners with our progressive success. It’s our partners’ desire for us to attain sustainable growth. We shall always try to exceed their expectations.
- We can set up a GAU franchise or decentralized system, and equip social entrepreneurs with a toolkit and support to launch our program in a new geography.

V. Strategy

GAU's formula for achieving growth is:

- 1) More than double the membership of GAU every year. Currently we have 32 member companies. Our target is to 200 members by the year 2025. We intend to reach out to other cities outside Kampala.
- 2) Members Development Plan; deliberately create significant value for each member. Each member must feel supported and protected by the association and their capacity to grow as entrepreneurs must be built up by the association.
- 3) Strategic alliances and partnerships; stakeholder and partnership expectation management is key. We plan to strengthen our key partnerships and also grow partnerships with new partners. This will help us source funding and support for the association.
- 4) Rewarded Compliance & Performance; control quality of /monitor service delivery of each member. As an association we plan to come up with mechanisms for safe operations by our operators. This is key for the general acceptability of the services of the association by the communities and the regulators.
- 5) Expansion of service delivery and delivery channels, we shall increase our footprint in other areas of operations across Uganda and grow our revenue streams as an association and also as individual companies that make up GAU.
- 6) Together with our partners establish subsidized community pit emptying programs.
- 7) Efficiency and speed (turnaround time), we shall improve our responsiveness when it comes to serving our internal and external customers beginning with our members, our stakeholders and the communities. The speed of execution of our services and responsiveness is key to our sustainable growth. That will be developed as a culture with in the association.
- 8) Develop and use an effective dumping point and solid waste management model.
- 9) Establish a Sanitation Training and Assessment Centre offering sanitation, gulping and financial literacy courses certified by the Directorate of Industrial Training, Ministry of Education (ISO certified).
- 10) To establish proper management for the growth of the GAU SACCO to meet the savings and individual development needs of our members.
- 11) To establish a secretariat that will manage the daily operations of GAU program activities including the dumping station management.

VI. Funding needs & Forecasts

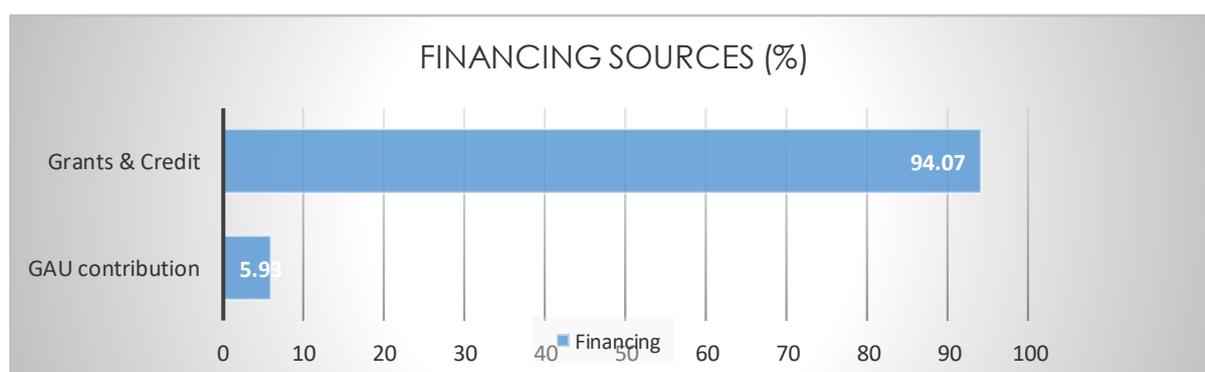
GAU budget. From 2022 to 202025, GAU needs a total of 740M UGX – CAPEX & OPEX, we are in position to raise 43.9M UGX, leaving a funding need of 679M UGX. We intend to source this through grants and credit.

BUDGET CATEGORY (UGX)	Need for funding (UGX)	GAU Equity contribution (UGX)	Alternative funding Grant / Credit (UGX)
CAPITAL EXPENSE			
Gulping technology (20 Gulper 4 stock in the GAU shop)	80,000,000		80,000,000
Dumping bay for thick sludge management	80,000,000		80,000,000
GAU SACCO revolving fund (Access to financing for trucks & Tricycles for members)	150,000,000		150,000,000
Cesspool truck for loading of FS from the station to NWSC treatment point	150,000,000		150,000,000
GAU Training & Assessment Centre (licensed by the Directorate of Industrial Training- Ministry of Education)	30,000,000	5,000,000	25,000,000
Personal Protective Equipment (PPE) stock in the GAU shop	5,000,000	2,000,000	3,000,000
Subsidised Community Pit Emptying Programs	120,000,000		120,000,000
Sub Total	615,000,000	7,000,000	608,000,000
OPERATING EXPENSE			
Salaries & Wages	12,000,000	12,000,000	
Rent (Head Office)-12 Months	8,400,000	8,400,000	
Collective Marketing Programs	15,000,000		15,000,000
Research (Market & Technology improvement)	10,000,000		10,000,000
Cash Required	10,000,000	3,000,000	7,000,000
Consultants & Auditors	3,000,000	3,000,000	
Insurance	2,000,000	2,000,000	
Transport (fuel & Service)	24,000,000		24,000,000
Website Development & Social Media Marketing	1,500,000	1,500,000	
Capacity building & Training expenses	5,000,000		5,000,000
Power - Generator	10,000,000		10,000,000
Utilities	4,000,000	4,000,000	
Miscellaneous	3,000,000	3,000,000	
Sub total	125,900,000	36,900,000	71,000,000
TOTAL (UGX)	740,900,000	43,900,000	679,000,000

Revenue streams. Our revenues are projected to come from membership fees, revenues at the dumping station, Jet wash and grants.

Revenues Forecasts	Units	Year 1	Year 2	Year 3
Membership				
Number of new member companies		30	40	60
Membership fees		500,000	500,000	500,000
Total membership revenue		15,000,000	20,000,000	30,000,000
Dumping at the bay				
Daily Barrels dumped	Barrels/da	100	100	100
Monthly Barrels Dumped	Barrels/mo	3,100	2,800	3,100
Charge per Barrel dumped	Ugx	1,500	1,500	1,500
Monthly Dumping Collections	Ugx/mo	4,650,000	4,200,000	4,650,000
Jet wash at the bay				
Collections from the trucks washed	Trucks/mo	90,000	90,000	90,000
Collections for the tricycles washed	Tricycles/mo	100,000	100,000	100,000
Collcetiions from the Barrels cleaned	Barrels/mo	3,100,000	2,800,000	3,100,000
Monthly Jet wash collections	Ugx/mo	3,290,000	2,900,000	3,290,000
Total Revenues				
Dumping at the bay	Ugx/mo	4,650,000	4,200,000	4,650,000
Jet Wash at the bay	Ugx/mo	3,290,000	2,900,000	3,290,000
Other fees for water & Solid waste & others	Ugx/mo	930,000	840,000	930,000
Dumping Station Revenue	Ugx/Pa	44,130,000	39,000,000	44,130,000
Grants - Projections	Ugx/Pa	250,000,000	300,000,000	300,000,000
Total revenue forecasts		309,130,000	359,000,000	374,130,000

Anticipated funding sources. GAU is still dependent on the support from partners and other donors to meet its budget. More than 94% of the total budget will be covered from donations and partners' financial support. We are looking forward to a time when all our needs can be met by revenues generated from our program activities.



Appendix A. Leadership Team Information

Board

GAU has a small, focused board. The current members are:

- 1) Henry Kayondo, Board Chair.
- 2) Umar Nyanzi, Board Vice Chair.
- 3) Susan Atim, Secretary.
- 4) John Sebatta. Welfare Secretary.
- 5) Ismail Magala. Information Secretary.
- 6) Moses Luswatta. Treasury Secretary.

Advisors

GAU benefits from the advice of several key advisors, including,

- 1) Water For People
- 2) KCCA.

Secretariat

GAU is in the process of establishing a secretariat to manage the affairs of the association and the board shall oversee the secretariat.

Appendix B. Core Values

GAU has five core values that guide our work:

1. We serve mostly the Low Income Customers

GAU proudly serves some of the poorest people in the communities, and dignifies them as our customers – our “boss.” Our organization is geared to learn from these “customers” and to dignify them with private-sector-style service. That’s our target market segment.

2. Health and Safety

The safety of our workers and customers is paramount. We take it very seriously when it comes to health and safety. It’s taught and enforced among our members. There are red lines that cannot be crossed; working without PPE gear, Spilling of Faecal Sludge while gulping and transporting it, using unfit trucks, refusal to comply with the set standards. All these are punishable by the association. We have an active disciplinary committee that handle compliance cases. We immunize all our workers. We also protect the families we serve and their environment as far as health and safety is concerned.

3. Measurable Impact

Precise measurement of our exact impact is important to show our progress. Every season, we take time to reflect on our progress, though more needs to be done to document our journey both qualitatively and quantitatively. We serve over 800 families every month. We employ now coming to 300 workers through our 32 companies. We contribute to sanitation improvement in our communities. Going forward, we shall have both internal and external customer satisfaction surveys. We need to know how our members feel about the leadership of the association and what needs to be improved. Likewise we need to know if our external customers are happy with our services. Our stakeholders – we need to know if we meet their expectations. We shall use these kind of metrics across all operational units, and use this business intelligence to guide our decision-making at every level.

4. Cost-Effectiveness and setting of prices.

Proper pricing of the gulping services and standardization of these prices among all our members is a very key and sensitive issue. Our customers are very sensitive to pricing. We are cognizant of the fact that the costs of doing business have risen. The fuel prices have gone up. There is a need to well price our services so that our operators can make a descent profit on each service and also that our customers can well afford our services. Currently we charge per barrel of Faecal Sludge emptied and we need all operators to recognize and charge a uniform price as advised by the leadership.

5. Ambition to Scale

There is room for expansion of our programs across the Uganda. We intend to duplicate our operations in other districts. We are the pioneers in this line of business. We just need to scale up our operations in other geographical areas. This may be achieved through a franchise like model or a decentralized model. We intend to start with increasing our operations in the greater Kampala region that includes, Wakiso, and Mukono districts. We shall target other towns like Jinja, Mbale, Mbarara, Gulu, Arua, Hoima, FortPortal, Mpigi, Busia and Kayunga. In the long run we intend to cover the entire country with our services.

Appendix C. Major Risks

To be transparent, GAU is a new organization with only five years of operating experience. Our forecasts on performance and financial estimates are thus inherently less reliable, when compared to an organization with more history. The chief risks that we face include:

Regulatory risk – Although our services have been accepted by the communities and regulatory bodies, we still need proper licensing for all our member organizations. We have been improving safety of our operations through better technology and enforcing discipline among our operators to comply with regulatory rules. We are also working on ever bettering our standards of operations.

Political risk – Recent events in Uganda highlight potential political risk – any unrest could significantly disrupt operations. However, small towns and rural areas are generally quite calm. There is no widespread violence among the general population, we don't think there is a major risk. Additionally, strong Western interests in stability in Uganda contribute to a fast recovery from unrest.

Input price risk – This is a high risk majorly because our business depends on technology. The Gulper 4 is our latest technology. We are working with Water For People engineers to better the design and effectiveness of Gulper 4. A lot needs to be done to come up with an affordable, durable and effective gulping tool.

Corruption risk – Internal corruption is possible among the executives but it's very unlikely. We intend to develop a Board Charter for good corporate governance. The management of the revenue streams including the dumping station and our other programs can be improved. We are working at set up working systems to better our processes. We shall be able to carry out audits for accountability. External corruption is unlikely to affect our business and operations. Any member found corrupt will not retain their office of leadership. That's according to our disciplinary policy.

Young organization risk – Our relative youth as an organization means that 1) our financial expense projections retain a fair amount of uncertainty. Our projections are built using past experience, and most assumptions are reasonably well tested, but many things can still happen. 2) Also, there are risks with membership enrollment rate assumptions. We are yet to bring onboard a secretariat that can manage the affairs of the association and provide leadership in fundraising. There remains the kind of uncertainty that an older organization would not have. 3) Also, we are so dependent on our partners to meet our budget in spite of the fact that we always striving for sustainability and growth.