



## 1. Project Data

<b>Project ID</b> P130694	<b>Project Name</b> Nile Cooperation for Results Project	
<b>Country</b> Eastern Africa	<b>Practice Area(Lead)</b> Water	
<b>L/C/TF Number(s)</b> TF-13766,TF-13767	<b>Closing Date (Original)</b> 31-Dec-2015	<b>Total Project Cost (USD)</b> 39,323,375.21
<b>Bank Approval Date</b> 26-Dec-2012	<b>Closing Date (Actual)</b> 30-Nov-2020	
	<b>IBRD/IDA (USD)</b>	<b>Grants (USD)</b>
Original Commitment	41,800,000.00	41,800,000.00
Revised Commitment	39,469,241.56	39,323,375.21
Actual	39,323,375.21	39,323,375.21

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## 2. Project Objectives and Components

### a. Objectives

The project's development objective was "to facilitate cooperative water resource management and development in the Nile Basin". This was as per the Trust Fund Grant Agreement, 2012, p.7, as well as the Project Appraisal Document (PAD), p17.

In the analysis that follows, the PDO can be parsed as follows: (i) "to facilitate cooperative water resource management (WRM)", and (ii) "to facilitate cooperative water resource development (WRD)" in the basin. Since WRM and WRD were not defined in the PAD, given the nature and focus of the project, for the



purposes of analysis it would be assumed that WRM was directly related to technical capacity and dialogue for data, tools and practices that could improve the use of these water systems, and WRD was directly related to investments.

**b. Were the project objectives/key associated outcome targets revised during implementation?**

Yes

**Did the Board approve the revised objectives/key associated outcome targets?**

Yes

**Date of Board Approval**

17-Apr-2017

**c. Will a split evaluation be undertaken?**

No

**d. Components**

The project had three components, each of which provided customized support to facilitate activities in each of the three centers of the Nile Basin Institute (NBI) – namely the Nile Secretariat (Nile – SEC), the Nile Equatorial Lakes Subsidiary Action Program Coordination Unit (NELSAP – CU) and the Eastern Nile Technical Regional Office (ENTRO).

**Component 1:** Advancing Nile Basin-Wide Cooperation and Analysis (**Estimated cost at appraisal:** US\$5.3 million; increased through additional financing (AF) by US\$2.91 million in 2014 and by US\$2 million in 2017 = US\$10.21 million. **Actual cost at closing:** US\$10.01 million). This component supported the Nile-SEC in its two core functions of facilitating cooperation and water resource management. It also aimed to strengthen the platform for basin-wide cooperation and to enhance capacity and understanding for cooperative management and development of water resources in the Nile Basin.

**Component 2:** Promotion of Sustainable Development and Planning in the Nile Equatorial Lakes Region (**Estimated cost at appraisal:** US\$5.2 million; increased through AF by US\$12.5 million in 2014 and US\$3.1 million in 2017 = US\$20.8 million. **Actual cost at closing:** US\$19.37 million). The component was to support the NELSAP-CU to identify and prepare strategic cooperative investment opportunities in the NEL region. The NEL countries had a demonstrated track record of preparing multi-sectoral regional cooperative investments. This component supported upstream analysis, preparatory work and resource mobilization to catalyze transformative investments on the ground that could be handled by, and contribute to, regional cooperation.

**Component 3:** Promotion of Sustainable Development and Planning in the Eastern Nile Region (**Estimated cost at appraisal:** US\$4.5 million; increased through AF by US\$2.543 million in 2014 and US\$3.4 million in 2017 = US\$10.443 million. **Actual cost at closing:** US\$10.04 million). This component was to support ENTRO in promoting cooperation among Eastern Nile riparian countries in a challenging hydro-political environment. It aimed to strengthen the knowledge base and analytical framework for Eastern Nile water resource planning and management through enhancement of ENTRO tools for droughts



and flood analysis and forecasting. It also promoted sustainable development and growth in the Eastern Nile by advocating holistic approaches to water development, watershed management and dam safety.

#### **e. Comments on Project Cost, Financing, Borrower Contribution, and Dates**

##### Project Cost and Financing

The original financing amount of US\$15.3 million (of which US\$1.5 million came from the Cooperation in International Waters in Africa [CIWA] Trust Fund, administered by the World Bank, and US\$13.8 million from the Nile Basin Trust Fund [NBTF]) was supplemented by two additional financing amounts of US\$18 million (2014) and US\$8.5 million (2017). Upon closure of the Nile Basin Trust Fund in 2015, US\$2.3 million were cancelled.

As mentioned in the ICR (p.11), after project approval Sudan paid its full country contribution and resumed full participation in in NBI after three years of non-participation.

##### Borrower contribution

No borrower contribution was envisaged as part of the project's financing.

##### Dates

The project underwent a Level 1 restructuring (Additional Financing) on June 30, 2014 and another Additional Financing, on April 26, 2017. The project's original closing date of December 31, 2015 was extended to November 30, 2020. The project closed on (the revised) schedule.

### **3. Relevance of Objectives**

#### **Rationale**

##### Regional context

The Nile River Basin is a vital economic resource and economic lifeline for the 257 million inhabitants living in eleven riparian countries: Burundi, Democratic Republic of Congo (DRC), Egypt, Eritrea, Ethiopia, Kenya, Rwanda, South Sudan, Sudan, Tanzania and Uganda. Much of its economic potential has been largely untapped. Four of the Nile riparian countries were, at the time of appraisal, amongst the world's ten poorest, and all countries have been highly dependent on usage of natural resources. Though each country faced unique challenges, all had ambitious plans for development of the river's resources that depended critically on the sustainable use and management of shared Nile waters. Coordinated development and management of joint infrastructure – with countries managing shared risks, particularly under a changing climate – was likely to help increase returns on investments in the basin. Observed trends, at the time of appraisal, indicated an increase in the Basin's natural climate variability, which had translated into more extreme periods of hot and dry weather, more episodes of rain and flooding, and more severe droughts. For instance, during the project period alone, there were 83 flood events recorded in the Eastern Nile region alone (ICR, p.5). All of this pointed to the need for significant additional infrastructure,



improved hydro-meteorological and early-warning systems, and strengthened capacity to adapt to extreme climatic events. If such investments were to be optimized, it was clear that they would need to be conceived not merely at the national level but with a regional perspective in mind, to maximize impact and avoid the risk of unnecessary conflicts over limited resources.

The Nile, which is one of the world's longest rivers, flowing a distance of 6,695 km, is distinguished from other great rivers by the fact that half of its course flows through countries with very limited effective rainfall. The Nile riparian countries had long recognized that cooperative management and development held the greatest prospects for bringing mutual benefits to the region. To facilitate basin-wide planning and cooperative development, the riparian countries formed the Nile Basin Initiative (NBI) in 1999. According to the ICR (p.5), the NBI grew into a well-established and successful regional institution, providing the only Nile basin-wide platform for regional cooperation dealing with transboundary water issues. During the first 15 years, the NBI was supported by more than US\$200 million from the Nile Basin Trust Fund (NBTF) managed by the World Bank, with contributions from bilateral and multilateral partners. Building on the cooperative momentum generated, many stakeholders envisioned an eventual transition from the NBI to a river basin commission or similar organization with an enhanced institutional mandate to advance the cooperative agenda. However, on account of an increase in complexity of the hydro-political context at the time (Egypt and Sudan freezing their participation in the NBI on account of disagreements, and South Sudan subsequently becoming an independent state) that the project was prepared and implemented, this did not happen, and progress towards such a transition was stalled.

#### Alignment with Regional and Country Strategies

At appraisal, the project's development objectives were aligned with the World Bank's Regional Integration Assistance Strategy (RIAS) for Sub-Saharan Africa and the Poverty Reduction Strategy Papers for several of the riparian countries involved. The project remained aligned with the current RIAS (FY18-23) and the Africa Regional Strategy Update (FY21-23), as well as with the Middle East & North Africa (MENA) Strategy (2015-2025), the Global Water Practice Strategic Action Plan. The project's objectives aligned directly with Objective 4.2 of the RIAS ("Support sustainable management and financing of transboundary water, coastal and marine resources" and Pillar 4 of the Update ("Transboundary water and natural resource management"), which focuses on addressing the drivers of fragility conflict and violence, given the role that access to water resources plays in political economic stability in the Basin.

The project's objectives were also aligned with the Country Partnership Frameworks (CPFs) of the various countries it supported. As indicated in the ICR (pgs. 15-16), these included the following:

- (i) Burundi CPF (FY19-23): Focus Area 2: Strengthening Foundations for Economic and Social Resilience, which included work on natural resource management.
- (ii) Ethiopia CPF (FY18-22): Resilience and Inclusiveness Pillar, Objective 2.7: "Enhanced Management of Natural Resources and Climate Risks", which aligns with the project's objective of improving water resource management.
- (iii) Kenya CPF (FY14-18 – still current): Domain 2, Outcome 7: "Improved Capacity to Manage Risks from Climate Change", which similarly aligns with the project's objectives of improving water resource management.
- (iv) Rwanda CPF (FY21-26): Objective 3 – "Expanded Access to Infrastructure and the Digital Economy", which prioritizes watershed and natural resource management for infrastructure advancement.
- (v) Tanzania CPF (FY18-22): Objective 1.3 – "Manage Natural Resources for Resilient Economic Growth", which aligns with the project's objective of improving water resource management.
- (vi) South Sudan Country Engagement Note (FY18-19). Service delivery objectives that were consistent



with the project's contributions to enhanced water resource development.

(vii) Uganda CPF (2016-2021): Objective 4 aims to enhance the resilience of the poor and vulnerability to shocks, including from climate change, which is consistent with the project's contributions to improved water resources management and development.

(viii) Sudan Country Engagement Note (FY2021-22): Objective 2.3 aims to strengthen service delivery – an objective to which water resource management contributes. This aligns broadly with the project's objectives of improving data/information systems and water resource management.

(ix) DRC CPF (2013-16; update underway). Strategic Objective 4 addresses fragility and conflict in the Eastern provinces, including those impacted by floods and droughts; which aligns with the project's contributions to improved data/information systems and water resource management.

The degree to which the PDO formulation is addressing a development problem:

While there is clear alignment between the project's development objectives and the regional, country- and WB strategies, the PDO formulation is pitched at a level that does not adequately reflect a potential solution to a development problem. The PDO formulation ("*to facilitate* cooperative water resource management and development in the Nile Basin") reflects a *project activity* (to facilitate cooperation) and is as such pitched at *input level* in the results chain rather than identifying what is expected to result from this facilitation; i.e the expected project outputs or outcomes. Focusing on "facilitation of cooperation" alone is not outcome focused and does not help in understanding what development results were expected as a consequence of the project (such as e.g. improved livelihoods, economic growth etc, due to early warning systems and decreased flooding, etc).

The ICR reflects this shortcoming in the PDO formulation and has inferred from project documents that the objective was to *improve* (rather than facilitate) cooperative water resource management and development in the Nile Basin.

Based on the above, Relevance of Objectives is rated Substantial.

## Rating

Substantial

## 4. Achievement of Objectives (Efficacy)

### OBJECTIVE 1

#### Objective

"To facilitate cooperative water resource management (WRM) in the Nile Basin"

#### Rationale

##### Theory of Change (TOC)

The project was designed to facilitate cooperative water resource management and development in the Nile



Basin. According to the ICR (p.6), however, this could more usefully be interpreted to mean that its object was rather to *improve* cooperative water resource management and development in the Basin. Towards this end, a broad causal connection could be drawn between the project's activities and its intermediate outputs and outcomes. Key sets of activities consisted of: (A) Convening and decision-making of NBI governance bodies and coordination with national government focal points; Convening regional and national stakeholder dialogues to improve riparian awareness and resource mobilization; Production and dissemination of communications and knowledge products; and Technical capacity building for environmental and social scientists, on topics such as dam safety and climate change - all of which would contribute to stronger stakeholder engagement, decision-making and technical capacity building. (B) Public dissemination of Nile Basin tools and data, especially via the Decision Support System (DSS) - which would help improve water resource planning and management; and (C) Improved watershed management - which would support the identification and preparation of potential investments of regional significance. These in turn were expected to facilitate (or improve) cooperative water resource management and development.

While the activities were broadly appropriate to achieving the desired outcomes, the theory of change (TOC) discussion in the ICR does not specifically analyze whether they were of adequate scale to create a critical mass for change. Also, the TOC is based on the assumption, among other things, that national decision-makers would choose cooperative investments over unilateral investments if the benefits of cooperation are demonstrated and if barriers to cooperation are mitigated, and that bringing stakeholders together for discussions would improve relations.

Though, in accordance with the guidelines, one would usually assess the formulation of the PDO exactly as written, in this case it is fairly clear from project documentation and the formulation of the results indicators that the actual objective was to improve cooperative water resource management and development in the Nile Basin, and not merely to facilitate. As such, we will assess the project as suggested by the ICR, above.

## **Outputs**

- Facilitation of major regional fora for dialogue between stakeholders: 82 regional fora were facilitated by November 2020, against a (post-restructuring) target of 51. The original target for this indicator had been set at 13. Regional meetings included annual Nile Days and the Nile Basin Development Forum events, which included broad stakeholder discussions, transboundary relationship strengthening and training opportunities.
- Facilitation of major national fora for dialogue between stakeholders: Facilitation of 56 national fora was achieved by project closing, in excess of the original target of 30, but falling short (82%) of the target of 68. National meetings were held frequently to harmonize regional outputs and plans with national-level plans (e.g. discussions with national-level resource management programs to ensure that the new hydromet stations identified under the plan were harmonized with and adopted by national plans). While NBI did leverage teleconferencing as far as possible, some national and regional events were not held on account of the COVID19 pandemic (though this may not fully explain the shortfall in national meetings).
- Nile SEC: Number of tools, data and knowledge products made available: 88 products were provided by completion of project, as against the target of 60 (original target of 20). These products were obtained through the use of the NB Decision Support System (DSS) platform and other tools, data and information to provide insights on how the Nile Basin water resources system operates, available opportunities, etc. These products targeted different segments of stakeholders, policy/decision makers, academia and the general public. Data were made publicly available online and via a searchable repository (the IKP).



- Number of registered users in DSS user community: Actual achievement was 247 users against a target of 210 by completion. The Nile-SEC provided training and support to the countries for applying modelling tools recently added to the DSS, including those enabling climate change and trade-off analysis.
- The Nile Secretariat (Nile – SEC), the Nile Equatorial Lakes Subsidiary Action Program Coordination Unit (NELSAP – CU) provided technical briefing notes to highlight analysis from earlier studies and analysis, communications materials and other publications to increase awareness of hydrological issues in the NEL region. 84 products were disseminated by completion against a target of 71.
- The Eastern Nile Technical Regional Office (ENTRO)'s improved regional flood and drought forecasting system was made operational. While this target was met by project closing, the actual availability of the drought forecasting system was delayed from its target date of April 2017 on account of delays in the actual interface.
- The number of website hits to improved ENTRO knowledge products and analytical tools was 48,563 at completion, exceeding the target of 40,000.
- NBI expanded its flood forecasting services in the basin that had not yet been covered by their models, which were now identified by countries as priority, and integrated additional precipitation and stream flow forecasts into its models.

Towards this end, NBI (a) expanded issuance of seasonal and daily flood forecasts to include South Sudan and other subbasins; (b) facilitated regional collaboration on dam management through providing regional guidelines and training to operators; and (c) scaled up its Young Professionals Program and academic partnerships to continue building a new set of leaders in the Eastern Nile.

## **Outcomes**

(a) The operation successfully provided regional stakeholder engagement to enhance technical capacity and to facilitate dialogue and joint decision making. Stakeholders frequently rated the services and data tools provided by NBI as satisfactory.

(b) Decision-making dialogues facilitated with the Council of Ministers led to adoption of foundational standards for regional water resource management and for use of data in development prioritization. Joint decision-making included core policies for regional institutional capacity and sustainability.

Under (a), the following results were obtained:

- 92 percent of key stakeholders rated NBI services associated with the project to promote regional cooperation as Satisfactory, against a target of 80 percent (originally 60 percent).
- 77 percent of users of publicly available NBI tools, data or analysis associated with the project rated them as Satisfactory, against a target of 80 percent (originally 60 percent). These included the DSS and the flood early warning system. New tools included the hydro-met and climate change portals, and the drought early warning system.
- 71,000 beneficiaries received services directly from the project, against a target of 65,000. These services included training (in dam safety, DSS application, etc.), knowledge products, tools, data or other studies (this indicator did not measure indirect beneficiaries). The project also facilitated multiple broad stakeholder engagements such as Nile Day and the Nile Basin Development Forum and National Experts Group workshops.



- 3,447 people were trained on trans-boundary issues, against a target of 2,600. This included basic use of the integrated comprehensive database and archiving of various types of data.
- 143 cooperative decisions whose agreement was facilitated by the project were taken (original target of 74). Joint decisions to facilitate cooperative water management included approval of such strategies as Climate Change, NBI's Environment and Social Policy, Wetlands Management and National Coordination, among others.

In sum, the project successfully facilitated cooperative water resource management in the Basin. Through the project, (a) NBI successfully leveraged its unique position as trusted stakeholder in the Basin to convene regional and national stakeholder dialogues. (b) Through its activities, the project itself informed the decision-making of NBI governance bodies. (c) NBI and its governance maintained a collaborative relationship with development partners, including the Bank. (d) The project was able to strengthen the capacity of regional and national stakeholders via a range of training events.

Based on the quantitative and qualitative results obtained, the project substantially achieved this objective

### **Rating**

Substantial

## **OBJECTIVE 2**

### **Objective**

"To facilitate cooperative water resource development (WRD) in the Nile Basin"

### **Rationale**

The facilitation and improvement of cooperative water development was addressed via implementation of two key sets of actions, namely, (a) Improved watershed management; and (b) Preparation of investments of regional significance. Towards this end, the following outputs and outcomes were achieved:

### **Outputs**

- 19 water-related investment projects were influenced by the project. These included 4 watershed management projects in Sudan and Ethiopia prepared by the NBI, 3 pilot projects and 12 investments identified in the eastern Nile Multi-Sectoral Investment Opportunity Analysis, which was the first attempt to aggregate all water investment plans in the Eastern Nile and analyze them in the context of all water availability, while factoring in climate change alternative predicted scenarios.

- 1,769,921 hectares of watershed management were influenced by ENTRO services, against a target of 1,824,921 hectares (97 percent achievement). ENTRO evaluated the success of various pilot livelihood-based integrated watershed management interventions to inform riparian-led scale-up of select best practice.

### **Outcomes**





Over the entire duration of the project, NBI prepared over 75 potential regional (i.e. cooperative) water resource investments valued at US\$6.936 billion (target US\$3.4 billion), of which it influenced currently-mobilized investments valued at US\$647 million that directly benefited 7 of the NB countries.

Some 9.12 million people were estimated to be beneficiaries (target: 7.5 million) upon implementation of the investments for development of improved access to electricity and water security.

Based on the above results, the project substantially achieved this objective.

### **Rating**

Substantial

## **OVERALL EFFICACY**

### **Rationale**

It is seen from the above that the project substantially achieved its two objectives. In terms of the results indicators, the project met or exceeded the targets for 13 of the 15 intermediate indicators. Qualitatively, NCORE's activities – which included the sharing of data, the use of NBI's convening power, capacity building and influencing/preparing investments – facilitated and improved cooperation for the management and development of the Nile Basin. Feedback from NBI stakeholders, beneficiaries and governing bodies also indicated that they saw value in these activities, and in their outputs and outcomes.

### **Overall Efficacy Rating**

Substantial

## **5. Efficiency**

### **Economic efficiency**

Since the project was designed to achieve its developmental objectives through the building up of a knowledge base and analytical tools for river basin planning and management, and preparation of cooperative regional investments and measures to ensure optimal operation and sustainability of investments in the longer run, conventional cost-benefit analysis to estimate the Net Present Value (NPV) and Economic Rate of Return (ERR) was not employed to estimate the project's efficiency.

The ICR attempted to provide a partial economic analysis of the operation by focusing (ICR, Annex 4) on investment projects influenced/mobilized by the project, along with an attempt to estimate the avoided flood damage through the early warning system developed by the project. On this basis, taking into account the fact some 75 projects were approved for preparation by NELTAC (Nile Equatorial Committee Technical Advisory Committee), to a total value of US\$7.58 billion, of which a total of 21 projects could be considered to have been



influenced by the project (i.e. advanced to feasibility or pre-feasibility stage) and another 7 to have been mobilized by the project (i.e. financial commitment by government or development partners was secured), to a total value of US\$648 million, it could be argued that this effort represented a reasonable value for money for the US\$39 million disbursed under the project. These projects covered the fields of hydropower, irrigation, water supply, power grid and hydrometeorological network, 8 of which covered multiple countries, and individually demonstrated high economic returns (of over 20 percent).

The annual expected damage by floods in the Eastern Nile region, based on data for the period 1990-2019, was estimated by the ICR (p.65) at around US\$44.9 million per annum. The avoidable level of damage over this three-decade period could be assume at 2 percent of total damage per annum, and showed a rising trend from US\$2.4 million per year in the 1990s to US\$3.6 million in the 2010s. Even assuming US\$5 million as the cost of development and dissemination of the flood forecast and early warning system in the Eastern Nile region, an annual net income of US\$3.6 million yielded an ERR value as high as 52 percent over the 20 -year project cycle.

**Operational/Administrative Efficiency**

Overall the project was implemented without significant delays or cost overruns. While there were some delays in individual activities arising on account of a politically fragile situation in many of the Nile countries. However, this did not impact the project-level progress. The bulk of the financing, including the contribution of the two additional financings, was fully disbursed. On this basis, the project’s efficiency is rated Substantial.

**Efficiency Rating**

Substantial

a. If available, enter the Economic Rate of Return (ERR) and/or Financial Rate of Return (FRR) at appraisal and the re-estimated value at evaluation:

	Rate Available?	Point value (%)	*Coverage/Scope (%)
Appraisal		0	0 <input type="checkbox"/> Not Applicable
ICR Estimate		0	0 <input type="checkbox"/> Not Applicable

\* Refers to percent of total project cost for which ERR/FRR was calculated.

**6. Outcome**

The project’s relevance was rated Substantial, in light of the alignment of its objectives with the World Bank’s Africa Regional Integration Assistance Strategy, and alignment with the objectives of Country Partnership Frameworks of individual countries, and since the development objective did not adequately address a development problem, as it was pitched at the input level of the results chain. Its overall efficacy was rated Substantial, the project having achieved most of its indicator targets. Its efficiency was similarly rated



substantial, as it was considered to have delivered good value for money, and was implemented in a timely manner. As such, its overall outcome is rated Satisfactory.

**a. Outcome Rating**  
Satisfactory

## 7. Risk to Development Outcome

**Political and environmental risks:** Key risks to development outcome included the geo-political context within the region, increasing hydro-climatic uncertainty due to climate change, and the sustainability of NBI's achievements and progress.

**Institutional risk:** Unlike risks to project-related outcomes, which are largely mitigated by continued support for NBI programs from riparian governments, the World Bank and other donors, geo-political and environmental uncertainty could potentially reduce gains made in institutional strengthening and investment mobilization. Mitigation of such risks depends on building up trust and collaboration between NBI and officials of national ministries of water. Technical assistance provided under this project supported development and transfer of knowledge products to the staff of riparian ministries in charge of water resources, and this should have enduring benefits for the recipient countries and the Nile Basin.

**Financial risk:** The ICR suggests (p.36) that the project's outcomes are likely to be bolstered as the NBI's financial sustainability increases and becomes less of a risk to the Nile program. Nile countries increased their financial contributions to the NBI in 2011, with the aim of eventually covering the core costs of the institution by 2018. Contributions by countries lagged however, and - though by the time of project closing there was an increasing trend in contributions – not all countries were fully up to date.

## 8. Assessment of Bank Performance

**a. Quality-at-Entry**

As noted by the ICR (p.34), the design of the project responded well to the challenges identified during preparation, taking into consideration World Bank strategies and lessons learned from implementation of previous projects – including the NBI Institutional Strengthening Project and other transboundary water programs in the Bank. The project design was adequately flexible and adaptive, given the volatile geo-political risks identified at entry. As such, the design of the project included interventions enabling NBI to implement its mandate through investment mobilization, capacity building, technical cooperation, and data gathering/analytics. It also enabled NBI with sufficient autonomy to leverage dialogue with and deliver outputs to riparian countries.

The choice of instrument was generally sound, following logically from continuance of the NDTF. Support from the Cooperation in International Waters (CIWA) multi-donor trust fund was subsequently phased in, as the project was well aligned with CIWA's objectives.



Implementation arrangements were generally appropriate. As such, the project was designed to be implemented in a segmented but coordinated way, each of the three components being implemented by one of the NBI Centers. Coordination between the NBI Centers was planned to occur through pre-existing thematic working groups. However, according to the ICR, these arrangements did not work perfectly in practice, and ended up creating additional workload for the Bank team in terms of project oversight.

Key risks appear to have been well identified during project design and preparation, including the political uncertainties impacting transboundary management and agreements for Nile resources, as well as the complexities of the implementation arrangements. The design took into consideration the varying capacities of the Centers and susceptibility to outside political factors, proposing appropriate mitigation measures for factors within the purview of the task team.

### **Quality-at-Entry Rating**

Satisfactory

#### **b. Quality of supervision**

The project was adequately supervised. The Bank team conducted 16 supervision missions over a seven-year period, providing timely technical and strategic support to NBI (p.35). The team travelled regularly between the needed locations, assisting NBI staff with key challenges and activities, especially concerning fiduciary activities and training on Bank systems. The Bank's Financial Management (FM) team also supported NBI's procurement of their Integrated Financial Management Information System (IFMIS). According to the ICR, the team engaged with NBI staff on governance issues, to support dialogue between riparian governments on a range of issues. The support of Bank-executed Trust Fund financing promoted innovation (e.g. the development of the flood early warning system) and helped deepen the learning provided through technical assistance.

The ICR (p.35) notes that development partner dialogue and coordination were well integrated during project implementation. The Bank team worked with donors in advance of the NBI annual donor and annual governance meetings to ensure that all parties – particularly the NBI governance structure – were aware of the funding situation due to shortfalls of country contributions or other liquidity issues.

### **Quality of Supervision Rating**

Satisfactory

### **Overall Bank Performance Rating**

Satisfactory

## **9. M&E Design, Implementation, & Utilization**



### **a. M&E Design**

The results framework – though broadly adequate - could have been improved in several ways. First, some indicators remained ambiguous as they were insufficiently mapped to objectives. For instance, the PDO indicators to measure stakeholder satisfaction provided an indication of the perceived utility of NBI’s data and information tools without necessarily demonstrating achievement of project objectives. Second, the methodology for measuring indicators, including baselines, data collection frequencies, etc. – could have been better clarified in the results framework (though, over the course of implementation, more consistent methodologies were developed and adopted). Third, gender intermediate sub-results were initially set too high, given the limited number of women available for training, and had to be revised downwards during restructuring.

The PDO indicators did measure the benefits of facilitating and improving cooperation in water management by tracking cooperative information, processes and decision-making, including specifically transboundary benefits. They also measured the benefits of cooperating in water development by tracking the value of the investments, as well as the number of indirect beneficiaries of investment sub-projects prepared under the project.

### **b. M&E Implementation**

Each of the three NBI centers employed a dedicated M&E specialist and invested in training and standardization. These specialists were largely responsible for data tracking by each NBI center, with continuity maintained through the centers’ annual reporting and the Bank’s regular supervision activities. Some problems did arise: for instance, lack of a detailed data-gathering methodology resulted in some disconnect, including different understandings of targets for a few indicators. Weak collaboration between centers further contributed to the measurement challenges during part of project implementation. The Bank team did address the methodological weaknesses by working with NBI to establish common indicator methodology between the different centers, improved data tracking and better records of substantiation.

### **c. M&E Utilization**

M&E processes and results were utilized at each stage of project implementation. The Nile Cooperation for Climate Resilience project (P172848) utilized lessons learned from both the project’s results and the M&E system to derive the new Results Framework. Notwithstanding the definitional measurement constraints discussed above, the ICR (p.32) reports that the M&E system was largely effective for measuring project performance and useful in adaptive management.

### **M&E Quality Rating**

Substantial

## **10. Other Issues**

### **a. Safeguards**



The project was classified as Category B at entry and Category A at the time of the initial additional financing. This change in category was not on account of any actual physical works proposed, but because some of the NELSAP Coordination Unit's preparatory studies involved the study of potentially complex multipurpose storage infrastructure. Since the project involved only technical assistance at entry, only the following safeguards were triggered: OP 4.01 Environmental, Safety, and Health impacts, OP 4.04 Natural Habitats and OP 4.12 Involuntary Resettlement. The OP 7.50 notification was waived as studies proposed under the project were not considered to cause adverse harm. The borrower prepared an Environmental and Social Management Framework (ESMF), which included a section providing initial guidance concerning preparation of social assessments, social management plans, and resettlement policy and process frameworks.

After the project was upgraded to Category A, the following additional safeguards were triggered: OP/BP 4.09 Pest Management, OP/BP 4.10 Indigenous Peoples, OP/4.11 Physical & Cultural Resources, OP/BP 4.36 Forests, OP/BP 4.37 Safety of Dams. An updated ESMF was prepared to cover feasibility-level studies and designs to be funded by the project. This also included a Draft Chance Finds procedure, disclosed on March 13, 2014, to address any possible environmental and social impacts of potential activities relevant to the AF.

NELSAP prepared feasibility, detailed designs and tender documentation, along with ESIA/RAP studies for four multi-purpose project investments related to hydropower, irrigation and watershed management in catchments in Tanzania, Kenya and Uganda. To complete these studies, NELSAP and other countries held public consultations, but without publicly disclosing the instruments for funding three of the four proposed projects. These ESIA's were not cleared by the Bank, and will need to be updated to meet World Bank standards. Though the ICR was not clear on this point, the team subsequently clarified that the project was in full compliance with the Bank's safeguard policies at closing.

The Bank introduced project-level grievance redress mechanisms (GRM) during implementation in 2018. A functioning mechanism was thereby put in place to allow stakeholders to provide comments and feedback to NBI.

## **b. Fiduciary Compliance**

**Financial Management:** The FM performance of the NBI centers showed improvement over time. Interim Financial Reports (IFR) were initially of poor quality but improved over the years, and began to be submitted on a timely basis. As clarified by the team, all financial covenants were complied with and other fiduciary matters were in compliance for the life of the project including submission of annual work plan and budgets, quarterly Interim Financial Reports and Annual Audit Reports. By project closing, audit reports and IFRs were being submitted on time and were reportedly of good quality (ICR, p.34), with no overdue reports pending. The last financial audit for the calendar year, 2020, was expected to be submitted by the PMCU before June 30, 2021. The financial management (FM) rating for the project was Moderately Satisfactory throughout implementation.

It should be noted that because the project was implemented by an intergovernmental organization, the project was audited annually as part of the overall entity audit. The team clarified that the external auditors did provide a qualified audit opinion once for ENTRO, although never for NELSAP or NBI SEC (for the year ended June 30, 2017 audit). The external auditor for ENTRO produced a qualified opinion on grounds that



the Member States had not paid their dues in full (this being the result of a political dispute between two member states that caused one member state to suspend participation in the Center). This dispute was considered beyond the scope of the project and did not affect project performance or compliance with fiduciary requirements.

Procurement: Capacity constraints were noted within the implementing agencies, though in general procurements proceeded in a timely manner. However, maintaining documentation in the Systematic Tracking of Exchanges in Procurement (STEP) proved to be something of a challenge, particularly for Nile-SEC and ENTRO. This was proactively addressed by providing training to the relevant specialists in the NBI centers. The procurement rating for the project was similarly Moderately Satisfactory throughout the implementation period.

**c. Unintended impacts (Positive or Negative)**

A positive unintended impact is that the capacity building and knowledge transfer activities conducted via the NBI's programs resulted in the creation of a cadre of professional water experts who are now working in the ministries and relevant institutes of the various riparian countries with communities of practice having been established in these countries thereby. These professionals have demonstrated the capacity to take on increased leadership and responsibilities, as assigned by their governments, as well as a responsiveness to new ideas and innovation.

**d. Other**

The project's activities, in terms of building capacity and international relationship building were very relevant to women's representation, access and voice in the decision-making process. In 2013, NBI established a Gender Equality Strategy, through approval of the Council of Ministers and inputs from many stakeholders, and NBI made active efforts to recruit women to the internship and Young Professionals Program. The NBI also leveraged opportunities for women through its support to the Nile Basin Development Forum, and in community consultations during investment pre-feasibility studies (ICR, p.27). At the same time, NBI claimed to have little influence on the proportion of people in the pool who were women, to which they were providing services. At project closing, through the number of direct beneficiaries was higher than anticipated (71,000, as against a target of 65,000 specified as core indicator), the proportion of women was only 21 percent. This would suggest that if the objective of gender equality was real, the project could have been more proactive in addressing the issue, through more serious attempts to attract women recruits.

**11. Ratings**

Ratings	ICR	IEG	Reason for Disagreements/Comment
Outcome	Satisfactory	Satisfactory	
Bank Performance	Satisfactory	Satisfactory	



Quality of M&E	Substantial	Substantial
Quality of ICR	---	Substantial

## 12. Lessons

IEG derives the following lessons drawn from the ICR:

**1. In identifying regional investment opportunities, being demand-driven is a necessary but not sufficient condition on account of changing contextual factors and competition over limited resources.** There is a need to involve the appropriate departments within line ministries throughout preparation. Secondly, site selection for national lending should balance national benefits and regional considerations. Thirdly, there is a need to align financing prior to undertaking design studies, to ensure that the investment is mobilized. Bank teams would also need to provide structured guidance on processes, clearances and validation of findings on national investments prepared by regional entities, especially for investments where a financier has yet to be identified. Rapidly shifting geopolitical contexts demand maintaining a flexible technical design, aided by advanced strategic planning and intermittent strategic evaluation. To facilitate this, to the extent possible, teams must leverage additional resources to supervise technical assistance and provide implementation support.

**2. In terms of project design, the structuring of results and outcomes around metrics that clearly link to project objectives and outcomes will help capture the project’s achievements better.** The experience of the project shows that revisiting the PDO indicators to provide a clearer logic would have aided in assessing and fully capturing NBI’s many achievements. As such, teams should take steps to tailor the results framework, as necessary, using fact-finding and intermittent strategic evaluation to ensure that targets are set or recalibrated appropriately.

**3. Deepening the World Bank’s engagement in the transboundary cooperation agenda, together with other development partners, is important to the achievement of specific development outcomes and enhancing delivery of prioritized services.** For instance, while NBI has demonstrated significant progress to date, it would like to improve cooperation within the organization and more effectively use institutional partnerships to demonstrate results and service delivery impact. It could also leverage other organizations and specialize itself in order to have a clear lead role in the ecosystem of organizations.

## 13. Assessment Recommended?

No

## 14. Comments on Quality of ICR

The ICR is well written and internally consistent, and provides a significant amount of detail, especially on the relevance of the project and the results framework. The achievement of objectives is analyzed at some length,





taking into account a fairly robust evidence base. Weaknesses in the M&E system and elsewhere are discussed candidly. Overall, the narrative appears to support the ratings and available evidence. One (minor) weakness is that the project's lessons are somewhat too specific and the implications for similar projects in the region and elsewhere could have been brought out more sharply.

**a. Quality of ICR Rating**  
Substantial