



NILE BASIN INITIATIVE

SHARED VISION PROGRAM COORDINATION PROJECT (SVP –C)

PROJECT GRANT No: TF 052132 NB

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**NBI Secretariat
Entebbe, Uganda**

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LIST OF ABBREVIATIONS AND ACRONYMS

ATP	Applied Training Project
CBSI	Confidence-Building and Stakeholder Involvement
CIDA	Canadian International Development Agency
COA	Chart of Accounts
ED	Executive Director
EE	Environment Education
ENSAP	Eastern Nile Subsidiary Action Program
EWUAP	Efficient Water Use for Agricultural Production
FASS	Field Administrative Support System
FMS	Financial Management System
GEF	Global Environment Facility
GTZ	German Agency for Technical Cooperation.
HR	Human Resources
IDPs	Internally Displaced Persons
IMS	Information Management System
IT	Information Technology
M&E	Monitoring and Evaluation
MSA	Management Services Agreement
NBI	Nile Basin Initiative
NBTF	Nile Basin Trust Fund
NELSAP	Nile Equatorial Lakes Subsidiary Action Program.
NILE-COM	Nile Council of Ministers
NILE-TAC	Nile Basin Initiative Technical Committee
NTEAP	Nile Trans-boundary Environmental Action Project
PIM	Project Implementation Manual
PMF	Performance Monitoring Framework
PMU	Project Management Unit
PSA	Project Services Agency
PSC	Project Steering Committee
RBS	Results Based System
RPM	Regional Project Manager
RPT	Nile Basin Regional Power Trade
SAP	Subsidiary Action Program
SDBS	Socio-Economic Development and Benefit-Sharing
SVP	Shared Vision Program
SVP-C	Shared Vision Program Coordination Project
SVP-C / SVP-CP	Shared Vision Program Coordination Project
UNDP	United Nations Development Program
UNOPS	United nations Office for Project Services
WRPM	Water Resources Planning and Management

1 Background Information

1.1 NBI and SVP Background

The Nile Basin Initiative

The Nile Basin Initiative (NBI), officially launched in February 1999 by the Council of Ministers of Water Affairs of the Nile Basin states (Nile-COM), became operational in May 1999 with its headquarters, (NBI Secretariat) in Entebbe, Uganda. The NBI, is a regional partnership, among the nine basin states of the Nile¹, which provides a forum for cooperative development of the water resources of the Nile River. It seeks to develop the river in a cooperative manner, leading to shared socio-economic benefits. The nine partner countries have agreed to the following NBI shared vision,

“to achieve sustainable socio-economic development through equitable utilization of, and benefit from, the common Nile Basin Water resources”.

To realise the shared vision, (also the NBI goal), NBI is pursuing the following objectives:

1. 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
2. To ensure efficient water management and the optimal use of the resources
3. To ensure cooperation and joint action between the riparian countries, seeking win-win gains
4. To target poverty eradication and promote economic integration
5. To ensure that the program results in a move from planning to action.

The NBI interventions seek to build confidence and capacity across the basin through a Shared Vision Program (SVP), and to initiate concrete investment and action on the ground through Subsidiary Action Programs (SAP).

The Shared Vision Program

The Shared Vision Program (SVP) through a limited but effective set of basin-wide activities creates an enabling environment for cooperative management and development in the Nile Basin. The SVP is a multi-country, multi-sectoral, grant-funded program of collaborative action, exchange of experience, trust and capacity building. The following basin-wide seven thematic projects, and one coordinating project constitute the SVP:

1. Nile Transboundary Environmental Action
2. Nile Basin Regional Power Trade
3. Efficient Water Use for Agricultural Production
4. Water Resources Planning and Management
5. Confidence-Building and Stakeholder Involvement
6. Applied Training
7. Socio-Economic Development and Benefit-Sharing
8. Shared Vision Program Coordination Project (SVP-C)

¹ The Riparian States that participate in NBI are: Burundi, Democratic Republic of Congo, Egypt, Ethiopia, Kenya, Rwanda, Sudan, Tanzania and Uganda. Eritrea currently participates in the NBI as an observer.

The Shared Vision Program Coordination Project

The Shared Vision Program Coordination Project (SVP-C) is meant to strengthen the capacity of NBI Institutions to carry out basin-wide programs and ensure effective oversight of the seven thematic projects and coordination among NBI programs and projects.

1.1.1 Project Standard Data

- Project Name Shared Vision Program Coordination Project (SVP-C Project)
- Partners supporting SVP African Development Bank; Canada/CIDA; Denmark; European Union; Germany/GTZ; Netherlands; Norway; Sweden; United Kingdom; UNDP/GEF; World Bank/ DGF; World Bank/GEF
- Duration of Project 6 Years (2003 – 2009) – Initial plan
- Total amount of project budget **Total project cost according to the SVP Master PAD is US \$ 5.4 million** of which;
 - 1st Phase Grant Agreement** : US \$2.87 million - through the Nile Basin Trust Fund on a pro rata share of approximately 3 percent from each of the SVP projects and US \$ 0.60 Million - additional allocation by CIDA through NBTF
 - US \$ 0.30 (€0.25) Mill. - direct bilateral support provided by Germany/GTZ
- Geographic location At the NBI Secretariat, Entebbe, Uganda

1.1.2 Program/project Goals, Objectives/purposes

The Shared Vision Program

Overall development goal of the SVP is to create the enabling environment for the Nile basin countries to realize their shared vision.

The specific objective of the SVP at Program level is to build trust, capacity, and an enabling environment for investment in Nile Basin countries.

The SVP Coordination Project

Overall development goal of the SVP Coordination project is successful and complete execution of the basin-wide projects through effective coordination among projects and programs. Specific development objectives are to;

- strengthen the capacity of the NBI to execute basin wide programs
- ensure effective oversight and coordination among SVP projects and with SAPs

Purpose of the NBI Coordination project therefore is to ensure;

- Effective implementation of SVP projects and coordination among projects and programs.
- Strengthened human and institutional capacity within the NBI institutions for the implementation of complex, multi-sectoral, basin-wide projects.

- Establishment of generic guidelines and institutional frameworks for managing basin-wide projects.
- Expanded access to enhanced knowledge and Information systems in Nile Basin countries to improve understanding and articulation of Nile Basin issues among the key stakeholders.

1.1.3 Project Rationale, Key milestones

Project Rationale

A basin-wide coordinating mechanism is needed to fully develop the synergies created through the Shared Vision Program. The NBI Secretariat as the SVP Executing Agent, which has the responsibilities for coordination required to be strengthened both in terms of human and institutional capacity. Significant effort and resources are needed to effectively fulfill this coordination role.

The coordination project was therefore created after iterative discussions among the Nile Basin countries, World Bank and other partners to strengthen the overall NBI. This allows for central coordination and decentralized control of SVP projects, while maintaining the desire of the Nile Basin countries for a lean and efficient permanent secretariat.

The key roles of the SVP Coordination Project are to;

- oversee the effective implementation of the seven projects;
- ensure the overall coordination of the SVP and SAPs;
- ensure that synergies are captured among the projects;
- ensure that projects operate within the NBI framework;
- develop generic procedures to ensure quality control;
- undertake fiduciary responsibilities;
- conduct monitoring and evaluation at the program level, and;
- facilitate information sharing within the NBI as well as with the public.

Key Milestones

October 2002: SVP Coordination Project initiation through a bridging fund prior to signing of Grant Agreement.

April 22, 2003: Project Grant Agreement was signed between NBI and the World Bank

December, 11th - 15th 2006: SVP-C Project Mid-Term Review

Project Closing Date: 30th June, 2007

1.2 Report Background

The SVP – C Project Annual Progress Report covers implementation of the project activities during the period January to December, 2006. This is the third annual report prepared for the project. The report was developed collectively by the technical staff of the Nile-SEC led by the Senior Program Officer / SVP Coordinator. Although there was no results based logframe for SVP both at program and project levels, and the work plan and reporting before 2006 were not results based, this report is developed following the results based reporting format by aggregating together the achievements under the relevant outputs and outcomes of the new SVP Coordination Project logical frame work

developed in October, 2006. There are therefore inevitable deficiencies in this report, which will be addressed during the implementation of the 2007 results based work plan.

Section one of the report provides a brief background to the NBI as a whole, the SVP and SVP Coordination project specifically. Section two outlines the context in which the SVP coordination project operates. Section three narrates actual achievements realised during the year, which are leading to the realisation of the SVP Coordination Project (impact, outcomes and outputs). Section four mentions some salient issues in overall project management. Section five gives an explanation on the year's expenditures. Section six mentions key challenges and constraints faced in project implementation during the year. Lessons learnt and recommendations are mentioned in section seven. Appendices, which contain extra details of the issues reported in the main body of the report, are included in section 8.

2 Project Context

2.1 External Context

The NBI is now in an advanced transition stage from a temporary initiative to a permanent institution responsible for the development of the Nile Basin. Negotiations among Governments of the Nine basin countries on the full text of the Cooperation Framework for a Permanent Nile River Basin Institution are still on-going.

A critical element in achieving the objectives of the Shared Vision Program is ensuring both a strong ownership of the Shared Vision Program by the Nile Basin countries and effective program execution. A permanent peace agreement signed between the Southern Sudan and the Sudan Government in Khartoum have created some stability and prospects for intensified activity in the entire Sudan, and in Northern Uganda. The Government of Uganda is currently negotiating a peace settlement with the Lords Resistance Army, a guerrilla movement that has been operation in Northern Uganda, spilling over to Southern Sudan and parts of North Eastern Congo for the last 20 years. Temporal stability exists in Northern Uganda, although the local population is still living in Internally Displaced Peoples camps (IDPs). The Democratic Republic of Congo (DRC) has successfully held its first democratic multi-party elections, and there are hopes for proper governance and therefore bringing in the Eastern part of the country to benefit from NBI. With these developments, the NBI programs and projects activities are able to reach the previously inaccessible areas, thus participating fully in all Nile basin activities and benefits.

The recent admission of Burundi and Rwanda into the East African Community, joining Kenya, Tanzania and Uganda, will strengthen the sub-regional stability. Focus will shift to cooperative development and regional issues. These will presumably prevail over the dominance by national issues and breed stronger regional cooperation and transboundary considerations in national planning and development.

2.2 Internal Context

As in the other SVP projects, UNOPS provided support to the NBI Secretariat in the execution of the SVP Coordination project, mainly through the provision of project services, particularly related to financial management, procurement of Goods and services, and building the NBI's capacity to oversee basin-wide projects. UNOPS support did not extend to contracting of staff hired under this project. Instead, the NBI Secretariat employs project staff directly through the project funds as part of strengthening the NBI Secretariat. As a result of the strong leadership and collaborative spirit maintained at the secretariat, staff hired by the project fund and those hired by NBI core funds operate as an integrated team. From July 2006, the Project Management Services Agreement (MSA) signed with UNOPS has been terminated, and NBI Secretariat took over the full responsibility of managing and execution of the SVP Coordination Project.

The SVP – CP activities continue to be supported by the **Nile Basin Trust Fund (NBTF)** and the GTZ funding. A percentage (3%) of each of the other seven projects budgets is committed to supporting SVP / NBI CP. Bridging funding of US \$ 2.26 million has been made available to run the NBI Coordination until the closing date of the project.

Unlike other SVP projects, in which each PMU based in one of the NBI countries operates within the entire Nile Basin, with representation through a national coordinator or the equivalent in each of the NBI countries, the SVP coordination project works directly through the PMUs, and thus operates more at regional level under the day to day supervision by the Executive Director at the NBI Secretariat, and the overall strategic guidance by the Nile TAC.

According to the initial design, the responsibilities of the project were focused on SVP projects' coordination, development of M&E system for the SVP, establishing and maintaining knowledge management and information system and strengthening the NBI to manage basin wide programs. As projects moved from planning to full implementation and SAPs advanced in implementation of projects, the need for broadening and promotion of the SVP coordination function to the overall NBI programs and projects coordination was realised for effective implementation of the programs and to build one NBI. To this effect, SVP projects biannual meetings are expounded to SVP projects and SAPs coordination meetings, development of SVP M&E system advanced to result based M&E system at NBI corporate level, and the need for further strengthening the NBI Secretariat has become apparent.

A mid-term review of the SVP Coordination Project was conducted during December, 2006. The review aimed at re-focusing project activities in order to ensure that the goal of strengthening NBI secretariat is fully met, and to ensure that all SVP projects and SAPs are well coordinated with each other. The Mid-Term Review of SVP Coordination Project made key recommendations mainly on strengthening NBI institutional capacity to support "one NBI" and transition to a permanent River basin Commission. Some of the specific recommendations require the SVP Coordination Project to focus on the following:

- Activating Results Based NBI Planning and Monitoring and ensure linkages among NBI Programs,
- Strengthen SVP Supervision and Coordination focusing on *priority core functions that support to build a permanent Nile Institution and on activities to support planned or future SAP investments.*
- Continue the initiated Nile-Sec strengthening functions in the interim (Hire CFO, develop NBI Financial Management and Procurement system)
- Hire Advisor/Consultant to help prepare "Nile Institutional Strengthening Project"
- Begin preparation for closing up the SVP Coordination project in parallel with the establishment of the new "Nile Institutional Strengthening Project" (NISP) by the Nile-SEC which will be comprehensive and focus on harmonizing NBI institutions. The NISP is expected to incorporate;
 - **NBI Planning and development** (institutional, national dialogue, M&E, etc),
 - **NBI programs/projects management** (SVP coordination and supervision, Integration and coordination of NBI programs and projects, SVP transition to NBI permanent institution functions, Knowledge Management and Communication).
 - **Administrative development** (HR, FM, capacity building, etc.).

2.3 Effects on Project Implementation

Conclusion of the permanent cooperation framework and creation of a permanent institution will enable clarity of roles and of capacity building needs for SVP CP and NBI as a whole, thus streamlining the functions and enabling SVP CP achieve the expected results.

The budget for NBI Coordination as well as work load is expected to increase substantially to ensure that one-NBI is strengthened, financial management and procurement are transferred to the strengthened NBI and the Results Based System / M&E System is effectively adopted. The structure and staffing of the SVP CP will need to be further strengthened to fully achieve the objective of strengthening the NBI Secretariat.

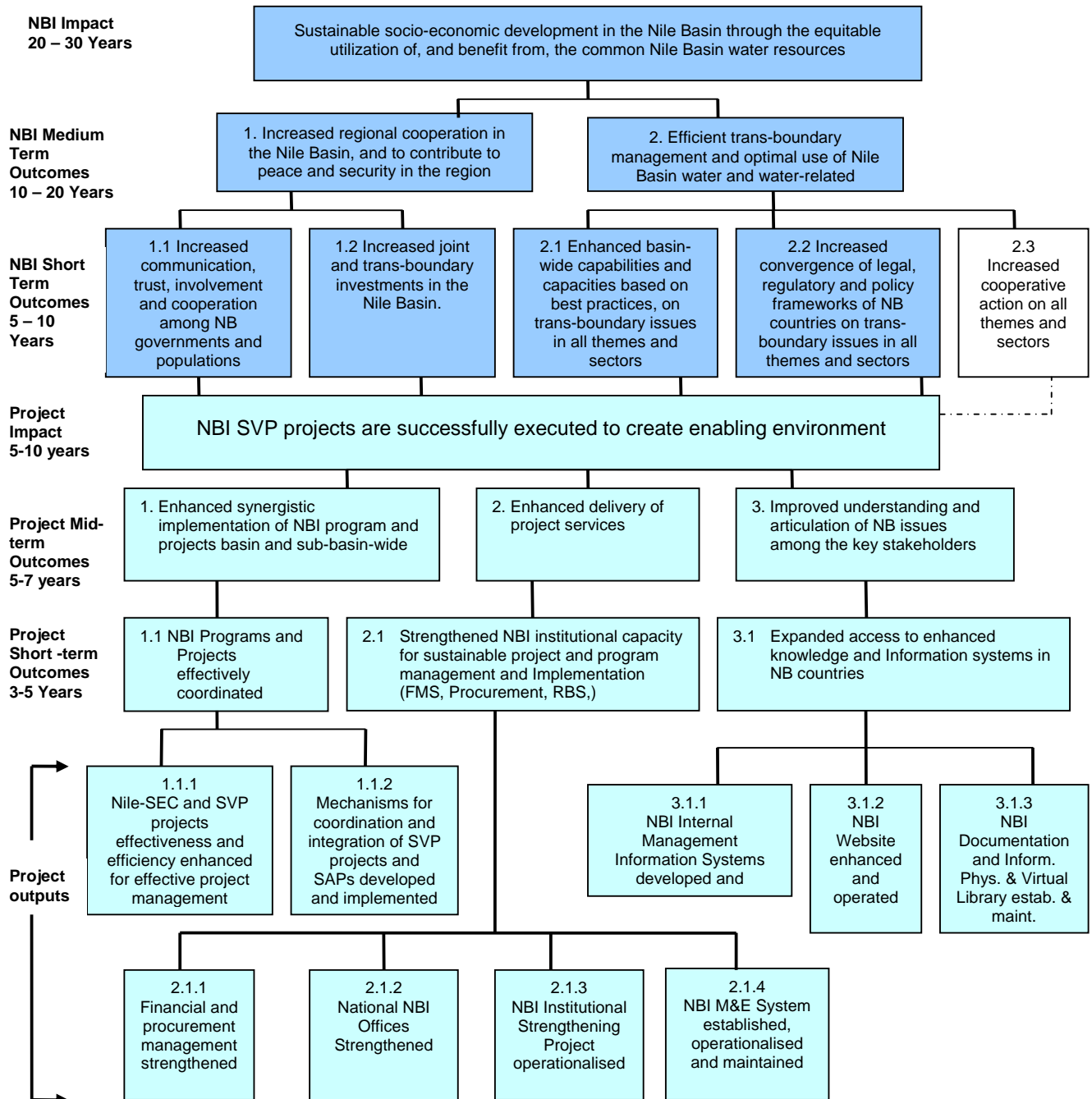
Transfer of UNOPS responsibilities to the NBI Secretariat to independently execute the SVP projects may not be possible unless the cooperative framework is concluded, and NBI is granted legal status in each of the NBI countries.

3 Results Achieved

3.1 Results achieved in the period Jan – Dec. 2006

The NBI has adopted a results based system. Implementation planning, management, monitoring and reporting will be results based, at all levels, projects and Programs of NBI. Results (impact, outcomes and outputs) are defined at the Corporate; Program and Project levels. The impact at corporate level is expected to be realised over a 20 to 30 years time frame. The Impact at program level is expected in a 10 to 20 years time frame; while for the project level it is expected in a 5 to 10 years time scale. The Fig. below shows how the SVP-C results link to the overall NBI Results.

SVP Coordination Project link to NBI Results Chain



3.1.1 Medium-Term Outcome 1

Enhanced synergistic implementation of NBI Programs and projects basin-wide within 5-7 years

**Overall progress towards achievement of results through the component:
Program Coordination**

The focus during the year 2006 was on accelerating delivery of NBI projects. The SVP-C stepped up its efforts of engaging the SVP projects and the SAPs in effective coordination and synergetic approaches in implementation of their activities. The focus therefore moved beyond start up of projects to integrated implementation and maintaining one NBI.

As part of the staff capacity strengthening, additional staff, (M&E specialist and librarian) were recruited through the SVP Coordination project to meet the needs of the Nile-SEC in the execution of its mandate.

SVP – SAP coordination forum was strengthened, building linkages between the SVP projects and SAPs to ensure effective coordination of activities and flexibility on the part of SVP projects to meet emerging needs of SAPs. Transparent relationship has been established not only between the SVP and SAP management, but also created a one-to-one discussion on common issues between the Lead Specialists of the SVP projects and coordinators of SAP projects. Linkages matrices and joint activities matrices have been agreed upon among projects. The joint undertakings between two or more projects resulting from the SVP/SAP coordination forum are listed under Short Term Outcome 1.1 below.

Short-Term Outcome 1.1: NBI Programs and Projects effectively coordinated within 3-5 years

SVP Coordination Project has organised 1 SVP/SAP coordination meeting, and 2 Results Based Planning and Reporting meetings in 2006. These consultative meetings have paved the way for the NBI programs and projects to work together in the spirit of one NBI to achieve the common NBI Shared Vision. They have contributed in creating. Linkages and continuous collaborative interaction through the following among other activities;



Participants in the SVP/SAP Coordination Meeting

- Based on the review of annual plans made at the end of 2005, linkage matrices have been continually updated to identify specific activities (one to one linkages) that meet the immediate needs of SAPs.
- Joint undertakings between two or more projects have taken place in 2006. Some are listed bellow.
 - Quarterly national meetings, coordinated by CBSI national coordinators to facilitate effective interaction among the various ministries and institutions involved in the NBI and in-country coordination of NBI activities;
 - A forum that brings together the NTEAP Environmental Education (EE), A Journalist network, and the CBSI media network;
 - The joint assessments of National capacities to undertake NBI national activities through the national NBI offices;

- A coordinated approach to capacity building has been initiated;
- The first Nile Basin Development forum was successfully conducted in November 2006 in Addis Ababa, Ethiopia as a joint effort of all SVP projects and SAPs together with the Government of Ethiopia. Some of the achievements of the Development Forum include;
 - Exhibition of research trends in the Nile Basin;
 - Enhanced networking of professionals across the basin and beyond the Nile
 - Increased confidence and trust among the riparian states in knowledge sharing and cooperative development;
 - Identification of gaps like enhancing the civil society involvement and scaling up of institutional linkages;
- Development of the NBI – RBS is a joint effort by all SVP projects and SAPs, coordinated by SVP-C;
- Preparation of annual reports, newsletters, calendars, schedules, and website management are all undertaken jointly;
- NELSAP Agriculture project is being developed in close consultation with EWUAP and a joint project formulation workshop was organized by the two;
- Preparation for the Power studies in the region are being done in close consultation of the three power projects/programs under SVP, ENTRO and NELSAP;
- Erosion studies in Eastern Nile have been undertaken jointly by NTEAP and ENTRO
- Annual Joint work planning meetings by all SVP Projects and SAPs have been held to enhance synergistic implementation of the activities;
- Social development activities are being conducted jointly by CBSI project and SAPs, and this included cross border stakeholders consultation workshops, development of the Social Atlas of Eastern Nile countries, development of communication materials, etc;
- The two joint Results Based Planning and Reporting Sessions held in 2006 led to the development of one NBI corporate level Results Chain and Logframe, and Program and Project specific Logframes and PMFs for SAPs and Projects feeding into the NBI Results.
- Through the active participation of all NBI projects and Programs in the development of the Results Based System (RBS) for the NBI, the following have been accomplished:
 - Initial program planning done at the start of NBI projects and programs (PADs, PIPs, and their LGFs) has been aligned with RBS, thus; an overall NBI corporate level Planning, Monitoring and Reporting Framework has been developed in line with RBS, and the logframes and Performance Measurement Frameworks (PMFs) of the 8 SVP projects and the 2 SAPs were revised to focus on clear results that are in line with the NBI Vision.
 - Planning and Reporting formats, including budgeting and accounting have been revised to reflect focus on results at all times and levels of implementation.
 - The 2006 Annual Progress Reports and the 2007 Annual Work Plans for all NBI programs and projects at all levels are results based. Therefore;
 - Activity and output based budgeting has been adopted and will be carried out each year, showing a clear link between resources, activities, outputs and outcomes.



- Annual progress reports show achievement of outputs, outcomes and impact at project and program levels; and outcomes and overall impact at NBI corporate level, using carefully selected key indicators.
- All NBI Program and Project Managers, and some Lead Specialists have undergone basic hands-on training on RBS. The training is being extended to cover other project staff and key stakeholders.
- The following 3 tool-boxes have also been drafted, and are to be completed to guide projects & programs on key application of RBS:
 - Results Based Project Planning Tool-Box.
 - Results based Work-planning Tool-Box.
 - Results Based Reporting Tool-Box.

3.1.2 Medium Term Outcome 2

Enhanced delivery of project services within 5-7 years:
Overall progress towards achievement of results through the initial three components:
Financial Management and Procurement
Capacity Building
Monitoring & Evaluation

Overall, out of the 8 SVP Projects, 6 are achieving above average targets as reflected in their progress reports, while the two SDBS and EWUAP projects are still building up their implementation capacities and modes of operation.

Short-Term Outcome 2.1: Strengthened NBI institutional capacity for sustainable project and Program management (FMS, Procurement, RBS) within 3-5 years,

The Results Based System has been adapted in NBI, with the development of draft NBI level Results Chain and Logframe completed, and the progress report for 2006 and plans and budgets for 2007 developed based on these results.

Development of the Integrated Financial Management System (IFMS) for NBI is on process. A chart of accounts has been prepared, discussed and agreed upon by all NBI Programs and projects. This will form the basis for installation of an appropriate FMS for use throughout NBI.

Evaluation of the current Nile-Sec institutional arrangement and capacity has been carried out and report on strengthening management and administrative arrangements of the secretariat prepared.

Development of a proposal for long-term institutional strengthening of the NBI Secretariat has been initiated to further strengthen the capacity to implement one NBI financial, procurement and human resource management system based on the RBS. This is in addition to exchanging plans, reports and information on events.

3.1.3 Medium Term Outcome 3:

Improved understanding and articulation of NB issues among the key stakeholders
within 5-7 years:
Overall progress towards achievement of results through the component:
Knowledge Management and Information Sharing

Short-Term Outcome 3.1: Expanded access to enhanced Knowledge and Information Systems in NB countries within 3-5 years,

SVP CP has ensured effective knowledge management and information sharing among NBI programs, with public, private sector, stakeholders, and development partners and has enhanced NBI and stakeholders abilities to communicate with one another by;

- Establishing a team of NBI IT officers and Knowledge Management Specialists who are working together at Basin / Regional level.
- Developing a knowledge management policy and guidelines to serve as a general framework for use by all NBI programs.

To increase outreach, upgrading the NBI Resource Center and the website is speedily progressing. Standard guidelines have been prepared, on-line library developed, document management system procurement initiated, and the NBI Portal is operational initially at low levels.

3.2 Cumulative Results

3.2.1 Mid-Term Outcome 1

Enhanced synergistic implementation of NBI Programs and projects basin-wide within 5-7 years:

In the period 2003 – 2006, the SVP-C project has supported the operationalization of all the other seven projects. It has facilitated the implementation of a number of activities required for the effectiveness and start-up of the other SVP projects. These include preparation of project implementation plans and manuals, pre-appraisal and appraisal of projects, establishment of the Project Management Units (PMUs), recruitment of core staff, establishment of Project Steering Committees, review and conclusion of Management Service Agreements with United Nations Office for Project Services (UNOPS), participation in negotiations of grant agreements.

NBI/SVP generic implementation arrangements and organizational structure were developed. All 8 SVP Projects have been fully operational by end of 2005, and staff have been recruited and Offices renovated, equipped and furnished. Project Implementation Manuals (PIMs) were prepared for all the projects.

To date, the SVP Coordination Project has initiated and organised 10 SVP/SAP coordination and M&E meetings.

All staff at the Nile-SEC are completely integrated into the NBI Secretariat structure, and all staff, both those funded through the Secretariat's core budget as well as through the project, operate as one team.

The criteria for coordination/collaboration and inclusion within the NBI's SVP umbrella have been adopted by all SVP projects. The common criteria have assisted projects to avoid being unnecessarily diverted from their main tasks and objectives.



SAPs and SVP projects staff and partners in a coordination meeting and reporting workshop

3.2.2 Medium Term Outcome 2

Enhanced delivery of project services within 5-7 years:

As the projects transitioned from planning to implementation rolling one after the other, the SVP Coordination project started focusing on carrying out the programmatic supervisory role. To-date, out of the 8 SVP Projects, 6 are achieving above average targets as indicated in their progress reports, while the other two; SDBS and EWUAP are still building up their implementation capacities and modes of operation. The two are expected to achieve above average by the year 2007. The following are some of the indications of enhanced delivery of projects;

- Financial management and procurement operating manuals, and formats for financial monitoring reports have been prepared regularly, the computerized FMS/accounting system at Nile-SEC has been improved and the SVP Coordination Project finance, accounting and administrative functions have been efficiently managed.
- Procurement tracking system at the Nile-SEC was established and has enabled effective management of the SVP Coordination Project procurement functions. Quarterly and Annual procurement reports are regularly prepared together with the financial report.
- Training needs assessment in administrative, financial management and local procurement were conducted, and training provided on procurement for PMUs and SAP staff. Specific training on financial management (operation of FASS software) and on procurement was delivered to SVP staff, and on-the-job training provided on administration at the Nile-SEC.
- **The Results Based System (RBS)** has been adopted in NBI, with the development of draft NBI level Results Chain and Logframe completed, and the progress report for 2006 and plans and budgets for 2007 developed based on these results. This RBS enables SVP and SAP projects to be implemented in a coordinated and integrated manner. The RBS also enables NBI and its programs and projects assess progress towards shared vision and objectives, and to keep focused on the shared vision, and provide stakeholders with information to plan, manage, monitor and report on performance. Information generated through on-going performance monitoring and evaluation will be accessible to all stakeholders to support constructive and proactive management decision making and learning, in line with current international trends in development aid (MfDR, Paris Declaration) that emphasize the need to manage for results.
- Support has been provided to PMUs in Financial Management, including preparation of Chart of Accounts (COA).
- Disbursements are monitored on regular basis, and periodic FPOs meetings, back to back with the SVP programs meeting are held as necessary.
- Annual financial reports, and quarterly FMRs including financial statements for SVP coordination project are prepared regularly, and a follow up support given to the preparation for the other SVP projects.
- Annual Financial and Procurement Audits are conducted regularly.

3.2.3 Medium Term Outcome 3:

Improved understanding and articulation of NB issues among the key stakeholders within 5-7 years:

Main achievements to date under Knowledge Management and Information Sharing include the following:

- The Nile-SEC system administration was assessed and hardware and software needs for information management identified, procured and installed.

- Knowledge management policy and guidelines were prepared, covering the following; (i) information gathering, recording, archiving, and sharing NBI knowledge, (ii) designing, implementing and maintaining the NBI website and (iii) NBI system administration, hardware and software with standards for hardware and software.
- Website needs assessment & comparison with other reference sites was carried out. Regular upgrading of the website to meet the identified needs of the NBI activities and stakeholders has been undertaken. A one mail domain for NBI as part of the SVP communication network to link the Nile-SEC, PMUs, SAPs and National NBI offices by mail/messaging was established and is operational.
- On-line and physical library and document management system has been established at the Nile-Sec, with a wide range of educational and information materials.
- Common NBI letterheads, business cards, vehicle sticker were developed in order to improve NBI identity and visibility.

3.3 Unintended Results

A number of other organizations / institutions / initiatives have expressed interest to work with NBI prompting the preparation of criteria to guide the nature of relationships with other initiatives. Criteria for coordination/collaboration and inclusion within the NBI's SVP umbrella was therefore finalized and endorsed by the Nile-COM/TAC.

The Results Based System / M & E System was initially planned for the SVP only, but this has now been expanded for use in the whole NBI, including the SAPs.

Initially, a minimal ICT capacity was expected to serve the coordination needs of SVP. However the role of ICT has expanded to include the general coordination and execution of NBI programs and involvement of other key stakeholders.

3.4 Sustainability of results.

The overarching aim of SVP Coordination project is to build capacity in the NBI secretariat and SVP projects to successfully implement NBI activities. The systems and procedures put in place are to be managed by the existing Nile Basin human capacity, whose further development is in itself aimed at ensuring that NBI will have its own capacity to manage its activities.

Adoption of common NBI management and implementation guidelines and policies (Financial Management System, Results Based System, Information Management System, Human Resources, etc), which are specific to the needs of NBI (rather than for instance UNOPS rules and guidelines) will increase the likelihood of sustainability of institutional mechanisms put in place at NBI.

4 Project Management

The Nile-TAC composed of two senior level water officials from each NBI member country continued to serve as the SVP Coordination Project Steering Committee, providing strategic guidance, direction and oversight to ensure that the project objectives are achieved, within the overall framework of the NBI and its shared Vision, and that the project remains within budget and on schedule.

The NBI Secretariat is responsible for the efficient execution of the SVP. Thus, it needed to be strengthened, both in terms of human and institutional capacity. The Secretariat is therefore expanded in a targeted manner to meet the needs of the SVP and by ensuring that all staff, both those funded through the Secretariat's core budget as well as through the project, are integrated into one team within the NBI Secretariat structure maintaining a collaborative spirit at the Secretariat. Hence, the strengthened NBI Secretariat functions as an integrated unit for the overall management of the Shared Vision Program and other NBI activities.

To accelerate SVP projects and progressively take over full authority of execution of projects by the NBI in a sustained manner, the following activities were initiated.

- Restructuring the operation of UNOPS
- Developing a strategy and benchmark for transferring the responsibilities of UNOPS to Nile-SEC
- Strengthening the capacity of the Nile-SEC in key functions of administration, financial management, procurement, knowledge management and M & E / RBS. To this effect, an M&E specialist and a librarian were recruited.

5 Project Expenditures

5.1 Comparison of financial performance to results achievement

The project is supported through various channels, such as in-kind government contributions, partner financing through the Nile Basin Trust Fund (NBTF), and parallel partner financing by Germany.

The total partner support required through the NBTF was estimated at US 5.4 million, out of which an initial NBTF grant of US\$ 2.87 million was signed on April 22, 2003 between the NBI and the Bank. This first grant was planned to run from July 1, 2003 till the project closing date, June 30, 2007. Current funds are almost fully disbursed thus the Grant has been amended on November 11, 2006 for additional financing of US\$ 2.26 million for continuation of current activities.

The need for additional funds earlier than expected closing date was caused by additional NBI activities financed through the project, such as expanded scope of M&E contract, upgrade of the financial management system, consultancy support for the NBI Framework agreement negotiations, etc.

The total planned and approved budget for 2006 was US \$1.258 million. The amount disbursed in 2006 is \$1.093 million which is 87% of the planned amount for 2006. The total remaining budget by end of 2006 out of the initial funding is US\$ 0.359 million. In total, the available budget for 2007 is US\$ 2.619 million.

5.2 Explanation of variances

The main reasons for not achieving 100% planned disbursement are the following.

- Travel to PMUs and participating in other regional workshops were minimized focusing on more priority activities that required intensive work in the office including the additional activities beyond the original design of the project.
- Renovation of the building for the archive of NBI materials didn't start due to delay of the rigorous design & selection process.

6 Challenges and Constraints

Table 6.1 Challenges, Constraints and Mitigation Strategies

Challenge / Constraint	Significance and magnitude	Effect on Implementation	Mitigation Strategy Applied
Output Level			
Delays in getting feedback from countries, PMUs and SAPs caused delays on several activities of the project.	High	Development of a concrete mechanism for coordination and linkages among NBI programs has taken a longer time than anticipated.	Increasing reliance in IT systems for virtual discussions, as well as training key staff in more enhanced use of IT.
Outcome Level			
UNOPS Financial Management system could not be accessible by Nile-SEC and the PMUs and is difficult to translate into result based budget planning and reporting	High	Reporting is not transparent in providing Nile-SEC and PMUs with clear information on commitments and expenditures hence difficult to follow, interpret and report to NBI stakeholders.	UNOPS procurement and FM system will not be adopted by NBI. A new FMS for the whole NBI is under development.
Lengthy consultations in the design of the M&E / Results Based System (RBS)	Medium	Delays in implementing the RBS, and PMU staff spend more time in systems development other than actual implementation.	Regular correspondence and increased reliance on NB based consultants to support and speed up the process.
Impact Level			
Most SVP project are a shorter implementation period than required.		The complexity of the NBI Programs and projects of necessity require long time horizon for achievement of impact.	Logframe revision scaled down more ambitious goals.

7 Lessons Learned and Recommendations

7.1 Lessons learned.

- The complex nature of the SVP entailed a phased approach to the start up of the projects. The UNOPS's operations support at multiple geographic and organization levels was also required. However, the centralized approach of UNOPS operation didn't allow for effective implementation and this has resulted in costly management expenses.
- Despite of the considerable achievements made so far by the SVP projects, information and reports generated at both project and program level were not satisfactory in focusing on outcomes/results. This was mainly because there was no M&E system put in place that links all levels (projects, programs and NBI level) with well defined results pyramid which encompasses impact, outcomes with indicators to measure progress.
- There was a delayed start in the development of the M&E system, waiting for at least 5 of the projects to be on board to ensure involvement of the project staff in the process. After consultation with development partners and NBI stakeholders, a strategic shift was made from SVP program M&E to the overall NBI M&E system development in order to capture the results at the NBI corporate level. Because of the consultative and iterative nature of the process, the design of the M&E system of necessity takes considerable length of time. This process is now progressing speedily.
- The FMRs produced by the Nile-SEC are improved to provide all information and clear financial and procurement data required for project management and are well in line with the Bank requirements. However, the FMRs being produced by UNOPS still require improvement. The UNOPS FM system (ATLAS) is not producing all information. This issue is under discussion between Nile-SEC and UNOPS and will be rectified in 2007.

7.2 Recommendations

- An immediate action should be taken to strengthen the Nile-SEC in basin wide projects management and specifically in procurement, administration and financial management to enable Nile-SEC to independently manage the SVP. Therefore, development of strategy and benchmark for strengthening the capacity of Nile-SEC and transfer of UNOPS responsibilities to Nile-SEC is being expedited.
- NBI should be granted legal status, privileges and immunities in the territory of each of the Nile Basin states to enable the Nile-SEC to take over the full responsibilities of projects execution.

8 Appendices

8.1 Project Logical Framework

8.2 Results Achieved

8.3 Cumulative Output-Based Project Expenditures

8.4 Project Inventory

8.6 List of staff

8.7 Linkage matrix