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Lake Victoria Initiative



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Abbreviations

AfDB	African Development Bank
AMREF	African Medical and Research Foundation
ATP	Applied Training Programme
AWEPA	Association of European Parliamentarians for Africa
BUP	Baltic University Programme
CC	Closer Cooperation
CDS	City Development Strategies
CSOs	Civil Society Organisations
DfID	Department for International Development
DRC	Democratic Republic of Congo
EABC	East African Business Council
EAC	East African Community
EADB	East African Development Bank
EALA	East African Legislative Assembly
ECOVIC	The East African Communities' Organisation for Management of Lake Victoria Resources
EPC	Environmental Pedagogic Centres
GEA	Gateway East Africa
GEF	Global Environmental Facility
GSM	Global System for Mobile Communication
GTZ	Gesellschaft für Technische Zusammenarbeit
HELCOM	Helsinki Commission
ICT	Information Communication Technology
ICRAF	International Centre for Research in Agroforestry
IDA	International Development Assistance
ILO	International Labour Organisation
ITP	International Training Programme
IUCEA	Inter-University Council of East Africa
IUCN	International Union for Conservation of Nature
IWRM	Integrated Water Resources Management
JAST	Joint Assistance Strategy for Tanzania
KCC	Kampala City Council
KJAS	Kenya's Joint Assistance Strategy
KNCP	Kenya National Cleaner Production Centre
LVBC	Lake Victoria Basin Commission
LVDP	Lake Victoria Development Programme
LVCEEP	Lake Victoria Catchment Environmental Education Programme
LVEMP	Lake Victoria Environment Management Project
LVFO	Lake Victoria Fisheries Organisation
LVI	Lake Victoria Initiative
LURLAC	Lake Victoria Region Local Authorities Cooperation
MEREC	Mt. Elgon Regional Ecosystem Conservation Programme
MoU	Memorandum of Understanding
MW	Mega Watts
NBI	Nile Basin Initiative
NBTF	Nile Basin Trust Fund
NELSAP	Nile Equatorial Lakes Subsidiary Action Programme
NELSAP-CU	Nile Equatorial Lakes Subsidiary Action Programme Coordination Unit
NEPAD	New Partnership for Africa's Development
NGO	Non Governmental Organisation
NILE COM	Nile Basin Council of Ministers

NIR	Näringslivets Internationella Råd (International Council of Swedish Industry)
NPO	National Programme Officer
PA	Partnership Agreement
PCN	Project Concept Note
PF	Partnership Fund
PHRD	Policy and Human Resource Development
PLWA	People Living With Aids
RCC	Rescue Resource Centre
ROEA	Regional Office for Eastern Africa
SADC	Southern Africa Development Cooperation
SAP	Strategic Action Programme
SCC	Swedish Cooperative Centre
SIWI	Stockholm International Water Institute
SFV	Sjöfartsverket
SSA	Sub-Saharan Africa
STI	Sexually Transmitted Infections
SVP	Shared Vision Programme
TDA	Transboundary Diagnostic Analysis
UBC	Union of Baltic Cities
UCSD	Uganda Coalition for Sustainable Development
UJAS	Uganda Joint Assistance Strategy
UN	United Nations
VCT	Voluntary Counselling and Testing
ViAFP	VI Agroforestry Programme
WB	World Bank
WSF	World Social Forum
WWF	World Wide Fund for Nature

1. Executive Summary

This is the third Annual Report for Lake Victoria Initiative under the current strategy. The report examines key developments in the region and highlights some of the results emanating from LVI support.

Poverty and HIV/AIDS are still major problems in the Lake Victoria region despite efforts to improve the livelihood conditions of the populace by both the respective governments and development actors. The relation between water resources, economic development and regional conflict became utterly clear in 2006, with dropping water levels, over-utilisation of water for hydro-electric power generation by Uganda and the ensuing energy crisis in both Tanzania and Uganda. The return of the water hyacinth has reiterated the links between regional natural resources, the environmental, economic development and poverty.

Period under review has witnessed tremendous focus on Lake Victoria by both the Heads of State Summit and the Council of Ministers meeting prior to the summit. During the 8th Summit of EAC Heads of State held on 30th November 2006 in Arusha, the Heads of States noted the successful negotiations at the Ministerial levels and recommendation of the Council for the admission of Rwanda and Burundi into the East African Community. It was further decided to admit the Republic of Rwanda and Burundi as full Members of the East African Community effective from 1st July 2007 after Rwanda and Burundi have concluded an Accession Treaty which has a six months' time frame.

A Memorandum of Understanding (MoU) signed between the EAC and NBI will now facilitate co-operation in regard to the efficient management and sustainable development of the Lake Victoria Basin and its natural resources. It will also play a big role in poverty reduction and environment protection with regard to the Lake Victoria Basin, as part of the larger River Nile Basin. The issue of a closer cooperation between these two main stakeholders in the region has been on LVI dialogue agenda for several years now, and finally it brings some fruit.

The donor cooperation and harmonization is very positive. The cooperation with WB and LVEMP has improved considerably since LVI gave a contribution to the bridging phase for LVEMP. Coordination meetings on support to regional HIV/AIDS initiatives are ongoing with EAC, UNAIDS, Sida's Lusaka-team and other donors.

The Strategy for Swedish Support for Poverty Reduction and Sustainable Development in the Lake Victoria Region for the period September, 2004–December 2006 was adopted by the Government on 2004-08-26. The

period for the strategy was extended to December 2007. This strategy has remained relevant to the issues affecting Lake Victoria and to the strategies of the partner organisations supported by LVI.

The increased alignment and harmonisation among donors in the region is positive but – in the longer term – calls for new approaches also for the regional initiatives. LVI has endeavoured to tackle this through developing long-term strategic scenarios for how regional issues should connect to national. This has been done within an internal forward-looking assessment, the so called Road Map-project. It is felt that a key issue is to support regional institutions for management of regional public goods, in particular within the EAC body. The LVBC is therefore seen as a critical institution for the Lake Victoria region and a key partner for Sweden.

The indicative allocation for LVI during 2006 was 140 million SEK. LVI disbursements have increased tremendously during the review period. LVI disbursed SEK 88 million in 2005. During 2006 a disbursement of 123 million SEK was realised representing a 40% growth.

The main results for 2006 include increased Regional Cooperation and Coordination of Civil Society Organizations and institutions working together towards sustainable development in the Lake Victoria Basin.

After the appointment of the Executive Secretary and two Deputies the LVBC can now start the important process of operationalising the Lake Victoria Strategic Plan which is part of EAC Strategic Plan for 2005–2008 adopted during the 8th Summit of Heads of States in Arusha.

The NELSAP program is now steadily moving from the planning to implementation. The first capacity building grant for the NELSAP-CU was completed in June 2006 and a new one targeting institutional strengthening came into effect in July through signing of a new agreement.

The three River Basins Transboundary Integrated Water Resources Management Projects that is Kagera, Mara and Sio-Malaba-Malakisi, whose overall goals are complementing other Nile Basin Initiative Shared Vision projects to develop a sustainable cooperative mechanism for the joint management and development of the river basin resources for the benefit of the population in the basin, continued as well making great strides.

In December 2006, LVI signed an agreement with the LVRLAC for support to a project known as “Facilitating Sustainable Development in the Lake Victoria Region through Local Authority Action”. The 3-year (2006–9) project is aimed at building the institutional and human resource capacity of LVRLAC and its membership to fully harness its potential as a regional network platform of Lake Victoria Local Authorities and to leverage opportunities and resources for enhanced possibility of member Local Authorities actively contributing to poverty alleviation and environmental management in the Lake Victoria Region.

Towards the end of the year, a new agreement for the Phase 3 of CDS was signed. The overall objective of the CDS phase 3 is to “develop a regional approach to improved urban environment and reduced poverty in the Lake Victoria region”.

Support to Swedish NGOs has continued this year. In both Ihushi and Safina, it was agreed that LVI would discontinue support.

Support to ECOVIC partnership through Forum Syd had its agreement period end in June 2006. An external evaluation was commissioned by Sida in July 2006.

The internal Sida project the “Road Map” focussing on developing a strategic Road Map for Lake Victoria Initiative’s support to integrated natural resource management and rural and urban water and sanitation interventions in the Lake Victoria Region has been carried out as planned.

Sweden (through LVI) signed (June 2006) a co-financing agreement with Norway regarding support to the Implementation Phase of the Mt. Elgon Regional Ecosystem Conservation and Development Programme (MERECP). Sweden provides 1/3rd of the funding for the project and Norway 2/3rd and acts as lead donor.

LVI provided support to the bridging phase of LVEMP 1 in order to provide time for the preparatory work of LVEMP II to be completed. Preparatory work for LVEMP 2 is on going and the first World Bank/IDA preparation mission was held from September 18–October 6, 2006. Further, towards the end of the year, LVI provided support to enable the Governments of Rwanda and Burundi to undertake preparatory work necessary for their participation in LVEMP 2. This support was realised through signing of an amendment to the agreement between Sweden, Norway and Nile Basin Initiative on support to the Kagera Transboundary River Basin Management.

In 2006, mainstreaming of HIV/Aids issues in all interventions supported by LVI continued. Of special interest is the inclusion of mechanisms and models for consequence analysis and mitigation in the urban planning and local authority development programmes supported by LVI. Continued dialogue with EAC has eventually resulted in greater proactive consideration of HIV/AIDS and more so on mobile population and vulnerability of the Lake Victoria Region.

The EAC/AMREF preparatory phase was completed with a situational report on the status of HIV/AIDS on mobile population in the Lake Victoria region. The new proposal has been moved from LVI to Lusaka team for full support. This was arrived at after LVI reviewed its abilities and advantages of the Lusaka team handling the entire programme including EAC general HIV/AIDS issues due to our limited regional mandate.

An evaluation of Sida support to the partnership between NIR and EABC was finalized in early 2006. The evaluation noted that the programme had only completed its second year of operations and it is too early to consider impact.

The general decision that re-delegation of responsibility for contributions from fully –delegated embassies to sector departments shall not take place was adhered to. LVI’s capacity has been enhanced through the recruitment of a posted Programme Officer with a background in the area of Natural resources/water management.

2. Political, Economic and Poverty Development

The period under review recorded a number of developments in the East Africa region as a whole. Some of these developments had direct bearing on Lake Victoria basin as the declining water levels in the lake coupled with the energy crisis in Uganda took centre stage. Elections in Uganda, curtailment of press freedom in Kenya and the growing corruption problem in the region are important developments. The institutionalisation of the Lake Victoria Basin Commission is remarkable as it has the mandate to play a leading role in bringing lasting change to the lake region.

The relation between water resources, economic development and regional conflict became utterly clear in 2006, with dropping water levels, over-utilisation of water for hydro-electric power generation by Uganda and the ensuing energy crisis in both Tanzania and Uganda. Also the return of the water hyacinth has reiterated the links between regional natural resources, environmental, economic development and poverty at national level.

Poverty and HIV/AIDS however still remain a major problem in this region despite efforts to improve the livelihood conditions of the populace by both the respective Governments and development actors. In this section, a highlight of key issues of relevance to Lake Victoria is presented.

2.1 Summit of East African Community and Council of Ministers meetings

Period under review has witnessed tremendous focus on Lake Victoria by both the Heads of State Summit and the Council of Ministers meeting prior to the summit. Some of the key issues discussed are summarised here below.

The seventh summit of the East African Community was held in Arusha, Tanzania on 5 April 2006. According to a communiqué released, “the Heads of State reviewed the current economic and social situation in the region, in particular the drought that is affecting large parts of the region, the problem of the falling water levels of the Lake Victoria and the related power shortages. The short and long term measures being taken by the partner states in addressing these problems were noted and directed that these measures be intensified with actions at both national and regional levels. The Heads of State directed that a

special session of the council of ministers be held in May on the drought situation, Lake Victoria and related issues.”¹

2.1.1 Declining Water Levels of Lake Victoria²

At the beginning of 2006 Uganda plunged into a power crisis of serious proportions due to extraordinarily low water levels in Lake Victoria. Since late 2003, Lake Victoria’s water level has dropped over 1.1 m from its 10-year average. The decline from 2002–05 has been very severe³. Conclusions by major studies and also by the government of Uganda concluded that the recent severe drops in Lake Victoria (2004–2005) are approximately 45% due to drought and 55% due to over-releases from the Owen Falls Dams (Nalubaale and Kiira). The good cooperation around Lake Victoria was a good base for the quick Ugandan decision to close some of the outlets despite the fact that this caused a major energy crisis. Until the recent addition of emergency fossil-fuel plants, Uganda has been almost entirely dependent upon hydropower for its electricity needs.

The EAC Council of Ministers have recommended a number of measures to stem this decline key of which include urging the Republic of Uganda to continue the efforts being implemented to reduce water releases at Jinja and move towards the Agreed Curve release policy; and Partner States to initiate a process to formulate and implement a new policy to regulate water release from the Lake, based on a modification of the Agreed Curve within one year.

2.1.2 Change of Guard at EAC

The Heads of State appointed Ambassador Juma Volter Mwapachu⁴ of Tanzania as Secretary General, Ambassador Julius Baker Onen Deputy Secretary General of the East African Community and Hon Beatrice Birungi Kiraso Deputy Secretary General in charge of fast tracking political federation.

2.1.3 Lake Victoria Basin Commission Appointments

The Council of Ministers appointed Dr Tom Okia Okurut to the position of Executive Secretary, Dr Kapyas Kipkore and Dr Meraji Msuya as Deputies Executive Secretary of the Lake Victoria Basin Commission.

2.2 Rwanda and Burundi

During the 8th Summit of EAC Heads of State held on 30th November 2006 in Arusha, the Heads of States noted the successful negotiations at the Ministerial levels and recommendation of the Council for the admission of Rwanda and Burundi into the East African Community. It was further decided to admit the Republic of Rwanda and Burundi as full Members of the East African Community effective from 1st July 2007 after Rwanda and Burundi have concluded an Accession Treaty which has a six months’ time frame. The inclusion will further facilitate the already good cooperation around Lake Victoria through the MoU signed in 2004.

¹ Seventh Summit of Heads of State of the East African Community Joint Communiqué, 5th April 2006 AICC Arusha-Tanzania

² The East Africa Legislative Assembly (EALA) organised a workshop in Kisumu on 29th June–1st July 2006 on “Water levels in Lake Victoria”. The workshop brought together about 100 participants from Kenya, Tanzania and Uganda with majority of the participants being members of EALA. Also represented was the World Bank, Osienala, Ecovic, Sida, Lake Victoria Basin Commission, Mwanza Marine Services Company among others.

³ It is unknown if Lake Victoria will recharge to the high levels and outflow experienced during 1961–2000, and if such a recharge could occur, whether it would be in the next years or only in 100 years.

⁴ Ambassador Mwapachu replaces Hon Amanywa Mushega whose five year term of service with the community has ended.

2.3 Memorandum of Understanding between Nile Basin Initiative (NBI) and EAC

The two institutions signed a Memorandum of Understanding (MoU) that will now facilitate co-operation between the EAC and NBI in regard to the efficient management and sustainable development of the Lake Victoria Basin and its natural resources. It will also play a big role in poverty reduction and environment protection with regard to the Lake Victoria Basin, as part of the larger River Nile Basin.

According to the MoU, this co-operation will be based on several initiatives to be conducted jointly, including the establishment of effective linkages and co-ordination between EAC and relevant bodies charged with the management of Lake Victoria Basin, on one hand, and the NBI institutions principally the NBI Secretariat, the Nile Basin Initiative Technical Advisory Committee and the Nile Basin Council of Ministers and the forth coming Nile Basin Commission, on the other.

The issue of a closer cooperation has been on LVI dialogue agenda for several years now – more so between these two main stakeholders in the region – and finally it brings some fruit. It is hoped that this will facilitate implementation of several of the LVI supported projects in particular the river basin management projects and the East African power projects. It also gives LVI a clearer way forward with the Road-map project.

2.4 HIV/AIDS Situation

HIV/AIDS remains a serious challenge within East Africa and more so for the Lake Victoria Basin communities. Despite HIV/AIDS being first confirmed in the region over 25 years ago, there has been no coordinated efforts/response. The challenge is, therefore, considerable and prevalence rates within the basin communities (especially the fishing communities) are estimated at between 10% to 40% with diverse and long term impacts resulting from this high rate, both for the people affected and sustainable management of resources. Despite reduction in incidences in respective countries, country reports still indicate higher rates in the Lake Victoria region as compared to the rest of the country.

The development and approval in December 2006 of EAC HIV/AIDS operational strategy and plan developed and approved; LVFO Strategic action plan for HIV/AIDS in fisheries communities of Lake Victoria; and increased harmonisation and coordination of EAC HIV/AIDS support headed by UNAIDS are some of the new regional developments worth mentioning. LVI has been active in the deliberations with a view to ensuring effective coordination.

2.5 Changes in Development Cooperation and Partnerships; Donor Coordination and Harmonisation

General cooperation between donors is fairly well developed for regional programmes in the Lake Victoria basin. Clear Swedish leadership in the Lake region has been strengthened since LVI's move to the region. Budget and programme support of bilateral model does not exist. Sida/LVI continued to pursue support through partnership/trust funds and various forms of "basket-funding" within the framework of EAC and Nile Basin Initiative and in cooperation with other partners. However, the majority of the interventions directed at the basin are national/bilateral in nature and fall outside of the regional aid coordination frameworks. It is therefore of vital importance to support EAC/LVBC in its role as coordinator of all the programmes in the region.

The increased cooperation between various regional programmes and actors such as LVRLAC-NBI, WB/NBI-NELSAP and EAC/WB LVEMP2 has been one of the key achievements from the LVI dialogue side. The cooperation with WB on LVEMP has improved considerably since LVI gave a contribution to the bridging phase for LVEMP. Coordination meetings on support to regional HIV/AIDS initiatives are ongoing with EAC, UNAIDS, Sida's Lusaka-team and other donors.

In addition to the already established silent partnership with Norway concerning NELSAP- Trans boundary River Basins where Sweden is the lead donor, a decision on support to Mount Elgon Regional Conservation project led to a reversed silent partnership starting in 2006.

The Lake Victoria Strategy continued to function as a complement to the Swedish Country strategies for bilateral cooperation in the region amid challenges resulting from the new "aid architecture". It has remained difficult to predict how these developments will affect interventions targeted to the Lake region as efforts in these countries are directed towards the development of Joint Assistance Strategies.

In Uganda, a total of eight development partners are signatory to the Uganda Joint Assistance Strategy (UJAS) 2005 – 2009. Discussions on the commencement of a Joint Budget Support Operation are ongoing amongst budget support donors. Of special importance for LVI is Sweden's possible withdrawal from the water and sanitation sector. The Government of Tanzania signed an MoU with the respective Development Partners on the Joint Assistance Strategy for Tanzania (JAST) in December 2006. In Kenya, the process of developing Kenya's Joint Assistance Strategy (KJAS) has been on going during 2006.

3. Swedish Development Cooperation – Overall Assessment of the Country Programme

3.1 Relevance of the Strategy in Light of Country Development

The Strategy for Swedish Support for Poverty Reduction and Sustainable Development in the Lake Victoria Region for the period September, 2004–December 2006 was adopted by the Government on 2004-08-26. The period for the strategy was extended to December 2007. Although the strategy did not have clear objectives, it has remained relevant to the issues affecting Lake Victoria and the strategies of the partner organisations supported by LVI.

Efforts were put in place in 2006 towards taking stock of what has been achieved in the current strategy and laying the ground for the development of a new strategy for Lake Victoria. The stream-lining of LVI contribution portfolio which started during 2005 continued during 2006. This provided an important opportunity to sharpen the focus of the current strategy and demarcate possible areas of future intervention through focus on regional necessities and the lake and its water shed.

A closer analysis of the present strategy was undertaken with reference to the general findings in the Sida-internal project “A Road Map to explore avenues to support water and natural resources management and rural and urban sanitation interventions within the regional framework of the Lake Victoria Initiative”. The outcome of the first phase of the project shows that a proposed long term (10 years) frame work has clear relevance not only for water/natural resources sector but for interventions in all prioritized activity areas. Key outcome was the need to facilitate national governments to honour their regional commitments through establishment of financing mechanisms and support to regional institutions for management of regional public goods within the EAC body. The findings from the Road Map project would be important input into the new strategy.

The undertaking of an outcome assessment in 2006 is clearly spelt out in both the Strategy for Swedish Support to the Lake Victoria (2004–2006) and the Regional Plan for Development Cooperation with LVI. The assessment of the strategy was deemed necessary before the end of the current strategy in 2007 in accordance with the 20-year Swedish time frame and the 15-year East Africa vision perspective, to help inform decisions for a next strategy. However, this was not fully realised owing to the Government decision towards the end of the year to put on hold the development of new strategies until later in 2007.

However, LVI has played an active role in development of the Regional strategy for Sub-Saharan Africa. This effort yielded into Lake Victoria region being excluded in the overall strategy paving way for a new LVI strategy which is delayed because of Government decision. A sample of LVI contributions were analysed in the result analysis for SSA-strategy.

3.2 Key Issues for Dialogue with Partner Country and Partners

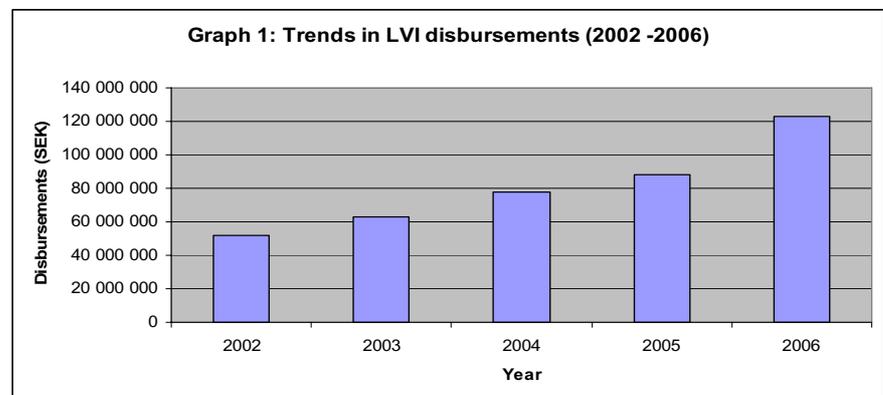
LVI has continued to pursue dialogue issues as clearly stated in the 2005 dialogue plan. Dialogue on coordination and cooperation among regional actors has resulted into LVI support to preparatory work for LVEMP2 for Rwanda and Burundi being handled by NELSAP⁵, cooperation between LVRLAC and NBI and coordination around solid waste management between UN Habitat, ILO and LVRLAC.

Other dialogue issues pursued include mainstreaming of gender and HIV/Aids, anti-corruption and regional relevance and ownership. One issue that has emerged as a critical dialogue issue, partly as a result of the Road Map project, is how national and regional interventions should interrelate, both in planning and budgeting as well as in implementation.

At bilateral level, LVI engaged in discussion with HIV/AIDS SSA Regional office in Lusaka to consider bringing on board EAC as one of the critical institutions in the regional fight against HIV/AIDS. As a result, Lusaka team has now prioritised its support to and partnership with EAC and to link up its experience with SADC. Further, deepened dialogue with bilateral Sida-programmes in region has been manifested through regional Closer Cooperation (CC) planning meeting and during annual work plan period in September 2006.

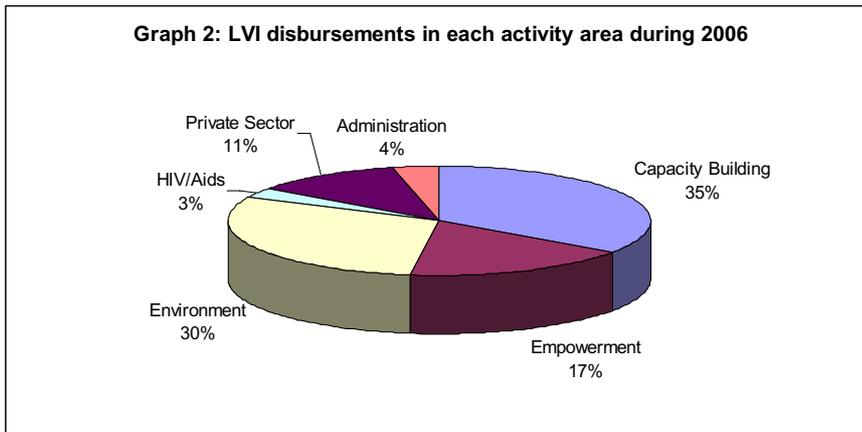
3.3 Comments on Volumes and Disbursements

The indicative allocation for LVI during 2004 was SEK112 million. This increased to SEK 120 million in 2005 and further to SEK 140 million in 2006. The revised allocations for the period 2005 and 2006 were SEK 117 million and SEK 120 million respectively. As evidenced from Graph 1 below, LVI disbursements have been on an upward trend since 2002. There were some marginal changes in disbursements between 2004 and 2005 where SEK 77 million and SEK 88 million were disbursed respectively. A remarkable improvement in disbursements was realised in 2006 with a record SEK 123 million being realized representing a 40% increase.



⁵ This is quite unique and details are contained in the later part of this report

Further analysis of the disbursements in 2006 based on the LVI activity areas stated in the strategy is shown in Graph 2 below. It is evident from the graph that the biggest proportion of the allocation went towards Capacity building 35%, followed by Environment 30% and Empowerment of communities and individuals 17%.



3.4 Strategic Adjustments, Alternatives, Possible Risks and Choices ahead

Much of the activities within LVI are cross-sectoral in scope and thus difficult to classify (aiming at poverty reduction in combination with sustainable management of natural resources or urban development). Experiences indicate that this cross-sectoral strategic approach and support has been instrumental for development of regional policies, strengthened regional institutions, and led to progress in the regional cooperation in the EAC countries.

One of the effects of the Road Map project was the need to ensure that projects and programmes supported through LVI are not multi-country in nature but of regional relevance or added value. Hence, LVI had to phase out of small support to Swedish NGOs-Ihushi and Safina - as they did not meet this criteria. Initial thoughts of establishing a general CSO Fund was also found not feasible. In this respect, Programme Officers under their respective area of responsibilities undertook the initiative to identify organizations under which each area of CSO capacity building will be done.

LVI has continued to face difficulties with request from Swedish NGOs receiving funding from SEK/EO due to the differences in reporting. Efforts at ensuring internal harmonisation within Sida (LVI and SEKA/EO) as evidenced in the joint agreement on support to SCC are commendable. It has been clear that LVI should continue to provide support to CSOs especially those playing a watchdog role as evidenced by the recent signing of an agreement with Uganda Coalition for Sustainable Development. Further, discussions with the HIV/Aids Secretariat in Lusaka on the need to have them handle the HIV/Aids support due to their technical competence were very positive.

4. Swedish Development Cooperation – Review of the Country Plan

The Swedish strategy for support to Lake Victoria identifies five activity areas for support in which regional measures are seen as necessary or which can be expected to generate added value. These five areas of activity are: Capacity building for sustainable development; Empowering communities and individuals; Sound environment and sustainable use of natural resources; Combating HIV/AIDS and Private sector development for economic growth. Further, the strategy emphasized that special priority will be given to multidimensional programmes and projects, i.e. those which promote the three dimensions of sustainable development.

A comparison of these areas with the general Sida sector indicates that LVI activities fall in about seven sectors. In this section, a comprehensive analysis of the programme per activity area with a clear result-oriented focus in relation to the strategy is presented. While presenting how the concrete priorities in the Country Plan and the objectives given in the strategy have been working, efforts are also made to share some outcomes of evaluations conducted during the review period.

4.1 Activity Area 1: Capacity Building for Sustainable Development

The Swedish Strategy for support to Lake Victoria emphasized that capacity building at individual as well as organisational level is a central concern. In this respect LVI support was to target organisations in the EAC structure and related bodies, support for regional cooperation, Civil Society Organisations (CSOs), Local government authorities and knowledge of the relationship between poverty reduction and sustainable development.

The LVI Country Plan for 2006 had noted the limited capacity for regional cooperation and implementation of Trans-boundary programmes thus the need to give special focus on capacity development of relevant regional institutions. The plan also identified the engagement of both Rwanda and Burundi in the planning and activities concerning the lake basin as a key issue. Further, support to the establishment of EAC's Lake Victoria Basin Commission (LVBC) was prioritised.

Other priorities included the start of the ITP course Transboundary Integrated Water Resources Management (IWRM) for Lake Victoria region financed by LVI implemented by INEC/ITP through Ramböll Natura /SIWI in October, planning grant for BUP/IUCEA holistic environmental education at tertiary level and evaluation of the Environmental Journalist training at Makerere.

The total disbursements within this activity area during 2006 was SEK 42,9 million representing 35% of the total LVI disbursements. Some of the specific activities supported during the period include support to the Lake Victoria Basin Commission, the Nile Basin Trust Fund, Lake Victoria Regional Local Authorities Cooperation (LVR-LAC) and Lake Victoria City/Municipal Development Strategies (CDS).

4.1.1 Lake Victoria Basin Commission

The strategy underscored the fact that EAC needs to enhance its institutional capacity in order to function as a top-level organisation with a broad agenda that includes general development issues, harmonisation of national legislation and the development of common institutions, and as a mediator between parties with conflicting interests. Our regular contribution to the Partnership Fund and participation in the Partnership Consultative Committees has been important in this direction.

A number of results can be reported on this partnership. The EAC now has in place a vision and strategic framework for poverty reduction and sustainable development in the Lake Victoria basin. Further, a protocol has been developed and ratified by all member states of EAC. This protocol will now be developed into the Lake Victoria Act by the East African Legislative Assembly. After the appointment of the Executive Secretary and two Deputies the LVBC can now start the important process of operationalising the Lake Victoria Strategic Plan which is part of EAC Strategic Plan for 2005 – 2008 adopted during the 8th Summit of Heads of States in Arusha.

The 2005 Mid-term review⁶ of the Partnership Agreement (PA) and Partnership Fund (PF) observed that the status of the work connected to the PA and the PF has developed satisfactorily. The PCC meetings have been an appropriate instrument in enhancing communication within the LVDP and the Fund has been used as seed money to initiate required interventions coordinated by the Secretariat. Within the auspices of the partnership, the Secretariat has developed its operations much faster than would have been the case without the Agreement and the Fund.

The review had recommended that LVBC (with its Secretariat) still needs support in order to become operational. In light of the above, a new agreement was signed with EAC that provided additional Swedish contribution to the Partnership Fund. This three year agreement amounting to SEK 13,5 million will be utilised as per the Partnership Agreement rules and regulations.

Further, efforts have been made towards linking LVBC to the Helsinki Commission for the Baltic Sea Cooperation (HELCOM) for the purpose of enhancing cooperation. Stockholm International Water Institute (SIWI) organised a strategic study tour for LVBC and National Focal Point ministries to HELCOM in connection with Stockholm Water Week. During the Water Week LVBC chaired a one day session on “Sustainable resource and risk management of lake basins”.

LVBC's capacity has indeed increased through Swedish support. LVBC is now able to support other similar institutions such as Okavango River Commission and Congo River Commission in their efforts to establish functional institutions.

⁶ Mid-Term Review of The EAC Partnership Fund for Lake Victoria (2001–2005) Final Report October 2005

4.1.2 Nile Basin Trust Fund

The strategy envisioned that Swedish support for the international Nile Basin Initiative (NBI) was also to be directed at the Lake Victoria region. The NBI has since developed two complementary programmes: (i) a basin-wide Shared Vision Program (SVP) to create an 'enabling environment' for cooperative action from all riparian countries, and (ii) the Nile Equatorial Lake Subsidiary Action Programme (NELSAP) for the White Nile Countries, i.e. the five Lake Victoria Basin countries plus Democratic Republic of Congo (DRC) and the downstream riparians, Sudan and Egypt. Sweden supports two subsidiary programmes within the SVP – the Applied Training Programme and the Regional Power Trade Programme – and four NELSAP programmes – three on transboundary water resources management in the Kagera River (Uganda–Tanzania), the Mara River (Kenya–Tanzania) and the Sio-Malaba-Malakisi river system (Uganda–Kenya), and a fourth involving NELSAP's coordination unit in Kigali.

LVI continued to participate in the Nile Basin Fund Committee meetings and as a regular donor to the Nile Basin Trust Fund (NBTF). During the period under review, the Nile Basin Fund Committee was held in Bujumbura, Burundi on 2–3 May 2006 concomitant with the Nile Basin Council of Minister (NILE COM) meeting. Sida together with WB was requested by the NBTF meeting to produce a document on financing of regional public goods. The draft paper was presented during the informal NBTF meeting in Ottawa Canada in October 17–19, 2006. In this regard LVI has continued to gain respect amongst its peers at the regional level.

LVI contribution to the NBTF was originally mainly for earmarked projects (The Applied Training, Regional Power Trade and Support to the NELSAP-CU) with a commitment level of SEK 45 million. The ATP aims at strengthening individual and institutional capacity needed by Nile Basin countries for managing water resources in integrated manner. The ATP is up and running and has taken off well. LVI's ITP-course is coordinated with the activities of ATP.

The Regional Power Trade aims to contribute to the vision by improving access to reliable and low cost power in the basin in a sustainable manner. Some of the achievements from the support to Regional Power Trade project during 2006 include the development of the Terms of Reference for consultancy to develop an Institutional, Regulatory and Cooperative Framework Model; Preliminary Basin-wide Study; Stakeholder Analysis have been approved and invitation for proposals sent to pre-qualified consultancy firms. However, the project has been a slow starter.

From experience, it is clear that continued Sida support to NBTF will not be earmarked as this causes complications in management of the whole Trust Fund. The last earmarked contribution was disbursed this year although continued Swedish interest to follow ATP and Power Trade project will be enhanced.

The NELSAP program is now steadily moving from the planning to implementation. The first capacity building grant for the NELSAP-CU was completed in June 2006 and a new one targeting institutional strengthening came into effect in July through signing of a new agreement. This support continued to be channelled through the NBTF.

Over the first half of 2006, the NELSAP Coordination Unit continued building on milestones achieved during the previous year, and endeavoured towards stronger coordination of project management units already established.

Under the NELSAP-programme Sida supports three River Basins Transboundary Integrated Water Resources Management Projects that is Kagera, Mara and Sio-Malaba-Malakisi through a direct agreement with NBI, a delegated partnership with Norway and a contribution management by Sida/Natur/Water during 2006. The overall goals are to develop a sustainable cooperative mechanism for the joint management and development of the river basin resources for the benefit of the population in the basin. The Project Management Units have already been established and are up and running albeit at different levels.

4.1.3 Lake Victoria Region Local Authorities Cooperation

(LVRLAC) and Union of Baltic Cities (UBC) Cooperation Project

The LVI strategy observed that riparian local government authorities lack the capacity to effectively deliver necessary social services or to draw up action programmes relevant to their interests.

In an endeavour to address this, LVI has been providing support to the partnership between LVRLAC⁷ and UBC. The Inception Period was a continuation of the successful cooperation that LVRLAC and UBC have experienced for the past five years⁸. The technical nature of the cooperation has changed reflecting LVRLAC's increased ability to manage its day to day operations. The cooperation with UBC has now broadened to include the crucial issues regarding strategic work, project planning and evaluation, technical training, network development, and a stronger environmental element. Through this cooperation, LVRLAC has managed to – despite limited staffing during the Inception Phase – implement many of its goals, which serves as proof of improvements in its project management skills.

LVRLAC Strategy, Action Plan and Implementation was successfully implemented as the necessary documents upon which their activities are based (Strategic Plan and Action Plan) have been developed, popularly adopted by the relevant organs and disseminated. The Action Plan for the years 2006–2008, which was developed in project planning, implementation and monitoring capacity workshops for LVRLAC organs, was adopted at the Annual General Assembly in July 2006.

The Environmental Pedagogic Centres (EPCs), which have been implemented in partnership between LVRLAC and UBC, serve as excellent examples of pilot project used for the purposes of networking, knowledge dissemination, and replication. LVRLAC-UBC co-operation has ensured the completion of practically all of the planned Kisumu EPC activities.

In December 2006, LVI signed a direct agreement with the LVRLAC⁹ for support to a project known as “Facilitating Sustainable Development in the Lake Victoria Region through Local Authority Action”. This followed a successful system audit and capacity support from KPMG. The 3-year (2006–9) project is aimed at building the institutional and human resource capacity of LVRLAC and its membership to fully harness its potential as a regional network platform of Lake Victoria Local Authorities and to leverage opportunities and resources for enhanced possibility of member Local Authorities to actively contribute to poverty alleviation and environmental management in the Lake Victoria Region.

⁷ There are about 60+ local authorities as members

⁸ Details of LVRLAC's achievements and challenges are contained in the "Inception period completion report UBC Commission on Environment Secretariat February 2007

⁹ Support to LVRLAC through UBC has come to the end as efforts are put in place to enable the organisation to stand on its own

4.1.4 Lake Victoria City/Municipal Development Strategies (CDS) for Improved Urban Environment and Poverty Reduction, Phase 2 and Phase 3

Most Phase 2 activities were timely implemented before the expected end date of June 2006, with the exception of the work of the resource mobilisation consultant to produce and introduce a “Financial Toolkit” for CDS cities. A smaller Rapid Review of Consolidation and Ownership of City Development Strategies in the Lake Victoria Region was carried out, and informed the assessment of the new proposal. “Bridging Phase” funding was requested by UN Habitat and approved in June, to be used for certain priority activities over the summer.

According to a Mid-term review¹⁰ conducted in 2006, it was revealed that in Phase 1 cities CDS is widely known and the document is recognised as a guide for development interventions in the city. A notable result of the CDS is the fact that before, CDS member cities were either using the conventional development planning practices (Entebbe) or had adopted a planning process through decentralisation programmes of local authority or through the Local Government Reform programmes. These programmes advocate for a participatory and strategic planning process (Kampala, Bukoba). The CDS process and product though in different stages in Phase 1 and Phase 2 cities is seen to have enhanced and strengthened the planning process of cities.

Municipalities have identified strategies to respond to HIV/AIDS at the local level in all the six CDS cities (Kampala, Entebbe, Kisumu, Homa Bay, Mwanza and Bukoba). This has provided the opportunity for the Local Authorities to understand the terrain, draw in stakeholders, analyse incidence of HIV/AIDS, impact, available resources, and decide on priorities and activities. Local level coordinating mechanisms have been set up.

Towards the end of the year, a new agreement for the Phase 3¹¹ of CDS was signed. The overall objective of the CDS phase 3 is to “develop a regional approach to improved urban environment and reduced poverty in the Lake Victoria region”.

4.1.5 Regional Environmental Journalism & Communication Programme for the Lake Victoria Basin in Eastern Africa

The media, radio in particular, can play a prominent role in disseminating information and encouraging public debate. Support to regional environmental journalism through training, networking, and community outreach continued. The program is co-ordinated by Makerere University.

Since its inception the programme has registered 93 post graduate students from five different countries in the region. 51 have graduated as of 30th March 2006. The outreach programme is now concentrated to Tanzania and Burundi. Over the years 809 individuals have been trained in the community outreach programme. Both in the post-graduate and certificate courses the issue of HIV/AIDS is integrated in curricula and modules. It is understood that the focus on environment includes relevant areas of development such as poverty, conflict management and HIV/AIDS. The Makerere University is presently making a follow up study in order to know if the former students get jobs as environmental journalists in media houses.

¹⁰ Holger Jonasson and Agnes Mwaiselage "City Development Strategies in Lake Victoria region reviewed" Final report 27th September 2006

¹¹ This phase is carried out in cooperation with LVRLAC

An evaluation¹² of this programme was conducted during the review period. Based on comparable quantitative data from the five tracer studies and qualitative findings during the field work period, the findings and evaluative conclusions of the programme were among others that the programme has been effective in its aim to strengthen national education and training capacity and to implement relevant capacitation programmes. The community outreach – partly stopped as a result of the mid-term review – were assessed and recommended immediate revitalisation in its present form as well as in new ways like the training of community communicators and regional environmental officers.

4.1.6 Regional Training Programme

In cooperation with EAC's Lake Victoria Basin Commission, a regional course on Trans-boundary Water Resources Management for the Lake Victoria Basin has been developed by Ramböll Natura in coordination with SIWI and African Centre for Technology Studies. The training course is set within the existing regional framework and builds on existing partnerships and resources and is to be undertaken in close cooperation with regional and national institutions. The long term objectives of the course are to contribute to the establishment and strengthening of institutions for Trans-boundary Water Management and to contribute to the development of mechanisms for dialogue, networking and conflict resolution in areas with shared water resources. The first training was held in November 2006.

4.2 Activity Area 2: Empowerment of Communities and Individuals

The LVI strategy puts emphasis on the role of Civil Society Organisations in poverty reduction and sustainable development of the Lake Victoria basin. Specifically, the strategy notes “measures supported by Sweden should be based on existing opportunities for local inhabitants to influence the decision-making process themselves – and thereby improve their material circumstances and the general quality of their lives.”¹³ During the period under review a total of SEK 21,4 million were disbursed within this activity area. This represented 17% of the total LVI disbursements. Most of the support is through the Swedish CSOs in partnership with local/EA CSOs.

LVI commissioned a background study on empowerment that started at the end of October 2006. The overall purpose of this study was to analyze empowerment of communities and individuals as a key area of the strategy, how it relates to the other key areas and recommend how this can be best operationalised with added value in the regional perspective, i.e. refocusing the civil society support programme. The final report will be submitted in January 2007. The results of the study will feed into the forthcoming strategy process.

In the Country Plan, LVI had proposed to increase support to East African Civil Society Organizations. The planned Lake Victoria “CSO Fund” was expected to become operational during 2006. However, it has been agreed that the idea of the general fund/re-granting be abandoned and support to CSOs be on thematic basis. Each Programme Officer was mandated to examine their sectors and identify organizations and

¹² Birgitte Jallof; Evaluation of Swedish Support to a Regional Environmental Journalism & Communication Programme For the Lake Victoria basin in Eastern Africa for the Period 2002–2006

¹³ Strategy for Swedish support for poverty reduction and sustainable development in the Lake Victoria basin 2004–2006
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networks that could be supported in line with LVI strategy. The major focus for CSO networks support was to be capacity building and advocacy, not service delivery.

Overall, support to CSOs within this activity area has been diverse although much of the support has been to Swedish NGOs working in collaboration with Local NGOs. Support to small NGO – Friendship with Ihushi working in partnership with PANUA (*Panda mbegu ya maendeleo, inua hali ya waathirika*, which means, “Sow the seed of development, and raise the standard of living of the vulnerable”) – was also realized. The challenge at this level has been providing support to NGOs whose activities are of regional nature. Some of the organisations supported during the review period include; UN Association Sweden in collaboration with UN Associations in Kenya, Uganda and Tanzania, Diakonia in partnership with local NGOs in East Africa; Swedish Red Cross in collaboration with Red Cross Societies in East Africa; and the partnership between Forum Syd and ECOVIC.

4.2.1 Support to Swedish NGOs

Support to Swedish NGOs has continued this year. Annual review meetings for support to Ihushi and Safina were held in Mwanza in April and May 2006 respectively. In both Ihushi and Safina, it was agreed that LVI would discontinue support. However, the reviews indicated progress in reaching the poor and changing the situation as the result of the programme interventions. A review meeting for UN Association was held in Kampala at the end of June 2006. Issues of harmonisation and standardisation of staff terms, management planned activities and reporting requirements were agreed upon among the chapters’ teams. However, there have been a few deviations in UN Association partnership with its East African UN Associations. UN Associations – Sweden cut its partnership with UN Associations Kenya due to reported malpractice and corruption. Audits were carried out and a decision taken by UN Association Sweden to stop supporting it.

The programme has engaged the CSOs to reach and develop capacities of communities. For example, through Ihushi; community vocational training of youths is being attained and the youths are increasingly becoming engaged in community development, gender aware, attaining minimum economic empowerment and have a sense of responsibility.

The evaluation of PANUA (implementing partner of Friends of Ihushi/Sweden) youth activities concluded that “it is, however, clear that in relation to the financial input the achievements of PANUA have been considerable. Some of the achievements since 2001, include a functional training centre for youths, formation of women and youth groups, promotion of income generating activities and support to the groups to establish revolving funds, support to the primary schools in crucial fields like water, nutritional matters, environment, and HIV/Aids prevention.”¹⁴

Further deliberate actions to promote and sustain what has been achieved is the challenge – and “needs endurance and patience.” It was also concluded that the tendency observed within PANUA regarding these qualitative issues was commendable and worth further strengthening in order to have an increasing impact¹⁵. Support to Ihushi will be

¹⁴ Sowing Seeds of Development: An Evaluation Study of Panua's Youth Activities in Bujasi Ward, Magu District Tanzania – January/March 2006 Pg. 38

¹⁵ Sowing Seeds of Development: An Evaluation Study of Panua's Youth Activities in Bujasi Ward, Magu District Tanzania – January/March 2006

concluded in June 2007 despite the very good results owing to LVI requirements on regional relevance. The organization will however still continue to receive support from SEKA/EO.

4.2.2 Forum Syd/ECOVIC Partnership

Sida support¹⁶ for the pilot partnership between ECOVIC and Forum Syd started in July 2003 and ended in December 2004 through a grant of SEK 1.8 Million. The aim of this pilot was to ‘empower and build capacity of ECOVIC to achieve its’ mission and overall objectives at the regional and chapter level’. Forum Syd had a capacity building, advisory, coordination as well as monitoring role to ECOVIC. The first period was however characterised by some reported incidences of financial mismanagement at both the Regional Office and Tanzania Chapter.

Support to this partnership had its agreement period end in June 2006. An external evaluation¹⁷ was commissioned by Sida in July 2006. This partnership has resulted in ECOVIC mobilising and uniting community organisations working in the Lake Victoria basin; increasing the profile of the degradation of the Lake Victoria and deteriorating living conditions of the communities in the basin; increasing the visibility and respectability of ECOVIC as an international network of community and other organisations in the Lake Victoria region; and linking some communities with institutions in Sweden, e.g. the exchange students from Färnebo FDC, who visited and lived in Tanzanian communities in the Shinyanga and Mwanza regions.

The evaluation found out that the level of achievement/success for the ECOVIC/Forum Syd partnership is better understood in the context of the difficult relations, history of both ECOVIC and ECOVIC/Forum Syd partnership, organisational structure and leadership. The evaluation generally concluded that the Sida support to a regional CSO such as ECOVIC was relevant, valid and within the framework of the Swedish support to Lake Victoria Basin as well as EAC and its vision framework and strategy. As quoted from the report; “there is considerable agreement that the idea and ideals of ECOVIC remain noble and relevant to the communities in the Lake Victoria basin.”¹⁸ Further, ECOVIC was still in dire need of future support but had to re-organise itself if it had to remain relevant as a recognisable regional entity in EAC and Lake Victoria Basin region.

4.2.3 Activity Area 3: Sound Environment and Sustainable Use of Natural Resources

A number of environmental threats must be dealt with if sustainable development is to be achieved in the Lake Victoria region. Towards this end, the LVI strategy identified support to LVEMP 2, support for local popular initiatives as a complement to LVEMP 2, implementation of the Johannesburg undertakings and of the principal conventions on the environment and capacity building as important areas for Swedish support.

Bridging support to vital LVEMP1 structures, support to the three Transboundary river basin projects, Mount Elgon Regional Ecosystem Conservation Programme and support to SCC/VI had been some of the

¹⁶ This was financed by LVI through the open mandate to SEKA/EO and further to the frame organisations

¹⁷ The partnership of the East African Communities Organisation for Management of Lake Victoria Resources (ECOVIC) and the Swedish NGO Centre for Development Cooperation (Forum Syd) end of phase evaluation

¹⁸ End of Phase Evaluation – Support to the “Partnership of ECOVIC and Forum Syd (2003–2006), September 2006

key areas highlighted in the country plan. It is observable that a total of SEK 36,8 million was disbursed within this activity area representing 30% of the total disbursements.

4.2.4 Road Map Project

The internal Sida project the “Road Map” focussing on developing a strategic Road Map for Lake Victoria Initiative’s support to integrated natural resource management and rural and urban water and sanitation interventions in the Lake Victoria Region has been carried out as planned. An assessment on Integrated Water Sanitation and Natural Resources Initiative in the Lake Victoria Region – based on activities at national and local levels has been undertaken, presented and analysed. Besides this, a second Road Map workshop was held in Dar es Salaam exploring how regional development support could relate to the bilateral support and link up to local development within the framework of the new aid architecture.

So far through several studies, discussions and workshops it has been possible to realize the need for an integrated sectoral approach, presentation of the national structures and an agreement on the long-term scenarios. It has also been possible to discuss the role of LVBC and that LVI’s interventions should be strategically consistent and create favourable conditions for the development of a strong LVBC as well as the developed long- term scenario. Further, it has been agreed that LVI’s support to or through national and local structures should have a clear regional impact, an indirect or direct capacity building component of the LVBC and not be in conflict with national reforms and/or bilateral programmes.

4.2.5 The Pilot Project for Promoting Ecological Sanitation in Kampala

The Pilot Project for Promoting Ecological Sanitation has been consistently behind schedule and most of the project objectives have not been met due to, *inter alia*, the bureaucratic environment within KCC. The agreement ended in June 2006, by which time Sida had disbursed SEK 12 351 306 out of the agreed SEK 15 800 000. Sida initiated an audit that was completed in May 2006. The findings indicate no serious deviations from the agreed objectives and KCC has shown willingness to correct all the issues raised. KCC presented to Sida a project completion plan, in which the project objectives will be realised within the approved budget. In order to document valuable lessons, the agreement was extended for one year and three months to allow for the realisation of the project objectives. The project is planned to end in June 2007, after which there will be an end of project evaluation.

It has been evident from this experience that LVI needs to tread with caution in regard to support to pilot projects and that models for dissemination of results and methods need to be developed before starting a project.

4.2.6 Natural Resource Management, Improved Market Oriented Farming System and Financial Services in the Lake Victoria Basin (The Lake Victoria Development Programme) through SCC/VI Agroforestry¹⁹

The support to SCC/VI Agroforestry on improved farming and marketing methods around the lake including Rwanda came to an end in December 2005. A new joint proposal which also includes a microfinance component was assessed during late 2005

Some of the results evident from this cooperation include the fact that the programme reaches out to approximately 200 000 households in the region and is seen as very efficient extension programme if compared to other NGO-programmes (and to the Millennium Village in Kenya) since it manages to transform the perception of the farmers to become “entrepreneurs”. We have not seen any direct impact on the environment around Lake Victoria, but as the programme now look more into environmental issues like soil conservation we assume that the impact is positive.

With approval²⁰ from the Director General in March 2006, LVI in cooperation with SEKA/EO signed one joint agreement to finance the implementation of the Lake Victoria Development Programme (LVDP) for a period of 3 years. The LVDP is implemented jointly by VI-Agroforestry (ViAFP) and Swedish Cooperative Centre (SCC) two Swedish NGOs. The two organisations had hitherto signed separate agreements with Sida (SEKA and LVI) for the components Agroforestry/agricultural extension and Livelihood Improvement through Farmer Empowerment (LIFE). SCC and VI Agroforestry submitted a joint proposal which was assessed jointly by LVI and SEKA/EO in a bid to promote internal alignment within Sida.

The overall objective of LVDP is *to* contribute to “improved livelihood and empowerment of small scale farmers in the Lake Victoria Basin through sustainable management of natural resources and business development. The areas of interest are agricultural production, Agroforestry, local business development, organization, marketing and financial services.

4.2.7 Mt. Elgon Regional Ecosystem Conservation and Development Programme (MERECP)

Sweden (through LVI) signed (June 2006) a co-financing agreement with Norway regarding support to the Implementation Phase of the Mt. Elgon Regional Ecosystem Conservation and Development Programme (MERECP). Sweden provides 1/3rd of the funding for the project and Norway 2/3rd and acts as lead donor. The project will be implemented over a period of 4 years starting 1st September 2005 to 30th August 2009. The programme budget amounts to SEK 37,8 million and the proposed Swedish contribution is MSEK 12.6. MERECP will support the EAC Secretariat and governments of Kenya and Uganda to strengthen management of protected areas components of the Mt. Elgon ecosystem and initiate sustainable development activities in the districts of Trans-Nzoia, Mt. Elgon, Kapchorwa, Sironko and Mbale. Implementing institutions have finalised their work plans with assistance from IUCN. Negotiations

¹⁹ SCC and ViAFP recently merged to form one regional programme known as SCC/ViAFP Regional Office for Eastern Africa (ROEA).

²⁰ This was the first effort at internal harmonisation between LVI and SEKA/EO where a joint assessment was conducted and the project document presented to the projects committee in Stockholm prior to approval by the Director General

with implementing technical agency (ICRAF) was concluded and a number of consultancies (mainly for studies) were procured and are in various stages of completion.

4.2.8 Lake Victoria Environmental Management Project Phase 2

The LVI strategy identified LVEMP as an important project that Sweden could possibly participate in. More succinctly, the strategy notes “Sweden will be closely monitoring this process, partly in its capacity as a dialogue partner, and partly to prepare for financial contributions to supplementary studies.”²¹

LVI has through dialogue pushed for the coordination of the LVEMP 2 to be done by the LVBC. This materialised and the secretariat of the Coordination Unit at the LVBC is fully financed by LVI. The secretariat has been playing an instrumental role in coordination of the Regional Transboundary Diagnostic Analysis (RTDA) and Strategic Action Programmes (SAP) both of which are mandatory requirements for GEF funding.

LVI provided support for the bridging phase of LVEMP 1 in order to provide time for the preparatory work of LVEMP 2 to be completed. The World Bank established a Multi-donor Trust Fund through which the funds for the bridging period were channelled.

The Project Concept Note (PCN) for the LVEMP 2, was approved by the Bank in March 2006, together with its draft results framework. The PCN addresses the basic issues affecting Lake Victoria summarized under four proposed project components – (i) Building information base for governance and growth, (ii) strengthening governance of transboundary resources, (iii) enhancing sustainable economic growth, and (iv) raising public awareness through education and communication.

Overall, the progress of preparation of the PHRD grants funded studies in Kenya, Tanzania, and Uganda in Kenya was found to be more advanced, followed by that of Tanzania, and Uganda. The mission²² noted that the quality of these studies differs from one another, and from country to country. The national TDA reports have also been developed although they are of varying quality, with Rwanda producing the strongest of the five national reports, followed by Kenya, Tanzania, Uganda, and Burundi.

During LVEMP-1, three major trans-boundary issues associated with Rwanda and Burundi²³ – two upstream countries – were detected namely: inflow of water hyacinth, siltation and deforestation. Despite this, it was not possible to carry out a detailed analysis of the problems since they were not involved in the project.

Following the decision of the GEF/World Bank and other regional stakeholders to include Burundi and Rwanda in the regional LVEMP 2 programme, to be implemented under the auspices of the East African Community (EAC), both Rwanda and Burundi have initiated the process of designing comprehensive medium term programme/projects to implement the interventions with respect to the priority issues identified.

Towards the end of the year LVI provided support to enable the Governments of Rwanda and Burundi to undertake preparatory work necessary for their participation in the LVEMP 2. This support was

²¹ Strategy for Swedish support for poverty reduction and sustainable development in the Lake Victoria basin 2004–2006 Pg 25

²² Lake Victoria Environmental Management Project Phase 2 (LVEMP 2) Project Preparation Mission – Burundi, Kenya, Rwanda, Tanzania, and Uganda September 18 – October 6, 2006 Aide Mémoire

²³ Rwanda and Burundi were not part of LVEMP 1

realised through the signing of an amendment to the agreement between Sweden, Norway and Nile Basin Initiative on support to the Kagera Transboundary River Basin Management. This was a unique situation that NELSAP cooperates with WB/LVEMP to facilitate this.

4.2.9 The Civil Society Sustainable Development

Watchdog for East Africa (Suswatch EA)

In December 2006, LVI entered into agreement with Uganda Coalition for Sustainable Development (UCSD) for support to the East African Civil Society Watchdog Project for Sustainable Development in the Lake Victoria basin (2006–2009). The project involves the 3 Sustainability Watch networks in East Africa (Uganda Coalition for Sustainable Development, Kenya Organization for Environment Education and Tanzania Coalition for Sustainable Development). The project will also involve facilitating CSOs working in the Lake Victoria basin to participate in the World Social Forum (WSF) through an event on Lake Victoria. The total Sida contribution is SEK 4,500,000 for 3 years. The project has the overall objective of building the capacity of CSOs in collective advocacy and lobbying activities aimed at supporting/enhancing sustainable development policies within the Lake Victoria basin at local, national and regional levels.

4.3 Activity Area 4: Combating HIV/AIDS

In 2006, mainstreaming of HIV/Aids issues in all interventions supported by LVI continued. Of special interest is the inclusion of mechanisms and models for consequence analysis and mitigation in the urban planning and local authority development programmes supported by LVI. Continued dialogue with EAC has eventually resulted in greater proactive consideration of HIV/AIDS and more so on mobile population and vulnerability of the Lake Victoria Region. The LVI disbursements within this activity area was SEK 3,5 million representing 3% of the total disbursements.

Guidelines for refocusing HIV/AIDS as a key area in the LVI strategy initiated in 2005 were completed with close support from Lusaka Team. This acts as direction on possible LVI areas of support on HIV/AIDS intervention. It is also a dialogue guide with our partners and bilateral programmes.

For next strategy period LVI agreed to phase out HIV/AIDS as an area of priority, since the HIV/AIDS Secretariat in Lusaka has a comparative advantage and greater capacity to stress these issues on a regional level. Nevertheless, LVI will continue to mainstream HIV/AIDS in all its contributions, since it is crucial for sustainable development of the Lake Victoria Region.

4.3.1 Workshop on Responding to HIV/AIDS in fisheries Sector in Africa

Sida supported a key Workshop on Responding to HIV/AIDS in fisheries Sector in Africa, the first of its kind. This workshop brought together key stakeholders in this sector across the continent and generated information relating to different experiences and situations that is being shared and used widely in Africa and beyond. The workshop also resulted in national lobby groups in various countries to advocate for prioritising the fishing communities and fisheries sector in response to HIV/AIDS given their mobility and challenging factors.

4.3.2 EAC/AMREF HIV/AIDS Programme

The EAC/AMREF preparatory phase was completed with a situational report on the status of HIV/AIDS on mobile population in the Lake Victoria region. A new proposal has been prepared as a result of the preparatory report and presented to Sida for further funding. This will be assessed in 2007. The new proposal has been moved from LVI to Lusaka team for full support.

The preparatory study concluded among others that there is increasing and high mobility within and between countries especially with wave of the formation of EAC that threatens the fight of HIV/AIDS in the region. It noted that there are several groups of mobile populations but key regional mobility included: fishing communities, long distance truck and passenger buses, international students in secondary and tertiary institutions, cross-border plantation workers, commercial sex workers, border communities and cross-border business communities; and that there are no deliberate inter-country comprehensive initiatives to fight AIDS and no common policies on how to deal with mobile population on HIV/AIDS. Through EAC formation, a committee of Health and STIs, had initiated a Technical Working Group that set first attempts to discuss HIV/AIDS including mobile population considerations.

4.3.3 Support to Safina AAA

Safina AAA has increased its outreach to the Lake Victoria region in Tanzania. There is increased community peer education, awareness raising, and focus on young people on sexuality and HIV/AIDS issues in over nine districts in Mwanza and Bukoba regions. Several meetings, both formal and informal have been held between Safina and partner Community Based Organizations. Sexual education was initiated in schools and communities. A network of like-minded community based-organisations was formed to respond to the epidemic thus improving coordination and information sharing.

During the 2006 annual review, a no-cost 6 months extension for the programme was agreed between Sida and Safina. Therefore the programme will be concluded in December 2007 instead of June 2007. The phase out is in line with the Road Map discussions on regional necessity and added value.

4.3.4 Support to Diakonia

Diakonia – Sweden works in partnership with faith-based (Christian and Moslem) organisations in the Lake Victoria Region with a focus on fishing communities. The programme which is a comprehensive livelihood programme has a key aspect of prevention and mitigation that is related to economic empowerment and social justice. Notable achievements include among others: effective community mobilisation, participation and involvement in development initiatives; trained and created community resource persons in various fields of support, i.e. peer educators, home based care team, para-legals, trained religious leaders, counsellors etc; and reduced HIV/AIDS stigma and increased health service demand in communities of operation. There is increasing openness on HIV/AIDS status, with PLWA forming forums of support, and increased demand for VCT services. It has created a deliberate link and coordination of its initiatives with existing government programmes and other development partners/NGO and is recognised as a first initiative to unify different faiths. This is in Busia (Sio port) – Kenya and Ukerewe – Tanzania where Moslems and Christians are working together under Diakonia support.

4.4 Activity Area 5: Private Sector Development for Economic Growth

Poverty in the Lake Victoria region cannot be tackled successfully without economic growth. The EAC has accordingly designated the region a growth area. Growth and employment for the growing numbers of people leaving the education system each year must be generated through close collaboration between government and the private sector. The main challenge within this activity area has been in identifying programmes of regional scope and relevance. LVI disbursed SEK 14,5 million within this activity area. This accounts for 11% of the total LVI disbursements during the review period.

The evaluation of partnership between East African Business Council and NIR, deliberations on the concept of Cleaner Production and discussions with the International Labour Organisation (ILO) East African Office on labour issues with direct bearing on the Lake Victoria region were some of the prioritised issues within this activity area. Coordination meetings between ILO, UN-Habitat and LVRLAC were held in a bid to have a harmonised approach. The ILO proposal will be considered for support in 2007.

4.4.1 NIR/EABC Partnership

An evaluation of Sida support to the partnership between NIR and EABC was finalized in early 2006. The evaluation noted that the program had only completed its second year of operations and it is too early to consider impact. Cooperative arrangements such as seminars on business development were well attended and appreciated. There were innovative developments of a Think Tank to support exchanges between the countries' private sectors. Exchanges among business journalists have been appreciated however it has been difficult to coordinate the programme and its activities with the GTZ, lacked local ownership and had too few links with LVI programmes. LVI will not fund the next phase of this partnership. Discussions are however on going on possible support from INEC or any other relevant department in Sida.

4.4.2 Kenya National Cleaner Production Centre

The project titled "*Institutional Capacity Building for Cleaner Production implementation under Lake Victoria Environmental Management Program (LVEMP) II- Inception Phase*" has been developed to prepare the capacity of the three National Cleaner Production Centres in Kenya, Uganda and Tanzania as well as the Rwanda Environment Management Authority to implement a regional Cleaner Production component of the Lake Victoria Environmental Management Program (LVEMP) phase 2. Immediate objectives of the inception Phase (November 2006–December 2007) has been formulated as "to strengthen the capacity of the participating institutions to deliver in cleaner production under LVEMP II Project". LVI signed an agreement with Kenya National Cleaner Production Centre (KNCPC) on behalf of the three other centres to support the inception phase.

4.4.3 Telecommunication Study for Maritime Safety

Final report²⁴ for the maritime safety study was delivered to EAC by the consultants. The study recommend a GSM system for the Lake Victoria

²⁴ Scanbi-Invest HB (2006) Study on the Technical Solution for Maritime Communications for Lake Victoria Draft Final Report, March

area that is adapted to meet the special maritime requirements. These include among others extended Range implementation to reach optimal coverage without any need for special GSM handsets; Push-to-Talk functionality in order to facilitate search and rescue operations without any need for specialized radio communications; one Rescue Coordination Centre (RCC) for all three countries that will perform both the functions of receiving emergency calls and directing rescue operations; and one dedicated emergency number (114) for maritime emergencies that would be implemented by all operators (both mobile and fixed) around the lake.

A second part of the funding was for a high-level EAC-workshop in Arusha in August on “Regional Networks” seeking consensus among the EAC-member countries, regarding the international optical fibre network EASSy, along the east coast of Africa with links to the landlocked countries in the region. The Embassy in Dar added funding to the workshop.

The workshop recommended among others that efforts be put in place to ensure smooth and prompt signing by EAC Partner States of the Protocol on High Level Policy and Regulatory Framework for NEPAD Broadband ICT infrastructure by urging them to hold extensive internal consultations with, among others, Ministries of the EAC, Justice, Finance, ICT/Telecommunications/Information, regulators, operators, other service providers and content developers, key potential consumers, and other key stakeholders to harmonize the common regional and national positions. LVI will explore its role in future support to this project within the framework of a new strategy.

4.4.4 LVBC Hydrography Project

LVI has been in contact with Sjöfartsverket (SFV) for some months to look into the possibility to cooperate on support for LVBC Hydrography project. SFV made a visit to Lake Victoria and EAC during 2006. SFV is interested and has the capacity to give an extended support not only the actual drawing of the charts but also to support the in-depth development of the project and institutional capacity building of the proposed Maritime Safety and Security Administration at LVBC. However LVBC has not had the capacity to further develop the partnership. LVI made an assessment of EAC/LVBC project proposal on hydrography and advised on how to further develop the project in relation to the vessel that they had received as a gift from UK.

4.4.5 NELSAP Rusumo Falls Hydro Power Support from Sida/INEC/INFRA

Sweden and Norway have decided to support the feasibility study for the Rusumo Falls Hydro Power project by contributing US\$1,5 million each through a World Bank trust fund. Formal arrangements are currently being completed. The project will be managed by NELSAP-CU under the Nile Basin Initiative. The project, which will involve Rwanda, Burundi and Tanzania, will be located on the Kagera River, would provide about 60 MW of electricity when completed, the output to be divided between the three countries. There will also be a project area development component, focussing on development around the site, and electrification along the transmission line. The World Bank and the African Development Bank are providing additional financing for the project. Expression of interest has been launched for the feasibility study. LVI is only following this as NELSAP-CU and the Kagera river basin project is closely involved.

5. Office and Administrative Issues

LVI has continued to actively participate in the Quality Assurance Committee meetings and Monthly Development Group meetings of the Nairobi embassy, as well as availing their assessment memos and other documents for scrutiny in similar project committees at the other embassies in the region and at the sector departments.

The general decision that re-delegation of responsibility for contributions from fully –delegated embassies to sector departments shall not take place was adhered to. In light of this, most of the LVI contributions that used to be handled by sector departments in Stockholm have been transferred to LVI in the region. Likewise, LVI's capacity has been enhanced through the recruitment of a posted Programme Officer with a background in the area of Natural resources/water management. Support from NPO in Dar-es-Salaam partially paid by LVI was also of essence. Further enhancement has been realized through the provision of a full time administrator – up from 50% – at LVI secretariat in Nairobi.

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