



Nile Basin
Initiative

2015 - 2017

NILE-SEC PROGRAM

August 2015 Version

NBI MEMBER STATES



Burundi



DR Conqo



Egypt



Ethiopia



Kenya



Rwanda



South Sudan



The Sudan



Tanzania



Uganda

List of Acronyms

AFD	Agence Française de Développement
CFA	Cooperative Framework Agreement
CIWA	Cooperation in International Waters of Africa
EAC	East African Community
ENTRO	Eastern Nile Technical Regional Office
ENSAP	Eastern Nile Subsidiary Action Program
EN	Eastern Nile
GWP	Global Water Partnership
GIZ	Deutsche Gesellschaft für Internationale Zusammenarbeit
IGAD	Inter-Governmental Authority on Development
INASP	International Network for Availability of Scientific Publications
IWMI	International Water Management Institute
IWRM	Integrated Water Resources Management
LVBC	Lake Victoria Basin Commission
MS	Member State
NBD	Nile Basin Discourse
NBCBN	Nile Basin Capacity Building Network
NBI	Nile Basin Initiative
NB DSS	Nile Basin Decision Support System
NEL	Nile Equatorial Lakes
NELSAP	Nile Equatorial Lakes Subsidiary Action Program
NELSAP CU	Nile Equatorial Lakes Subsidiary Action Program Coordination Unit
Nile-COM	Nile Council of Ministers
Nile-TAC	Nile Technical Advisory Committee
Nile-SEC	Nile Basin Initiative Secretariat
USD	United States Dollars
WB	World Bank
WRD	Water Resources Development
WRM	Water Resources Management

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Overview

The summary nature of this document is intended to simplify discussion between NBI and the development partners and to facilitate negotiations for a new phase of partnership. More fully elaborated proposals will be developed for each proposed project and will be informed by inputs from and specific requirements of our development partners.

The purpose of this document is to provide development partners with a summary of the Nile Basin Initiative Secretariat's (Nile-SEC) planned activities for the period 2015 to 2017, complete with financing requirements. It provides a very brief introduction to the NBI, the Nile-SEC program as well as program financing.

The projects' descriptions are presented in summary form listing objectives, expected results and total budget. Each project fits within a logical program structure that stems from the NBI overarching Strategic Plan (2012-2017), the "NBI Shared Vision" and the NBI results chain.

To date, Nile-SEC's Program has been primarily funded by Development Partners and Member States' contributions: The World Bank managed Nile Basin Trust Fund was the main source of institutional and programmatic funding until December 2014 when it closed. Additional funding was from bilateral donors such as GIZ and African Development Bank.

Nile-SEC plans to support its operations through a combination of financing mechanisms. The intention is to seek financing for the broad program from development partners while obtaining financing for the Secretariat functions from Member States. Incremental administrative overhead will be financed through indirect cost recovery charged to projects.

At the current level of Program and staffing, Nile-SEC requires a program budget of approximately USD 6 million a year. Confirmed funding for 2015 - 2017 is **USD 5,407,613 (USD 3,519,690 and USD 1,887,923 for 2015/16 and 2016/17 respectively) and a total budget deficit of USD 8,030,147 (USD 2,481,323 for 2015/16 and USD 5,548,824 for 2016/17)**. The Budgets for fiscal years 2015/16 and 2016/17 are much higher because of a capital investment of USD 4,114,508 for the first two years of implementation of the regional hydromet system, which is also included. Nile-SEC is soliciting financial support to implement its 2015 to 2017 program; while it develops its new 5-year Strategic Plan (2017/2018 to 2021/2022).

The summary nature of this document is intended to simplify discussion between NBI and the development partners and to facilitate negotiations for a new phase of partnership. More fully elaborated proposals will be developed for each proposed project and will be informed by inputs from and specific requirements of our development partners.

Background

The Nile is one of the longest rivers of the world and is shared by eleven countries with different social, cultural and economic realities. The countries are Burundi, Democratic Republic of Congo, Egypt, Eritrea, Ethiopia, Kenya, Rwanda, South Sudan, The Sudan, Tanzania and Uganda. The Basin is home to almost 250 million people and to world class environmental assets such as Lake Victoria and the Sudd wetland.

Despite its natural endowments and rich cultural heritage, the Nile Basin region faces a number of challenges. Sharing water resources among so many countries (with different and sometimes conflicting interests, growing populations and their demands) is a challenge in itself, but the historical geopolitical and hydro political realities make it even more complex and continue to influence future relations in the Nile Basin. Today the basin faces poverty, instability and rapid environmental degradation, is prone to high seasonal and inter-annual climatic variability, on-going erroneous perceptions that affect relations between countries and asymmetric availability of consensual information about the status, utilization and potential of the shared Nile Basin water resources. This is further compounded by climate change and, despite considerable uncertainty

regarding the direction and magnitude of its impact, it is broadly agreed that it will increase the vulnerability of some basin countries and could reverse the development gains so far achieved.

Despite these seemingly formidable challenges, the Nile Basin offers significant potential for cooperative management and development of the shared water resources that would confer direct and indirect win-win benefits to all Basin countries.

In light of these challenges and upon recognition that if development and management of the shared Nile Basin water resources is well-coordinated among the Basin states, the Nile Basin holds significant opportunities for mutual benefits that could advance socio-economic development and regional integration, peace and stability in the basin; Nile Basin countries opted for multilateral cooperation and agreed to establish the Nile Basin Initiative (NBI) in 1999; as a regional mechanism with a Shared Vision Objective "to achieve sustainable socio-economic development through equitable utilization of, and benefit from the shared Nile Basin water resources".

The Nile Basin Initiative

The Nile Basin Initiative (NBI) is a 10 Member inter-governmental partnership (Eritrea participates as an observer) that provides the first and only all-inclusive mechanism for the Nile Basin States to discuss with trust and confidence, the management and development of the shared Nile Basin water and related resources and to work towards attaining their Shared Vision Objective.

The highest political and decision making body is the Nile Council of Ministers (Nile-COM), comprised of Ministers in charge of Water Affairs in the NBI Member States. The Nile-COM is supported by a Technical Advisory Committee (Nile-TAC), comprised of 20 senior government officials, two from each of the partner states.

The NBI has three (3) Centers; the **Secretariat (Nile-SEC)** located in Entebbe, Uganda responsible for the overall basin wide perspective, corporate direction of the

institution and implementation of 'Basin Cooperation' and 'Water Resource Management' programs. The **Eastern Nile Technical Regional Office (ENTRO)** based in Addis Ababa, Ethiopia, leads implementation of water resources development program (ENSAP) in the Eastern Nile sub basin comprising of Egypt, Ethiopia, South Sudan and The Sudan. The **Nile Equatorial Lakes Subsidiary Action Program Coordination Unit (NELSAP-CU)** based in Kigali, Rwanda, leads implementation of the water resources development program in the Nile Equatorial Lakes sub-basin comprising Burundi, DR Congo, Egypt, Ethiopia, Kenya, Rwanda, South Sudan, The Sudan, Tanzania and Uganda.

In each Member State there is an NBI office, the NBI Focal Point, which coordinates and ensures regional NBI interventions are embedded in national development planning.

What NBI does

- Provides the only all-inclusive regional platform for multi stakeholder dialogue, for sharing information, joint planning management and development of the shared water and related resources in the Nile Basin. The platform further creates opportunities for learning, networking and sharing experiences across Basin States. This allows for formulating home grown and place-based policies and tools that integrate territorial specificities and concerns in responding to shared challenges and encourages cross-scale learning between Member States.
- Strengthens Member States' institutional and technical capacities and shared knowledge bases to support decision making and action at local levels. This includes generating basin wide science-based information and making available to Member States, analytic tools and early warning systems to enable them develop and implement appropriate plans.
- Assists Member States to identify and prepare investment projects, which are economically viable, environmentally friendly and socially acceptable as well as mobilize financial and technical resources for their implementation.



The NBI Program

The NBI Program structure mirrors the organization's three core functions, namely; Facilitating Basin Cooperation, Water Resource Management, and Water Resource Development, all supported by core 'corporate services'. These core functions clearly delineate responsibilities among the three NBI Centers, and embody the wide range of program and project activities implemented. This separation of functions is the basis for the program structure, as shown in figure 1 below.

The overall objective of the NBI Program 2012-2017 is: **To improve the co-operative and sustainable management and development of the Shared Nile Basin water resources.**

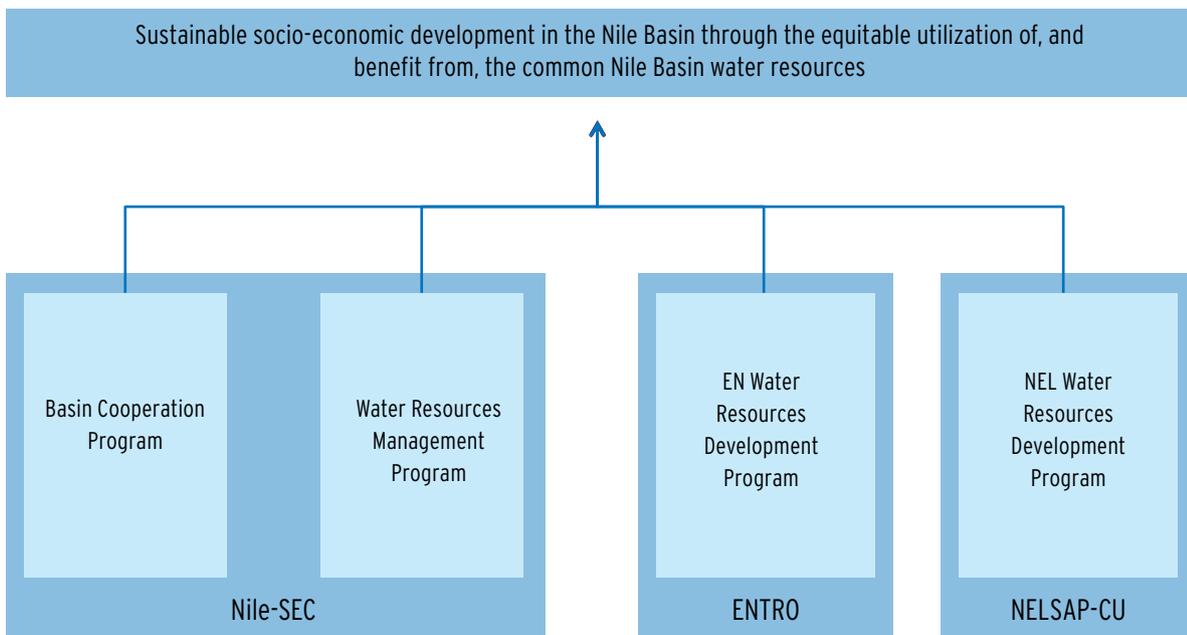


Figure 1: Program Structure based on separation by core functions

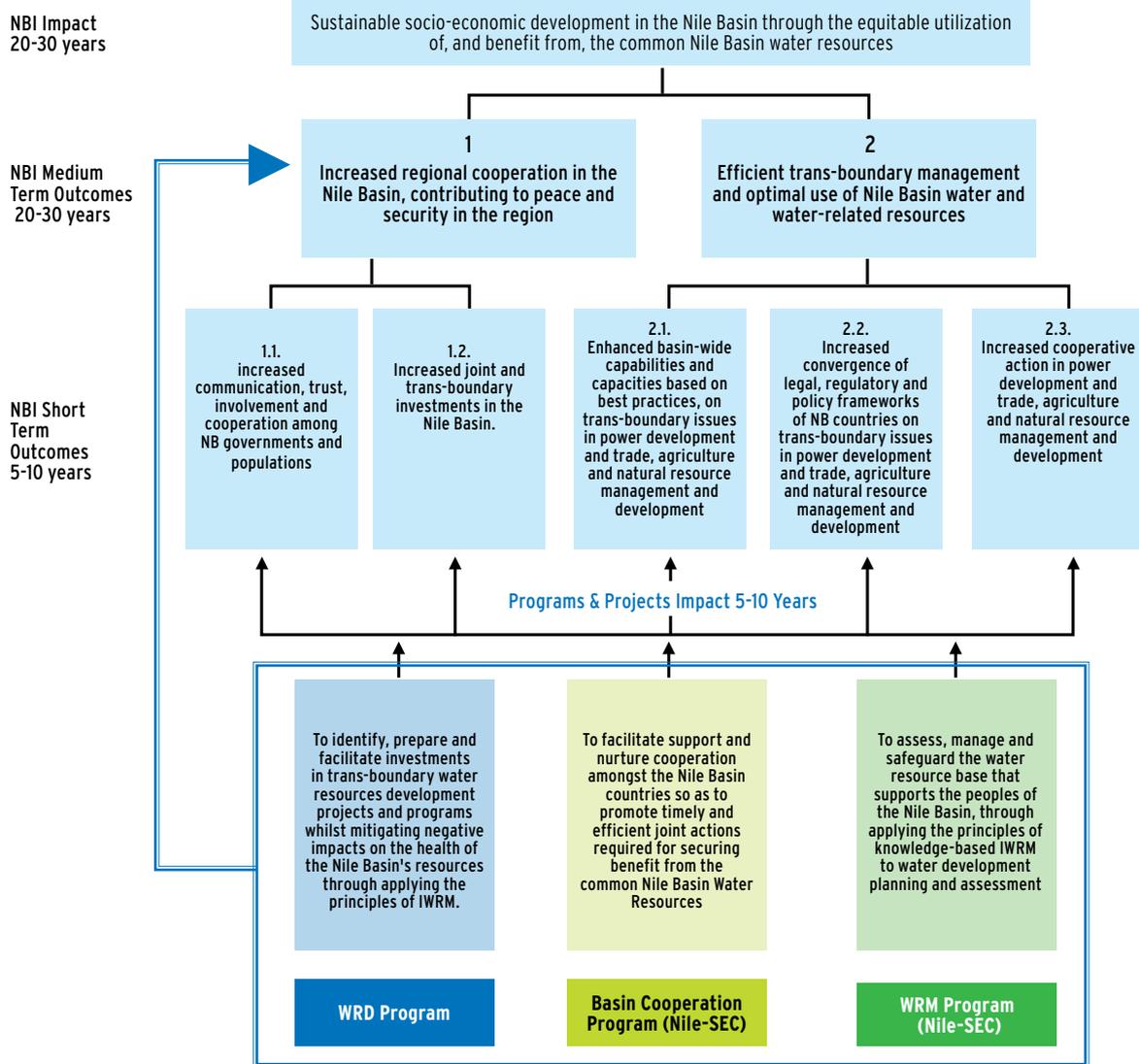


Figure 2: NBI Results Framework and the three NBI programs.

Nile Basin Initiative Secretariat

Established in Entebbe by the Nile-COM in November 2002, Nile-SEC supports NBI Member States to work towards the realization of their Shared Vision Objective through provision of basin-wide dialogue platforms, strategic communication and a comprehensive knowledge base to inform decision making and prudent management and development of the shared Nile Basin water resources. Today, after 13 years of sound experience, Nile-SEC is a strong institution, with highly competent staff able to deliver critical services and products for sustainable development in the Basin.

Nile-SEC Vision

A Centre of Excellence for supporting Nile Cooperation

Nile-SEC Mission

To facilitate basin-wide dialogue and provide a comprehensive knowledge base to NBI Member States, to inform decision making and prudent management and development of the shared Nile Basin water resources.

Nile-SEC Strategic Objectives

To achieve its Mission, Nile -SEC is guided by four strategic objectives, namely;

- To nurture cooperation among the basin states (will also result into increased country commitment).
- To strengthen the relevant capacities of Member States for cooperative water resources management and development.
- To increase utilization of knowledge for decision making and improve performance in trans-boundary water resources management and development.
- To strengthen Nile-SEC institutional capacity.

Nile-SEC Core Values

- Team spirit
- Respect for diversity (especially in cultures and ideas)
- Integrity
- Professionalism
- Transparency



Nile-SEC Program

Nile-SEC implements its activities through two programs; Basin Cooperation Program and Water Resources Management (WRM) Program. Basin Cooperation Program has four components while Water Resources Management Program has five (Figure 3).

All Nile-SEC activities are supported by efficient and transparent corporate management systems (Financial Management, Human Resources Management, Information Technology, Operational & Administration and Audit services).

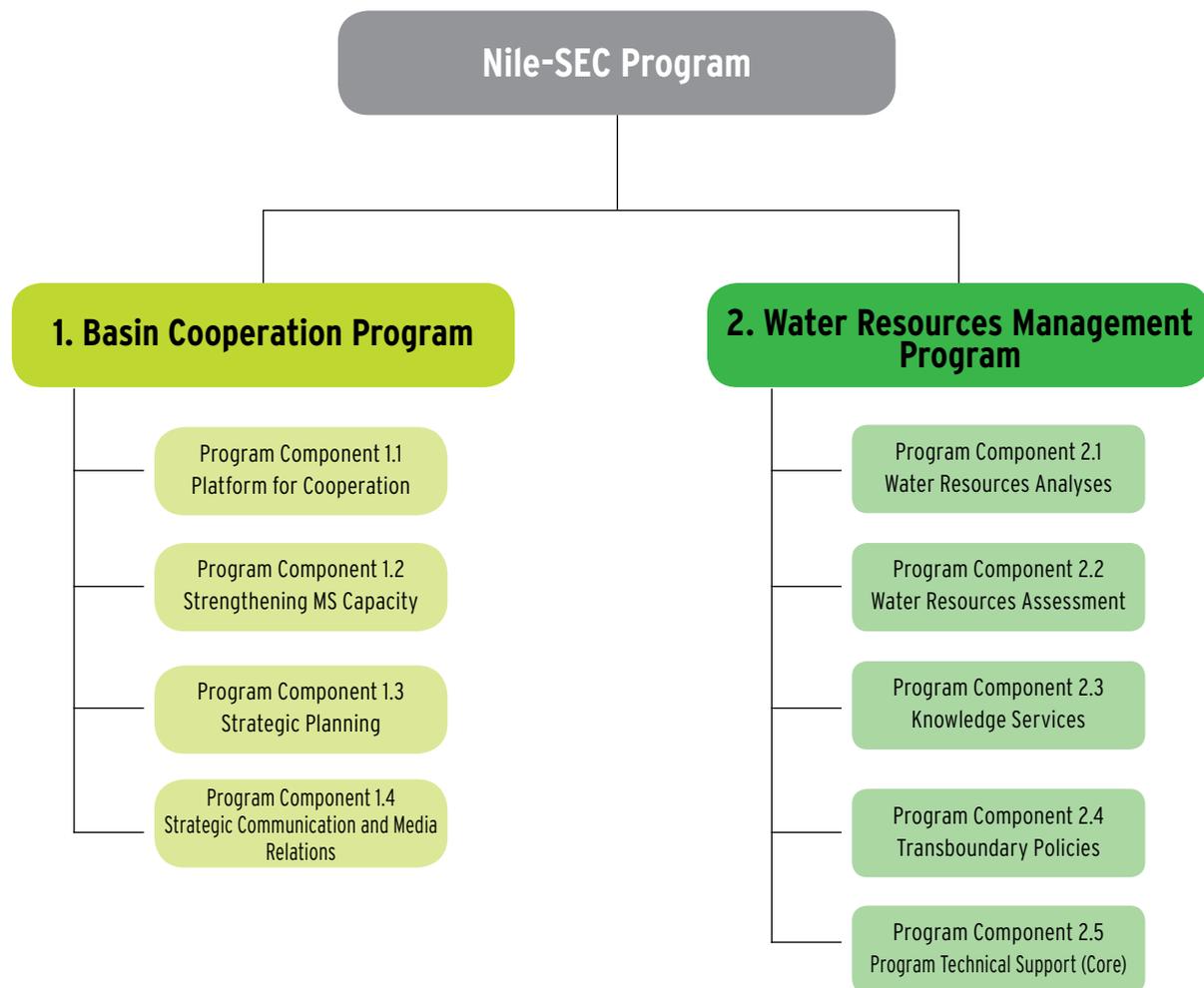


Figure 3: Nile-SEC Programs

1. Basin Cooperation Program

From inception, NBI Centers have implemented an array of interventions aimed at raising awareness, building a solid foundation for mutual understanding, trust and confidence and dialogue among its multi stakeholders; in order to move forward in a cooperative way to realize tangible benefits from the Shared Nile Basin water resources. To date, remarkable progress has been made: the basin is witnessing observable improvement in both the extent and quality of cooperation among Member States. Even though some differences in opinion still exist, the question is no longer whether a cooperative approach should be pursued but rather how an all-inclusive and sustainable Nile cooperation should be achieved.

Challenges to an all-inclusive cooperation are further compounded by emerging ones such as impacts of climate change, uncoordinated unilateral development

in the basin, and uncertainty with hydro politics, which is further complicated by uncertainties currently going on in some of the Basin States. These challenges are by their very nature trans-boundary and no single country is capable of addressing them, or their consequences, on its own. Cooperative action is necessary to manage/mitigate the shared challenges, optimize benefits regionally in order to achieve peace, security and prosperity for all basin inhabitants.

The NBI, through Nile-SEC, provides the first and only all-inclusive regional platform that brings together Nile Basin States for open discussion and understanding of the interests, positions and expectations of the Basin States in what concerns the utilization (current and future) of the shared Nile Basin water resources; jointly plan the management, share information, and respond to shared challenges in the basin.



Program Goal, Objective and Components

The **Goal** of the Basin Cooperation Program is 'regional cooperation, peace and stability in the Nile Basin'.

To contribute to this Goal, the **Program Objective** is 'to facilitate dialogue, support and nurture cooperation amongst the Nile Basin countries so as to promote timely and efficient joint actions'.

And to achieve the Program Objective an array of activities is implemented under four program components, namely; Platform for Cooperation; Strengthening Member States Capacity; Strategic Planning as well as Strategic Communication and Media Relations (Figure 4). Each component is described in the section below.

1.1 Platform for Cooperation

Aiming to illustrate the benefits and advantages of Nile cooperation, Nile-SEC provides effective dialogue platforms for open discussion, learning and information exchange for its wide and varied stakeholders at regional and national levels, including regular governance fora (Nile-COM and Nile-TAC meetings respectively). Activities under this component aim at enhancing the level of understanding and appreciation of the social, cultural,



environmental, economic and political realities of other countries. It also emphasizes benefits from cooperation, strengthening stakeholder involvement in the cooperation including, proactively discussing cooperative discourse and actions within and between Member States. Developing clear, communicable case studies and scenarios that show the benefits of cooperation as well as the costs of non-cooperation in simple, publicly understandable terms, with a specific focus on political leaders, opinion formers and the general public, is paramount. Further, Nile-SEC aims to establish strategic partnerships with like-minded institutions as well as improve coordination and collaboration with other regional economic bodies with which it overlaps geographically, in membership and sometimes mandate.

Activities under governance for and Corporate Affairs are part and parcel of Nile-SEC's core activities funded under country contributions.

1.2 Strengthening Member States' Capacity

The benefits of cooperation are most keenly felt where regional processes are effectively integrated into national development. While important inroads have been made, greater embedding in national planning and policy contexts will be pursued. This component aims to strengthen capacity for national institutions in order to

leverage political commitment for the Nile cooperation and NBI as well as improve inter-sectoral coordination and planning at national level. Nile-SEC implements an array of activities that will improve integration of NBI programs and projects into national development contexts and coordination of sectors key to NBI programs namely Finance, Water, Environment, Energy, Agriculture, and Foreign Affairs. Additionally, Nile-SEC proactively works with National Focal Point Offices to strengthen their capacity and improve their functionality through periodic regional review and planning meetings, training, seminars, and on-job training on topics relevant to their tasks. These activities are usually complemented by support missions to selected countries by Nile-SEC staff to provide customized services and to further explore country ways of strengthening service delivery.

1.3 Strategic Planning

The effectiveness and sustainability of regional cooperation is dependent on strong institutions both at regional and national levels; hence the need to strengthen capacities of these institutions to effectively deliver on their mandates. NBI is currently at a critical phase of consolidating the gains made over the last 15 years of its existence and delivering further socio-economic benefits to the Basin citizens now that an enabling environment is in place. This requires a strong

institution to leverage and facilitate the process; hence institutional strengthening remains a key priority area.

A strong institution to facilitate the process and provide a platform underpins this program. Activities that aim to strengthen NBI Centers and position them as effective institutions to deliver their mandates shall be implemented. Key activities include strategy development and operational planning, resource mobilization and strategic development partner coordination, program implementation, monitoring and reporting. Given the semi-autonomous nature of the NBI Centers, effective joint planning, implementation and monitoring is critical, to ensure that these activities produce coherent and meaningful results in an efficient manner.

1.4 Strategic Communications and Media Relations

Communication is one of the most valued strategic tools in an organization. It is a crucial factor in the process of results management, strengthening accountability, forging relationships, demonstrating relevance and value addition, as well as promoting transparency.

Communicating and disseminating NBI results and benefits of Nile cooperation as well as knowledge products is a priority of this program. Results are disseminated through various channels including media, online communication (website and social media platforms), publications and corporate events. Under this Component, Nile-SEC shall continue to keep NBI stakeholders well informed, actively engaged and committed to the Nile cooperation agenda by developing and disseminating targeted communication products to sub-sets of stakeholders, as well as pro-actively engaging the media given their critical role in helping to create a new norm that brings Nile Cooperation to the fore of communication agenda setting.

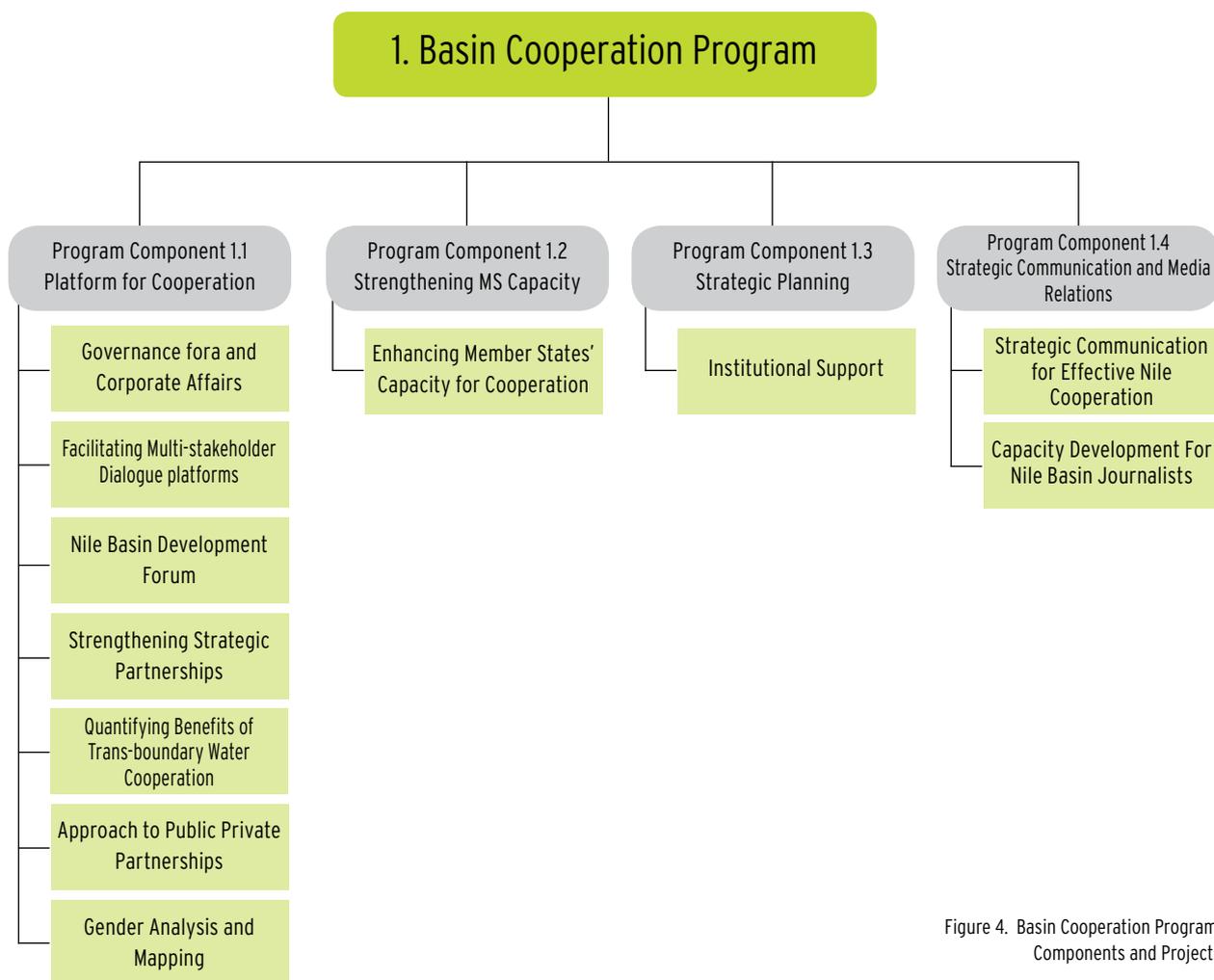


Figure 4. Basin Cooperation Program, Components and Projects

2. Water Resources Management Program

Sustainable management of shared waters requires the necessary policy instruments, analytic tools and capacity, shared data and knowledge sharing infrastructure integrated in an appropriate institutional setup that brings the Basin States together. As the only regional platform for bringing together the Basin States, the NBI is uniquely positioned to promote transboundary policies for greater policy coherence; jointly develop and employ analytic and knowledge systems to enhance shared understanding of opportunities and risks as well as strengthen river basin monitoring infrastructure. It therefore realizes the key pre-requisites for safeguarding and managing the shared Nile Basin water resources in a sustainable manner.

Through this Program, led by Nile-SEC, the Basin States jointly developed a state of the art analytical tool, the Nile Basin Decision Support System (NB DSS), formulated trans-boundary policies, guidelines and strategies; accumulated wealth of data and knowledge

that is increasingly being used to promote cooperative water resources management in the Nile Basin.

Water Resources Management is not a one-time event or an activity that ends when a project or program comes to completion. Concerted and sustained efforts are needed to regularly monitor basin resources, undertake strategic water resources analyses, data collection and information sharing to transform water resources management in the Nile Basin. Nile-SEC leads implementation of the basin-wide water resources management program, including operationalizing of the Nile Basin Sustainability Framework and its constituent policies; applies the Nile Basin analytic framework (Nile Basin Decision Support System) to address strategic water resources issues in the basin, and endeavors to enhance shared understanding of the Nile Basin water resources, through its knowledge services and water resources assessment activities.

Program Goal, Objective and Components

The overall **Goal** of the Water Resources Management Program is to **strengthen cooperative water resources management in the Nile Basin**. To contribute to this Goal, the **Program Objective** is to **assess, manage, and safeguard the water resources base that supports the peoples of the Nile Basin through applying the principles of knowledge-based IWRM to water resources development planning and assessment**. And to achieve this Program Objective, an array of activities is implemented under five (5) program components namely; Water Resources Analyses, Knowledge Services, Water Resources Assessment, Trans-boundary Policies and Program Technical Support (core). Capacity development is considered a cross-cutting activity and is embedded in all program components.

2.1 Water Resources Analyses

Nile-SEC is applying the NB-DSS to address strategic water resources issues identified in 2013 in consultation with Nile-TAC members. This activity shall be strengthened with further analytic work on strategic water resources issues such as exploring the water-energy-food nexus, its strategic significance in trans-boundary water resources management, analytic capacity building to strengthen integrated water resources management

process at national, sub-regional and regional levels and opportunities for coordinated management of water storage, etc.

Nile-SEC will continue providing tailored analytic support to Member States, on water resources planning and management from a trans-boundary perspective.

2.2 Water Resources Assessment

This component focuses on strengthening hydro-meteorological monitoring of the Nile Basin for cooperative management of the shared water resources. It addresses one of the long overdue requests by NBI countries for strengthening meteorological and hydrological observation systems in the NBI countries. Under available funding from the Nile Basin Trust Fund (NBTF), the design of the regional hydromet monitoring system and a phased implementation plan were developed. The Nile-COM has approved the Hydromet project as priority project for implementation. Funding is needed for a phased implementation of the regional hydromet system that comprises of a system of ground observation, data transmission, data archiving further processing and dissemination systems. It shall also include national capacity building to support smooth operation of the implemented system. The component also includes assessment of groundwater resources and water quality in the Nile Basin.

2.3 Knowledge Services

Under this Program Component, Nile-SEC shall expand the shared knowledge base and further strengthen its services to Nile Basin stakeholders. Focus shall be on expanding the contents of the regional knowledge base as well as enhancing the knowledge portals for providing the wider public with open and easy access to the NBI knowledge resources. A key indicator of success for the NBI knowledge services function is that NBI knowledge products are made widely accessible and influence the dialogues on the Nile cooperation at national, sub-regional and regional levels. This component shall focus on two key areas:

(a) Expanding contents- Knowledge generated through NBI's activities shall continuously be systematically captured, packaged and disseminated to enhance shared understanding of Nile Basin stakeholders on the water resources base of the Nile Basin. In this regard, the knowledge base shall be expanded with more contents on investment project-specific knowledge resources (e.g. the Eastern Nile flood preparedness project products, the Eastern Nile irrigation toolkit, and NELSAP Multi-sector investment related) as well as the basin-wide water resources related knowledge products.

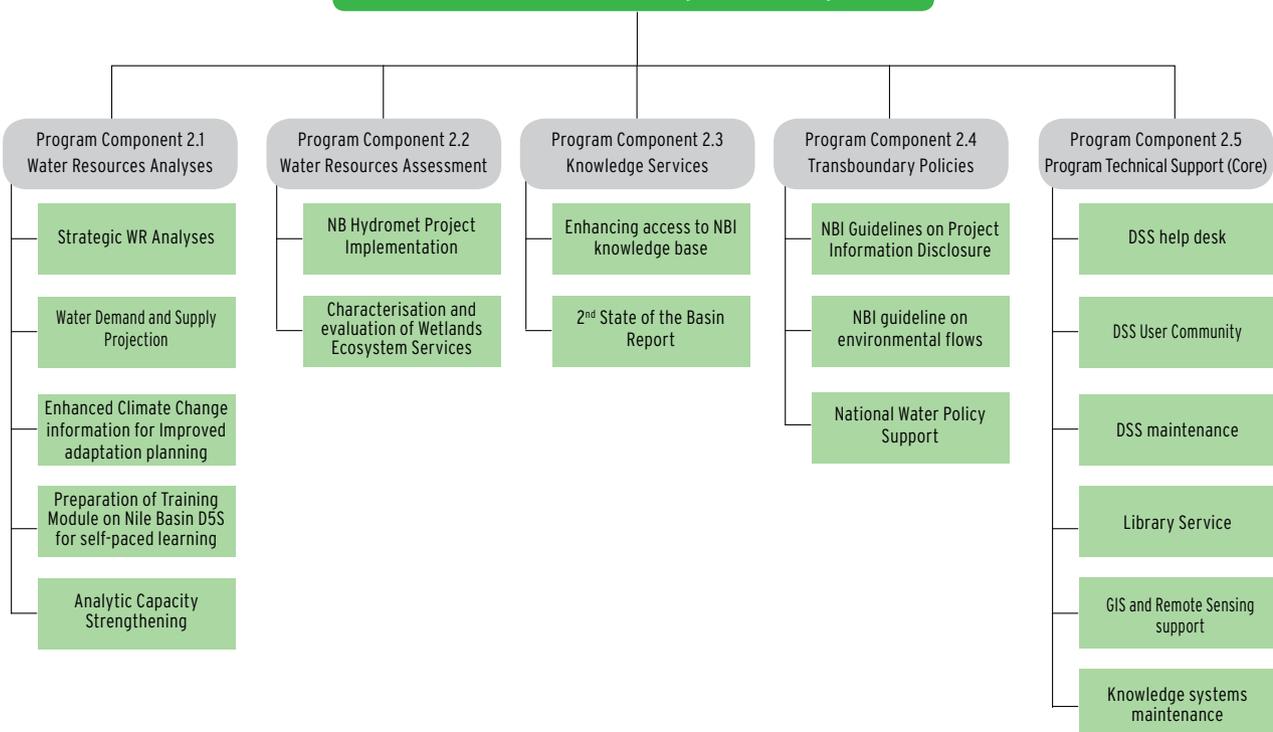
(b) Integrated knowledge platform for easy access -

Nile-SEC shall maintain an integrated knowledge portal that shall provide the public with a 'one-stop' access to all NBI knowledge resources no matter which NBI Center generated the knowledge products. A primary focus of the knowledge management activity is to provide open public access to NBI knowledge products.

2.4 Trans-boundary Policies

The immediate focus of this component shall be the operationalization of NBI policy instruments approved by the Nile-COM in 2013 namely; the Environment and Social Policy, Wetlands Management Strategy and Climate Change Strategy, respectively. The primary objective shall be to realize policy coherence among national policies to promote sustainable water resources management with special emphasis on trans-boundary impacts.

2. Water Resources Management Program





2.5 Program Technical Support (core)

Since it was established in 1999, NBI has developed and put in use analytic and knowledge platforms; it has developed and deployed the NB-DSS. It has also constructed the Nile Information System (nileis.nilebasin.org), an online platform for providing access to NBI knowledge products. The NBI digital library provides services for accessing scientific literature to users basin-wide and from across the world while the website provides up to date information on NBI.

The Program Technical Support component is therefore dedicated to ensuring that all NBI analytic and knowledge systems are available to its stakeholders and beyond ensuring timely and uninterrupted use. Activities under Technical Support component are part and parcel of Nile-SEC's core activities, which are funded through Member country contributions. Key activities under this component are:

Maintenance of the NB-DSS, Helpdesk and User

Community: Nile-SEC is the custodian of the NB-DSS and administers its licenses. In this regard, the Nile-SEC has entered into a maintenance and support agreement with original developers of the tool that lasts until 2024. As part of its responsibilities, Nile-SEC maintains and updates the NB-DSS database, tests and distributes new releases

of the tool and has put in place a Helpdesk system. This is in addition to providing technical support to users basin-wide, facilitating exchange of experience among users through the User Community, developing training modules for face-to-face as well as e-Learning and continuously enhancing the tool to meet emerging demands.

Library service: Nile-SEC has a physical as well as digital library that is accessible to all interested users online. A full time librarian runs the library and responds to users' requests. The library is a member of the International Network for the Availability of Scientific Publications (INASP) through which it provides users in Nile Basin countries with access to extensive scientific literature.

Under this component, Nile-SEC, as part of its core activities, maintains the library system and provides user services. Activities include periodic upgrading of the library system, expanding its collections and widening the user circle.

Knowledge system maintenance: under this component, Nile-SEC maintains the Nile Information System, continuously expands its contents and ensures that the system is operational.





Nile-SEC Program Financing

To date Nile-SEC's Program has been primarily funded by development partners and Member States contributions: The World Bank managed NBTF was the main source of institutional and programmatic funding until December 2014 when it closed. Additional funding was from bilateral donors such as GIZ and African Development Bank.

Member States' contributions were initially small but have steadily increased over the years, and more significantly in the recent past, in order to fully cover Nile-SEC's institutional core costs (Table 1). This will ensure its financial sustainability and enable it to retain staff and implement some activities while leveraging support from development partners for program funds.

2012	2013	2014	2015	2016	2017
35,000	90,000	90,000	145,000	145,000	200,000

Table 1: Increase in country contributions

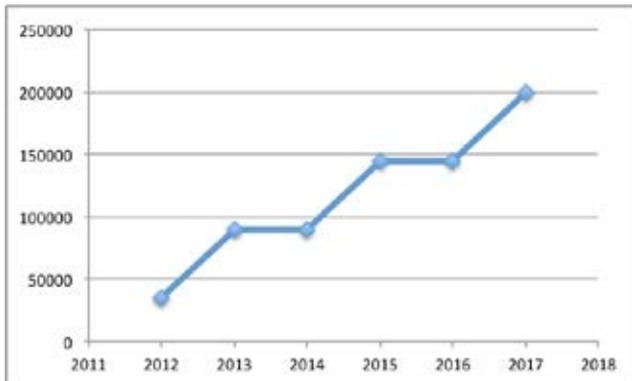


Figure 6: Increasing trends in Member States contributions over the years

In addition, Member States continue to provide substantial in-kind contributions to Nile-SEC Program as well as implementation of investment projects identified and prepared by NBI, including taking loans for their implementation. Cases in point include the Regional Rusumo Falls Hydroelectric Project, the Ethiopia-Sudan Transmission Interconnection, and the Lakes Edward and Albert Fisheries Management project. Other in-kind contributions are with respect to logistical support to the regular Nile-COM and Nile-TAC meetings and participants' time, dedicating national staff to act as National Focal Points, providing office space for each of the three NBI Centers and the National Focal Points as well as supporting data collection at national level and enabling information sharing among Member States, for example via the NB-DSS Unit. This is in addition to tax exemptions for Nile-SEC's operations and experts' time to provide input, for example, in reviewing studies or policy documents, as well as support on human resources issues.

Another way through which the Nile-SEC program is funded is innovative approaches such as charging management fees and delivering Nile-SEC's technical analysis services to clients at a fee, services whose demand is increasing.



Budget Deficit

Nile-SEC's 2015/2016 and 2016/2017 budget for program and core costs is USD 13,437,760 while Program Budget, inclusive of program staff costs, is USD 12,052,260 (approximately USD 6 million per year). Funding already secured for 2015/2016 & 2016/2017 is USD 5,407,613. The 2015/16 budget is funded by Member States annual contributions (USD 1,305,000); German Cooperation through GIZ (USD 1,112,954); and Cooperation in International Waters of Africa (CIWA) administered by the World Bank-WB/CIWA (USD 721,224) This is in addition to other sources (USD 180,152) and from revenue reserve fund (USD 200,000). For 2016 /17, confirmed funding for Nile-SEC from Member States contributions is USD 1,305,000; WB/CIWA is USD 250,000; other sources USD 134,923 and AFD USD 198,000. Table 2 below gives a summary of Nile-SEC's funding status for Fiscal years 2015/16 and 2016/17 by source. Budgets for Fiscal years 2015/16 and 2016/17 include a capital investment of USD 4,114,508 for the first two years of implementation of the Hydromet system as indicated in the detailed budget by program component on table 3 and figure 7. This leaves Nile-SEC with a total **budget deficit of USD 8,030,147 (USD 2,481,323 for 2015/16 and USD 5,548,824 for 2016/17)**. Nile-SEC needs financial support to implement its 2015 to 2017 program; while the new 5-year Strategic Plan is being developed.

DETAILS	2015/16 (USD)	2016/17 USD	TOTAL BUDGET USD
Budget	6,001,013	7,436,747	13,437,760
Secured Funds:			
1. Member States' Contribution	1,305,000	1,305,000	2,610,000
2. WB/CIWA	721,224	250,000	971,224
3. GIZ	1,112,954		1,112,954
4. AFD		198,000	198,000
5. Other sources (management fees & Consultancy service fees, tax refunds, Host fees, etc)	180,512	134,923	315,435
6. Revenue Reserve Fund	200,000	0	200,000
Total Secured	3,519,690	1,887,923	5,407,613
Deficit	2,481,323	5,548,824	8,030,147

Table 2: Budget summary by source

Member States' contribution, together with support from World Bank (CIWA), covers program staff and corporate staff salaries as well as operations and maintenance costs. These core costs will be fully met from Member States' contributions effective 2016/2017.

GIZ provides both financial contributions to NBI budget (as per table above) and additional in-kind support. A new project to develop the capacities of NBI and its Member States for sustainable management of trans-boundary wetlands and wetlands of trans-boundary significance (6 million Euro grant) has been commissioned by the German Government through GIZ to start in October 2015.

Table 3: Nile-SEC Program Budget broken down by program components

Program and Program Components	Budget required (USD)			Available budget (USD)	Deficit (USD)
	2015-16	2016-17	Total		
BASIN COOPERATION PROGRAM					
Platform for cooperation	699,613	799,613	1,499,226	527,433	971,793
Strengthening Member States' Capacity	250,000	200,000	450,000	96,000	354,000
Strategic Planning	242,554	242,554	485,108	87,994	402,114
Strategic Communication and Media Relations	216,000	305,600	521,600	79,783	443,308
Core costs (salaries)	591,714	571,495	1,163,209	1,163,209	0
Sub Total (Basin Cooperation Program)	1,999,881	2,119,262	4,119,143	1,954,419	2,164,724
WATER RESOURCES MANAGEMENT PROGRAM					
Water Resources Analyses	793,268	1,116,898	1,910,166	509,949	1,597,227
Water Resources Assessment	1,300,658	2,813,850	4,114,508	0	4,114,508
Knowledge Services	291,745	276,833	568,578	217,880	350,689
Trans-boundary Policies	495,345	0	495,345	495,345	-
Program Technical Support (Core)	43,590	43,590	87,180	87,180	-
Core costs (Salaries)	397,916	359,424	757,340	757,340	-
Sub Total (Water Resources Management Program)	3,322,522	4,610,595	7,933,117	2,067,694	5,865,423
CORPORATE SUPPORT SERVICES	678,610	706,890	1,385,500	1,385,500	0
Total for Nile-SEC Programs	6,001,013	7,436,747	13,437,760	5,407,613	8,030,147

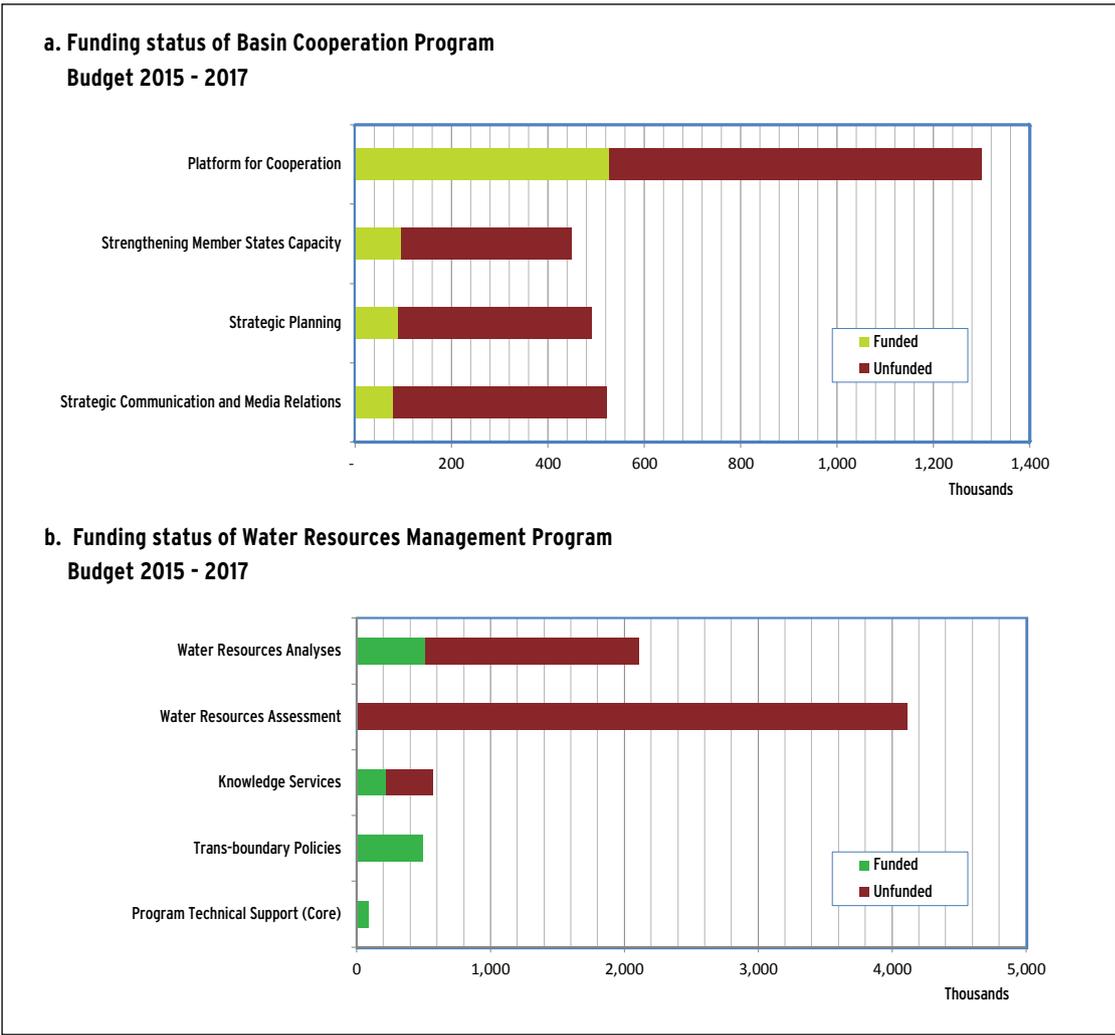


Figure 7: Program Funding Status for Nile-SEC

(Note: the total budget for Water Resources Assessment is USD 14.5 million but what is indicated in figure 7 above is the gap for 2015/16 - 2016/17)



Implementation Arrangements

Nile-SEC aims to operate at minimum cost through clear division of roles and responsibilities between its departments and guided by its Strategic Plan 2012-2016. To deliver its Program, Nile-SEC works with National institutions of the relevant sectors in the Member States such as environment agencies, water resources departments, hydro-meteorological agencies, Research Centers and academic institutions. Nile-SEC also works with partners such as IWMI, IGAD, LVBC (EAC), NBD, NBCBN, GWP - Eastern Africa etc; and has got MOUs with some of these, as well as development partners.

Program Management and Coordination

While each of the NBI Centers now has well-defined and distinct functions, coordination of activities remains important to maintain program coherence and the one NBI image. Various coordination mechanisms are in place.

- Heads of Centers' Meetings
- Regular thematic Team and Coordination meetings
- Joint planning and implementation of activities
- Synchronized calendar of events

These coordination mechanisms, taken together, permit efficient sharing of resources and experiences amongst the centers and avoids duplication of efforts.

Alignment and harmonization of NBI's Development Partners

The diversification of the external financial support from 2015 onwards underpins the need for alignment and harmonization of Nile-SEC's partners to safeguard a coherent implementation of its Program. Nile-SEC will continue to organize an annual development partners' discussion forum, building on the broad consultative process that was developed under the Nile Basin Trust Fund. As a forum for coordination and consultation, it will be open to all contributing and new partners and will continue to be the main annual consultation event between the NBI, the Member States and NBI's partners. This annual consultation process will be organized back to back with Nile-SEC governance meeting and will be followed six months later by an informal meeting with contributing partners.

Monitoring and Evaluation

NBI adopted a Results Based System (RBS), which is in line with management for development results approach, and has a monitoring and evaluation system in place that is used to collect and manage data for regular and periodic assessment of the relevance, performance, efficiency, and impact of NBI's Programs. A program summary (Logical Framework) and Performance Measurement Framework (PMF) for results' monitoring and evaluation of the NBI Program 2012-2016 is in place. These show how the Program outcomes are linked, how they contribute to the achievement of the NBI Shared Vision Objective and provide performance indicators, critical assumptions for results monitoring and evaluation. Nile-SEC will use these framework tools to develop annual monitoring plans for its specific interventions.

Both process and outcome monitoring will be undertaken. Process or activity monitoring will take the form of tracking the implementation of plans and schedules. Key monitoring will be on timeliness of implementation of the planned activities and checking that each stakeholder is playing their role adequately. This is a continuous process inbuilt into the annual planning and reporting mechanisms. The key program results (use of outputs, outcomes and impacts) and their contribution to the overall NBI results will all be evaluated periodically using carefully selected indicators.

Planning and budgeting

Annual operational plans and budgets will be derived from the strategic plan; a review and planning meeting will be held at the end of every calendar year, to review progress in the past year, identify constraints and challenges so that these can inform the planning of the subsequent year. These will form the basis to process monitoring. Regular departmental and senior management meetings will be pivotal in ensuring that NBI sticks to the schedules and implements activities as planned.

Evaluation and Reporting

Nile-SEC will continue to report to governance, donors and other stakeholders through the annual progress reports, quarterly reports and the corporate report, among others. Reports will highlight progress made against planned activities, challenges, constraints and lessons learnt.

Analytical reports in a matrix format will be prepared twice each year. These analytical reports will form an important input to reporting to the NBI management, Nile-TAC, Development Partners and other key stakeholders.

Beyond the importance of monitoring and evaluation for accountability, the results-based management approach provides learning opportunities - in helping staff and stakeholders to act on the basis of understanding what really works and what does not.

In addition to on-going monitoring efforts, development partners will conduct annual supervision missions during the five years of program operation in conjunction with the annual "NBI Development Partner Governance Structure" meetings, to review the annual progress report, as well as work plans for the on-coming period.

Risks

There are three key risky elements of the current context as listed in table 4 below. The table also highlights the mitigation measures that are being implemented and will continue in the future.

Item	Risks	Probability of Occurrence	Impact	Rating of Risk	Mitigation Measures
1	Impacts of continued freezing of Egypt in NBI	H	H	H	<ul style="list-style-type: none"> NBI governance will continue engaging Egypt both formally and informally to return to the cooperation. Promote inclusive Member States' engagement in the technical track. Provide NBI information and knowledge products in the public domain to keep Egyptian stakeholders informed on activities of NBI and thereby reduce misconception and, possibly, find common ground for Egypt to return to the NBI.
2	Likelihood of Institutional transitioning from NBI (Nile-SEC, and Subsidiary Action programs) to Nile River Basin Commission (NRBC) not being smooth.	M	H	M	<ul style="list-style-type: none"> There will be a transition phase for a duration of at least one year in which any commitments with Nile-SEC will be renegotiated.
3	Inadequate financing of Nile-SEC Program	M	H	M	<ul style="list-style-type: none"> Member States have committed to fully cover core costs of the NBI institutions by 2017. NBI and its governance will continue engaging development partners for additional financing.

Table 4. Risks Matrix at Policy/Political Level

Key:

H - High

M - Medium





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