



Nile Basin Initiative

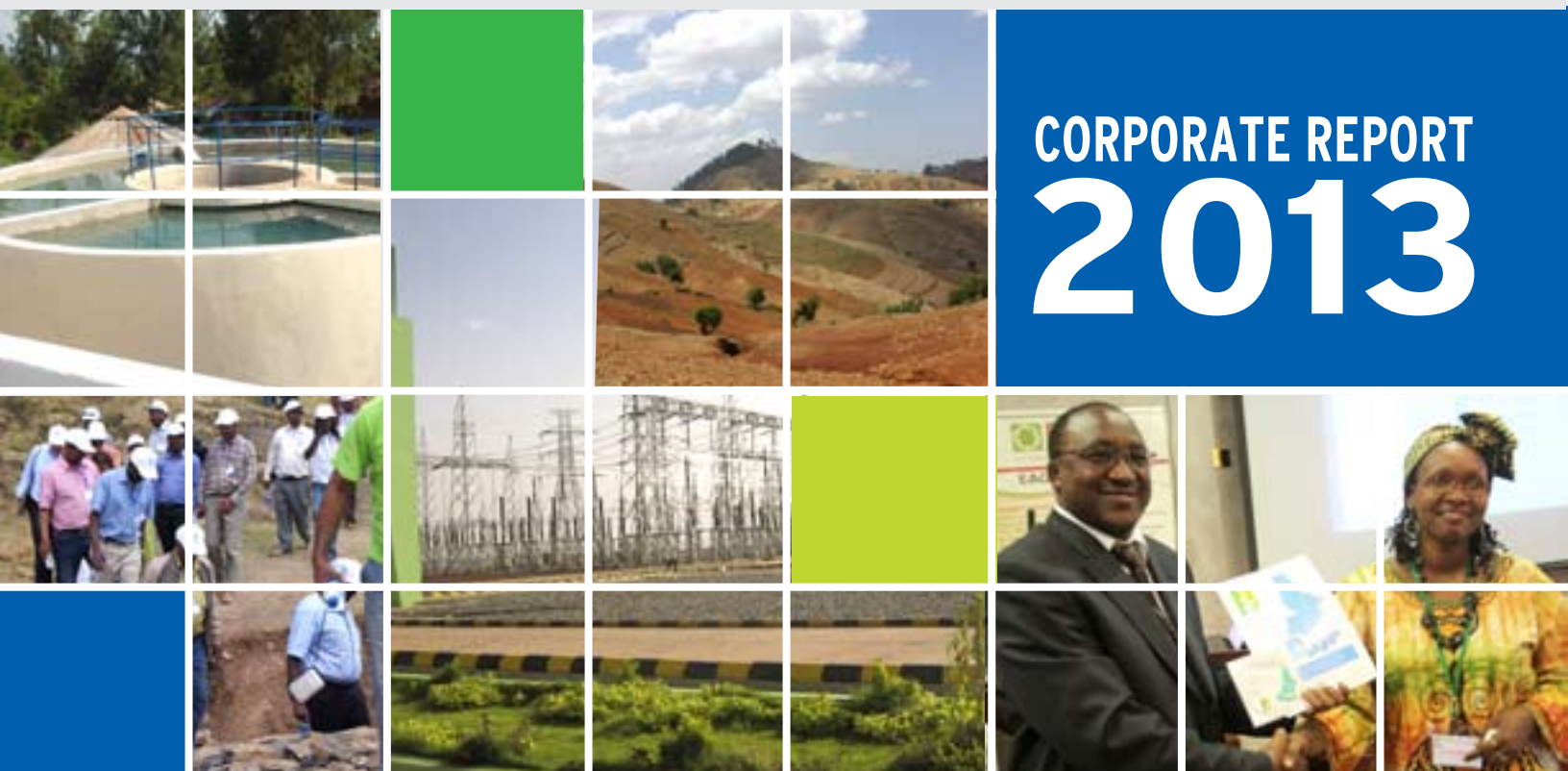


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WHO WE ARE

The Nile Basin Initiative (NBI) is a regional inter-governmental partnership led by 10 Nile riparian countries, namely Burundi, DR Congo, Egypt, Ethiopia, Kenya, Rwanda, South Sudan, Sudan, Tanzania and Uganda. Eritrea participates as an observer. NBI provides riparian countries with the only all-inclusive regional platform for multi stakeholder dialogue, information sharing as well as joint planning and management of water and related resources in the Nile Basin. The NBI was launched on 22nd February 1999 by Ministers in charge of Water Affairs in the Nile Basin countries as a transitional institution, until the Cooperative Framework Agreement (CFA) negotiations were finalized and a permanent institution created.

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

The Shared Vision Objective: To achieve sustainable socio-economic development through equitable utilization of, and benefit from, the common Nile Basin water resources.

NBI Objectives

- To develop the Nile Basin water resources 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

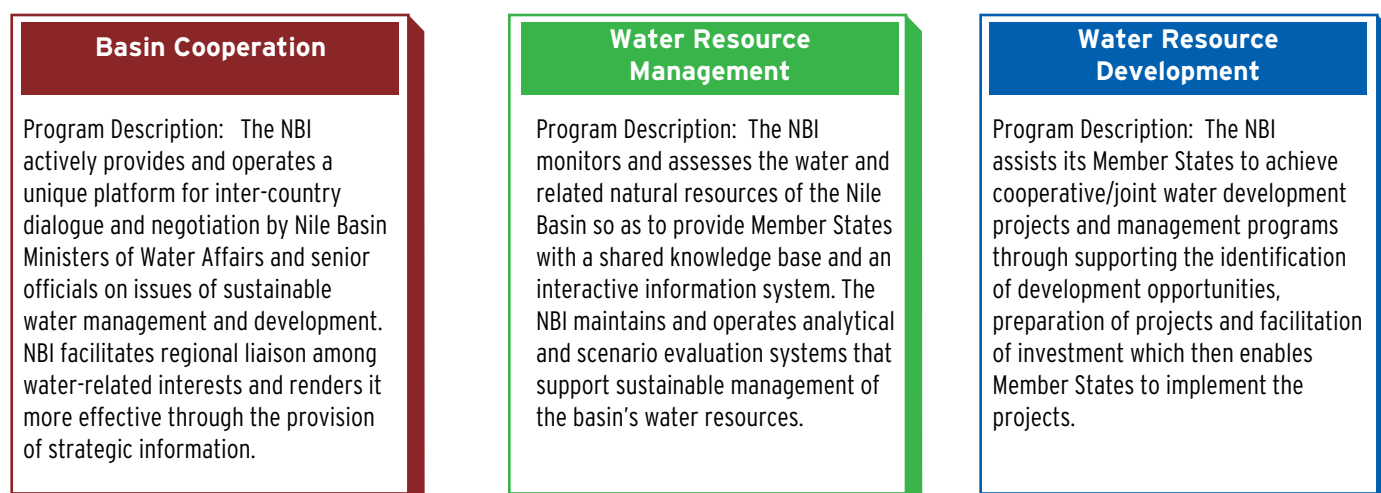
The institutional journey of NBI as it delivers the Shared Vision Objective

The NBI focus for 2012-2016 is on consolidating gains so far and delivering benefits /products, building on earlier establishment, confidence building and institutional strengthening phases as shown graphically below.



Core Programs

The NBI core programs has three, namely Basin Cooperation, Water Resource Management and Water Resource Development



NBI Centers

The set up of NBI is informed by the principle of subsidiarity. Besides the Secretariat, there are two sub-basin organizations - leveraging unique sub-basin potentials and mitigating unique sub-basin risks.

The NBI Secretariat (Nile-SEC) based in Entebbe, Uganda

Nile-SEC is responsible for the overall corporate direction and is the lead center for two core programs - the Basin Cooperation and Water Resources Management.

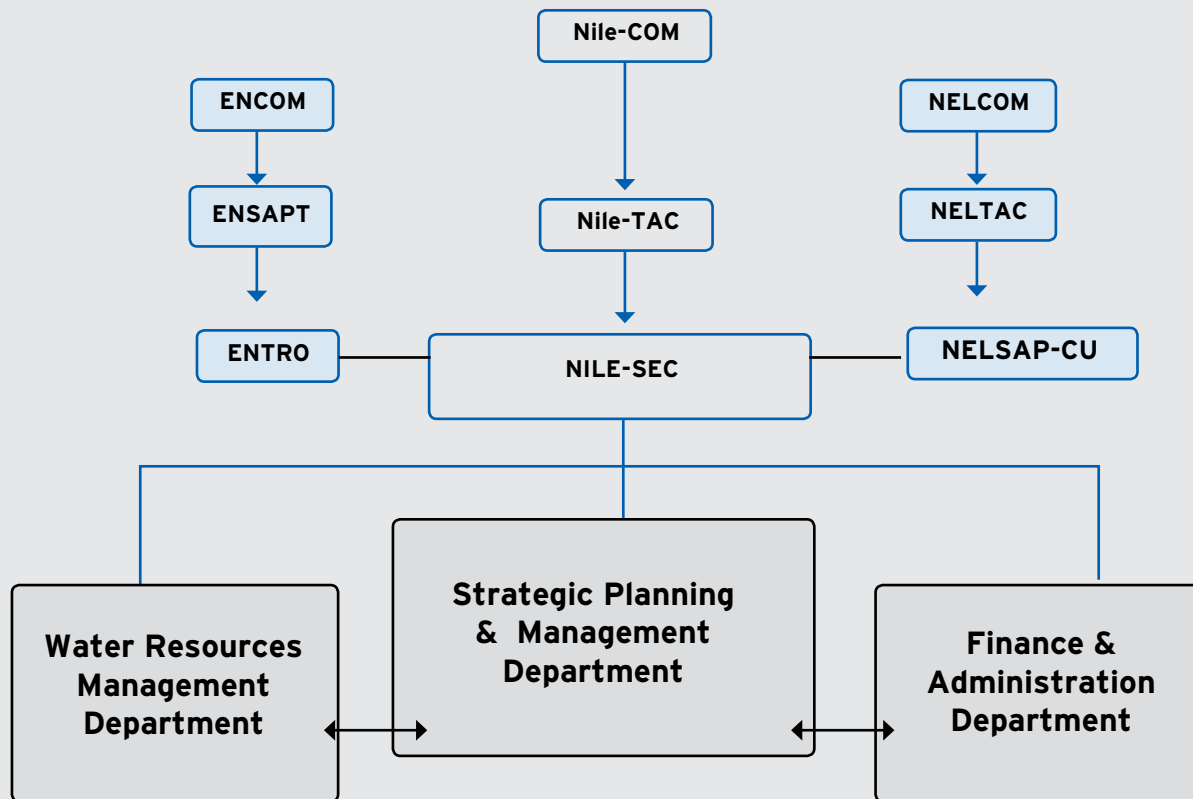
The Eastern Nile Technical Regional Office (ENTRO) based in Addis Ababa, Ethiopia

EENTRO is responsible for driving the Water Resource Development Program in the Eastern Nile Subsidiary Action Program by assisting Member States - Egypt, Ethiopia, South Sudan, and Sudan - to identify and prepare investments in regional/trans-boundary water-related projects.

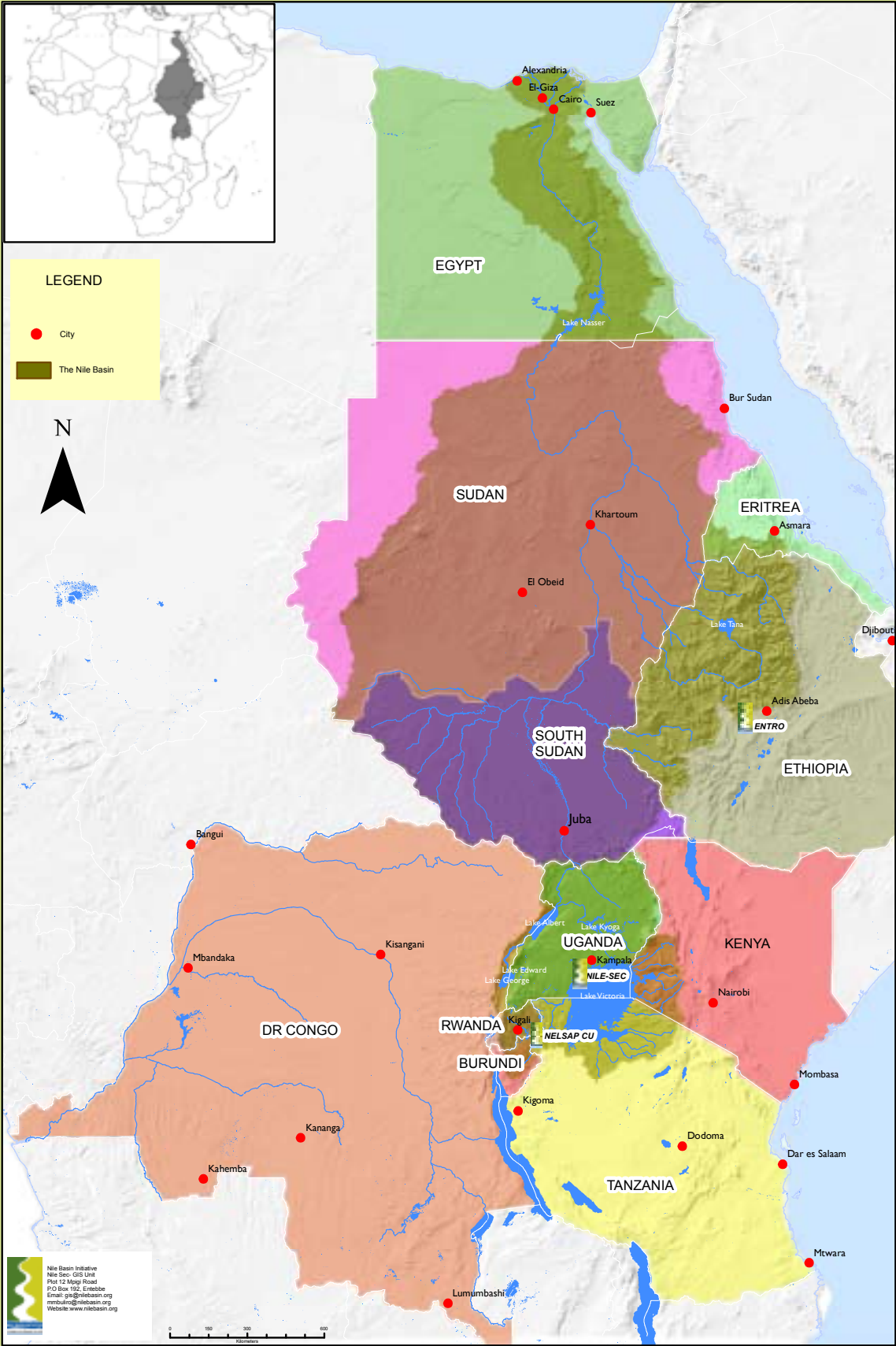
The Nile Equatorial Lakes Subsidiary Action Program Coordination Unit (NELSAP-CU) based in Kigali, Rwanda

NELSAP-CU is responsible for driving the Water Resource Development Program in the Nile Equatorial Lakes Subsidiary Action Program by assisting Member States - Burundi, DR Congo, Egypt, Ethiopia, Kenya, Rwanda, South Sudan, Sudan, Tanzania and Uganda - to identify and prepare investments in regional/trans-boundary water-related projects.

NBI Structure



NILE BASIN COUNTRIES AND NBI CENTRES



MEMBERS OF THE NILE

Roles and Responsibilities of the Nile Council of Ministers

- Provide Policy Guidance and ensure adherence to the NBI transitional arrangements
- Approve programs and projects
- Approve work plans and budgets



Hon. Nduwayo Jean-Claude
Minister of Water, Environment,
Land Management and Urban
Planning, Burundi



Hon. Bavon N'Samputu Elima
Minister of Environment, Nature
Conservation and Tourism,
DR Congo



Hon. Amb. Stanislas Kamanzi
Minister of Natural Resources,
Rwanda



Hon. Jemma Nunu Kumba
Minister of Electricity, Water
and Irrigation, South Sudan

COUNCIL OF MINISTERS



**Hon. Dr. Eng. Mohamed
Abdel Motaleb**

Minister of Water Resources
and Irrigation, Egypt



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Minister of Water and Energy,
Ethiopia



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Resources, Kenya



**Hon. Osama Abdalla
Mohamed el Hassan**

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Electricity, The Sudan



**Hon. Prof. Jumanne A.
Maghembe**

Minister for Water, Tanzania



**Hon. Prof. Ephraim
Kamuntu**

Minister of Water and
Environment, Uganda



Message from the Chairperson Nile Council of Ministers

During my one year tenure from July 2012 to June 2013, the Nile Basin Initiative (NBI) continued to advance a cooperative process, building trust and confidence among riparian countries, providing the only basin-wide platform for regional dialogue in trans-boundary water issues. In this respect it is gratifying to recognize that Sudan resumed its participation in NBI activities after two years of non participation. In addition, NBI's membership grew from nine to ten with the admission of South Sudan. These events clearly demonstrate that riparian countries believe cooperation is the only way forward, on the one hand, and that the NBI framework provides the most viable platform for cooperation on the other.

The great improvement in both the degree and quality of cooperation has created an enabling environment for investments, with projects currently valued at USD 1.3 billion. Most of the projects are at various stages of implementation by Member States. Furthermore, NBI has achieved a strong foundation for institutional sustainability, enhanced capacity and harmonized corporate management to more effectively deliver its core functions and serve its Member States.

Despite the good progress made, Nile cooperation needs continued nurturing and deepening of the cooperation processes in order to consolidate the achievements thus far. In this regard, NBI has adopted a Strategic Plan which sets out its direction and clarifies its priorities for the next five years (2012-2016). It is also embarking on mobilizing resources for its unfunded priorities,

as the Nile Basin Trust Fund (NBTF) comes to an end in 2014. In relation to this, I appeal to Member States and NBI Partners to actively and continuously contribute to that fundraising effort to support investment for development.

Renewed commitment is expected from all of us members of the Nile Council of Ministers (Nile-COM) to wield relevant leadership in our respective riparian countries towards the completion of accession to and ratification of the Cooperative Framework Agreement for the establishment of the Nile River Basin Commission, which will provide a solid platform for sustainable cooperation. Outstanding contentious aspects should be disregarded for the benefit of anticipated long term mutual gains. All Riparian

countries are also urged to abide by their obligations so as to prevent undesired dysfunction of the current institutions, especially as regards the Eastern Nile Technical Regional Office.

It gave me a great honor on behalf of Rwanda to spearhead the NBI Governance till June 2013; and I wish to take this opportunity to extend my most sincere appreciation to all of you stakeholders, for your remarkable dedication to the NBI agenda and for your contribution to the modest yet remarkable strides we have made together.

Finally, I wish you a pleasant reading of this report. ■

Amb. Stanislas Kamanzi
Minister of Natural Resources,
Republic of Rwanda

Message from the Executive Director, NBI Secretariat



It is a pleasure to present to you the NBI Corporate Report 2013. Commendable results have been achieved and I take this opportunity to thank Member States, Development Partners, the staff and other stakeholders for the great input.

The two-year Nile Cooperation for Results project was launched in January 2013. The USD 15.3 million project is jointly funded by the Nile Basin Trust Fund and the Cooperation in International Waters in Africa Fund.

The NBI has continued to provide a viable regional platform for cooperative management and development of the common Nile Basin water resources. We successfully convened our regular stakeholder fora including governance meetings, Nile Day celebrations and Strategic Dialogue. Besides providing Member States with a platform for dialogue these meetings provide technical and strategic guidance to NBI. For the first time, NBI reached out to its private sector stakeholders to explore ways in which they can effectively engage in the NBI processes.

Given the significance of public participation and stakeholder engagement in building effective responses to address shared challenges, the communication and stakeholder engagement strategy was revised in order to meet the information needs of our stakeholders including enhancing national level visibility. In association with this, efforts are being made to assess the functionality of the National Focal Point offices so that a comprehensive capacity building program is implemented to address the challenges.

NBI continued to strengthen its knowledge base and analytical capacity for water resources management and development. The Water Resource Management

Department was established at the Secretariat to operationalize its Water Resource Management core function; a system of portals was launched to enhance public access to NBI knowledge resources as well as a help desk and community portal to support NB-DSS users with technical support and a platform to share experiences. The NBI Environment and Social Policy, Climate Change Strategy and Wetland Management Strategy were endorsed by the Nile-COM in June 2013.

Implementation of the investment projects identified and prepared by ENTRO and NELSAP-CU also continued. Financing required for the Regional Rusumo Falls Hydro-electric project has been largely secured and implementation commences in 2015; also secured is a grant for the Baro Akobo-Sobat Multipurpose Water Resources Development Study project.

Partnerships with regional and international organizations continued to be operationalised: UNEP on climate change; International Atomic Energy Agency on groundwater potentials in the Nile Basin; China Science and Technology Exchange Centre on capacity building and information sharing; TIGER-NET on capacity building and support to the Nile Basin information base; and the Nile Basin Capacity Building Network, on preparation of their project proposal for the next phase.

Despite the tremendous achievements, there are challenges. Most programs to date are financed through grants from the international community. With the NBTf coming to a closure in 2014, long term financing for the programs remains a challenge, hence the urgent need to mobilize funding to sustain the gains made.

In addition, the continued freezing of participation by Egypt is an issue too critical for the continuation of NBI in the Eastern Nile, to be ignored and avoided any longer.

In the coming year, NBI will maintain its focus on strengthening the institutional base and financial sustainability; reinforcing its knowledge base and analysis capacity; and preparing investment projects. This is in addition to keeping stakeholders well informed, actively engaged and committed to the Nile cooperation as well as improving visibility at national level. ■

Eng. Teferra Beyene

Message from the Officer in Charge, ENTRO



Since its establishment in 2002, ENTRO has achieved considerable gains towards Eastern Nile (EN) cooperation - notwithstanding the challenges of cooperation in trans-boundary waters. During the reporting period, ENTRO continued to witness steady progress in implementation of its projects and activities, thanks to the support and commitment of EN Member States, Development Partners, and diligence of consultants as well as commitment of staff.

In January 2013, ENTRO started implementing the NCORE Project while in May of the same year; two Grant Agreements were signed with the African Development Bank for implementation of the Baro-Akobo-Sobat Multipurpose Water Resources Development Study Project.

On 31st December 2012, three projects funded under the NBTF Grants were successfully closed. The Eastern

Nile Planning Model developed a range of knowledge products to better understand the hydrology of the EN sub-basin; the Joint Multipurpose Project (JMP I ID) developed two Working Papers that provide the EN countries with basic baseline for development of water resources in the Abbay/Blue Nile while the Institutional Strengthening Project (ISP) strengthened ENTRO's catalytic and enabling role to support Member States in the identification and preparation of programs and projects with trans-boundary implications.

ENTRO supported delineation and prioritization of 13 loosely outlined project profiles under the Cooperative Regional Assessment of the EN Watershed Management Project and funded development of a scaling up strategy for the watershed projects in the Eastern Nile.

Earlier in October 2012, ENTRO celebrated its 10th anniversary - celebrating a decade of building Eastern Nile Cooperation. In November, it started to transcend the sustainability test arising from country stands on the political legal track of Nile cooperation. During the same month, Ministers in Charge of Water Affairs in the Eastern Nile countries (with South Sudan as Observer) held consultations and came up with a four-point document to be endorsed by the countries. In the outcome, Egypt and Sudan pledged to resume participation in ENSAP/ENTRO activities as soon as the requisite country endorsement is granted. Sudan has already endorsed and resumed participation.

ENTRO looks forward to continued support to enable it achieve more in the coming years! ■

Dr. Yosif Ibrahim

Message from the Regional Coordinator, NELSAP-CU



The Nile Equatorial Lakes Subsidiary Action Program Coordination Unit (NELSAP-CU) is mandated to identify, prepare, supervise implementation and facilitate resource mobilization for investment projects in joint collaboration with Member States. In this regard, several strides were made in the course of the year.

In the Natural Resources Management and Development sub-program, the process leading to the signing of MoUs by Member States participating in the River Basin Management Projects (Mara, Sio-Malaba-Malakisi and Kagera) progressed well with signing expected to take place by December 2013. In addition, the three projects as well as the Nile Equatorial Lakes (NEL) Water Resources Development Project advanced the preparation of a regional water infrastructure program. As a result, investment projects have been prioritized for detailed feasibility and design studies leading to implementation, with significant benefits foreseen.

Power deficits in the NEL countries have become a perpetual constraint to rapid social economic transformation. In assisting the countries to address this problem, NELSAP-CU continued to advance several pipeline initiatives. Among them is the Regional Rusumo Falls Hydroelectric Project for which a Special Purpose Vehicle and a Power Company to support its implementation have been set up. Most significantly a World Bank loan amounting to USD 340 million was signed in August 2013 for the power generation facility. The project will generate 80MW of renewable hydroelectric power to boost the badly needed, reliable power supply in Burundi, Rwanda and Tanzania.

The on-going implementation of the Regional

Interconnection Project, connecting the electric grids of Burundi, DR Congo, Kenya, Rwanda and Uganda will add about 1500 kilometers of interconnected grid. Preparation of other Interconnectors, namely Kenya-Tanzania; Iringa-Mbeya; Uganda (Nkenda)-DRC (Beni); and Tanzania-Zambia which will interconnect the East African Power Pool and the Southern Power Pool is also advanced with most of the studies completed and resource mobilization on-going. Once completed, these interconnectors will enhance the power backbone of the NEL countries, improve power reliability and trade and reduce power tariffs. Efforts to integrate South Sudan into the NEL interconnected grid were initiated and a Hydropower Expansion and Regional Integration Plan for South Sudan into the Regional Grid are advancing well.

The Regional Agricultural Trade and Productivity Project was closed in December 2012 with commendable outputs realized. These include: Definition of a basin-wide agricultural agenda for the future NBI organization; Development of an agricultural information system; An assessment of the potential for trans-boundary agricultural trade; Assessment of irrigation potential in seven NEL countries as well as Analysis of the virtual water and the water footprint for agriculture in the Nile Basin countries. Other key sectoral interventions like fisheries management as well as cross cutting areas like environmental management and social economic dimensions were equally attended to, underscoring the holistic development approaches that NELSAP encourages.

The NELSAP portfolio has continued to grow. Cumulatively, the program has now leveraged about USD 1 billion by utilizing USD 100 million in pre-investment financing. The remaining requirements are still enormous with investment perspectives contained in the NELSAP Strategic Plan 2012-2016 indicating an investment potential amounting to USD 1.238 billion. To fill this gap a Development Partners Round Table is planned for early 2014.

I commend the NELSAP Member States, Development Partners and all other stakeholders for the continued support and commitment. I encourage all of us to continue the support as trans-boundary cooperation is beneficial to all and most importantly, it brings with it trans-boundary solutions to national aspirations. ■

Antoine Sendama Mulashi

FACILITATING COOPERATION

The aim of this Core Function is to facilitate, support and nurture cooperation amongst the Nile Basin countries so as to promote timely and efficient joint actions required for securing benefit from the common Nile Basin water resources.

“Before NBI, our Basin was a region of mistrust and conflict. Trust among countries was not in abundant supply. It is therefore very important to keep in mind that building enduring regional cooperation and meeting all the necessary technical, institutional, organizational, financial, requirements that goes with it, takes time”.

Hon. Kebede Gerba, Ethiopia's State Minister of Water and Energy, speaking as Guest of Honor during ENTRO'S 10th anniversary celebrations held on Tuesday 23rd October, 2012.



FACILITATING COOPERATION



NBI Governance, donors' representative and other stakeholders take a group photo during the 21st Nile-COM meeting

The NBI continues to provide the only all-inclusive multi-stakeholder regional platform for Nile riparian countries to build trust, confidence, share information, jointly plan and manage the water and related resources in the Nile Basin and to move forward in a cooperative way to realize tangible benefits

During the period July 2012 to June 2013, NBI conducted various activities aimed at fostering cooperation for basin-wide planning, management and development of the shared Nile Basin water resources. Governance meetings resulted in key approvals and agreements; regional multi-stakeholder events and communications have kept stakeholders well informed, actively engaged and committed to the Nile cooperation while strategic partnerships have been strengthened.

Governance meetings

- The 21st Nile-COM meeting was held in June 2013. Nile-COM members underscored the importance of cooperation among all NBI Member States as the only way forward to achieve the NBI Shared Vision. They

Nile-COM members underscored the importance of cooperation among all NBI Member States as the only way forward to achieve the NBI Shared Vision

re-affirmed the unique position of NBI in addressing not only current but future key water resources issues in the Nile Basin. The Ministers collectively called on Member States to increasingly make use of NBI's technical and scientific capabilities to inform dialogue and decision making at all levels. Nile-COM members applauded the Republic of Sudan for resuming full participation in NBI activities and called upon the Arab Republic of Egypt to follow the example of Sudan and return to the cooperation platform. Among other things, the Nile-COM endorsed the NBI Environmental and Social Policy, Climate Change Strategy and Wetland Management Strategy.

FACILITATING COOPERATION

The Nile Basin is witnessing observable improvement in both the extent and quality of cooperation among Member States. The question is no longer 'should we cooperate' but rather how to further the cooperation

- The 16th Nile Equatorial Lakes Council of Ministers (NEL-COM) meeting was held in February 2013, during which South Sudan was formally admitted as a member of the Nile Equatorial Lakes Subsidiary Action Program (NELSAP). The Ministers noted the successful conclusion of preparatory studies for three power projects namely the Regional Rusumo Falls Hydro-electric project between Rwanda, Burundi and Tanzania; the Kenya-Tanzania interconnector as well as the Iringa-Mbeya interconnector. They commended development partners for combining efforts with the participating governments in raising investment financing for construction of the infrastructure projects. The NELCOM also endorsed the NELSAP-CU five-year Strategic Plan, as well as acknowledged progress made in raising pre-investment financing for (i) the NCORE project (USD 5.2 million by World Bank/CIWA); (ii) the River Basin Management projects of Mara, Kagera and Sio-Malaba-Malakisi (USD 17.5 million from Sweden); and (iii) the Tanzania-Zambia interconnector (USD 3 million from Norway).
- Ministers in Charge of Water Affairs in the Eastern Nile countries held consultations in November 2012 on the short-term governance and operational challenges faced by ENTRO since June 2010 as well as on long term sustainability issues. The Ministers came up with

a document entitled: *"Outcome of the Consultations among Eastern Nile countries, on ENSAP/ENTRO Challenges"*. The governments of the Federal Democratic Republic of Ethiopia and the Republic of Sudan did endorse the outcome of the consultations. The Arab Republic of Egypt is yet to do so.

Regional multi stakeholder events convened

- The 2013 Regional Nile Day celebrations, the 7th in a series took place in Bahir Dar (Ethiopia) from 21st to 22nd February, 2013. The celebrations attracted at least 300 participants. At the end of the celebrations, participants issued a Call for Action. National celebrations were organized in five Member States namely, Burundi, DR Congo, Kenya, South Sudan and Tanzania.
- The first ever regional workshop for stakeholders in the Private Sector was held from 7th to 8th June, 2013. Participants discussed the role of private sector and their future engagement in NBI processes. The workshop enabled participants to understand and appreciate their role with respect to NBI facilitated investment projects as well as their role in climate change adaptation measures with regard to investing in irrigation technologies, water storage



Nile Day celebrants march in Bahir Dar in February 2013

FACILITATING COOPERATION



Dignitaries during celebrations to mark ENTRO's 10th anniversary

infrastructure, clean energy, wetlands management and promoting agricultural trade.

- A consultative workshop held in March 2013 and attended by Nile-TAC members identified priority trans-boundary water resource management issues in the Nile Basin namely; enhancing knowledge base; understanding major risks and trans-boundary issues; exploring major policy issues; harnessing basin opportunities; as well as monitoring implementation. These will form the basis for the technical analyses to be undertaken by the NBI Secretariat.
- ENTRO held its 10th anniversary celebrations in October 2012 - celebrating a decade of building Eastern Nile Cooperation. ENTRO was commended for having delivered in three critical areas namely; building a sub-basin institution; identifying and preparing water resources investment projects and facilitating regional cooperation, all of which will make the long-term management and development of the common Eastern Nile water resources not only desirable, but practicable.
- The Strategic Dialogue between NBI technical governance and Development Partners took place in October 2012. Development Partners expressed willingness for continued support to NBI programs and projects. Participants noted that commitment to Nile Cooperation is the only way to ensure sustainability of benefits from the shared Nile Basin water resources and agreed that NBI is the most appropriate platform to take the agenda forward.

Strategic partnerships

Effective cooperation requires good relationships between a range of actors including regional and international organizations for cross scale learning, pooling funds and expertise and informing best practices at national, regional and international level. NBI has strengthened its partnerships with selected regional and international organizations, offering mutual added value as well as increasing its recognition and visibility. The Secretariat continued to

operationalise these partnerships in line with the earlier signed MOUs namely UNEP on climate change; International Atomic Energy Agency on groundwater potentials in the Nile Basin; China Science and Technology Exchange Centre on capacity building and information sharing; TIGER-NET on capacity building and support to the Nile Basin information base; as well as the Nile Basin Capacity Building Network, on preparation of their project proposal for the next phase.

Laying a foundation for diversified communication products

NBI has been working towards producing variety of communication products to keep stakeholders well informed, actively engaged and committed to the Nile Cooperation. In this respect, two video documentary films have been produced and broadcast: (a) *Risking the River? - Perspectives on the Nile Basin Cooperation*. This film was distributed to Member States, the Nile Basin Discourse and journalists throughout the Nile Basin region. The film can also be accessed on the water channel where it already received more than 2000 views. (b) *'Inheritance for my descendants'*, features the Eastern Nile Watershed Management Project.

New communication products in the pipeline include success stories and case studies.



FACILITATING COOPERATION

Nile Basin citizens call for stronger cooperation to address shared threats

More than 300 Nile Basin citizens from the 10 NBI Member States gathered in Bahir Dar, Ethiopia to celebrate this year's Regional celebration that took place from 21st to 22nd February, 2013. The theme for the celebration, the 7th in a series, was **'Land Degradation and Climate Change: Address Shared Threats, Sustain Nile Cooperation'**.

Participants called on NBI Member States to strengthen the Nile Cooperation to sustainably address trans-boundary threats emanating from continued land degradation and climate change as well as to identify and implement more investment projects that confer win-win outcomes and support socio-economic development and poverty reduction.

The visit to Tana-Beles Integrated Water Resources Development and Management Project (water shed management component) strengthened and highlighted both the trans-national nature and the symbolic meaning of the theme while giving a positive hope and putting emphasis on the importance of cooperation. Once a degraded area, the collective efforts of all parties concerned, namely the government, NBI, local communities

and development partners has created a better environment, resulting into improved livelihoods of the local communities and those living in downstream countries. Participants included Ministers in

charge of Water Affairs, technical officials from relevant ministries of the governments, members of parliament, researchers, academia, media, civil society, youth, school children and the general public. ■



Giving an explanation about the Tana-Beles Integrated Water Resources Development and Management Project

"The benefits accrued so far and the opportunities foreseen have actually strengthened our commitment to the process more than ever."

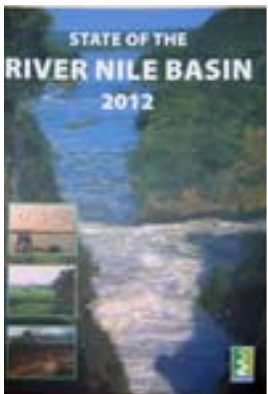
Hon. Alemayehu Tegen, Ethiopia's Minister of Water and Energy, in reference to the Nile cooperation during 2013 Regional Nile Day celebrations.

WATER RESOURCE MANAGEMENT

Water Resources Management aims to assess, manage and safeguard the water resource base that supports the life and welfare of the Nile Basin peoples through applying the principles of knowledge-based integrated water resources management to water-related development planning.

“Joint management of trans-boundary water resources is a complex issue requiring a credible knowledge base, along with specially developed skills and institutions. I am glad that the Nile countries are building a common information system and shared analytical tools to understand the river, explore alternative development paths.”

H.E. Dr. Ali Mohamed Shein, Vice President of the United Republic of Tanzania speaking as Guest of Honor during NBI's 10th anniversary celebrations, held in Dar es Salaam, December, 2009.



WATER RESOURCE MANAGEMENT



Participants during a workshop to review NBI policy instruments.

A number of Nile Basin environmental assets are trans-boundary or have trans-boundary significance and require cross-border cooperation for their wise management and sustainable use. NBI has created a strong technical foundation for water resources management and development. This includes monitoring the state of the River Nile Basin and a comprehensive knowledge base on the Nile water and related resources together with a system of portals to enhance public access to the knowledge resources. Furthermore, tools to support the necessary analysis to inform decision-making in water resources planning and management, enable countries to understand the implications of their actions on shared systems and opportunities for managing risks as well as realizing tangible benefits have been developed and operationalized. This is in addition to high level policy formulation.

Basin Monitoring

Monitoring the State of the River Nile Basin is important in order to raise awareness and improve understanding of the bio-physical, socio-cultural and economic

conditions within the Basin. Among the processes being monitored are actual Evapo-transpiration; Rainfall and Temperature. This is in addition to publishing every three years a report on the State of the River Nile Basin.

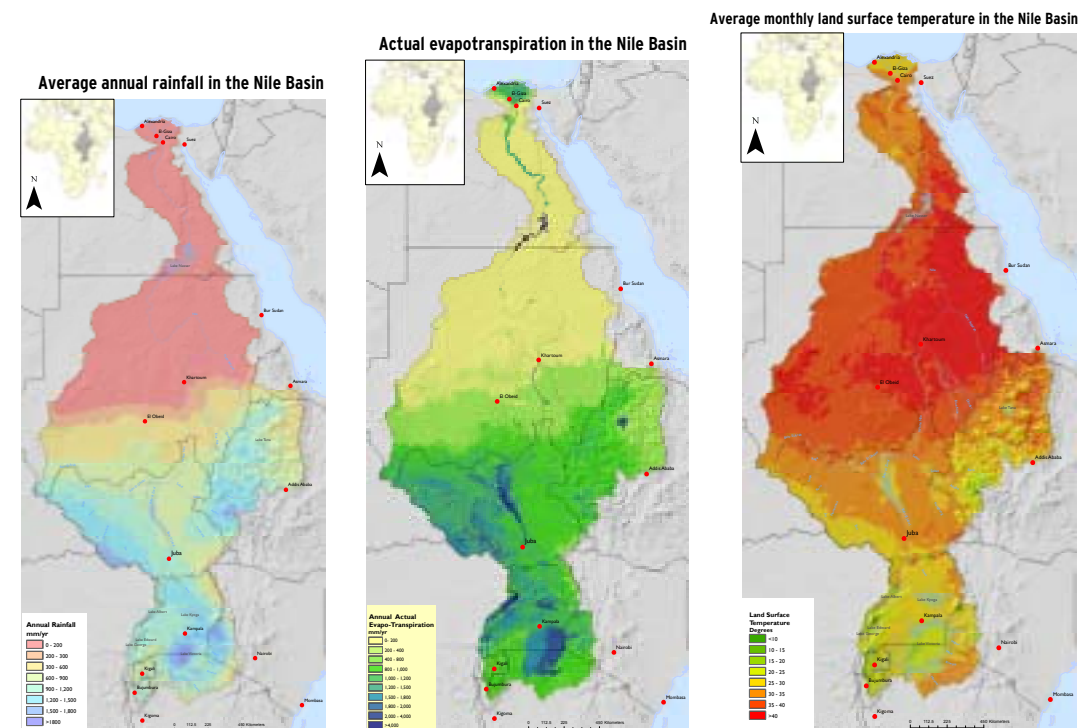
Monitoring Actual Evapo-Transpiration, Rainfall and Temperature

Rainfall, land surface temperature and actual Evapo-Transpiration (ET) are key parameters in monitoring water balance (inflows, consumptive uses and transfers) in any river basin. Thus, any study on water and natural environmental resources of river basins needs ET, rainfall and temperature values as fundamental inputs for a variety of hydrological analysis, irrigation efficiency evaluation, seasonal wetland area mapping and several trans-boundary water resources planning and management scenarios. Among all the other processes being monitored, special emphasis is on Water Consumptive Use based on operational ET estimates. Actual ET estimates for the Nile Basin for the last 13 years at an 8-day time step, monthly and annually have been generated using data obtained through remote sensing.

WATER RESOURCE MANAGEMENT

Analyses have been performed for both spatial and temporal variation over water bodies, sub-basins, land-use types and irrigated areas among others, with findings showing a consistent south-north pattern of ET increase. The variation is explained in part by the prevailing climatic conditions such as availability of moisture, wind speed, relative humidity, air temperature and land cover in the different sub-basins.

Also being monitored and disseminated based on remote sensing is rainfall every 10 days and temperature every 8 days and on



WATER RESOURCE MANAGEMENT

Enhancing NBI Knowledge Base

Knowledge base is vital to improve understanding of the processes that help to strengthen resilience at different levels and to inform methodologies for monitoring and evaluating impact and effectiveness. NBI worked on a number of knowledge products including;

I. Information Systems

NBI continued to enhance its knowledge base and make it accessible to its stakeholders and the general public through a set of content management systems. The Information Management Systems (IMS) systemize the otherwise unmanageable size and range of data as well as technical documents and make them accessible for internal and external users. During the reporting period, the IMS were finalized and are now available for use in water resources planning, management and development. In addition, the data and information generated informs on-going dialogue, strategic assessment, and policy making at both national and regional levels.

The **Nile-information System** (Nile-IS) at the Secretariat was expanded to include data sets, articles, technical documents, maps, policies, strategies, guidelines developed by NBI and is regularly updated. The Nile-IS has witnessed a 35% increase in the users of the information compared to the same period last year.

The **Eastern Nile Information Management System** at ENTRO was finalized in December 2012 and comprises of important characteristics of the river, climatic and hydrologic data; and its



utilization under grid for Abbay-Blue Nile, Main Nile, Tekeze-Setit-Atbara and Baro-Akobo-Sobat sub-basin components in the Eastern Nile sub-basin.

II. Analytic Tools and Toolkits

The Eastern Nile Power Tool Kit comprises of dam and reservoir databases providing a detailed

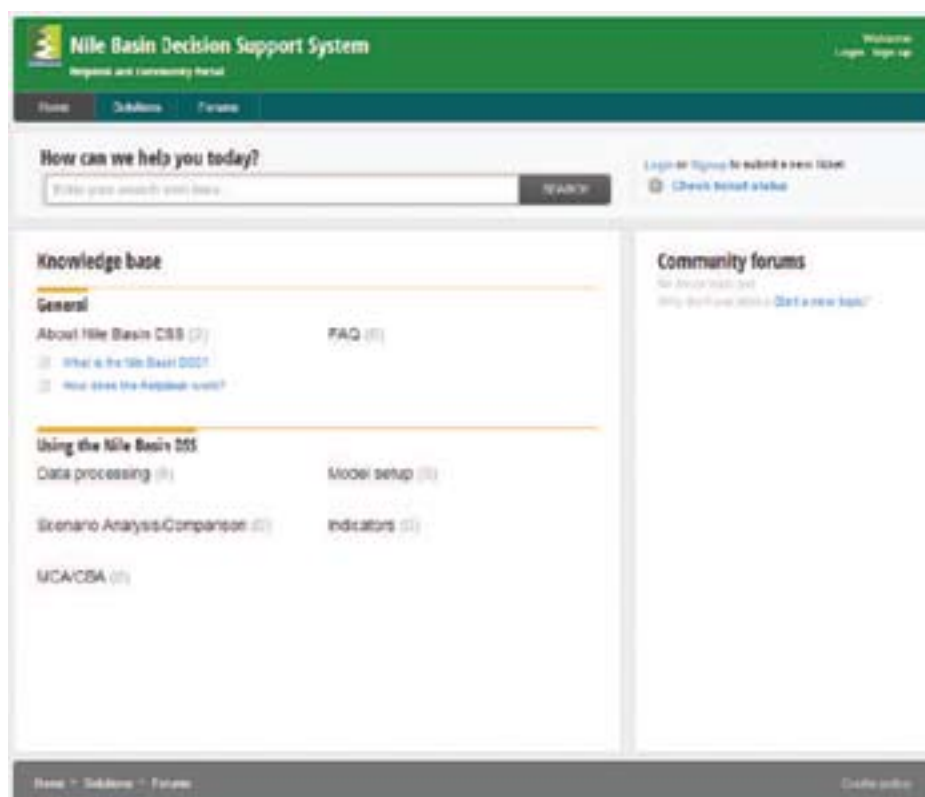


WATER RESOURCE MANAGEMENT

inventory of existing and proposed dams including their major characteristics, locations, cost estimates and benefits. Other such information is environmental impacts, cascading profiles, hydrological and system analysis features, power and energy generation capabilities. The Power Tool Kit also provides access

to climatic and hydrologic time series such as river inflows, reservoirs, evaporation losses from reservoirs and minimum environmental flow requirements. Its automated design sheets greatly facilitate dam design and analysis.

Strengthening Analytical Capacity tools



NB-DSS models and database developed during the pilot application were used in the preparation of the NELSAP Multi-Sectoral Investment Opportunity Analysis (MSIOA). The final models that make up the NELSAP Planning Model are now fully integrated in the NB-DSS.

The NB-DSS help desk and community portal launched

The helpdesk is an interactive system providing registered users with technical support on the use of the NB-DSS. The community portal on the other hand affords users a platform to share experiences through discussions on specific topics and is open to the public.

It is expected that the helpdesk and community portal will foster cooperation among NB-DSS users (both at national and trans-

A number of analytical tools have been operationalized to provide the necessary analysis to inform decision-making in water resources planning and management. These include the Nile Basin Decision Support System (NB-DSS), the Nile Equatorial Lakes Planning Model and the Eastern Nile Planning Model.

The Nile Basin Decision Support System

Development of the NB-DSS, a comprehensive analytic tool was completed in December 2012: currently NBI is making effort to increase public access to this tool. To date user licenses have been distributed to nine Member States and a number of them have applied the tool in their water resources planning and development. The

boundary level) and hence formulate win-win planning alternatives as well as collective development scenarios to the benefit of the Nile Basin as a whole.

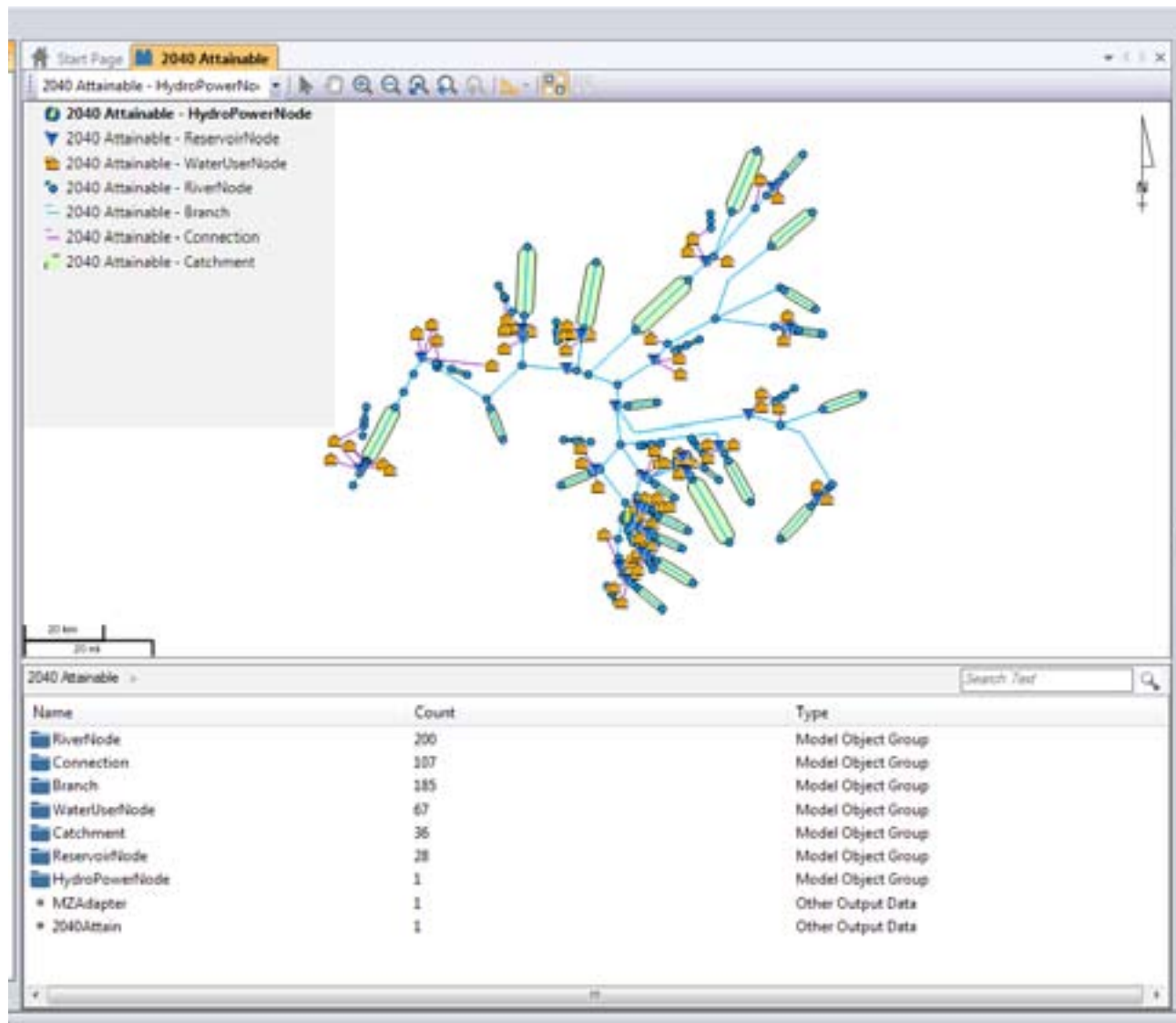
The **Eastern Nile Model** is used to meet water resource planning needs such as hydropower optimization, irrigation water use design and planning, reservoir filling and operation of what if scenarios under climatic and socio-economic changes. It enables water resources planners to envisage possible social, environmental and hydrological consequences of any decision associated with intervening in the Nile water system before actual commitment of resources. It is now possible to quantify trade-offs among different options of investment in irrigation, hydropower and other sectors.

WATER RESOURCE MANAGEMENT

Uganda applies the NB-DSS to develop a Management Plan for Awoja Catchment

The Government of Uganda's is implementing a series of major water policy reforms. Supported by the Nile Secretariat, the Ministry of Water and Environment is applying the NB-DSS to multi-criteria analysis tools and associated functionalities to develop Awoja catchment based approach to water resources management and investment planning. Based on the quantification of economic, environmental and social indicators; the NB-DSS is used to evaluate various planning scenarios for Awoja catchment of the Kyoga Water Management Zone.

Awoja catchment current (2013) state and future (2040) domestic, livestock and agricultural water demands and water availability has been modelled using the NB-DSS. The model is currently being used to study the impact of different levels of development and future schemes on the water resources of the catchment. The tool helps evaluate the water balance in the catchment for different scenarios and determines shortfalls in water supply. In addition, the model will provide inputs on other catchment aspects such as hydropower development, the change in storage of wetlands, and indication of the attenuation of floods.



WATER RESOURCE MANAGEMENT

High level policy formulation

A number of measures have been taken to address threats posed to the environmental assets of the Nile Basin, including high level policy formulation. The NBI Environmental and Social Policy (ESP), Climate Change Strategy (CCS) and Wetland Management Strategy (WMS) were endorsed by the Nile-COM in June 2013. While the policy instruments shall primarily guide trans-boundary water resource management and NBI investment planning and implementation; Member States are also encouraged to integrate them in their national policies.

The Policy and two Strategies are in line with the Nile Basin Sustainability Framework (NBSF) endorsed by the Nile-COM in 2011. The NBSF is a suite of policies and strategies together with their anticipated guidelines developed by NBI primarily to provide the necessary conceptual structure and organizational mechanism for achieving sustainability in the management and development of the Nile Basin water resources. The Trans-boundary Water Policy Approach Paper and the earlier approved (July 2012) Gender Mainstreaming Policy and Strategy are also part of the NBSF.

The Environmental and Social Policy will ensure environmental and social sustainability of the NBI program outcomes

The Climate Change Strategy will strengthen basin-wide resilience to climate change and ensure climate compatible water resource management and development

The Wetland Management Strategy fosters the sustainable management and utilization of the Nile Basin's wetlands.

Importance of the Policy Instruments

Given the huge untapped water resources development potentials of the Nile Basin on the one hand and the threats of uncoordinated development in the wake of climate change on the other, operationalizing the policy instruments is of urgent importance for sustaining the Nile Basin socio-economic development and growth.

The Policy instruments guide and promote NBI's programs and activities in water resources management and development. They also provide a shared framework, agreed principles, conjoint methodologies, unified approaches and a systematic set of tools and instruments that support both basin-wide and

sub-basin projects. The Policy and Strategies will ensure that all significant development projects holistically take into consideration environmental and social dimensions, factor in climate change, contribute towards sustainable utilization and protection of wetlands and adequately address the trans-boundary issues. As a result, eligibility to international financing is expected to escalate remarkably. Not only will the ESP, CCS and WMS serve satisfactorily the NBI needs and priorities, they will also create a better policy environment for the riparian countries.

Once systematically operationalised, these policy

instruments will significantly re-enforce the NBI in assuming the lead in fostering coordination and stimulating cooperation basin-wide. Furthermore, they will promote and upgrade NBI policy landscape, cross-sectoral capacity development and strengthen technical as well as institutional competencies within the context of knowledge-based integrated water resources management. In addition, they will uphold the desire of the Nile riparian states to jointly develop and manage the common Nile Basin water resources to fight poverty, catalyze economic development and regional integration, build a solid foundation for trust and confidence and promote stability in the region.

WATER RESOURCE DEVELOPMENT

Water Resource Development aims to identify, prepare and facilitate investments in regional/trans-boundary water development projects and programs whilst avoiding negative impacts on the health of the Nile Basin's resources through applying the principles of integrated water resources management.

"I would like to commend the progress made in the implementation of the trans-boundary water resources management projects that are key to all other socio-economic development in the region. It is our wish that more other projects of direct impacts and benefits to the populations be implemented and commissioned". - Prof. Seifeldin Hamad Abdalla, in a statement delivered on behalf of Sudan's Minister of Water Resources and Electricity, during the 21st Nile-COM Meeting, held in Juba on 20th June 2013.





Flower farm in Uganda

A number of investment projects registered remarkable progress during the reporting period.

The basin-wide platform for cooperation has created an enabling environment for joint preparation and implementation of investments in **Power; Agriculture and Regional Trade; River Basin Management and Development.**

ENTRO and NELSAP-CU continue to provide unique platforms for consultation, consensus building and facilitation of regional resource mobilization in their respective sub-basins. A number of investment projects registered remarkable progress during the reporting period. Cases in point are the USD 403 million Nile Equatorial Lakes (NEL) Regional Transmission Interconnection Project currently under joint implementation by Burundi, DR Congo, Kenya, Uganda, and Rwanda. Funding has been largely secured for the USD 470 million Regional Rusumo Falls Hydro-electric Project, a joint undertaking by Burundi, Rwanda and

Tanzania whose implementation is scheduled to start in the first quarter of 2015.

In addition, USD 17.5 million has been secured for the River Basin Management projects of Mara (Kenya and Tanzania), Kagera (Burundi, Rwanda, Tanzania and Uganda) and Sio-Malaba-Malakisi (Kenya and Uganda) for continued strengthening of participatory trans-boundary river basin planning, management and development for improved water and food security in the NEL region. Also secured is USD 3.5 million for the Baro-Akobo-Sobat Multi-purpose Water Resources Development Study Project implemented by Egypt, Ethiopia, South Sudan and Sudan. The project will contribute to improved livelihoods for the Baro-Akobo-Sobat inhabitants.

WATER RESOURCE DEVELOPMENT

Advancing investments in power

Power/electricity is a critical ingredient in all sectors of national economy and its supply is directly correlated with the economic performance of the countries. Hydropower is the preferred energy source for most Nile Basin countries. To tap and sustainably exploit the vast hydropower potential of the region, the countries need to plan and develop the water resources cooperatively and mainstream environmental and social considerations in all aspects of power development.

NBI is contributing to the transformation of the region's power sector by providing a forum for joint planning and cooperative development of hydropower generation and transmission options and promoting power pooling amongst the Nile countries. As a result, Ethiopia and Sudan are now connected by transmission lines while multiple interconnections such as the Regional Transmission Interconnection Project are underway in the Nile Equatorial Lakes region, with established protocols and vehicles for sustained regional power trade.

Cross border power trade between Ethiopia and Sudan made possible



Ethiopia-Sudan Transmission Interconnection

The Ethiopia-Sudan Transmission Interconnection is one of the completed investment projects. The project with commendable results was prepared by ENTRO and implemented nationally with technical assistance from ENTRO. The transmission line runs between two stations, Gonder in Ethiopia and Gadaref in Sudan covering 194 Km (new double circuit) and 230/220 KV. The project also reinforced 260 km extension and rehabilitated three stations.

By connecting the power grids of the two countries through high voltage transmission lines, the Ethiopia-Sudan Transmission Interconnection is facilitating cross border power trading between the two countries and optimizing the utilization of existing and planned generation capacity.

This has resulted in the promotion of Eastern Nile cooperation across the region; provision of electricity

WATER RESOURCE DEVELOPMENT

where the respective populations have had low access; and contribution to poverty alleviation by facilitating industrial growth and employment. It is estimated that a total of 1.4 million households are to benefit from the 100 MW electric power trade (from Ethiopia to Sudan). In addition, electricity supplied to rural towns replaces and reduces the consumption of woody biomass and petroleum products used for cooking, lighting, and motive power; Ethiopia's clean hydropower will substitute some of Sudan's mostly thermal electricity sources, benefiting both countries by reducing GHG emissions - also contributing to climate change mitigation.

Other results include support to the commercial sector consisting of small and medium-sized industries such as flour mills, rural water supply installations, tanneries and coffee processing plants. This is in addition to rural economic development through the provision of power to generate water pumps, grinding mills and local industries. Moreover, rural electrification reduces the workload of women in particular, preventing them from having to collect water and firewood.

"NBI Member States are now witnessing the benefits of cooperation such as the now operational Ethiopia-Sudan Power Transmission Interconnection which has made power trade and the creation of synergy between the power utilities of Ethiopia and Sudan possible."

H.E. Ayalew Gobeze, President of the Amhara National Regional State, speaking as Guest of Honor during the 2013 Regional Nile Day celebrations in Bahir Dar - Ethiopia

Five Member States to benefit from 1500 km transmission lines

Existing and planned Interconnections



The majority of countries in the Nile Equatorial Lakes region have very low access to electricity, with an average of 6%. Load shedding is common such that industrial and domestic consumers often experience erratic service. This is mostly due to demand surpassing supply and countries' need to be economically self-sufficient such that there has been limited power trade in the region which could arrest the situation.

Under the USD 403 million Regional Transmission Interconnection Project of electricity networks of five Nile Equatorial Lakes countries, an estimated 1,500 km of 220 kV and 110 kV transmission lines and associated sub-stations is under construction. The project will facilitate power trade among the implementing partners namely Burundi, DR Congo, Kenya, Rwanda and Uganda. It will also improve the socio-economic conditions of the peoples as well as their quality of

WATER RESOURCE DEVELOPMENT

life. The Project components are at various stages of implementation with Kenya and Uganda quite advanced in the implementation of their respective sections of the 255 km line of 150-300MW capacity. Other components are the 172 km Uganda-Rwanda Interconnection with a capacity of 150-250MW; the 143 km Burundi-Rwanda Interconnection; and the 545 km Burundi-DR Congo-Rwanda Interconnection.

NBI has played a major role in this project, including undertaking feasibility studies, promoting the project, mobilizing funding from the African Development Bank (AfDB), JICA (Japan), KFW (Germany), The Netherlands and the European Investment Bank (EIB). This is in addition to providing overall project coordination at regional level and technical assistance to the National Project Coordination Units.■

Baseline for the development of water resources in the Abbay/Blue Nile prepared

The Joint Multipurpose Project (JMPI ID) was originally designed to identify an investment package through a series of studies and consultative activities that take into account economic, social and environmental sustainability issues in an integrated manner. However, with changes in national level plans for infrastructure development on the Blue Nile, including the Grand Ethiopian Renaissance Dam (GERD), it was no longer necessary to identify the first dam to be developed in the Blue Nile Cascade.

Accordingly, the project development objective was changed to “examine joint water resources

development possibilities on the Abbay/Blue and Main-stem Nile and it was restructured to produce two working papers. The project started in September 2009 and was successfully closed in December 2012 having prepared two Working Papers: **Paper 1** on ‘Environmental and Social Perspectives on Blue Nile Multipurpose Development’ and **Paper 2** on ‘Strategic Options Assessment for Blue Nile Multipurpose Development’. The Papers avail to the Eastern Nile countries basic baseline for development of water resources in the Abbay/Blue Nile.■

WATER RESOURCE DEVELOPMENT

Advancing investments in River Basin Management and Development

River basin management in the Nile Basin presents challenges that are national, regional and trans-boundary. Throughout the region, forests, woodlands and wetlands are continuously lost as the population seeks out new areas for grazing, farming or burning charcoal from trees. Joint action generates 'public goods' and reduces costs of extreme water events associated with climate variability and change such as flood and drought. Joint river basin management enhances watershed management and conservation of the ecosystems, thereby enhancing integrated water resources management and ensuring sustainable development.

NBI has facilitated a number of investment projects in this respect, including the Sio-Malaba Malakisi River Basin Management Project benefitting Kenya and Uganda as well as the Flood Preparedness and Early Warning Project and the Eastern Nile Watershed Management Project both jointly implemented by Egypt, Ethiopia, South Sudan and The Sudan.

Kenya and Uganda benefit from river basin management

The Sio-Malaba-Malakisi Basin covers a total area of 5,230 km² and is shared by Kenya and Uganda. Agriculture is the major socio-economic activity in the catchment. Poor agricultural practices, exacerbated by inadequate extension services, have resulted in extensive catchment degradation. This has increased the frequency of landslides in Mt. Elgon, which is a major water tower for the catchment. These coupled with indiscriminate sand harvesting of river banks and river beds causes excessive sediment loads resulting in water quality degradation. This in turn impacts on the cost of treating municipal water, providing public health and the sustainability of prepared irrigation and energy hydraulic infrastructure.



Angurai water supply

The Sio-Malaba-Malakisi River Basin Management Project, a joint undertaking by Kenya and Uganda has scored impressive results. Feasibility and environment social impact assessment studies have been conducted for a number of water resources development projects. These include Maira Multipurpose Dam in Kenya benefitting 10,000 people through irrigation of 2000ha and Bulusambu Multipurpose Dam in Uganda benefitting 8,000 people through irrigation of 1950ha. Already, funds have been mobilized through the Kenya Enhanced

Water Security and Climate Growth Resilience Program to construct Maira Multipurpose Dam.

Also prepared is an integrated watershed management project that will address the extensive degradation within the watershed through measures that include soil and water conservation, afforestation, wetland management and community based catchment management.

WATER RESOURCE DEVELOPMENT

Besides the above are a number of small scale projects. Examples include Bungoma Pollution Control benefitting 200,000 people and Lwakhakha Pollution Control benefitting 20,000 people. Through the Angurai Water Supply, 10,000 people in Kenya got access to improved water supply and sanitation while Mella Water Supply provide access to 10,000 people in Tororo (Uganda). This is in addition to more than 400 community members in Busia (Uganda) benefitting from seven community fish ponds. Furthermore, a total of 100,000 community members will benefit from implementation of the Lwakhakha Sub Catchment Management Plan.

Other laudable results of the project are enhanced access to data and information for water resources planning following the installation of 40 standard rainfall

stations, six automatic weather stations, 12 river gauging stations and 58 hydro-meteorological stations as well as publication of the Sio-Malaba-Malakisi State of Basin Report.

The first phase of the project began in 2005 and ended in 2012. NBI has now embarked on the second phase, which focuses on strengthening participatory trans-boundary river basin planning, management and development for improved water and food security. This phase will result in the preparation of irrigation and watershed projects leading to expansion of irrigated agriculture in Amagoro, Tororo (Uganda) by an estimated 5,000 ha, and Sio-Sango and Lerekwe (Kenya) by an estimated 3,500 ha. This planned investment will provide direct employment to an estimated 43,000 people. ■

2013 flood season: ENTRO disseminates flood forecast reports

The entire Eastern Nile region is characterized by highly variable river flows, making it prone to extreme flood and drought events. Lake Tana sub-basin (mainly Dembia and Fogera floodplains) is one of the basins affected by recurring floods during the rainy season (July-September), with devastating effects on lives and property.

The objective of the Flood Preparedness and Early Warning Project coordinated by ENTRO is to enhance regional collaboration and improve national capacity in the mitigation, forecasting, early warning, emergency preparedness and response to floods in the Eastern Nile Basin.

Efforts by the ENTRO-Eastern Nile Basin flood season program to mitigate flooding problems and reduce human suffering from recurrent flooding in the Eastern Nile basins are commendable. During the 2013 flood season, flood forecast and monitoring has been carried out on a daily basis (three days lead time) to produce a near real time forecasts. Daily,

weekly and seasonal flood forecast reports have been generated and disseminated to different users at different levels through email and ENTRO's web portal.

In addition to the daily flood forecasts, model enhancement works are carried out in parallel (considering observation datasets) in order to develop confidence and improve model results. ■

Sample of Weekly Flood Bulletins Issued



WATER RESOURCE DEVELOPMENT

Improving livelihoods in Ethiopia through integrated watershed management

The Eastern Nile watersheds especially the steeper, upper Ethiopian highlands are severely degraded due to poverty-driven over exploitation of natural resources. These watersheds constitute the most critical clusters of watershed hotspots, without whose prior restoration all future water resources infrastructure development would be rendered of limited economic benefit to any one of the Eastern Nile (EN) countries.

The Eastern Nile Watershed Management Project aims at establishing a framework for sustainable management of selected watersheds in the Eastern Nile region. Project implementation started in 2009, through existing institutional arrangements established by the Eastern Nile countries at the regional and national levels. Implementation at the regional level was led by ENTRO.

The project has to-date scored commendable results: A shared understanding of the watershed problem and the EN countries' commitment to joint action; through the regional capacity building component, over 100 professionals drawn from the project, government and other stakeholders were targeted while 18 officials participated in an international training/study tour on rain water harvesting in China.

The project has also built a regional knowledge base which has been used to prepare seven fast-track investment projects worth about USD80 million. The Tana-Beles Integrated Water Resources Development Project in the upper Blue Nile in Ethiopia is one such project. This project has scored impressive results in natural resources management; in improving the livelihoods of the local community; and in capacity development. Examples include preparation and implementation of 163 community watershed plans; treatment of 821 ha of gully; rehabilitation of 16,000 ha of degraded hillside; development of 4,000 ha of community woodlot forestry; and 1,000 ha of small-



scale irrigation in 14 schemes. In addition, 85 km of community access roads and a number of footbridges were constructed to improve market access; while 35 farmer training centers were established - with about 700 farmers trained in improved cereal, fruit tree cropping as well as vegetable gardening and marketing. The project also established 13 animal health posts; supplied 735 modern beehives and 163 pieces of apiculture equipment. Other results are establishment of 432 community water points and three village water schemes.

As part of the exercise to prepare new investment projects in the EN, four projects from the hot spot areas defined during the Cooperative Regional Assessments Study have been delineated and prioritized for preparation into watershed investment projects. Furthermore, a detailed and comprehensive strategy document on scaling up of best practices and approaches in watershed management in the EN has been prepared. The Strategy builds on the lessons learned from implementation of on-going fast track projects and other experiences in the region.

"Before this project, we started our conservation work at the farm land in the valleys and plains. But every year, floods originating from the hilltops used to wash away the terraces and our conservation work. However, since this project was introduced, we start our conservation work from the hilltop and progressively move down to the farm land in the valleys. This has progressively reduced the volume of the floods and the terraces are able to withstand successive floods. The community now understands the benefits of the new approach introduced by the project and is now participating with enthusiasm." - **Desalgne Gelaw, Community Facilitator, Tana Beles Project.**

WATER RESOURCE DEVELOPMENT

Advancing investments in Agriculture and Regional Trade

The agriculture sector (the broader production sector that includes animal husbandry and fisheries) is of great importance to all Nile Basin countries as it is a major contributor to GDP, employment and food security. Agriculture is also the single largest water consuming sector in the Nile Basin. A regional approach to agriculture development and trade offers the best means of raising income, ensuring adequate food security and accumulating the assets necessary to survive shocks such as droughts and floods. Such an approach also offers a platform for designing interventions geared towards improved water storage and gains in water productivity.■

Analytical tools to increase water use productivity and promote agricultural trade in the Basin developed



Ms. Charlotte Namahoro, Assistant Minister, Ministry of East Africa in the office of the President, Republic of Burundi receives a copy of the Cross Border Trade Corridor analysis study from the Executive Director, Eastern Africa Grain Council, Mr. Gerald Masila

The Regional Agricultural Trade and Productivity Project (November 2010 - December 2012) focused on gathering knowledge and developing tools needed to manage agricultural water use in a trans-boundary context. This is in addition to determining NBI's strategic role in agricultural development in the Basin including support to Member States.

The project successfully prepared options for NBI's agricultural agenda as well as developed analytical tools to increase water use productivity and to promote

agricultural trade in the Basin. It also contributed towards an improved knowledge base by developing an agricultural productivity and trade model which has been integrated in the NB-DSS. The project also supported the formation of a Regional Livestock Commodity Group for the Nile Basin countries. Other results are study reports on virtual water/water foot prints; cross border trade; best practices for small holder irrigation and water harvesting among others. Several technical briefs on the study reports were also produced and disseminated.■

CORPORATE SERVICES

Corporate Services accompany the three NBI Core Functions. These Corporate Services do not form a specific program but are instead a set of essential management overheads. Below are some of the achievements during the reporting period.

The 11 Nile Basin Trust Fund supported projects valued at USD 86 million were successfully closed in December 2012. All except one were rated by the World Bank as satisfactory, moderately satisfactory or highly satisfactory. The projects collectively contributed to the Basin's knowledge and investment agenda. One of the projects, the three-year Institutional Strengthening Project (ISP) was co-financed by GIZ for nearly USD7.83 million.

Implementation of the five year Strategic Plan (2012-2016) approved by the Nile-COM in July 2012 commenced in July 2012. During these five years, NBI is focusing on consolidating the gains thus far and delivering tangible benefits to the citizens of the Nile Basin.

With the Nile Basin Trust Fund (NBTF) closing for NBI activities at the end of 2014 NBI embarked on a fundraising effort for its current programs and activities aimed at contributing to better livelihoods for the citizens of the Nile Basin. These efforts

have already yielded positive results: There is reduction in country contributions arrears by 33% over the past year and increase in annual country contributions effective July 2013; secured USD 15.3 million for implementation of the two-year NCORE project, effective January 2013; USD 3.5 million Grant Agreement for implementation of the Baro-Akobo-Sobat Multi-purpose Water Resources Development Study project effective 2013; USD 428 million for the construction of the regional Rusumo Falls hydro-electric project effective 2015; USD 17.5 million for three river basin management projects namely Sio-Mala-Malakisi, Mara and Kagera; and Euros 3 million from GIZ/Germany.

In line with the need to coordinate NBI's activities, the three Centers have continued to meet, discuss and pave a way forward on strategic operation issues that are of cross Centre significance.

Operational Policies, systems and procedures have been established.

The Water Resource Management Department established at the NBI Secretariat is fully operational, with qualified technical staff, training facilities, analytical tools and supportive institutional structures to leverage its effectiveness.

FINANCIAL REPORT

The following financial tables provide an overview of the revenue and expenses of the three NBI Centers for the fiscal year July 1, 2012 through June 30, 2013.

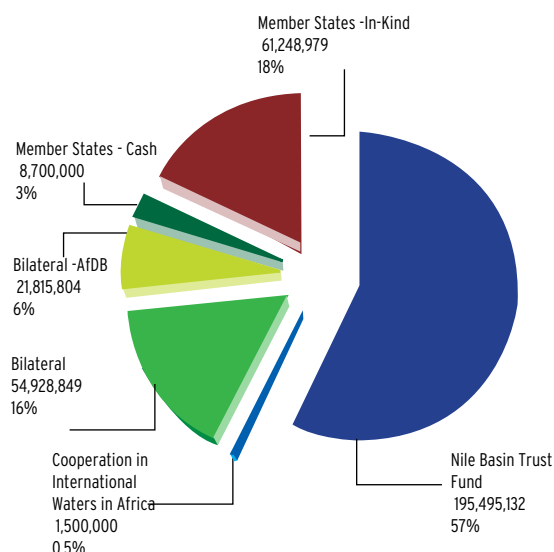
NBI CENTERS BUDGET AND EXPENDITURES (USD) FY 2012-2013		
	Grant Receipts	Expenditures
NILE-SEC	3,159,429	2,764,669
ENTRO*	5,746,157	5,889,762
NELSAP	30,593,594	30,586,493
TOTAL NBI	39,499,180	39,240,924

*Excess expenditures paid out of prior year fund balances

Sources of Financing

The NBI's revenues are derived from contributions from the member countries and from grant agreements with development partners. All grant agreements are subject to rigorous financial audits on an annual basis.

The pie chart below summarizes the relative contributions to the NBI's budget since its establishment. The Member States' cash contributions represent approximately 3% while in-kind contributions represent 18%. In-kind contributions include actual rent paid by host governments for offices of NBI Centres and for Project Management Units among other cash equivalents. Approved World Bank managed Nile Basin Trust Fund (NBTF) and Cooperation in International Waters (CIWA) grants portfolios account for 57% and 0.5% respectively, while direct bilateral funding comprises 22% including from AfDB 6% and 16 % from others.



Nile Basin Trust Fund

The NBTF was established in 2001, at the request of the Nile Council of Ministers, as the preferred funding mechanism to administer donor support pledged to NBI at the International Consortium for Cooperation on the Nile (ICCON1)

held in Geneva, Switzerland. Ten development partners pledged and provided USD 191.74 million to NBI projects financed through the NBTF as shown in figure.1. The NBTF is scheduled to close on 30th June 2015.

Other major contributors

Apart from the NBTF, NBI received support through a parallel World Bank managed multi donor trust fund-CIWA towards implementation of the two-year NCORE project which started in January 2013. Other development partners contributing bilaterally to the NBI include GIZ, the African Development Bank, Finnida, AFD. Sweden and Norway have since 2002 provided significant financial support bilaterally in support of NEL- River Basin Organisations namely Mara, Kagera and Sio-Malaba-Malakisi.

Increase in Member States contributions

The Nile Council of Ministers, in their 20th annual meeting held on 5th July, 2012 in Kigali, approved the scaling up of country contributions starting 2013/2014 financial year to USD 137,037 for countries contributing to Nile-SEC and NELSAP -CU; and USD 301,481 for countries contributing to all three centers.

Nile Basin Initiative Trust Fund

The Nile Basin Initiative Trust Fund (NBI-TF) deed was approved by the Nile Council of Ministers during their 21st meeting held in Juba, South Sudan on 20th June 2013. The NBI-TF was established as one of the financing strategies representing the key directions that NBI will take to ensure financing of planned operations, effective financial year 2013 and beyond. The Trust Fund is intended to provide an alternative vehicle to facilitate pooled funding. This funding mechanism is envisaged to support NBI programmatic approach as well as complement other available funding mechanisms such as countries contributions, bilateral and multilateral support to NBI.

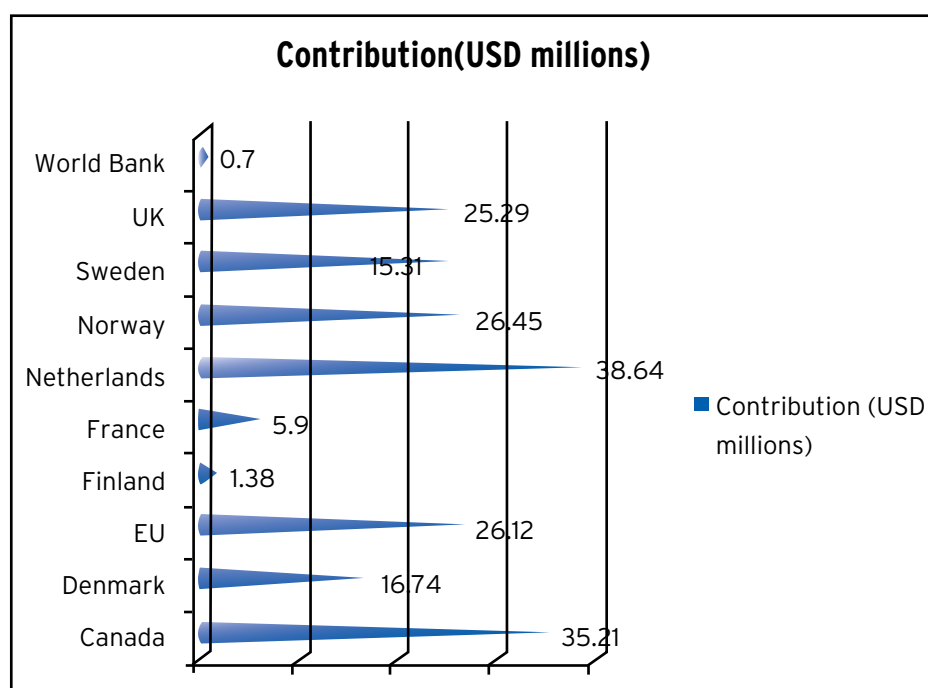


Figure1. Development Partners' contribution to NBTF

QUICK FACTS ON THE NILE

Basin Area	3,173 X 10 ³ Km ²
Location	-4°S to 31°N and 24°E to 40°E
Main Tributaries	Victoria Nile/Albert Nile, Bahr El Jabel, White Nile, Baro Pibor-Sobat, Blue Nile, Atbara, Bahr El Ghazal
Longest River and its Length	River Nile; 6,695 Km (one of the world's longest Rivers)
Estimated Navigable Length of River Nile	4,149 Km
Countries	 Burundi DR Congo Egypt Eritrea Ethiopia Kenya Rwanda South Sudan The Sudan Tanzania Uganda
Major Lakes within the Basin	Lake Victoria, Lake Tana, Lake Kyoga, Lake Albert
Population (Total in all the Nile Countries)*	437 Million
% Population within the Nile Basin*	54% (238 Million)
Temperature	Night Minimum -10°C and daily Maximum in June 47°C
Precipitation	Max Annual 2,098 mm/yr in Ethiopia Min Annual 0 mm/yr in Egypt
Mean Annual flow (Discharge) (Km ³ /yr) at Aswan	84 X 10 ⁹ m ³
Discharge/Unit area	28 X 10 ³ m ³ /Km ²
Main Consumptive Water use	Agriculture

Compiled by Milly Mbuliro, GIS/Remote Sensing Specialist (Nile - SEC, Entebbe)
 *Source: UN Population Division World Population Prospects 2010 Division

Country	Total Area(GIS)	Area in the Nile Basin	Area within basin as % Nile Basin Area	Area within Nile Basin as % of Country Area	*Country Population 2012	Population in the Nile Basin 2012	Percentage of country population living in the Nile Basin 2012
Burundi	28,062	13,860	0.44	49.39	8,749,387	5,147,477	58.8
DR Congo	2,401,941	21,796	0.69	0.91	69,575,394	2,643,865	3.8
Egypt	996,960	302,452	9.52	30.34	83,958,369	80,377,080	95.7
Eritrea	121,722	25,697	0.81	21.11	5,580,862	2,096,985	37.6
Ethiopia	1,144,035	365,318	11.50	31.93	86,538,534	34,862,524	40.3
Kenya	593,116	51,363	1.62	8.66	42,749,418	16,962,930	39.7
Rwanda	24,550	20,625	0.65	84.01	11,271,786	9,310,974	82.6
South Sudan	635,150	620,626	19.54	97.71	9,614,498	9,516,014	99.0
Sudan	1,864,049	1,396,230	43.95	74.90	36,107,585	31,538,569	87.3
Tanzania	933,566	118,507	3.73	12.69	47,656,367	10,244,308	21.5
Uganda	241,248	240,067	7.56	99.51	35,620,977	35,418,768	99.4

Compiled by Milly Mbuliro, GIS/Remote Sensing Specialist (Nile - SEC, Entebbe)
 *UN Population Division; World Population Prospects, 2010 Revision

NBI DEVELOPMENT PARTNERS



Canadian International
Development Agency

Agence canadienne de
développement international

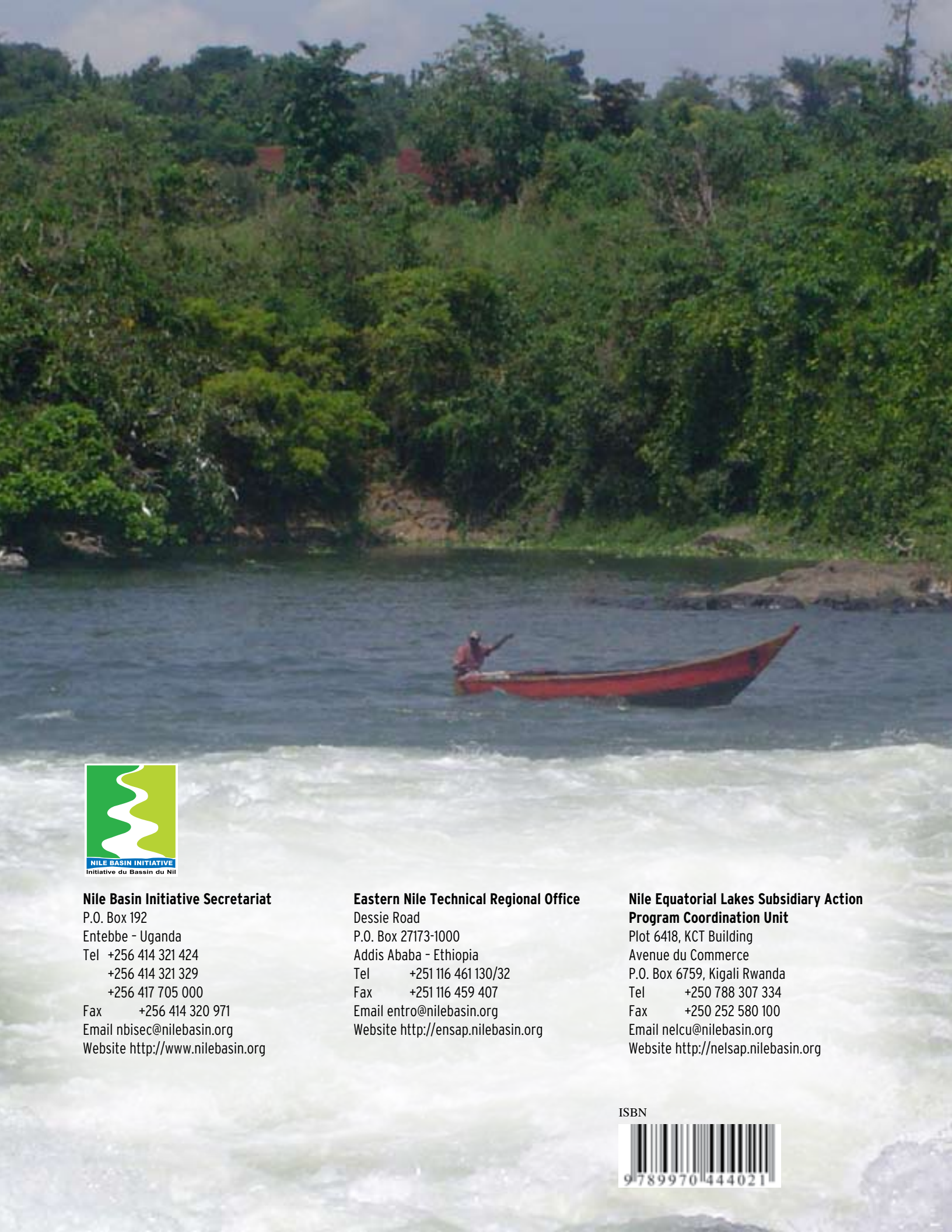


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International
Development



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