

Nile Basin Initiative
Shared Vision
Program

**SOCIO-ECONOMIC
DEVELOPMENT AND
BENEFIT-SHARING**

PROJECT DOCUMENT

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of the Nile Basin States*

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ABBREVIATIONS AND ACRONYMS

CIDA	Canadian International Development Agency
DRC	Democratic Republic of Congo
DSS	decision support system
EN-SAP	Eastern Nile Subsidiary Action Program
NEL-SAP	Nile Equatorial Lakes Subsidiary Action Program
EU	European Union
FAO	UN Food and Agriculture Organization
GEF	Global Environment Facility
GDP	gross domestic product
ICCON	International Consortium for Cooperation on the Nile
IDA	International Development Association
IWRM	Integrated Water Resources Management
NBI	Nile Basin Initiative
Nile-COM	Council of Ministers of Water Affairs of the Nile Basin
Nile-SEC	Nile Basin Initiative Secretariat based at Entebbe, Uganda
Nile-TAC	Nile Technical Advisory Committee
PCC	project coordination committee
PMU	project management unit
SAP	Subsidiary Action Program
SVP	Shared Vision Program
UNDP	United Nations Development Programme
USAID	United States Agency for International Development

Please note that all dollar figures are current U.S. dollars unless indicated otherwise

PREFACE

In an historic effort, the ten countries of the Nile have come together within the Nile Basin Initiative to realize a shared vision “*to achieve sustainable socio-economic development through the equitable utilization of, and benefit from, the common Nile Basin water resources.*” Recognizing the tremendous benefits that can be reaped from cooperation, yet fully aware of the challenges ahead, the Nile countries have embarked on a remarkable journey to translate their shared vision into concrete activities and projects that will build confidence and capacity across the basin (the *Shared Vision Program*), as well as initiate concrete investments and action on the ground at local levels (*Subsidiary Action Programs*).

Presented herein is one of the projects within the Shared Vision Program. The full project portfolio includes:

- Nile Transboundary Environmental Action
- Nile Basin Regional Power Trade
- Efficient Water Use for Agricultural Production
- Water Resources Planning and Management
- Confidence-Building and Stakeholder Involvement (Communications)
- Applied Training
- Socio-Economic Development and Benefit-Sharing.

As a whole, the Shared Vision Program aims to create an enabling environment for cooperative development and management. Though each project is different in focus and scope, all contribute to building a strong foundation for regional cooperation by supporting basin-wide engagement and dialogue, developing common strategic and analytical frameworks, building practical tools and demonstrations, and strengthening human and institutional capacity.

The seven projects of the Shared Vision Program build upon each other to form a coordinated program. They address the major water-related sectors and cross-cutting themes deemed critical by the Nile riparians to ensure an integrated and comprehensive approach to water resources development and management, and that this development serves as a catalyst for broader socio-economic development and regional cooperation. Together, the projects of the Shared Vision Program seek to forge a common vision for—as well as build the capacity to achieve—the sustainable development the River Nile for the benefit of all. They pave the way for the realization of investments on the ground through the Subsidiary Action Programs.

The detailed preparation of the Shared Vision Program was accomplished through a unique, multi-country, multi-sectoral and highly participatory process led by the Nile Council of Ministers and Technical Advisory Committee and executed by the Nile Secretariat. More than 70 national experts, including 8 technical specialists from nine countries, were involved in detailed project preparation. For many, it was the first time that they were able to discuss common concerns with their colleagues from neighboring and co-riparian countries. The energy and hope for the future engendered by this preparation process were a visible demonstration of the power of cooperation, strong riparian ownership, and the commitment of the Nile countries to jointly pursue their common goal.

But the preparation of the Shared Vision Program is just a beginning. Implementing these projects and ensuring that tangible benefits are realized is the next challenge. It is a challenge which requires deepening partnerships with the international development community. Promoting cooperation among the countries of the Nile will inherently be a complex process. However, such cooperation is essential if sustainable development and management of the Nile is to be achieved.

1. SUMMARY

This project aims to promote socio-economic cooperation and development in the Nile Basin countries through further cooperation, dialogue, exchange, and integration of the Nile countries in their quest for development and poverty eradication. The project will foster the cooperation through three related sets of activities; (a) scenario-building and socio-economic information bases, (b) riparian dialogue for private sector cooperation and investment, and (c) capacity-strengthening. In addition, the project will also act to ensure the integrity, synergy, and optimal sequencing with minimal duplication of the Shared Vision Program (SVP) through the establishment of an SVP monitoring matrix.

2. PROJECT DEVELOPMENT OBJECTIVES

2.1. Project Goal and Development Objectives

Goal. The goal of the SVP is to achieve sustainable and widely-shared socio-economic development in the countries sharing the Nile River Basin through equitable utilization and sharing of the benefits from the common Nile River Basin resource. Benefits may include a level of integration through cooperation on Nile Basin Initiative (NBI) projects.

Development Objectives. The development objective of this project is to support the SVP by enabling the riparians to form a range of basin-wide development scenarios, and specify the benefits accruing from the implementation of such scenarios (together with some notion of how benefits will be shared). Fundamentally, the project aims to provide an opportunity for riparian dialogue that can include a wide range of society and that will develop common visions of cooperative development in sectoral or thematic areas. This will be done by providing support to; (a) identify and assess a range of cooperative development scenarios, (b) develop criteria, methods, and frameworks for sharing the benefits and costs of cooperative development scenarios, and for managing attendant risks, and (c) strengthen national and regional capacities for policy and macro-economic analysis, which can support further cooperation opportunities identified through the scenario development process.

2.2. Performance Indicators

The key performance indicators for this project will be developed based on measurable milestones and outcomes that will track the production of the key instruments of the project (analyses, frameworks, assessments), evaluate their contributions based on their utilization (through creation of development scenarios), and assess the credibility and persuasiveness of these scenarios and proposals based on the support they win among policymakers, investors, and donors and the degree of consensus at both national and basin-wide levels.

3. STRATEGIC CONTEXT

3.1. The Nile Basin Initiative (NBI)

The Nile Basin. The Nile River, the longest river in the world, traverses more than 6,700 kilometers from its farthest point at the headwaters of the Kagera River in Rwanda to its delta in Egypt on the Mediterranean Sea. Ten countries share the Nile: Burundi, Democratic Republic of Congo (DRC), Egypt, Eritrea, Ethiopia, Kenya, Rwanda, Sudan, Tanzania, and Uganda. The Nile River Basin covers 3 million km²—one tenth of Africa's total land mass. It serves as home to world-class environmental assets, such as Lake Victoria (the second largest fresh water body by area in the world) and the vast wetlands of the Sudd. It also serves as home to an estimated 160 million people within the boundaries of the Basin while nearly twice that number—roughly 300 million—live within the ten countries that share the Nile waters.

Challenges and Opportunities. Despite the extraordinary natural endowments and rich cultural history of the Nile Basin, its people face considerable challenges. Today, the Basin is characterized

by poverty, instability, rapid population growth, and environmental degradation. Half the Nile riparian countries are among the world's ten poorest. Population is expected to double within the next 25 years, placing additional strain on the scarce water and other natural resources. Yet the Nile holds significant opportunities for win-win development that could enhance energy availability, food production, transportation, industrial development, environmental conservation, and other related development activities in the region. Cooperative water resources management might also serve as a catalyst for greater regional integration, both economic and political, with benefits far exceeding those derived from the river itself.

Towards a Long-Term Legal and Institutional Framework. Aware that forward movement on Nile cooperation requires a development focus, a permanent institution, and agreement on core legal principles, the Nile riparians established a forum to facilitate a process of legal and institutional dialogue in 1997. In early 2000 a panel of experts, including senior government lawyers and water resources specialists from each country, produced a draft text of a "Cooperative Framework." This draft Framework has moved the riparians a long way and important compromises have been reached. However, some key issues remain to be resolved, and the Council of Ministers agreed in August 2000 to extend the process to further dialogue on outstanding issues. The United Nations Development Programme (UNDP) has pledged its continued support to the process—a process which by its very nature requires time and effort.

The Nile Basin Initiative. Recognizing the need to take concrete steps to realize the development potential of the Nile while the dialogue on a permanent legal and institutional framework continues, the Nile riparians took an historic step towards cooperation in the establishment of the NBI (NBI). Formally launched in February 1999, the NBI is a transitional institutional mechanism that includes all riparians and provides an agreed basin-wide framework to fight poverty and promote economic development in the region. The Initiative is guided by a shared vision "to achieve sustainable socio-economic development through the equitable utilization of, and benefit from, the common Nile Basin water resources,"¹ and a set of policy guidelines which provide a basin-wide framework for cooperative action. The NBI is comprised of a Council of Ministers of Water Affairs of the Nile Basin (Nile-COM), a Technical Advisory Committee (Nile-TAC), and a Secretariat (Nile-SEC) located in Entebbe, Uganda.

A Strategic Action Program. To translate the NBI's shared vision into action, a strategic action program has been launched to identify and prepare cooperative projects in the Basin. The program consists of two complementary sub-programs, a SVP (SVP) of technical assistance and capacity-building type projects to be implemented basin-wide to create an enabling environment for cooperative development and SAPs carried out by smaller groups of Nile riparians, comprising physical investments at the sub-basin level.

The basin-wide SVP currently includes seven projects. Four of these are thematic in nature, addressing issues related to environmental management, power trade, efficient water use for agriculture, and water resources planning and management. The remaining three are facilitative, supporting efforts to strengthen confidence-building and stakeholder involvement, applied training, and socio-economic development and benefit-sharing.

Two SAPs have formed, the Eastern Nile (EN-SAP) and the Nile Equatorial Lakes Region (NEL-SAP). EN-SAP currently includes Egypt, Sudan, and Ethiopia, while NEL-SAP includes the six countries in the southern portion of the Basin, as well as the downstream riparians Sudan and Egypt. These subsidiary groups have identified joint investment projects which warrant further investigation and preparation.

Riparian Consultative Process. The Nile-COM is the main policy and guidance forum for Nile Basin cooperation. Important roles of the Nile-TAC are to coordinate joint activities and establish working

¹ Council of Ministers of Water Affairs of the Nile Basin States, *Policy Guidelines for the Nile River Basin Strategic Action Program*, February 1999.

groups as needed to accomplish specific tasks. The Nile-TAC is responsible to the Nile-COM for the preparation of the SVP, which will be coordinated and implemented at the basin-wide level. While the Nile-TAC is to promote the establishment of working groups of concerned countries to identify SAP projects at the sub-basin level, the responsibility for SAPs will rest with the involved riparians. Throughout the process, high priority will continue to be placed on strengthening the process of consultation in order to build trust and confidence. Figure 1 illustrates how country activities will take place within sub-basin frameworks, which will occur within the broader context of the basin-wide framework. The basin-wide framework also includes an “international discourse” to promote international support for the sustainable development and management of Nile waters.

International Consortium for Cooperation on the Nile (ICCON). An International Consortium for Cooperation on the Nile (ICCON) is being established to support the NBI’s strategic action program. Its first meeting is scheduled for June 2001. The ICCON will be a unique forum, organized by the World Bank at the riparians’ request, and envisioned as a long-term partnership of the riparian states and the international community. The first meeting of the ICCON will seek to raise funding for a portfolio of basin-wide Shared Vision Projects and the preparation of projects identified under the SAPs. The first ICCON meeting will also celebrate cooperation and demonstrate international solidarity for cooperative development in the Nile Basin.

Partnerships. Support for the NBI has been characterized by partnership since it began. The initial partners comprised the World Bank, the UNDP, and the Canadian International Development Agency (CIDA). These initial “cooperating partners” played the role of concerned facilitators, assisting the process of dialogue. As the NBI moved into the preparation of the strategic action program, the governments of Denmark, Finland, Germany, Italy, the Netherlands, Norway, Sweden, the United Kingdom, and the United States, together with the Food and Agriculture Organization (FAO) and the Global Environmental Facility (GEF), actively supported the Initiative, directly or through World Bank trust funds. With the first ICCON, the circle of partners will widen as the international development community commits further support for Shared Vision Projects and for preparation of Subsidiary Action Projects.

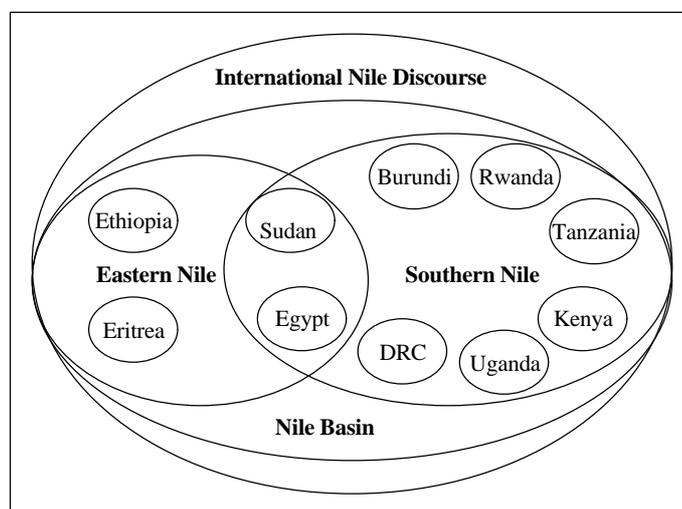


Figure 1. An Illustration of Possible Levels of Nile Cooperation

Summary. The NBI provides a transitional institutional mechanism, an agreed vision and basin-wide framework, and a process to facilitate substantial investment in the Nile Basin to realize regional socio-economic development. The NBI represents deep commitment by the Nile riparian countries to foster cooperation and sustainable development of the River Nile for the benefit of all.

3.2. NBI Objectives

The policy guidelines adopted by Nile-COM in February 1999 further defined the primary objectives of the NBI. These objectives are:

- To develop the water resources of the Nile Basin in a sustainable and equitable way to ensure prosperity, security, and peace for all its peoples
- To ensure efficient water management and the optimal use of the resources
- To ensure cooperation and joint action between the riparian countries, seeking win-win gains
- To target poverty eradication and promote economic integration
- To ensure that the program results in a move from planning to action.

The present project is designed in support of the above objectives. The project specifically addresses objective three through the exploration of alternative development scenarios seeking optimum win-win benefits. Through the riparian dialogue component of the project, an open dialogue and an enabling environment will be created through which cross-riparian cooperation and investment can be fostered, thereby further underpinning objectives three and four. All activities in the project will be directly supporting a move from planning toward action.

3.3. Related Sector Issues

Poverty Reduction and the Nile Strategic Action Program. Under the Nile strategic action program, development that is to be socially, politically, and economically sustainable must have poverty reduction as its main goal. If it is to be rapid, the riparian states will need to greatly increase the openness of their economies, not just to each other but also to the outside world.

Almost all Basin countries already have development plans that emphasize poverty-reducing growth strategies. Most of the plans acknowledge that growth will be strengthened by further opening the economies to the rest of the world. The problem has been that many of the countries started from difficult initial conditions. Long-lasting internal or external conflicts have made it impossible for the governments to implement coherent development programs. This has been exacerbated further by external shocks such as weather conditions or changes in global terms of trade that have greatly reduced export prices or increased import prices.

Nevertheless, there are grounds for optimism. In recent years, new leadership in a number of countries has been striving to bring peace and to improve policy environments, and in a number of cases they have succeeded. Output and trade in most of the Basin countries are now expanding, something that has not happened for any length of time in the last 30 years. This change in momentum probably has had a positive impact on the progress achieved so far under the NBI. The NBI in turn has helped reinforce the trend to greater cooperation and renewed growth throughout the Basin.

The individual country development strategies are compatible. Indeed they are mutually supportive, and cooperation under the NBI can reinforce interdependence. Cooperative Nile-related investments could result in the development of hydropower that could then be traded among the riparians. Agriculture could be vastly improved through the better use of the Nile waters (and application of other inputs needed for intensification). Development of transport links could help agricultural crops and other goods to find their way to regional markets and beyond. Transport corridors, along with the Nile itself, could become major axes of future development, powered by newly available electricity. The vast majority of the population in the Basin still derive its livelihood from agriculture, and any development that directly or indirectly supports the agriculture sector would help to reduce poverty in the Basin countries.

More rapid development will, in turn, impose increasing demands on the water resources. Experiences from other river basins, such as the Rhine and now also the Danube, however, show that this can be turned into a “virtuous circle” in which ever higher levels of output and welfare benefit from collaboration in the use of water. Such benefits from cooperation build the financial ability and

create the trust needed to make the collaboration even better as competing demands and uses for water increase with time. What appears now to be an impossible set of competing demands (hydropower generation, flood control, irrigation, clean water for drinking and sanitation, transport, recreation, fishing for food, control of waterborne diseases, conservation of biodiversity, etc.) is manageable with mutual trust among the neighboring countries and the financial wherewithal to undertake the needed adaptations.

Political Support. The NBI is supported at the highest political levels of the riparian countries. The Nile-COM gives the Initiative its operational and inspirational guidance. The views of the Ministers themselves are part of and reinforce the strategic vision of the direction of overall socio-economic development in the Nile countries. There is a sense that collaborating on the use of Nile waters will help provide the glue needed to open up these countries to each other's ideas, goods, services, capital, and labor, and that together they can greatly speed up the process of poverty reduction in their respective countries.

3.4. Sector Issues to be Addressed by the Project and Strategic Choices

Three important issues are addressed by this project:

Non-optimal Integration of Economic Development Strategies. While the existing development strategies of the riparian countries are in principle compatible, the interaction among them could be vastly improved. Joint scenario development, based on an agreed set of national socio-economic information bases, is aimed at doing just that. By providing opportunities to discuss each other's strategies, the understanding of each other's comparative advantages will grow, and trust will increase. Along with other projects under the Nile strategic action program, this is expected to create a more conducive environment for larger investments, including a greater number of cross-border ventures. This will help convert some elements of the visions explored under the scenarios into reality. The riparians will reap the benefits of their cooperation and be spurred to pursue ever more interdependent win-win projects that will require more mutual trust but will also bring with them much larger benefits.

Lack of Cross-Border Investment. Currently, the risks of cross-border investments are high. Large, irreversible investments require confidence that the policymakers in the relevant countries will help create an environment conducive to the successful implementation of the investments. This takes a lot of coordination between the private and public sectors of the respective countries, as well as the trust that the necessary climate conducive to investment will be maintained. This project will help create opportunities for investors, policymakers, and donors to get together, discuss the various proposed scenarios, and decide what sort of investments and policy actions are needed to turn key elements of the scenarios into reality.

Inadequate Capacity. Capacity for policy analysis is rather uneven across the Nile Basin countries, and even where available, the number of people with the requisite skills are usually too small. Assessing the relative merits of the investments implied by the various scenarios can be difficult and the results are frequently ambiguous. Therefore, to come to an agreement calls for broad and well-informed discussions. This will not happen unless there is a substantial cadre of people in each country with the right skills who can talk to each other in the technical language that each of the groups involved understands. This project aims to assess the needed skill levels in each country, identify the relevant skill gaps, and propose an approach to eliminate these gaps.

4. PROJECT SUMMARY

4.1. Project Components

The Socio-Economic Development and Benefit-Sharing project will include four major components:

- Scenario-building and socio-economic information bases
- Riparian dialogue for private sector cooperation and investment

- Capacity-strengthening
- SVP monitoring

4.1.1. Scenario-Building and Socio-Economic Information Bases

Scenario-Building for Cooperative Nile Basin Development

Alternative Scenario Development. The development of alternative scenarios for cooperative Nile Basin development, and for sharing benefits derived from cooperation, will be the central task of this project. The process of scenario-building will bring together riparians from different sectors and backgrounds from throughout the Basin to exchange ideas, to identify options for cooperation and cross-border mutual support, to conceive further win-win cooperation opportunities, and to discuss the principles upon which—and mechanisms through which—the benefits of cooperation could be shared.

Scenario Themes. Although the detailed process and timetable for the development of these scenarios will be confirmed as project implementation is underway, a broad approach is suggested below. The themes might focus on:

- *Sectoral development alternatives* such as agriculture, energy, transport, or tourism
- *Issues* such as the principles and mechanisms for benefit-sharing, strategies for poverty alleviation, gender concerns, the preservation of indigenous cultures, protecting the environment, etc.

A Variety of Participants. The participants in the scenario-building activities will include government planners, economists and policy specialists, sector ministry participants and technical experts from both public and private sectors, national, regional and international investors, policymakers, cultural leaders, academics, trainers and researchers, sociologists, representatives from key civic groups and NGOs, advisors in legal and financial issues, and other relevant actors. Participation will be determined based on the theme of the specific scenario development activity.

A Decentralized Approach. A regional project management unit (PMU) will be established to coordinate the project and carry out the monitoring and capacity-building components discussed below. The scenario-building component of the project will be decentralized, led by regional groups established along thematic lines.

Scenario-building Undertaken by Thematic Working Group. A thematic working group will be established for each of the scenario development activities (a maximum of five or six themes). The thematic working groups will be asked to generate and analyze alternative development scenarios focusing on their specific thematic area.

Scenario Report. Following meetings and analysis by the thematic working group on a particular theme, selected consultants will be responsible for producing a scenario report which presents and analyzes the various alternatives constructed by the thematic working group. The process of producing the scenario reports might vary among the different thematic groups, but in general the thematic working group, with the assistance of consultants, will prepare information bases (discussed below) and compile relevant literature and case studies and hold one or more intensive workshops to build the scenarios. The workshop(s) will be designed to achieve a brainstorming, learning-by-doing environment to generate a broad range of visions. At the same time, the reports will strive to reflect critical concerns of a wide variety of stakeholders and to include sound economic analyses, consider the needs of disadvantaged group, recognize likely institutional, financial, and environmental limitations, and clearly indicate risks and issues. The preparation process leading up to the scenario development workshops might include stakeholder consultations, the compilation of relevant case studies and other literature, and coordination with the socio-economic information component of this project, discussed below, so that the information which will be made available as a preliminary output of each component can provide input for the scenario-building workshops.

Emphasis on Possibilities and Visions—Not Official Positions. As mentioned above, the thematic working groups will comprise a wide range of participants. The reports of the groups will reflect the thoughts and visions of riparian experts, not the official views of any riparian government. The reports will thus provide stimulus for exploration and engagement in further regional integration, rather than officially-sanctioned development plans. The pace of scenario development is likely to vary depending upon the nature of the issues chosen, specifically the level of complexity and controversy.

Regional Networking—An Important By-Product of Exercise. The process of developing scenarios will serve as an important networking and capacity-building vehicle for regional experts, and provide an open forum for discussion of cooperative Basin development. The reports themselves will further the discussion by disseminating the views and visions of a broad range of riparians across the Basin.

Concluding Conference. A major conference will be held when all scenario reports are completed to provide a forum for broad discussion of alternative development scenarios and recommendations for future avenues of collaboration among the riparians—such as follow-up on SVP projects or second generation SAP projects. Participants will include the Nile-TAC, other interested riparians, and potential donors and investors as well as many of the broader stakeholder groups involved in the Nile processes.

Socio-Economic Information Bases

Socio-Economic Information Bases. Socio-economic information bases will be developed to compile data and information relevant to the scenario-building exercises. The contribution of information bases will be to provide a shared information base upon which the theme-focused development scenarios can be built, and to provide consistent socio-economic information to help inform and substantiate the analysis of other SVP projects.

Information Categories. Based on inputs from the various national consultants and counterparts, the project coordinating committee will agree on a list of information categories that the socio-economic information bases should contain. The committee will further propose guidelines for data collection and propose a timetable for completion of the exercise. This product will be submitted for review by Nile-TAC.

The information categories may include:

- Policy and regulatory frameworks governing the use of water resources in the country
- Water utilization patterns in the framework of the country's overall development
- Traditions and customs relevant to the water resources of the Basin
- Social dependence and vulnerability related to water
- Role of the private sector in water resource development
- Current state of critical infrastructure
- Availability of public and private resources for water resource development and key sub-sectors
- Levels of technical, policy analysis, engineering, project management, and training/research capacities related to the water sector
- National institutional frameworks for managing the various water sub-sectors
- Relevant environmental issues and policies
- Significant regional differences within the country
- Levels of public awareness and participation in water resource development.

Socio-Economic Data Collection. Following agreement on the information categories and the guidelines for collecting and utilizing the data, national teams will compile the available information for each of the categories, and assess the reliability, quality and usefulness of this information. The exercise may be supported by national consultants. The sources will be the countries themselves,

multilateral and bilateral agencies that have played a significant role in water resource development in the Basin (World Bank, UNDP, FAO, GTZ, Italy, Netherlands, CIDA, etc.) and research literature.

Consolidation of Information. The completed socio-economic information bases will be submitted to the project coordinating committee and eventually Nile-TAC for review. Both may review the quality and completeness of the information bases and request follow-up where needed. The PMU will consolidate the information into a basin-wide regional data base and construct a computerized version of the composite regional information base and the individual information bases, which will be readily updateable.

Utilization of the Socio-Economic Data. The information bases will be utilized as an essential information source by the thematic working groups in the context of the scenario-building exercises. The information will also be made available, as required, to other NBI projects and programs.

Coordination and Eventual Integration into Decision Support System (DSS). The NBI Water Resources Project will design and establish a DSS which will include a basin-wide information management system. The socio-economic information and data, as well as relevant scenario information and reports, will be folded into that DSS once the DSS is established. Close coordination with the DSS component will ensure data and knowledge compatibility.

4.1.2. Catalyzing Riparian Dialogue for Private Sector Cooperation and Investment

On the basis of work under the scenario development, this component will facilitate the creation of a dialogue and an enabling environment which will create cross-riparian cooperation and investment opportunities.

An “Incubator” for Cooperation. This activity will help identify areas for possible cooperation by bringing together groups of people from the Nile River Basin who would be able to identify cross-border and interregional investment and collaboration opportunities and barriers to their implementation. The intention is for this process to act as a private sector and other stakeholder cooperation “incubator” to foster broader regional integration in a wide variety of fields through the encouragement of public-private partnerships and cooperation. The fields of cooperation could include a variety of cooperation opportunities such as private-public partnerships, municipal twinning, commercial joint ventures and institutional cooperation in areas such as agriculture, industry, tourism, transport, telecom and cyber interests, etc. Activities in the project would thus focus on convening such groupings in a variety of Nile regional workshops, forums, and other events to help spin out private sector cooperation and investments within the identified sectors. Specific barriers and obstacles to cooperation will be identified and proposals made to overcome these.

Fostering Regional Investment and Cooperation Opportunities. It is planned that a total of three to five such fora will be held. The recommendations of these gatherings will help improve the realism of scenario analysis. More importantly, the fora will help build public-private partnerships to maximize investments in new projects and will facilitate business-to-business and people-to-people contacts and cooperation around business opportunities identified and fostered. Finally, it is expected that these gatherings will identify specific barriers to regional cooperation which could be brought to the attention of the respective governments with the aim of removing these barriers so that cooperation can proceed.

4.1.3. Capacity-Strengthening

Capacity-Strengthening in Macroeconomics, Policy Analysis, and Planning. The overarching goal of the capacity-strengthening component is to build/strengthen capacity in the fields of macroeconomics, policy analysis, and economic planning skills with a special emphasis on benefit-sharing through regional cooperation.

This component will support two areas of activities; (a) an assessment and analysis of regional capacity in the fields of macroeconomics, policy analysis, and economic planning skills, and (b)

implementation of a pilot capacity-building initiative focused on macroeconomics, policy analysis, and economic planning skills with a special emphasis on benefit-sharing through regional cooperation.

Assessment and Analysis of Regional Capacity in Macroeconomics, Policy Analysis, and Economic Planning Skills

Capacity Assessment Study. The capacity assessment will be carried out by a small consultancy team (two to three consultants) who will visit the ten countries to meet and discuss with training institutions which produce the policy specialists, such as universities, technical colleges, research institutes, etc., as well as with institutions which draw on the policy specialists' expertise such as think tanks, policy and research institutions, government departments, public interest groups, NGOs, and the private sector.

Recommendations of Study. Based on these consultations, the study will identify and propose specific regional collaboration actions in capacity-building (such as student exchanges, attachments, university networking, joint curricula development, semester exchanges, regional training institutions, collaborative research, all in the fields of macroeconomics, policy and planning).

Design Of Capacity-Building Component. Following review of the study by the project coordinating committee, the consultants will prepare detailed activity plans, including budgets, for the pilot activities which will be undertaken to meet the identified needs.

Capacity-Strengthening in Macroeconomics, Policy Analysis, and Planning

Pilot Capacity-Strengthening. This component aims to; (a) provide training, on a pilot basis, for policy and planning experts who will be playing a lead role in planning and designing water sector investments in their own countries, as well as those who will be working together on NBI collaboration, (b) sensitize managers to the factors that need to be taken into account when planning cooperative investments, (c) test the feasibility and benefits of collaborative training among the Nile Basin countries, as a learning intervention on which to base longer-term capacity-building proposals, and (d) build a cadre of policy analysis specialists who are exposed to the broader Nile collaboration and to planning models which emphasize cooperative development and opportunities. The pilot will focus on economic policy and analysis, planning, and benefit-sharing through regional cooperation with a special emphasis on regional collaboration and attention to socio-economic impacts and poverty alleviation.

Target Beneficiaries for Pilot Program. The pilot program will be designed following the completion of the capacity assessment study but will likely involve; (a) the selection of one or more training centers in the Nile Basin countries to operate during the pilot as regional locations for the training, (b) a joint curriculum design and training faculty drawn from the collaborating Nile Basin countries, (c) partnership with one or more specialized external agencies willing to work and assist the faculty on location, (d) identification of those analysts and experts in the Nile countries who can most benefit from such training, especially individuals assigned to work on the scenario development, and (e) a careful impact evaluation of the pilot and recommendations for future capacity-building efforts.

The Next Generation. It is hoped that over time, as pilot activities expand, this program will produce hundreds of policy analysts in the Nile Basin working in their respective governments, research institutes, academia, and in the private sector. Since many of them will know each other, either from student days or through various subsequent contacts, and are familiar with one or more Nile Basin countries beyond their own, they will form an especially competent and influential community of interest and could become the champions for regional cooperation.

4.1.4. Shared Vision Program Integration and Monitoring Matrix

An InterRelated Program. The SVP consists of seven major projects, each of which will have a special focus, a project framework, a set of specific outputs, and a project management team.

However, many of the sectors are either interdependent or interrelated. Actions in one project could affect outcomes or opportunities in another. There are also issues of balance and sequence in basin-wide project planning. Most of the projects in the SVP portfolio have cross-cutting themes, for example, structures and processes for intercountry cooperative action and capacity-building requirements.

Integration and Monitoring Matrix. The work of the SVP monitoring component will be the design and implementation of a computer-based monitoring matrix. The matrix will compile a summary work program for all the SVP projects, and cover the expected outputs, monitoring milestones, implementation schedules, and the impact evaluation indicators. A tracking and reporting mechanism will be incorporated to update the matrix, and reports on progress and efforts to promote coordination will be made available regularly. The goal is not to establish a mechanism for supervising these projects nor an additional layer of bureaucracy that could slow down implementation. The intention of this component is to provide a comprehensive monitoring mechanism that will enable policymakers and donors to easily track progress and measure results of the overall SVP. Moreover, the SVP monitoring component of this project will seek to promote among the SVP projects:

- Synergies and optimal sequencing
- Minimal duplication of effort
- The exchange and consistent use of available information, including the regional information base and the scenario-building reports, in a manner acceptable to the Nile-TAC
- A recognition of intersectoral links and cross-cutting themes such as environmental standards, poverty reduction requirements, fiscal sustainability measures, and efficiency concerns related to the implementation of the SVP
- Coordinated efforts where practical, for example, in information-gathering and capacity-building.

This component will be implemented by the PMU. The unit's role in the coordination and integration of the overall SVP suggests that it would be deemed desirable to be located at the Nile-SEC to facilitate the Secretariat's coordination efforts and its reporting requirements with regard to the Nile-TAC and Nile-COM.

Table 1. Summary and Indicative Costs of Socio-Economic Development Program Project Components

COMPONENT AND OUTPUT	COMPONENT-LEVEL OUTPUTS	INDICATIVE COSTS (MILLION \$US)	% OF TOTAL
<p>Scenario-Building and Socio-Economic Information Bases</p> <p><i>Output: Both specialist and multi-disciplinary fora established to generate alternative development scenarios for the Basin</i></p> <p><i>Output: Country level information bases compiled and consolidated</i></p>	<p>Scenario-building workshops exchanging information and ideas on alternative development scenarios</p> <p>Scenario reports on alternative development paths for the Basin, focused on specific themes</p> <p>One or more workshop presenting the scenario reports and exploring future areas of effort for the NBI</p> <p>Ten national level reports</p> <p>A consolidated regional information base</p>	4	37%
<p>Riparian Dialogue for Private Sector Cooperation and Investment</p> <p><i>Output: 3 – 5 for a regional held to foster public-private partnerships to maximize investments and to identify and remove specific barriers to regional cooperation</i></p>	<p>Public-private sector workshops and fora</p>	1	9%
<p>Capacity-Strengthening</p> <p><i>Output: Assessment of capacity in macro-economics, policy analysis, and planning</i></p> <p><i>Output: Professionals from Nile Basin trained in regional setting in fields of economics, policy analysis, and planning</i></p>	<p>Capacity needs assessments</p> <p>Pilot capacity-strengthening programs in economics, policy analysis and planning with emphasis on benefit-sharing, regional integration, and cooperation</p>	5	45%
<p>SVP Monitoring</p> <p><i>Output: A matrix of activities under the SVP established to monitor the overall process</i></p>	<p>Construction and maintenance of a matrix to monitor and integrate progress across the range of SVP projects</p> <p>Production of periodic reports on the progress of the SVP</p> <p>Coordination of the SVP projects</p>	1	9%
Project Total		11	100%

Table 2. Project Design Summary (Logical Framework Analysis)

HIERARCHY OF OBJECTIVES	KEY PERFORMANCE INDICATORS	MONITORING AND EVALUATION	CRITICAL ASSUMPTIONS
<p>Project Development Objectives To enable riparians to form a range of development scenarios and specify the benefits accruing from their potential implementation</p>	<p>Outcome/Impact Indicators Participative development of a range of cooperative scenarios, appraised as viable and significant in their potential benefits, and satisfying sound standards related to economic analysis, technical requirements, social and poverty reduction goals, and environmental management</p>	<p>Progress reports and internal evaluation reports where applicable Beneficiary assessment reports</p>	<p>Participation of high level resource persons to establish country ownership of the process Continuous support and guidance from senior policymakers at country and Nile-COM levels Effective integration (content, timing, sequence) of the various SVP projects</p>
<p>Output from Each Component</p> <p>Scenario-Building and Creation of Socio-Economic Information Bases <i>Output: Specialist and Multi-disciplinary forums established to generate alternative development scenarios for the Basin</i> <i>Output: Country-level information compiled and consolidated</i></p> <p>Riparian Dialogue for Private Sector Cooperation and Investment <i>Output: Organizing 3-5 regional forums to foster public-private partnerships to maximize investments and to identify and remove specific barriers to regional cooperation</i></p> <p>Capacity-Strengthening <i>Output: Assessment of capacity in macro-economic, policy analysis, and planning</i> <i>Output: Professionals from Nile Basin trained in regional setting in fields of economics, policy analysis, and planning</i></p> <p>SVP Monitoring <i>Output: A matrix of activities under the SVP established to monitor the overall process</i></p>	<p>Component/Output Indicators</p> <p>Scenario-building workshops exchanging information and ideas on alternative development plans Creation of a consolidated regional information base Adoption of regional information base and scenarios by policymakers and their subsequent utilization in country-level development strategies Growing authority of public-private partnerships throughout the project period, evidenced by high level acceptance of their proposals Evidence during the project period that elements of these partnerships are being institutionalized Agreement by national governments, Nile-TAC, and Nile-COM on the results of the assessment Pilot capacity-strengthening programs in economics, policy analysis, and planning with emphasis on benefit-sharing, regional integration, and cooperation Construction and maintenance of a matrix to monitor and integrate progress across the range of SVP projects Successful coordination of the SVP projects</p>	<p>Presentation and analysis of the alternative scenarios, paying attention to obstacles to their implementation and potential benefits National level reports on work submitted to assist in the creation of basin-wide scenarios Progress reports on the development of investment proposals Subsequent approval and financing of projects based on these proposals Progress reports on capacity analysis and capacity-building proposals External evaluation of the quality and potential impact of the pilot capacity-strengthening programs Production and periodic reports on the progress of the SVP</p>	<p>Availability of high quality national resource persons to participate in the compilation of information bases and the development of scenarios Sound, collaborative mechanisms for reviewing the information bases and scenarios at the technical level and for having them endorsed at the national and international levels Establishment of a decisionmaking structure, at national and regional levels, that can integrate proposals into national and regional development plans Success at attracting financiers and investors Full participation of relevant national and regional educational, training and research institutions Securing the financing and participation of first-class external partner institutions Establishment of responsibility for making inputs to the matrix by all SVP projects, and for tracking progress by the PMU, according to the matrix</p>

4.2. Benefits and Target Population

The beneficiaries of the project outputs will include the people of the Nile Basin, their governments and their government agencies, the private sector, NGOs, and the broader global community. If cooperation and possible integration take root aided by this project, the chances for the success of cooperative and joint development action and investments are considerably increased. Through increased cooperation, joint investment and growing economic integration, conflict is likely to be considerably reduced and regional stability enhanced, thereby helping to defuse an issue which has been the source of tensions over generations.

The project is aimed specifically at putting in place a structure, processes, capacities, and an essential information base for the SVP through which policy related capacities can be strengthened and possible development scenarios developed. The specific target population of the project is the NBI collaborative network—the policymakers, advisors, analysts, and technical specialists who are striving to develop a cooperative program to optimize the use of Nile Basin resources for the benefit of all countries in the region.

The project will provide a coordination framework for a large number of initiatives, and mobilize and integrate the efforts of many participants from ten countries. Above all, through the project mechanisms and key components, the project will help strengthen capacity for planning, scenario development, and cooperative dialogue.

4.3. Institutional and Implementation Arrangements

The organizational structure for scenario-building is reflected in Figure 2. There could be up a total of six thematic working groups working on the scenario development.

4.3.1. Institutional Arrangements

The proposed institutional structure for the project is illustrated by Figures 2 and 3. It is not the intention of these charts to provide details on the project component implementation arrangements. The main entities for project implementation are as follows:

The Nile Basin Initiative. The NBI transitional institutional structure, comprised of the Nile-COM, the Nile-TAC, and supported by the Nile-SEC, will provide overall policy guidance to the project.

Project Coordination Committee (PCC). A project coordination committee will coordinate the work of project implementation, provide strategic and technical guidance, and insure internal project coordination. The committee will meet at least once a year and will be comprised of senior planners/economists from the participating countries, representatives from external support agencies, and scientific experts drawn in for specific advice on an as-needed basis. The project coordinator/lead economist will serve as secretary to the committee.

Project Management Unit. A small PMU will implement the project in liaison with the Nile-SEC. The PMU will consist of a project coordinator/lead economist (reporting to the PCC) and a projects officer, plus relevant support staff. Additional support will be hired for specific tasks in the form of consultants.

4.3.2. Timing and Phasing

The total duration of the project will be six years although, it is anticipated that major activities of the project will be implemented over a five year period. However, the SVP monitoring matrix will continue through the completion of all SVP projects, an estimated six years. The precise number and the actual timing of workshops and fora will be determined during project implementation. Table 3 depicts a possible implementation scenario.

Table 3. Suggested Project Scheduling

ACTIVITIES	YEAR 1				YEAR 2				YEAR 3				YEAR 4				YEAR 5				YEAR 6			
	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4
Scenario building workshops and reports																								
Socio-economic information bases – national work																								
Socio-economic information bases – consolidation work																								
Public-private sector workshops and fora																								
Capacity needs assessment																								
Pilot capacity strengthening																								
SVP monitoring matrix																								

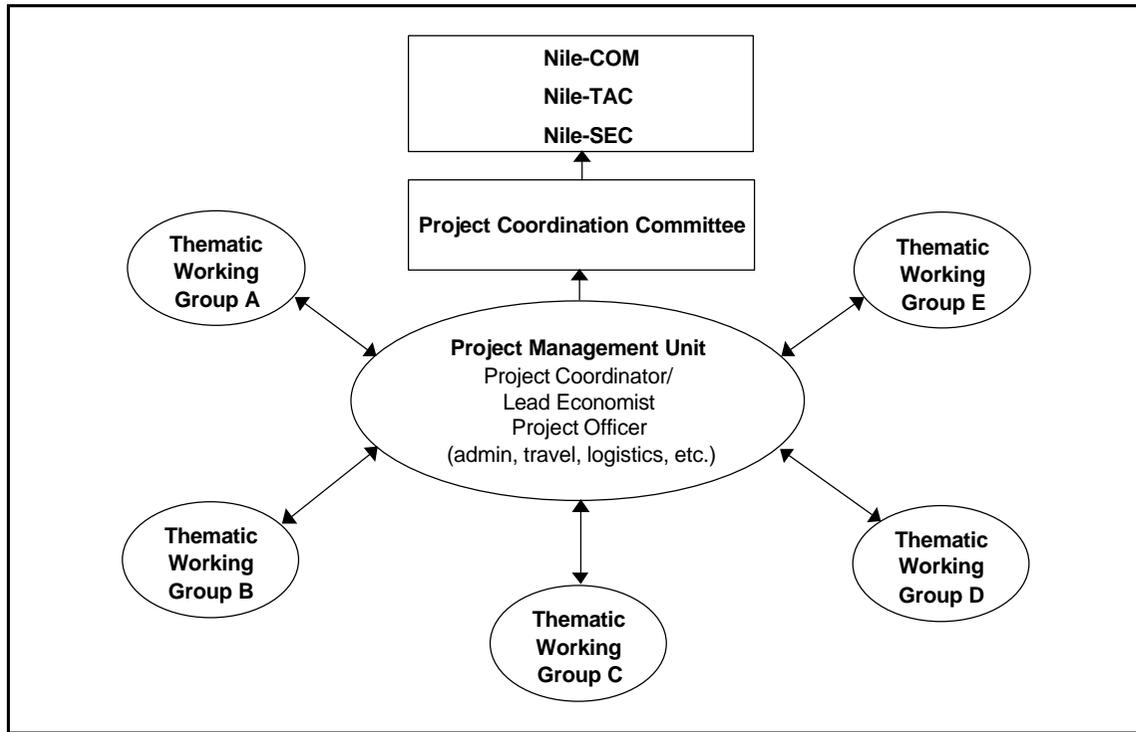


Figure 2. The Scenario Development Component

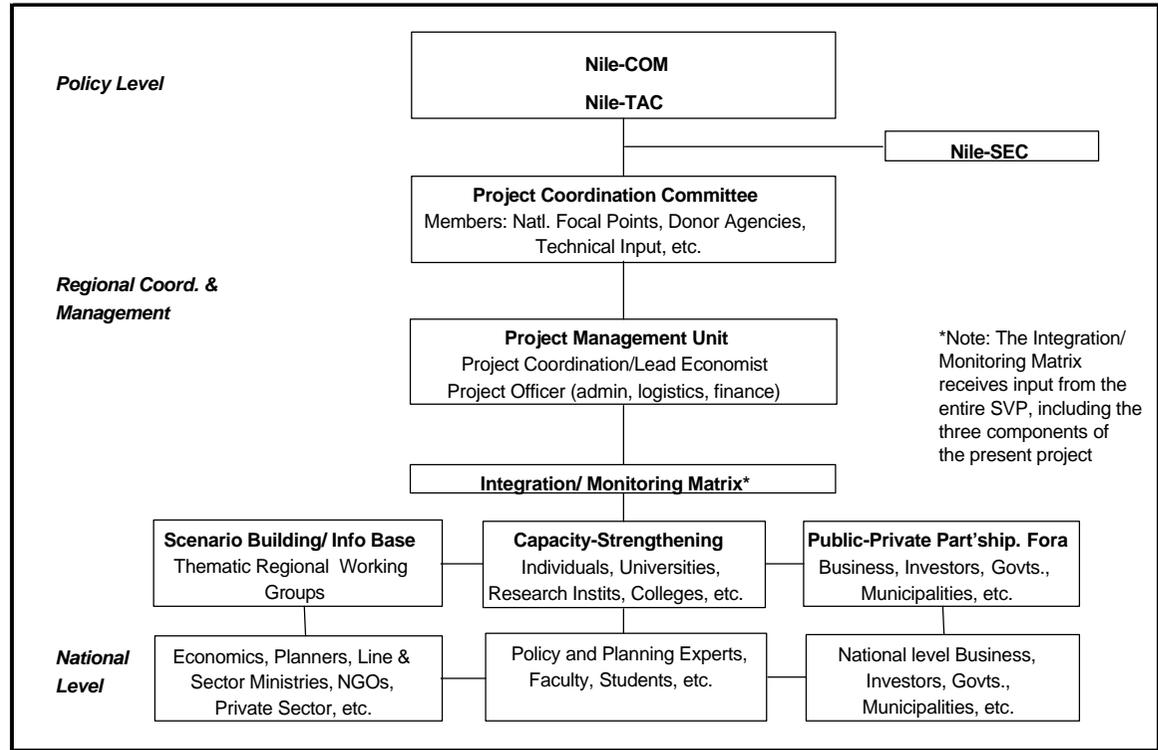


Figure 3. Project Organizational Chart

5. PROJECT RATIONALE

5.1. Major Related Projects Financed by External Support Agencies (ESAs)

There are no related or comparable regional project initiatives which have undertaken scenario development and capacity-building in the policy, planning, and economic fields. A number of the Nile countries have received support for strengthening national level capacities in similar fields, however, there has so far not been any regional activities with the explicit aim of exploring joint and cooperative development opportunities.

5.2. Lessons Learned and Reflected in Proposed Project Design

Capacity-Building. The rationale for this project is based on some key lessons which have been learned from past capacity-building projects in Africa and beyond. No training will be carried out until the needs assessment has been completed. The training which will be undertaken will be formed and designed on the basis of the findings of the needs assessment.

Multi-Country. A further lesson learned deals with the complexities of burdens specific to regional projects by their very nature. Regional projects often have high overhead costs in view of the inherent complexity of the undertaken tasks. Moreover, there is often a push for placing a project activity in each participating country. The present project has been designed with minimum organizational structures and will instead draw on consultancy expertise (preferably regional consultants) when required. Moreover, in-country project activities (e.g., scenario development workshops, capacity-strengthening efforts, etc.) will be located in countries based on the conclusion of the planning work, with a view to balancing optimum results with the broadest possible geographical coverage.

Multi-Sectoral. In multi-sectoral programs, such as the SVP, there is often the danger of lack of essential links, errors in sequencing, unbalanced investment, inconsistent policies, and a weak regard for overarching priorities. Through the monitoring matrix, the present project provides mechanisms which facilitates the continued integration and information flow between the various the SVP project components. The project provides for a strong coordination process, under the overall management of the Nile-SEC, Nile-TAC, and Nile-COM. This will ensure consistency, effectiveness, and integration of the various sectoral activities undertaken through the SVP.

Multi-Component. Multi-component projects which may begin as an integrated effort, sometimes break apart under pressure from donors who wish to earmark special interest groups or countries among the beneficiaries. This may create dividing lines between government structures and sector functions that have more to do with the structure of the donor agencies than the logic of the projects. At other times, the splintering of the project comes as different donors special interests and priorities are reflected in the project portfolio, thereby moving away from the original intent and priority of the client governments in question. The present project strives to provide an organizing and structural framework which aims to hold the various initiatives together and relate them to one another.

6. ISSUES REQUIRING SPECIAL ATTENTION

6.1. Economic Issues

Benefits of openness, integration, and cooperation between countries are potentially enormous and wide-reaching. The difference in growth in the Nile Basin countries which protect their economies and those which open up their economies and societies to new ideas, goods, services, and flows of capital and labor, could be on the order of 1-2% per year. That is, with good policies but a relatively closed economy, a Nile Basin country might achieve 5-6% GDP growth rate on a sustainable basis. With good economic policies but also with openness towards its neighbors and the outside world, GDP growth rate could arguably be raised to the 6-8% range. With a conservative estimate of 1% difference Given that the combined GDP of the Basin countries currently stands around \$120 billion annually, the added growth from openness could mean at least \$1.2 billion of extra goods and

services every year. This number would grow with time. The reward for cooperation of this magnitude is well worth the effort and represents a huge rate of return, even if it is assumed that the costs of proposed cooperative projects are in the order of hundreds of millions (or even several billion) of dollars.

The joint scenario development proposed in this project is one way of attracting the attention of Basin policymakers to the benefits of potential collaboration. Trying to measure the benefits of activities and assessing their implications in terms of technical, economic, social, and political feasibility, and having different NBI members become advocates for collaboration, could contribute importantly to making greater cooperation among countries a reality.

Development of partnerships between the public and the private sector in scenario-building with the special focus on which investments are needed to make a given scenario a reality can turn shared visions into action on the ground. These public-private forums would discuss what the private sector investors would need to make them take the risks of investing in new ventures. In some cases, the private investors may desire stable political and policy environments. In other cases they may need reliable power supply, roads, transport, or other infrastructure that would, on the margin, raise the rate of return on private investments. In still other cases, private investors may seek comfort through coinvestment by the public sector. Finally, just the coordination of the various kinds of investment and subsequent punctual delivery on the promises would, over time, convince the private investors that even very large investments may pay off handsomely.

6.2. Technical Issues

The project will need a thorough and agreed information base that will be credible to the national policymakers of the country in question and to its neighbors. Secrecy will need to be reduced over time in order to build transparency and trust. If the information base on which the scenarios are to be built are not credible to all involved, investments will not be forthcoming. Conversely, accurate and credible information bases, updated on an as-needed basis, could become a major asset of the Nile Basin countries and a boon to future cooperation.

People with various and sometimes quite complex sets of skills will be needed for scenario-building. They will need to come from various disciplines, covering all aspects of development (social, political, cultural, technological, etc.), not just economics. These groups will also need to be inspired, which suggests that the top few individuals should not only be competent in some knowledge discipline, but also carry some sort of informal authority (based on their past achievements) in their societies. Therefore, they would possess some combination of attributes such as wisdom, a record of giving sound advice, knowledge of political processes and how these might derail in their respective societies, and be free to work outside of formal structures of power.

6.3. Environmental Issues

The project will deliver technical assistance, develop basin-wide dialogue, and help build institutional and human capacities. The project does not involve physical investment works. To the contrary, through the scenario development exercises, the project will add value to efforts toward sustainable environmental protection and improvement of water management in the Nile Basin.

6.4. Participation Issues

The NBI effort so far has shown an exemplary level of participation at all levels. There has been strong political commitment from the riparian states. Key stakeholders in the Nile Basin, as well as key external parties, have been involved in all the stages of the Initiative. Innumerable workshops and meetings have taken place in order to forge consensus in support of the Initiative and to keep the process inclusive. This project, in all its components, is designed to build on and deepen the participatory approach by involving an ever wider circle of participants. By its very nature, the process of building scenarios about the future will need to involve the representatives who would live in that future. In many ways, the process of design and implementation is more important than the ultimate outcome.

7. SUSTAINABILITY AND RISKS

7.1. Sustainability

Funding of Regional Institutions. The Nile riparian countries have made a conscious decision to self-finance the basic set-up of the regional secretariat. Currently, countries are each contributing an equal amount annually to the budget of the Nile-SEC. This decision was made to assure true ownership and control of the process. Beyond financing the current basic set-up of the Nile-SEC through direct riparian government contributions, additional cost recovery mechanisms will be explored.

Internalizing Scenario Development Actions. This project presents the first opportunity for the ten Nile riparian countries to come together to think about future development paths and economic planning options. It requires bold and visionary participation and an ability to think beyond the present and more immediate obstacles and difficulties. As the scenario development activities envisaged under the project are set into place, and as Nile cooperation intensifies, it is expected that the skills and tools which this project will be providing each of the participating countries will be internalized to the ongoing planning processes. Such internalization would indeed be a true measure of success, not only of this project, but in large measure of the broader NBI.

Project Ownership. Sustainability of project initiatives will greatly depend on the approach adopted during project design and implementation. First and foremost is the question of project ownership. Through a resolutely participatory process of project design, every effort has been made to ensure that riparian country stakeholders genuinely “own” the project. As the project moves into the implementation stage, it is vital that a broad set of stakeholders are involved, including the private sector, academia, policy research institutions, investors, NGOs, etc. These and other key stakeholders will need to be genuinely engaged in the project implementation and encouraged to take on ownership. Project ownership will also be demonstrated through continued national commitment to the Nile Basin institutional set-up.

Tangible Benefits. Another important concern is whether the project outcomes will indeed result in tangible benefits for participants. It is recognized that the initial beneficiaries of the project will be those who participate in scenario-building or capacity-building activities. For long-term sustainability, the project benefits must impact the behavior of investors, government regulators, and policymakers at the national and regional levels.

Regional Cooperation. Project sustainability requires that the growing Nile cooperation be maintained and strengthened among the Nile Basin countries. Among the riparians there is a strong commitment and a clear notion of “crossing the Rubicon,” a sense that so much has already been invested in the NBI, that it must succeed for the process to move forward. Regional commitment to the process is high, with the specifics of the cooperation anchored in the policy guidelines endorsed by the Nile Council of Ministers. The core institutions governing the overall NBI (Nile-COM, Nile-TAC and Nile-SEC) as well as the policy guidelines, have emphasized the importance of transparent operational procedures, open communication networks, and information sharing as key principles to guide long-term regional cooperation.

7.2. Critical Risks

Commitment of the Nile Basin Countries. The project success will be critically dependent on each countries continued commitment to the collaboration with other Nile Basin member countries, and to achieving the objectives of the SVP as laid down by the Nile-TAC. This is intimately related to political stability in the region. Many countries in the region are facing war, political uncertainty, extreme poverty, diseases, etc. All these conditions are not conducive to a long-term project aimed at improving an enabling environment on a regional basis. On the other hand, the SVP and other NBI projects seek to contribute towards building trust among the Nile Basin countries. It is therefore of crucial importance that this process has tangible benefits. The emphasis on regional cooperation, the collaborative efforts that have been made to design the project, and the resulting regional ownership

are powerful instruments for not only achieving the project's objectives, but also for accomplishing the longer-term trust and understanding.

Institutional Leadership. The project critically depends on the capability of government institutions and staff to provide visionary leadership. This may not be forthcoming in a setting where there is general lack of incentives for staff, research and innovation, and supporting infrastructure. Through regional workshops, training, exchange visits, and consultations the project endeavors to create institutional capacity and leadership that will form the basis for implementation of project activities. It should be pointed out that the project intends to seek visionary leadership within, and not outside, the boundaries of the Nile Basin.

Regional Coordination Capacity. The institutions of the NBI supported by the Nile-SEC have effectively managed a complex, multi-country sectoral process to prepare the seven projects of the SVP. This demonstrates capacity for basin-wide coordination. Effective implementation of the SVP projects will be a challenge. The creation of a strong PMU has been incorporated into the project design while the continued strengthening of the regional capabilities of the NBI institutions will be addressed at the SVP level.

Insecurity and Conflict. Seven of the ten countries in the Nile region are at present, or have recently been, involved in internal or external conflict. This brings both operational as well as political risks to a process and a project of this size. However, there is an awareness at the highest political levels of the Nile countries of the possibilities of a "cooperation and peace dividend" which the broader NBI can leverage. Thus, there is a high-level commitment to maintaining the momentum of the process in spite of the political landscape and reality of the moment. Leaders in the Nile Basin countries have made it clear that they see the NBI as a tremendous opportunity to bring further cooperation, economic exchange, and eventually greater integration and interdependence which can yield high returns in terms of growth, food security, sustainable development, and peace.

8. PROJECT PREPARATION PROCESS

The preparation of the Socio-Economic Development and Benefit-Sharing Project, as well as the other projects within the SVP project portfolio, was directed by the institutions of the NBI and involved the active participation of technical experts from across the Basin. This complex, multi-country, multi-sectoral process (described below) demonstrates riparian ownership and commitment to successful project implementation.

8.1. Evolution of the Shared Vision Program: A Coordinated Basin-Wide Program

The SVP evolved from four thematic areas, or pillars, as described in the NBI policy guidelines to a coordinated program of seven basin-wide projects between February 1999 and December 2000. The process summarized in Table 4 was executed and coordinated by the Nile-SEC, involved active participation of and guidance from the Nile-TAC, and received formal endorsement by the Nile-COM at critical milestones.

The final portfolio of SVP projects includes:

- Nile Transboundary Environmental Action
- Nile Basin Regional Power Trade
- Efficient Water Use for Agricultural Production
- Water Resources Planning and Management
- Confidence-Building and Stakeholder Involvement (Communications)
- Applied Training
- Socio-Economic Development and Benefit-Sharing.

Four of these are thematic projects—focusing on environment, power, agriculture, and water resources management—and three are facilitative projects related to confidence-building and stakeholder involvement, training, and macro-economics. The thematic projects aim to provide a technical foundation, including common analytical frameworks, practical tools and demonstrations, and human capacity to support regional cooperation. The facilitative projects serve to forge a common vision and ensure long-term sustainability. The projects build on each other and together will serve to provide an enabling environment for cooperative development.

The SVP projects are linked to each other and to the SAPs in important ways. For example, the information management system of the DSS component of the water resources project will provide a common communication platform and information management system for all SVP projects. The regional river basin planning model of the DSS component will provide a tool for interacting with other sectors, such as environment and power, and integrating these issues in the identification and evaluation of potential SAP projects. At the same time, the benefit-sharing project will develop and evaluate socio-economic development scenarios, which will provide the context for potential river development alternatives. The project planning component of the water resources project will provide important skills to ensure successful implementation of SVP projects and the identification, planning, and management of SAP projects. The Benefit-Sharing Project will also coordinate with the Applied Training and other SVP projects to share knowledge and expertise as relevant.

8.2. Detailed Project Preparation: A Multi-Country, Multi-Sectoral, Participatory Process

As noted above, detailed preparation of the individual projects in the SVP was driven by Nile-TAC, coordinated by Nile-SEC, and involved significant substantive input by Nile-TAC members, as well as national experts from each country. The project preparation process created a forum for interaction among the technical experts from different water-related sectors across the Basin. As such, the project preparation process has laid the foundation for broad-based support for project implementation. It is also worthwhile to note that for many it was the first time that they were able to discuss common concerns with their colleagues from their neighboring and co-riparian countries. Preparation of each of project was supported by a lead consultant and a “focal point” of the World Bank/UNDP/CIDA Nile Team.

As the present project is designed to draw on the other SVP projects, the design process for the present project varied slightly from that of the SVP. The project did not have the benefit of national experts, but was rather designed in direct consultation with Nile-TAC members. The first concept note was reviewed in Entebbe in 1999 and was subsequently discussed at the Nile-TAC meeting in the Hague in March 2000. The lead consultant visited a number of Nile countries during the period March–July 2000 to consult further on the project contents. At the Addis Ababa meeting in July 2000, Nile-TAC reviewed the project further and discussed the project components.

Table 4. Preparation of the Shared Vision Program

DATE	MEETING TYPE	LOCATION	KEY OUTCOMES
July 1998	Nile-TAC	Dar es Salam, Tanzania	Drafting of policy guidelines that define the SVP and 4 major thematic areas of the program
Feb 1999	Nile-COM and Nile-TAC	Dar es Salam, Tanzania	Adoption of the NBI policy guidelines, and instruction by Nile-COM to prepare a portfolio of priority SVP projects for ICCON
May 1999	SVP Planning Meeting	Sodere, Ethiopia	Preliminary list of priority projects, including project goals and objectives, based on consultation and brainstorming by Nile-TAC members and two additional sectoral experts from each country
May 1999	Nile-COM and Nile-TAC	Addis Ababa, Ethiopia	Approval of list of priority projects and project preparation process
Sept 1999	Nile-TAC	Entebbe, Uganda	Based on output from Sodere planning meeting, development of project concept notes for seven priority projects and approval of a detailed project preparation process and schedule for each project
Dec 1999	Project Preparation 1	Entebbe, Uganda	Review and further development of draft project concept notes/documents by working groups (WGs). For each project, the WGs included a Nile-TAC member and national expert(s) from each country. A total of eight national experts were involved from each country. Each project was assisted by a lead consultant.
Dec 1999 – Nov 2000	National Analysis & Consultations	Nile Basin countries	Lead consultants together with national experts prepare draft project documents. Depending on the project and country, national experts provided inputs through preparation of national reports, country consultations, and/or country visits by lead consultants
Jan 2000	Nile-TAC	Entebbe, Uganda	Review of progress in project preparation and further refinement of project concepts as warranted
Mar 2000	Nile-TAC	Delft, the Netherlands	Review of progress in project preparation and further refinement of project concepts/design as warranted
July 2000	Project Preparation 2	Addis Ababa, Ethiopia	Review and further development of detailed draft project documents by working group members for each project and Nile-TAC members
Aug 2000	Nile-COM and Nile-TAC	Khartoum, Sudan	Approval of SVP project portfolio and updated project summaries
Oct 2000	Nile-TAC	Via electronic mail	Review of draft final project documents
Dec 2000	Distribution of draft final project documents	Via express mail and electronic mail	Distribution of all English draft final project documents to all Nile-TAC members (French versions sent February 2001)
Mar 2001	Nile-COM	Khartoum, Sudan	Final approval of SVP project portfolio and project documents