PROJECT BRIEF

REVERSING LAND AND WATER DEGRADATION TRENDS IN THE NIGER RIVER BASIN

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LIST OF ANNEXES

ACRONYMS AND ABBREVIATIONS

ALG	Autorité du Liptako-Gourma
ALWMI	Africa Integrated Land and Water Management Initiative
APR	Annual Project Review
Basin	Niger River Basin
CAS	WB-Country Assistance Strategy
CEDEAO	Commission Economique Des Etats de l'Afrique de l'Ouest
CILSS	Comité Inter-États de Lutte contre la Sécheresse au Sahel
CTA	Chief Technical Advisor
DSS	Decision Support System
ECOWAS	Economic Community of the West African States
EEC	European Economic Community
EMF	Environmental Management Framework
FAC	France's Fonds d'Aide et de Cooperation
FAO	Food and Agriculture Organization of the UN
GDP	Gross Domestic Product
GEF	Global Environment Facility
GEF-SGP	GEF Small Grants Programme
GIS	Geographic Information System
HDI	Human Development Index
HYDRONIGER	Inter-State Hydrological Forecasting Centre
IC	Incremental Cost as defined by the GEF
IW	International Waters
IW: LEARN	International Waters Learning Exchange and Resource Network
IWRM	Integrated Water Resources Management Plan
JALDA	Japan Agricultural Land Development Agency
LCB	Lake Chad Basin
LCBC	Lake Chad Basin Commission
LCC	Local Coordination Committees
MAR	Mean Annual Runoff
NBA	Niger Basin Authority
NBA-NFPC	NBA-National Focal Point Committees
NEAP	National Environmental Action Plan
NEPAD	New Partnership for Africa's Development
NGO	Non-Governmental Organization
NPCU	National Project Coordination Unit
NRB	Niger River Basin
NRB-PTF	Niger River Basin Project Task Force
ORSTOM	Now known as Institut de Recherche pour le Développement (IRD)
OP	GEF Operational Programme
OPEC	Organization of Petroleum Exporting Countries
PDF-A	GEF's Project Preparation and Development Facility Block A
PDF-B	GEF's Project Preparation and Development Facility Block B
PIP	Project Implementation Plan
PIR	Project Implementation Review
PMU	Project Management Unit
PPER	Project Performance and Evaluation Review

Project	Project for Reversing Land and Water Degradation Trends in the Niger River Basin
PRSP	WB-Poverty Reduction Strategy Paper
PTF	Country Project Task Forces
SAC	Scientific Advisory Committee
SAP	Strategic Action Programme
SDAP	Sustainable Development Action Plan for the Niger Basin
SOGREAH	French consulting firm specializing in environment and development
SRAPDC	Sub-regional Action Plan Against Desertification
STAP	Science and Technical Advisory Panel of the GEF
TDA	Transboundary Diagnostic Analysis
TPR	Tri-Partite Review
TRIB	UNDP's Transboundary River Basin Initiative project
UEMOA	Unité Economique et Monétaire Ouest-Africaine
UN	United Nations
UNCCD	United Nations Convention to Combat Desertification
UNDAF	United Nations Development Assistance Framework
UN-DESA	United Nations Department for Economic and Social Affairs
UNDP	United Nations Development Programme
UNDP-TRAC	UNDP's Target for Resource Assignment from the Core
UNEP	United Nations Environment Programme
UNSO	United Nations Sudano-Sahelian Office
USAID	United States Agency for International Development
WB	The World Bank
WEHAB	Water, Energy, Health, Agriculture, Biodiversity
WSSD	World Summit on Sustainable Development

REVERSING LAND AND WATER DEGRADATION TRENDS IN THE NIGER RIVER BASIN

A. COUNTRY OWNERSHIP

ELIGIBILITY AND COUNTRY DRIVENESS

(a) Country Eligibility. All Countries are eligible under paragraph 9(b) for the GEF instrument.

Country	Date of Ratification of the Convention
Government of Benin	29 June 1994
Government of Burkina	24 August 1994
Government of Cameroon	31 October 1994
Government of Chad	27 July 1994
Government of Côte d'Ivoire	24 June 1994
Government of Guinea	17 October 1994
Government of Mali	4 July 1994
Government of Niger	23 August 1994
Government of Nigeria	12 July 1994

(b) Country Drivenness

1. The origin of the GEF Project was a request to UNDP and the World Bank from the NBA to provide assistance in preparing, with GEF support, an integrated Strategic Action Programme (SAP) to establish an inclusive framework for sustainable management of the Basin's land and water resources. To assist the Basin countries in moving towards an inclusive framework the Bank is working with the countries to facilitate inter-riparian dialogue to formulate a broad, comprehensive basin-wide Strategic Shared Vision and Sustainable Development Action Plan (SDAP)[1] for the Niger River Basin. Therefore, the preparation of the SAP is timely, in that it has been proposed with the current preparation of the SDAP for the Niger River Basin. The GEF Project, with its emphasis on sustainable environmental management, together with the SDAP, which focuses on greater economic development of all sectors, will provide an integrated and complementary comprehensive framework for sustainable resource management and sustainable economic development in the Basin.

2. The Niger Basin countries' request, expressed through the NBA, builds on a number of donor-supported national-level initiatives, which have often occurred in isolation and thereby forgone any accumulative benefits. It is therefore the expectation that this Project engages the progressive involvement of the Basin countries into a longer-term process bringing together institutional support, cooperative management and investments at the national levels in a broader engagement of sustainable resource management. Therefore, the first steps of the long-term process, as reflected in the Project design, is to provide linkages with the national level initiatives while strengthening the institutional regional, national and local-level capacities, and

[1] Programme d'Action pour le Developpment Durable du Bassin (PADD)

creating a better understanding of the water and land resource degradation issues and how to address them. Hence, through this Project the SAP will provide an environmental management framework and integrated platform with the SDAP for sustainable economic development and future investments in the Basin.

INDICATIONS OF RECIPIENT COMMITMENT AND OWNERSHIP

3. *Recipient Commitment and Ownership.* The Niger River Basin (hereafter referred to as Basin) countries have come to understand that they cannot continue to rely upon unilateral approaches to development if they are to meet the challenge of providing for a growing population from a reduced resource base. Funding for the Project and bi-lateral donors will serve as a catalytic role to augment current cooperation and the range of donor-supported initiatives[2], in the Basin. The commitment of the Basin members has been demonstrated by the long-term participation in the NBA. However, the nine riparian countries (Benin, Burkina Faso, Cameroon, Côte d'Ivoire, Chad, Guinea, Mali, Niger and Nigeria) recognise the need to cooperatively manage the Basin in order to tap the development potential that lies therein. The NBA member countries have expressed their support for the GEF Project through letters of endorsement (refer to Annex C). Part of this new cooperative approach is to revitalise their basin organization – the NBA - and to seek support as they move towards cooperative management at the regional, national and local levels.

B. PROGRAMME AND POLICY CONFORMITY

GEF OPERATIONAL PROGRAMME OBJECTIVE

4. This Project falls under the GEF Operational Program 9, "Integrated Land and Water Multiple Focal Area" with a long-term objective to " achieve multiple global environmental benefits through implementation of IW projects which utilize integrated land and water management strategies that help achieve changes in sectoral policies and activities while promoting sustainable development". This goal is further refined "to help groups of countries to utilize the full range of technical, economic, financial, regulatory and institutional measures needed to operationalize sustainable development strategies for international waters and their drainage Basins…prevention is stressed here while remediation is stressed in the waterbody-based OP."

5. The project also addresses the cross cutting area of land degradation by recognizing the importance of this phenomena in the Basin, and targeting this issue through demonstration activities and preliminary investments at the regional, national and local levels. The project will maintain a flexible approach during its implementation, allowing it to respond to emerging guidance from the GEF and UNCCD on the new Focal Area of Land Degradation.

[2] Commencing in 1964 USAID support, established a NBA library and information center; 1969 UNDP and FAO assisted the NRC to formulate policies; 1977-86 USAID sponsored a Project to develop an integrated development plan; 1978-82 FAC, the French government assisted in developing a hydraulic model; EEC, UNDP and OPEC supported the HYDRONIGER forecasting system for drought and flood control; 1995 ECA funded an initiative to develop a proposal for a legal framework for management; 1985-2001 JALDA, the Japanese government supported a three-phase program to develop strategies to enhance living conditions for people living in desertified areas.

GLOBAL ENVIRONMENTAL OBJECTIVE AND BENEFITS

6. The Project's global environmental objectives are to reduce and prevent transboundary water-related environmental degradation, prevent land degradation, and protect globally significant biodiversity, through sustainable and cooperative integrated management of the Basin, enhance existing capacity, informed decision-making and ensure the public's greater involvement in the Basin's decision-making process.

7. The global environmental objectives will be achieved, through broad basin-wide participation and implementation of cooperative decision-making and best practices, sustainable management of the Basin's land and water resources, with special attention to the Africa Integrated Land and Water Initiative (ALWMI) of the GEF implementing agencies. The long-term global environmental benefits that would accrue from the successful completion of the Project activities and future implementation of the SAP, include:

   - Strengthened regional, national, and local institutional capacity in all nine-basin countries that will support effective execution capacity for future investments and Project implementation for sustainable land and water resource management in the Niger River Basin.

   - An inclusive framework for regional cooperation, supported through agreements on policy/institutional and legal adjustments at regional and national levels with harmonized and coherent basin-wide national data collection, regional modelling, monitoring and evaluation and effective data dissemination that will be valuable capacity for local, national and regional decision-makers.

   - Forums with other regional initiatives, that will provide a mechanism to better collaborate and communicate the exchange of good practices and better management of the Basin's resources.

   - Demonstration of good practices and awareness raising in pilot sites on priority areas identified by member countries with public and increased ownership of civil society and will enable communities to understand the cause-effect of environmental and land degradation, and tackle priority issues in the Basin directly.

   - Strategic Action Programme provides legal, policy and institutional reforms for future sustainable investments in the Basin.

C. PROJECT DEVELOPMENT OBJECTIVE

8. To achieve the global environmental objectives, the Project's specific development objective is to develop and implement sustainable measures for reversing trends in land and water degradation through collaborative decision-making in the Niger River Basin.

9. The development objective supports the nine Basin countries in their efforts to work together to assure the sustainable development and management of the Basin's land and water resources, including protection of its unique dryland environment and associated biodiversity. Identified through the preliminary TDA, these elements are transboundary in nature and clearly transcend

national capacities and priorities, and require financial and technical resources beyond those that can be mobilized by each riparian singly. The concurrent development of the SDAP with the SAP will help identify the linkages with the national and transboundary priorities.

PROJECT INDICATORS AND OUTCOMES

10. The Project Logical Framework (refer to Annex B) identifies the Project's development objective, and component outputs and performance indicators. The successful achievement of the development objective will be closely monitored through the following performance indicators:

- Established operational PMU with clear administrative responsibilities, transparent financial management, and effective technical capacity.
- Enhanced regional, national and local institutional capacities between and among the Basin countries and the NBA, through improved collaboration and capacity building tools, to better address and manage transboundary issues.
- Improved data collection and data exchange mechanisms established in all nine countries, and agreed to cooperation protocols for greater knowledge of the Niger River as it relates to the environment and river hydrology, more specifically to land and water degradation.
- Exchanged good management practices with other regional lake and river basin programs, and defined processes and practices to minimize land and water degradation, and support environmental conservation and sustainable development.
- Involved communities, through community driven development process, in piloting microgrant supported pilot activities to demonstrate and promote effective best land and water management practices to address targeted sector issues and exchange lessons learned.
- Enhanced local community education and awareness, host trained on good management practices, implementation lessons exchanged for activity replication, and implementation process and successes monitored and evaluated.
- Completed Transboundary Diagnostic Analysis (TDA) and adopted Strategic Action Programme (SAP), which provides a framework for priority actions for sustainable development in the Basin.

D. REGIONAL STRATEGY AND NATIONAL POLICIES

REGIONAL STRATEGY

11. *Strategic Shared Vision and Sustainable Development Action Plan (SDAP).* Under the broader international waters work being carried out by the World Bank in the Niger Basin, there is significant emphasis on enhancing existing capacity at the national and regional level. The

Niger Basin countries are developing a SDAP for the Niger River Basin with the support of the World Bank. Whereas the GEF Project's SAP will focus on managing the Basin's environment, the SDAP will deal with the broader issues of multi-sector sustainable development in the Basin. The SAP and the SDAP can be managed as complementary processes, for which the SAP is a natural precursor, the GEF TDA/SAP is identifying, characterizing and prioritizing water-related, environmental issues and sectors across the Niger River Basin member states, as well as developing a framework for environmental management for all development in the Basin. The SDAP will envelope all possible sector, both those with environmental externalities, as well as those not before captured by the SAP process, and will build on the environmental management framework developed for the SAP. The SDAP's main objectives include: (a) capacity building and institutional strengthening in the basin, including the NBA, to make sound decisions for sustainable investments and development; (b) strategic planning of regional activities and sectoral analysis of all issues of regional importance for integrated and comprehensive development and sustainable investments in the Niger River Basin, and (c) coordinating contributions from development partners.

12. The process leading to the development of the SDAP was initiated at the 7th Heads of States Summit in March 2002, where the Niger Basin countries acknowledged the threat of unilateral planning, and recommitted themselves to revitalizing the NBA. In June 2002, the Chairman of the NBA Heads of State, the President of the Niger Republic, wrote to the President of the World Bank, formally requesting the Bank's assistance to the NBA member countries in developing a cooperative framework, which the Bank agreed to do. The preparation of the SAP to include all nine Basin countries will provide the framework for sustainable environmental management of the Niger Basin, while playing an integral part in the broader SDAP. The stated complementary goals and efforts of the SDAP and SAP necessitate a coordinated timeline for preparation and implementation, which will be developed during the Appraisal phase.

13. As part of the institutional revitalization, envisaged by the Project, the strengthened technical and institutional capacity and an increased knowledge base of good management practices, will provide a the tools for a comprehensive SAP which will then become an integral part of the broader SDAP for the Basin. The two combined efforts will provide a framework, to leverage greater multi-donor support for sustainable development and investments in the Basin.

14. *Reflecting both Millennium Development Goals and NEPAD Goals*. The Basin countries, with the support of the World Bank, are formulating a strategic vision for the Basin's sustainable development. The Shared Vision will be in the context of the United Nations Millennium Development Goals (MDGs) and the New Partnership for Africa's Development (NEPAD). The MDG No. 7 promotes integrating the principles of sustainable development into country polices to reverse the loss of environmental resources. Similarly, the NEPAD framework places importance on including the environment to have sustainable socio-economic development. This is especially so vis-à-vis water resources. The NEPAD objective is to create a "framework for regional cooperation in an integrated sustainable water resources management, harmonization of water polices and regulations". Environmental and financial governance have been identified as critical strategies with the framework.

15. *Addressing the WSSD goals as they relate to WEHAB.* The Water Priority of WSSD and WEHAB promote greater efficiency (quality and quantity) in water use, shared water resource management, and to protect freshwater resources and related ecosystems, and develop

sustainable water management strategies at the regional, national and local levels, which promote both equitable access and adequate supplies.

NIGER BASIN AUTHORITY

16. The nine Niger Basin countries are all signatories to the Convention[3] that established a basin organization. The Niger Basin Authority's origins are in the 1963 Niger River Commission (NRC), which was created to control navigation on the Niger River. In 1973, the agreement was amended to allow the NRC to become an implementing agency, and its administrative, executive, and policymaking structures were established. However, these modifications failed to address the institutional, financial, and technical weaknesses that the organization had been experiencing since its inception. Thus, the 1979 Heads of States Summit in Lagos recommended revitalizing the NRC. This Convention, signed in November 1980 in Faranah, assigned the NBA, the central governing institution for the Niger River, to "promote co-operation among the member countries and to ensure integrated development in all fields through development of its resources, notably in the fields of energy, water resources, agriculture, forestry, transport and communication and industry". Details of the NBA its formation, function, and history are detailed in Annex I.

17. The NBA has been the vehicle for a number of important diagnostic studies in the last few decades and these have provided an excellent resource base for the Project preparation under the PDF-B. The NBA has been the counterpart agency for the GEF PDF-B in the preparation of the Project Brief. The Project builds on number donor-supported initiatives, which have often occurred din isolation of each other and the cumulative benefits undervalued. Project preparation provided an opportunity to identify in the five core countries (Benin, Guinea, Mali, Niger, and Nigeria) the root causes of resource degradation in the preparation of the preliminary TDA, and will be extended to the remaining four countries (Burkina Faso, Cameroon, Chad, and Cote d'Ivoire) to address the Basin priorities, addressing comprehensive transboundary issues to improve land and water resources management, and strengthening capacity, as identified in the preliminary TDA.

NATIONAL POLICIES

18. *National Water Resources Management.* The Basin's water resources are central to the individual country policies on economic growth, poverty alleviation, and sustainable livelihoods. However, each country has its own interests which need to be coordinated if the Basin's resources are managed sustainably. Recent efforts have focused on gaining a better understanding of the resources through links with regional and national institutions involved in water management. The national development policies of all Basin state countries are centered on maintaining or increasing rates of growth while also addressing poverty alleviation and sustainable livelihoods. Freshwater resources are critical in the pursuance of these national interests. These policy directions are divergent and need to be coordinated if the Basin resources are to be managed in a sustainable fashion. Essentially, the NBA is the key inter-governmental institution in coordinating integrated approaches to the development and protection of the Basin. Accordingly, the mandates, functions, commitments, and resources invested within NBA need to be reviewed during formulation of any program of joint

[3] Summit of Head of State and Government, November 21, 1980

management to assure member countries that it will be able to discharge its role effectively during subsequent implementation. Some recent efforts have been dedicated to gain better knowledge and understanding of resources through development of links between global and regional institutions and national institutions involved in water management.

19. *National Programs.* The basic framework for national-level water resources management is supported through a number of bilateral and multilateral interventions. Water resources management initiatives are mostly tied to new water supply and sanitation projects supported by donors, World Bank or UNDP, and to newly drafted poverty reduction strategies in the frame of PRSPs, UNDP Country Programs (CP), and World Bank Country Assistance Strategies (CAS).

20. *UNDP Country Programs.* UNDP uses two main instruments to define the areas of cooperation at the regional level and at the individual country level respectively, through the *Regional Cooperation Framework (RCF)* and the *Country Programmes.* The UNDP-CPs are active in the Basin, the UNDP–Small Grants Programmes, a number of GEF supported activities.

21. *World Bank PRSP.* Most of the countries are in the process of developing their Poverty Reduction Strategy Papers (PRSPs) as well as Sustainable Development Strategies. The project addresses these concerns, as well as priorities established within the UNDAF and UNDP Country Programs for the next few years.

22. *World Bank Country Assistance Strategies.* The Country Assistance Strategy (CAS) is a document that is the central vehicle for Bank's assistance for borrowers, describing the on an assessment of priorities in the country, and indicating the level and composition of assistance to be provided based on the strategy and the country's portfolio. The Project's relation to sector-related goals in the nine World Bank CAS's are listed below:

    - *Benin.* 2001 Interim CAS identifies environmental degradation and inadequate water supply as one focal area to fight poverty in Benin.
    - *Burkina Faso.* 2000 CAS supports Burkina Faso in implementing its PRSP.
    - *Cameroon.* 1996 CAS supports the PRSP, which highlights the need for environmental sustainability, and in the short-term completing the National Environmental Action Plan.
    - *Chad.* 2000 amended CAS highlights strengthening capacity for natural resource management.
    - *Cote d'Ivoire.* 1997 CAS mentions protecting its biodiversity. It also includes the following performance benchmarks: (i) enacting water resource management law; and (ii) implementing priority environment policies measures based on the NEAP.
    - *Guinea.* 1997 CAS notes that Guinea's long-term growth needs major environmental problems to be addressed as the deterioration of natural resources resulting from soil erosion, production, and is likely to dampen long-term growth prospects.
    - *Mali.* 1998 CAS supports the government's development strategy to implement natural resource management programs and to exploit its irrigation potential.
    - *Niger.* 1997 CAS earmarks water as one of the three pillars of Niger's development strategy (the other two are human capital development and exploitation of regional growth opportunities). Three Projects – Water Resource Management Review, Water Supply and Private Irrigation Promotion – were recently launched in support of this strategy.
    - *Nigeria.* 2000 Interim Country Strategy Note identifies agriculture and the environment

as areas in which to rebuild analytical knowledge for future Project lending.

E. STRATEGIC CONTEXT AND SECTOR ISSUES

REGIONAL CONTEXT

23. The economic, social, and environmental well being of the Basin countries depends upon the vitality and productivity of the Basin. During the Project preparation process, a better understanding of the Basin's hydrologic, environment, and socio-economic parameters, and the sectors issues affecting the Basin, were identified. This understanding contributed to the formulation of the Project design. In addition, by complementing and building on existing projects in the Basin, the GEF Project focuses on the increment needed to integrate management of the Basin's land and water resources. It forms part of the concurrent development of the SDAP for the Basin.

24. In particular, the Project adds a transboundary element that captures additional benefits to the Basin's people and their shared environment. The Project will address the broader aspects of transboundary environmental management and capacity building for the shared water resource management. In particular, the Basin countries have expressed the need to establish an overall framework for environmental management of the Basin and requested GEF support for this endeavor. It will also coordinate activities with other GEF international waters Projects in the region in the Senegal, Lake Chad, and Volta Basins.

HYDROLOGICAL ENVIRONMENTAL CONTEXT

25. *The River*. The Niger River is the 3rd longest river in Africa at 4,200 km with an average annual flow of 180 km^3. Its Basin covers 2.2 million km^2 spread over nine countries – Benin, Burkina Faso, Cameroon, Chad, Côte d'Ivoire, Guinea, Mali, Niger, and Nigeria. The hydrologically active part of the Basin is approximately 1.5 million km^2. The Niger River rises in the Fouta Djallon Highlands in Guinea, and before it enters the Inner Delta in Mali its average annual flow is 45 km^3. Its main tributary is the Benue, which rises in Cameroon, confluences in Nigeria. Though the Benue contributes 50 percent of the Niger's flow, the hydrological significance across the Basin is lower as it only flows through one country before joining the Niger River, Annex J, the Project Map, illustrates the physical characteristics of the Basin. The Basin encompasses several climatic zones, and can be divided into four distinct hydro-geographic sub-systems:

- *Upper Niger* extends over approximately 140,000 km² and contains three main tributaries, the Tinkisso, Milo and the Nianadan Rivers. The only significant control structure here is the Selingué Dam on the Sankarani River, a tributary of the Niger. This single purpose hydroelectric dam regulates approximately five percent of the average upstream volumes.
- *Inner Delta* in Mali comprises a complex and geographically extensive system of influents, lakes and floodplains that have undergone significant development. The inland-delta is subject to substantial seasonal and annual variations depending on inflows from the Upper Niger River and the Bani River. The inundated area has decreased, 63%, from 35,000 km² in 1967 to 9,500 km² in 1984.
- *Middle Niger* covers 900,000 km². Upstream of the Niger Republic, the river receives inflow from tributaries in Burkina Faso, which include the Garouol, Dargol and Sirba

Rivers. Navigation is difficult due to rapids. Flows in the Middle Niger are significantly affected by the outflows from the Inner Delta. Mean annual flow at Niamey between 1971-2000 is a third less compared to the flows between 1929-1970. This reduced flow has resulted in earlier and shorter floods.

- *Lower Niger* has a catchment area of 450,000 km² and receives several major tributaries including the Sokoto, Kaduna and Benue Rivers. The mean average runoff downstream of the Kainji and Jebba Dams is 1,454m³/s and rises to 5,590m³/s after the confluence with the Benue River.

26. *Rainfall and Drought.* Competition over scarce water resources or transboundary areas has been a source of tension between the Basin countries. Since the severe droughts of the 1970s, the riparian countries have sought to protect themselves from the negative impacts of drought. The Niger Basin embraces different topographies and rainfall patterns, which lead to a complex and variable, flow pattern. The River's natural variability is compounded by its management and the additional complexity of international boundaries transecting the Basin. Seasonal variability alone often results in frequent extremes in flow, either as droughts or floods. However, for the past three decades the Sahel has been experiencing persistent drought resulting in drastically changed annual mean rainfall patterns and a southward shift of rainfall zones by 100 km. The resulting changes in average runoff and flow patterns (reduced to 37% of average flow during 1974-1994) have in turn reduced alluvial aquifer recharge and the Niger River's capacity to transport sand. Simultaneously, aeolian, mechanical, and hydraulic erosion has increased as desertification and degradation of the banks continues due to human and animal pressure. The consequence is increased sedimentation of the Niger River and its tributaries. Aquifer levels have yet to return to pre-drought levels because of weak floods and the time lag between a return to normal rainfall conditions and aquifer recovery. Consequently, most of the Basin countries are facing a water crisis, resulting from water scarcity and problems with quality and management.

27. Congruent with increasing water demand are increasing tensions between users within a country and riparians themselves. Drought and reduced water availability forced rural communities, such as farmers and cattle herders, to migrate south to more humid conditions increasing pressure on the remaining floodplains and wetlands. With this migration, traditional resources management have given way to survival needs that are ecologically unsustainable and leading to declining biodiversity and productivity of natural habitats. Yet, the Basin countries are unable to invest in costly but necessary environment monitoring.

SOCIO-ECONOMIC CONTEXT

28. *Basin Population.* The Basin population is young and growing with 44% under 15 years and growth rates just less than 3%. The economic implications of this population composition are huge. Low life expectancy (ranging from 43 to 49 in the five main stem countries) means that the workforce continually loses members who are at their prime in terms of experience and productivity. The AIDS pandemic exacerbates the problem as victims are usually in their "economic" prime. It also means that the majority of children do not have a parent, although traditional practices, where parenting duties are shared by the extended family system, go some way to reducing this problem. Annex F summarizes the human development index and some of the key economic features of these countries as reflected in the Human Development Report (2001).

29. The population is concentrated along the Niger River and its tributaries for whom it is socio-economically, environmentally, and therefore politically important. A circular relationship between poverty and environmental degradation characterises this region, particularly in the more arid Sahelian zones on the northern margins of the Basin. Regional poverty is a severe limiting factor and compromises the ability of the countries to invest in costly yet necessary state of the environment monitoring. The human pressures on the resource base include deforestation, bush burning, and unsustainable agricultural practices. This combination of increased human pressure and drought then exacerbates desertification and the cycle continues.

30. *Economic Development*. Economic growth rates in the Basin improved from 1% at the beginning of the 1990s to approximately 5% in 1997. However, economic growth is heavily dependent on the performance of two primary sectors – agriculture that contributes 40% of GDP in the Basin, whereas mining contributes over 10%. The Basin's economies therefore remain vulnerable to drought and fluctuations in world commodity prices. The Basin's rural economy depends heavily upon natural resources. However, the environment is under severe stress, threatening rural livelihoods and increasing the rural population's social and economic vulnerability. Current policies entrench inequity in resource distribution, which combined with inappropriate tenure policies and low commodity prices are increasing poverty. Poverty and environmental degradation are leading to increasing urbanization as rural populations move to maintain livelihoods. The economically active population is also being lost due to already low life-expectancies and the AIDS pandemic. Consequently, the economic implications for the Basin's development are significant.

31. There are a number of dams in the Niger Basin, most of which are within Nigeria, which is characterised by large hydropower producing dams and growing industrial production. Energy production is primarily derived from two dams, the Kainji and Jebba, which together provide 68% of Nigeria's hydroelectric supply, and 22% of the total national power supply. At present, Nigeria's power demand is outstripping its supply, a condition that is likely to worsen in the future. It is thus clear that increased upstream uses of water for any purpose will be of interest to Nigeria as the downstream riparian country has a stake in maximising downstream flows for hydroelectric power production, particularly during periods of dry season flows.

32. In many parts of the Basin, inland navigation provides essential transport for people and goods and is important economically. The length of and duration for which the river is navigable depends upon: flow regulation as provided by the dams the River's sedimentation; and the

presence of aquatic weeds. Despite the Basin's potential, there has been limited development of the tourism sector. With negligible environmental impacts, eco-tourism may be able to provide alternative livelihoods.

KEY SECTOR ISSUES

33. *Preliminary Transboundary Diagnostic Analysis.* The NBA has been involved in a number of diagnostic studies, which formed the basis for the Project's preparation. During Project preparation a number of transboundary issues were identified that contribute to the degradation of the Basin's resource base (refer to Annex G). It also achieved consensus between the five countries (Benin, Guinea, Mali, Niger, and Nigeria) involved in the preliminary TDA and how to address the issues related to the Basin's land and water degradation. In preparation, key environmental issues were reviewed, symptoms/impacts identified, biodiversity and water resource priorities recognized, the root causes and extent determined. During the Project the TDA will be further detailed to be more inclusive, to include the remaining four countries, will then be used to prepare the basin-wide SAP. The SAP will further identify basin-wide priority concerns and actions, necessary for promote sustainable land and water management of the Niger River Basin.

34. The preliminary transboundary analysis included a review of the threats, root causes, at various country-level workshops across the region as part of the present Project preparatory process. These consultations occurred during Project preparation at the regional, national, and local level in five of the nine Basin countries, involving the following entities in the Project's design through national and regional workshops: the NBA; the national governments of Benin, Guinea, Mali, Niger, and Nigeria; local communities and NGOs in the five countries; and UNDP, the World Bank and UN-DESA. During these workshops, through the discussions and review, the participants concluded that the negative consequences are associated with the failure to address these following prioritised transboundary issues, which will be further developed in the final TDA:

- *Inadequate Land and Water Management Frameworks*: Currently national institutions retain a short-term and sector specific focus, and in some cases have yet to develop or implement a policy on land and water resources management. The region is characterized by the general absence of an integrated and regionally based land and water management framework. National workshops held during Project preparation identified further environmental deterioration if there continues to be an absence of co-operation at all levels and if existing institutions continue to remain weak. Currently, decisions made regarding planning and development occur with low levels of public engagement and participation. Environment-centred public education and awareness programmes are virtually non-existent. Sectors within countries, and the countries themselves often work in isolation with insufficient co-operation. Unharmonized legal frameworks at the regional level and the poor adaptive capability of national and regional institutions has made it difficult to effectively and equitably manage the shared water resources. Accordingly, there is little appreciation for water and environment in economic policies, while economic instruments and incentive measures receive little attention, and specific programmes to promote and support local initiatives are almost non-existent. In addition, most of the Basin countries lack a long-term vision and water resources management policy, with a low level of public engagement and participation in planning and development, and inadequate mechanisms to encourage and

secure participation is lacking in the region.

- *Degradation of Renewable Resources.* The lack of adequate land and water management policy frameworks has contributed to significant degradation of renewable resources. From the preliminary TDA, the Basin's fish stock has decreased with the near disappearance of certain species, due to disturbances in the river's flow regime and over-fishing. Inappropriate fishing techniques such as illegal fishing nets, poison and explosives all have negative environmental impacts. Current agricultural practices such as bush clearing, overgrazing, fertility loss, poor drainage systems and utilization of zones close to the river have led to extensive land and water degradation. Though agricultural pollution is limited currently, it is gradually increasing with improper use of pesticides and fertilisers. There is insufficient data on timber exploitation in the upper Basin. However, in the Sahelian countries deforestation is continuing due to the demand for wood for domestic purposes. In the lower Basin, extensive woodlands have been cleared for farming. In addition, tropical forests have been exploited for commercial purposes.

- *Inadequate Information and Data to Support Decisions*. Though there is knowledge of the environmental resources in general, within the Basin there is no effective system for monitoring the quality of freshwater resources, nor are there effective water quality protection programmes. Subsequently, there is ineffective management of water demand and little attention is paid to adapting production methods to natural resource limitations. There is insufficient co-operation between and among sectors within countries, and between and among the countries themselves to understand the integrated management of the land and water resources. This poor adaptive capability makes it difficult if not impossible to manage shared water resources effectively and equitably.

- *Energy Issues*. The preliminary TDA concluded that firewood and charcoal meet approximately 80% of the Basin's energy requirements. Satisfying the demand for domestic fuel and commercial logging has resulted in deforestation and erosion in the Basin, particularly, in the more arid zones in Mali and Niger. Though electricity is available predominately in urban areas, these areas retain a significant demand for domestic fuel that continues the deforestation process. The Niger Basin has a high hydroelectricity potential. Some infrastructure is already in place to tap this potential, most notably, in Nigeria where hydroelectricity generated by Kainji and Jebba dams comprises 22% of the national electricity supply. (In the Lower Niger Delta in Nigeria, oil exploration is threatening mangroves). Alternative sources of energy have received insufficient attention in the Basin.

- *Impacts from Dams.* The Basin's existing infrastructure has not optimized the Basin's transboundary opportunities, which needs regional cooperation. The result has been an emphasis on infrastructure to control the river, and unilateral planning that has weakened the role of the Basin's regional institutions. Dams in the Basin have been constructed without prior coordination and consultation among the various countries or even among stakeholders within the same country. The dams have also increased occurrences of waterborne diseases, water hyacinth, deforestation, population displacement, and decreased fish stock. Despite their reservoir capacities, the dams' regulatory capabilities for eco-system protection are limited. However, even this limited support proved critical during the extreme dry years of 1984, 1985, and 1990.

KEY SECTOR ISSUES TO BE ADDRESSED BY THE PROJECT

35. There continue to be numerous interventions in the Basin countries to improve national and Basin-wide water resource management. Understandably, national priorities sometimes supercede regional priorities. In a shared river basin, these interests may conflict with each other, especially as national interests are often based upon immediate needs rather than their long-term impact. To tackle the root causes of the Basin's environmental degradation a coordinated multi-country effort is required that places action at the lowest appropriate level i.e. follows the principle of subsidiarity. Only through such processes can the riparian countries protect the Basin resources by: (i) introducing effective land and water management, mitigate desertification and sedimentation problems, (ii) establishing reliable water resources monitoring and data exchange, (iii) coordinating the management of the Basin's infrastructure, and (iv) promoting environmental action on biodiversity protection and conservation with good management practices.

36. From the preliminary transboundary analysis, it has become evident that the Basin's main sector issues contribute to escalating and negative consequences on the land and water resources. At present, several major barriers need to be removed if the participating countries if the NBA is to make progress in its attempts to secure a sustainable future for the Niger River Basin ecosystem: A series of integrated activities were defined to establish an operational baseline for improved management of the land and water resources; these include:

- *Finalize the TDA in the remaining four countries*. The preliminary TDA identified the priority transboundary environmental issue, to address these environmental priorities, a programme of strategic actions pertaining to the legal, policy and institutional reforms and investments for sustainable land and water management will be developed, in coordination with the SAP, the SDAP, these combined efforts will provide framework for integrated sustainable development of the entire Basin.

- *Improve data management and better understanding of the Basin's resources*. A coordinated, harmonized effort is necessary in terms of collection at the national level and dissemination to end-users to ensure informed decision-making, this activity is in response to the current decisions that are made nationally and regionally based on poor availability of information, limited data-sharing and erratic communication.

- *Enhance existing capacity regionally, nationally and locally.* Strengthened capacity, to address the sector issues and sustainable resource management, will assist to enshrine the principle of subsidiarity whereby action is taken at the most appropriate level, leaving the regional institutions to fulfill their mandate as facilitators for improved sustainable management of and land and water resources, in preparation of a broader program of investments. This will be completed through a range of activities to engage with the Basin's stakeholders through improved awareness campaigns and community-based actions on the ground facilitated by microgrants, and exchange of lessons learned through a regional forum, and a series of capacity building efforts.

F. PROJECT SUMMARY

PROJECT PREPARATION

37. The NBA's request for this Project builds on a number of donor-supported which have often occurred in isolation of each other and the cumulative benefits undervalued. Project preparation provided an opportunity to begin identifying the root causes of resource degradation while beginning to identify coordination mechanisms for future development in the Basin amongst the nine riparian countries, which have expressed their support for the GEF Project, through letters of endorsement. Extensive consultations occurred during Project preparation at the regional, national, and local level in five (Benin, Guinea, Mali, Niger and Nigeria) of the nine Basin countries. The Project will extend these consultations to the remaining countries in completing the preliminary TDA, and SAP to the remaining four countries. The following entities were involved in the Project's design through national and regional workshops: the NBA; the national governments of five countries; local communities and NGOs in the five countries; and UNDP, the World Bank and UN-DESA.

38. The Project design is based on a series of sequential activities, a series of diagnostic studies, and the PDF-A and PDF-B supported activities. Initial activities were from a set of diagnostic studies that have been undertaken in the last 5 years by the NBA included:

- Five country diagnostic assessments compiled by 10 independent national consultants during 2001 prepared in line with common terms of reference to ensure systematic identification of key transboundary environmental issues.

- Five national workshops held in 2001 to discuss findings of national consultants and issues raised by stakeholders' dependant on the resources of the Niger River Basin. These workshops also tabled ideas for pilot demonstration activities.

- Two regional meetings to discuss transboundary issues and discuss the TDA and proposed Project Brief.

- Numerous studies compiled over the last two decades (e.g., studies by JALDA, USAID, ORSTOM, and SOGREAH etc).

LESSONS LEARNED AND REFLECTED IN THE PROPOSED PROJECT DESIGN

39. Lessons learnt from other GEF International Waters Projects and non-GEF Projects were included in the Project's design. The principal lessons are:

- *Project design lessons:* Unrealistic project planning, schedules, and assumptions are commonplace. Top down planning occurs without accounting for the beneficiaries' needs. The use of inappropriate technologies, lack of markets or access to markets competition from abroad, lack of local capacity, lack of training in necessary techniques etc. Supervision, monitoring, and evaluation have at times been inadequate. National activities have not always taken into account the potential impacts on their neighbors. Activities such as establishing wildlife reserves of global significance have not always involved or been

adequately understood by the local communities; more effort is needed to ensure there are local benefits as well as global benefits from any further developments.

- *Sustainability and participation*: Though community-based development can be time-consuming; it can be very successful in directly addressing priority issues. Therefore, engage local communities through access to micro-finance whether as grants or credit and evidence of local ownership would be cost recovery and retention for sustainability. In other words, to involve the beneficiaries in design, implementation and evaluation of Projects on the ground.

- *Demonstration of best practices for integrated land and water management*: Successful water resources management depends on good land management practices since a watershed's elements are inter-related. Hence, to optimize management of the Basin, actions need to be coordinated basin-wide and in concert with the skills and culture of the different peoples living throughout the Basin. Demonstrations of innovative, locally-appropriate and cost-effective best practices are an effective way to disseminate best practices for community adoption and replication through micro-finance.

- *Institutional capacity:* The challenge is to bring about effective implementation, to ensure sustainability and to achieve benefits for the most needy. It is particularly difficult, but even more necessary when dealing with regional-scale issues and a regional organization. Without improved capacity for management, additional interventions are at risk and are unlikely to achieve the desired benefits. Hence, the Project includes strengthening regional, national, and local institutional capacity building.

- *Monitoring and evaluation:* The GEF International Waters conference in 2002 was attended by team members and several important lessons were highlighted including the importance of ensuring a stronger and more participatory monitoring and evaluation component, including the collection of baseline data within that monitoring and collection component; and the inclusion of the local scientific academic and research community into the Project so as to close the 'loop' on scientific data underpinning of environmental and hydrological decision-making.

- *Partnership*: Building broad partnerships among and within the riparian countries and with NGOs, international agencies and donors is essential for a coordinated process and to support the long-term sustainability of the shared resource base. The challenge, therefore, becomes to help foster an environment of trust, equity, and dialogue within which all stakeholders can jointly pursue their common and cooperative development aspirations.

PROJECT ALTERNATIVES CONSIDERED AND REASONS FOR REJECTION

40. The following alternatives to the present Project's design were considered:

- *Multi-phase approach to Project Design and Implementation*. The GEF Project, originally conceived as a multi-phased project, was determined to be inappropriate for the current opportunities in the Basin and not inclusive in the spirit of the Project objective. With the implementation of the GEF Project concurrently with the SDAP, it was determined that a single all-inclusive project would be an optimal approach to meet the paralleling efforts and

outcomes from the two activities.

- *Single implementing agency involvement.* This option would not benefit from the comparative advantages and strengths that each agency could bring to co-implementation. UNDP's comparative advantage is its in-the-field and capacity building experience, whereas the World Bank brings technical expertise and its capacity as a convener. Moreover, experience has shown the added value to the recipients when UNDP and the World Bank co-implement. Both agencies have extensive GEF International Waters portfolios and experience in the development and management of integrated river Basin management Projects such as the Niger that employ TDA/SAP approaches.

- *Preparation of national programs.* To address the environmentally sustainable development of the Niger Basin, it is necessary to have a trans-national approach. Thus, not at the expense of national programs, but it's important to note national programs would by their nature not address the Basin's transboundary issues, and the need for coordinated management of the Basin's land and water resources. Moreover, preparation of nine separate national programs would be costly and expend significant resources in coordinating activities.

- *A few large-scale demonstration pilot projects.* This option was considered but modified, so that the Project will now assist countries in demonstrating available best practices in the priority themes and sites identified, while depending on micro-grants for adoption and replication of best practices by local communities. The reason for such a modified approach is that it will allow greater participation and ownership by local stakeholders in land and water management, while benefiting from lessons learnt in conducting demonstration pilot projects.

PROJECT RATIONALE

41. The Project, designed within the context of GEF OP#9, includes a transboundary increment, to strengthen the regional and national institutional capacity, to address land and water degradation and management issues in the Niger River Basin. The value of this Project is that the Project component activities, either build on initiatives and activities which area already under implementation at the national and sub-Basin levels strengthening the institutions; or it provides the necessary knowledge and tools for good management practices. Through these efforts, the Project adds a transboundary element to these actions, thereby expanding and capturing additional benefits to the shared environment.

    - *Capacity Building.* Through the capacity building components, the Project supports integrated regional capacity building of the Niger Basin Authority (NBA); national institutions to increase their knowledge base, and decision-ma king capacities for strategic management of, and development in the Basin; and local capacity building to manage local resources, through community-based implementation of microgrant-supported interventions.

    - *Land and water issues.* The Project's principle focus is to reverse land and water degradation of the Niger River Basin, however this process requires an integrated approach to upper and lower Basin, land-water and environmental management. The

GEF Project's technical components, through the microgrant-supported demonstration activities, will develop an understanding of the inter-relationship of better land management practices in agriculture, forestry, and other relevant sectors; and define mechanisms to improve water quality while reducing degradation of the regional biodiversity, offering possibilities for cumulative rural socio-economic benefits for communities that depend on the land and water resources for their livelihood.

- *Transboundary Increment.* This GEF Project strategically address the incremental costs associated with converting the Project's national decision-making capacity and individual national issues, which could be transboundary in nature, into regional operational context, to achieve global benefits.

PROJECT COMPONENTS

42. The Project is designed to address the Basin priorities, addressing transboundary issues, improving land and water resources management and strengthening capacity as identified in the preliminary TDA. The GEF Project will collaborate with other initiatives internal and external to the in the Niger Basin. Intra-Basin the Project will complement the broader international waters work the nine Basin countries are undertaking assisted by the World Bank. Therefore, the GEF Project will focus on the environmental aspects of managing the Niger River Basin. The Project is anticipated to be a single phased Project of US$13 million (GEF funding) spread over six components:

Table 1 Project Components and GEF Budget Allocations

	Component	GEF Budget (US$m)	Implementing Agency
Component 1	Project Management	1.5	WB
Component 2	Capacity Building	1.5	UNDP
Component 3	Data Management	2.0	WB
Component 4	Regional Forum	0.5	UNDP
Component 5	Demonstrating Change in the Basin - Microgrant supported interventions	5.0	UNDP
Component 6	TDA and SAP Preparation	2.5	WB
	Total	13.0	

43. **Component 1 Project Management** (US$1.5 million): This component will augment regional, national, and local institutional capacity in all nine-Basin countries to manage and implement regional Projects. Existing institutions will be strengthened primarily at the local level to implement the Project. To support regional and national Project implementation, core personnel in existing institutions at the regional and national level will receive further training on Project management (procurement, disbursement, project cycles and implementation process etc). It is

anticipated that a core group of specialists will be built within regional and national institutions that are experienced in managing regional environmental Projects.

44. In particular, establishing the Project Management/administrative Unit (PMU) within the NBA will strengthen the NBA's Project management capacity, so that in due course the NBA can execute a broader portfolio of regional environmental interventions. The PMU will have employ Project staff, and rely upon specific inputs from consultants as needed. The mix of expertise could include, for example, Regional Project Coordinator, Financial Procurement Specialist, Land and Water Expert, Microgrant Specialist, Data Management Specialist, Participation and Communication Specialist, but will be determined prior to Project finalization during the Appraisal phase.

45. The component activities are:

    Activity 1.1: Establish the Project Management Unit (PMU);
    Activity 1.2: Recruit Project staff;
    Activity 1.3: Establish the Project implementation structure; and
    Activity 1.4: Conduct Project management training for PMU, NBA and national staff.

46. **Component 2: Capacity Building** (US$1.5 million): Effective consultation and co-ordination at the local, national and regional level is an essential pre-condition for the successful formulation and implementation of an integrated Basin management plan. This presents a prime opportunity for GEF support to help clarify policy and institutional linkages to achieve coordinated management of the functions to be performed by the NBA. The GEF Project will augment the current capacity building in two ways – by focusing primarily on the environmental aspects of Basin management, and by including local organizations in the capacity building programme. It is anticipated that these local organizations will also be involved in managing and implementing the TDA/SAP process and the microgrants. The training courses will include: sharing best practices in land and water management (especially on priority themes identified), involving stakeholders in decision-making, design and implementation of microgrant supported interventions and raise awareness on the transboundary environmental issues.

47. The component activities are:

    Activity 2.1: Assess the gaps in capacity in the Basin at the regional, national and local level (both public sector and civil society);
    Activity 2.2: Elaborate an Operational Strategy for Educational and Training Strategies
    Activity 2.3 Conduct training courses at all levels; and
    Activity 2.4 Implement public education and awareness programs.

48. **Component 3: Data management** (US$2.0 million): This component's objective is to enable the riparians to build a robust partnership to manage water and environment data and thus enhance knowledge of the Basin. It will also draw on the work being done in Guinea as part of the GEF Project in the Senegal Basin to establish an information system framework for improved data collection and data exchange and monitoring mechanisms established in all nine countries. Though good water management needs knowledge of existing water and environmental conditions, collecting raw data by itself is insufficient to solving the Basin's

problems. It is essential to use the data to inform decision-making, which is only possible if it is shared with policy decision-makers across the Basin. Therefore, it is important to set up procedures and protocols that ensure data compatibility, processing, and dissemination and promote a mutual understanding between the riparian countries, and the decision-makers.

49. Given the large task involved, a strategic division of labor would suggest that the riparian countries collect and process the data within their national jurisdiction, and the NBA provides Basin-wide analysis and aggregation. To improve dissemination across the Basin, the NBA will work together with the riparian countries to augment existing data-sharing mechanisms. For the data to be useful, it has to inform decision-making in the Basin. Therefore, workshops will be conducted to strengthen existing communication between the technical and political communities at the national and regional levels.

50. Though the Niger River Basin has been studied extensively, a number of important gaps remain:
    a) Systemic and integrated analysis of national and transboundary ground and surface water resources and use across the Basin and between sectors;
    b) Hydraulic functioning of run-off in flood zones, infiltration routes, and evaporation in the Inner Delta;
    c) Feasibility, appropriateness, potential transboundary effects, and environmental implications of structural solutions such as control structures intended to regulate flows throughout the Basin;
    d) Linkages between natural resource use, socio-economic concerns, the environment and the need to jointly define and prioritize issues; and
    e) Developing a mechanism to integrate actions, ensure effective communications regionally and sectorally, monitoring and regulation.

51. The component activities are:
    Activity 3.1: Assess the quality of data on water resources, and identify gaps through a series of studies on existing data, monitoring indicators, and knowledge baseline;
    Activity 3.2: Build on existing knowledge on technical and protocol matters to prepare appropriate data-sharing mechanisms ensuring quality, compatibility and sharing;
    Activity 3.3: Establish a basin-wide data management protocol and implementation process for collection and data exchange by strengthening institutional links between national and regional institutions to share data;
    Activity 3.4: Conduct national and regional training courses for data managers (collectors, processors, interpreters) and data users (policy decision-makers) to improve quality of data management, its monitoring and its dissemination; and
    Activity 3.5 Augment the basin-wide economic model being developed with environmental data.

52. **Component 4: Regional Forum** (US$0.5 million): This component will facilitate the exchange of lessons learned and Basin management best practices in regional Projects in Sub-Saharan Africa. A Working Group will draw together lessons from other GEF River and Lake basin projects in Africa (such as Senegal River, Lake Chad, Volta Basin, Okavango, Lake Tanganyika, Lake Victoria, and Lake Malawi), and other projects in the region and prepare the

Forum's agenda and arrange for papers to be presented along agreed to priority themes. Following on from the GEF project in the Senegal Basin, NBA will hold an Africa Regional Forum. The Forum will serve to encourage the establishment of links to other regional Projects and networks. With guidance from the two GEF Implementing Agencies and support from the regional Public Participation and Information Expert, the RPC will organize the Africa Regional Forum hosted in Niamey by the NBA Executive Secretariat.

53. The component activities are:

Activity 4.1: Conduct a comparative analysis of other international Basins; and
Activity 4.2: Host a GEF regional forum on international waters projects.

54. **Component 5: Demonstrating change in the Niger Basin-Microgrant supported interventions** (US$5.0 million): Component 5 is strategically designed to (i) provide a mechanism to support community-based interventions and improve livelihoods at the local level, while also providing opportunities to exchange, through training, know-how the lessons learned at the national and local levels, (ii) continue to draw on the issues and actions identified through the TDA/SAP process providing communities opportunities to assume control and authority over decisions and resources, (iii) promote ownership and care of local assets and resources. Most importantly, however it will also provide a platform, for lessons learned, on good management practices in the Basin, providing a valuable asset in the SAP resource management framework for future interventions and investments in the Basin.

55. Though the preliminary TDA identified a range of transboundary sector issues, through a collaborative process with the NBA members, five main sector themes (referenced in Table 2) were identified as the current priority actions for reversing land and water degradation trends in the Niger Basin. These themes may be augmented during the full TDA/SAP process, when incorporating the reaming four (Burkina Faso, Cameroon, Chad, and Cote d'Ivoire) countries and completing the comprehensive SAP. However, to address the sector themes, and commence a program of good-management practices, a microgrant-supported Demonstration Program will be implemented. This Program will complement the training and capacity building conducted in Component 2. Where Component 2 will include the development of models and approaches for each of the priority themes, Component 5, with relevant public authorities at the national and local levels, along with relevant NGOs and other civil organizations, and with assistance from the PMU, will develop a Demonstration Program for each selected theme identified for a target site. Annex H provides details of indicative interventions and activities at proposed demonstration sites.

56. Before rolling out a large-scale community-based program to tackle the priority themes the countries have decided to test the appropriateness of possible interventions. Following the idea of 'appropriateness', and drawing upon the Basin's prior experience with demonstrations sites; and benefiting from the success of the UNDP Small Grants Programme (SGP), one mode of piloting possible interventions is through a demonstration program combining microgrant-supported community-based interventions.

57. Local communities throughout the Basin often have to face environmental degradation head-on. However, lessons learnt have shown that large-scale demonstration projects are not easily replicated by community-based organizations, and do not always benefit the community

directly. Therefore, communities will be given the means to be directly involved through the proposed micro-grant interventions, with each microgrant having a ceiling of US$75,000. The microgrants' ceiling is set to allow larger number of land degradation and sustainable land and water management interventions to be piloted, in order to enhance both impacts and lessons learnt.

58. Component 5 the microgrant-supported Demonstration Program themes together with the community-based interventions will be based on the principles of the GEF-SGP which has local community based experience to a range of applicants, and through the public information and outreach program hopes to target those communities and stakeholders within the immediate context of the project design and project objectives. The GEF-SGP has been successful in successfully implementing projects and disbursing funds, which this Project hopes to build-on and replicate.

59. While most of the Demonstration Program is envisaged to be implemented through a micro-grant facility directly managed by local NGOs and communities, some parts of the program (activities such as baseline analysis, workshops and training, harmonization of local government rules and procedures, and participatory monitoring and evaluation of the program) will be managed by relevant entities demonstrating capacity for the work.

60. Under GEF criteria, interventions that are transboundary are eligible for GEF funding. Those interventions that are ineligible for GEF funding will be addressed in other ways, including the broader international waters work being facilitated by the World Bank or other appropriate donors. Annex H provides an indicative set of interventions and sites that were developed by Member Countries and NBA for each priority theme during the April 2002 Technical Workshop in Niamey. This information will be further developed, and Programme interventions defined during the Appraisal phase. Table 2 lists the outcomes from decisions made by the countries as to the proposed seven thematic priorities for the Demonstration Program, their host/lead country, and the countries, which have already stated an interest in replicating similar interventions, which will extend throughout the Basin, since the Component activities will be implemented in all nine Basin countries. In addition to the 7 thematic priorities, which can be supported by the GEF, Table 2 also includes three other themes; Themes 8 and 9 will be supported by IW funds through the World Bank. Theme 10 will be supplemented as a paralleling effort to Component 3.

Table 2: List of proposed microgrant-supported themes with host and interested countries

Priority themes	Benin	Burkina	Cameroo	Chad	Cote d'Ivoire	Guinea	Mali	Niger	Nigeria	NBA
Theme 1: Reducing Dependence on Wood (and Charcoal) for Domestic Energy				✍						
		✍	✍		✍			✍	✍	
Theme 2: Improving Farming Techniques and Practices in Rain-fed Agriculture					✍					
		✍					✍	✍		
Theme 3: Improving Farming Techniques and Practices in Irrigated Agriculture			✍							
	✍			✍			✍		✍	✍

Priority themes	Benin	Burkina	Cameroo	Chad	Cote d'Ivoire	Guinea	Mali	Niger	Nigeria	NBA
Theme 4: Reversing Degradation of Soils, Pastures and Animal Health in the Livestock Sector	✍									
		✍		✍			✍	✍		
Theme 5: Promoting Sustainable Fishing and Hunting Practices							✍			
	✍					✍		✍	✍	
Theme 6: Supporting Eco-tourism and Environmental Protection								✍		
	✍	✍	✍						✍	
Theme 7: Improving Water Quality by Combating Industrial, Urban and Mining Pollution						✍				
		✍	✍		✍		✍	✍	✍	
Theme 8: Promoting Navigation Activities on the Niger River									✍	
	✍		✍			✍	✍			
Theme 9: Strengthening Integrated Water Resource Management in the Niger River Basin		✍								
	✍				✍	✍	✍	✍	✍	
Theme 10: Implementing the Environmental Observatory in the Niger River Basin (as part of Component 3)										✍
		✍						✍		

* lead/host country; ✍ participating country

61. Institutionally, the microgrant-supported interventions will be implemented nationally by a sub-contracted NGO, through a transparent selection process based on eligibility criteria and in compliance with environmental and social safeguards. A Local Coordinating Committee consisting of the PMU, representative of the National Teams, representative of Local Government, and the sub-contracted NGO, will develop the Demonstration Program for each pilot Site, and assist together with the Scientific Advisory Committee, in project design of the microgrant-supported community-based interventions. They will ensure harmonization across countries, targeting the transboundary issues, and addressing social and environmental safeguards. The operational and implementation process of Component 5 (including specific sites, verification of themes, local and national executing agencies, structure and mandate of the Local Coordinating Committees) will be determined during the Appraisal phase.

62. Successful replication by communities, of effective interventions, will be critical not only for basin-wide success of community-based resource management, but will also provide the tools and mechanisms for national and regional level decision-makers in the developing strategic actions and recommendations in the SAP in the broader context of resource management and decision-making.

63. Institutional arrangements will be established to assist communities in designing, implementing and monitoring and evaluating the environmental benefits and cost-effectiveness, for further replication as good management practices in the Basin. The anticipated outcomes of demonstrating change in the Niger Basin through demonstration and microgrant-supported interventions will be: (i) the accumulated effect of tens of pilot demonstration interventions compared to seven larger demonstration Projects addressing the Basin countries' priority themes; (ii) community involvement in managing change in the Basin by improving local socio-

economic conditions, promoting ownership and care of local resources; (iii) closer linkages and collaborative work between government entities and civil society; and (iv) immediate action on the ground.

64. The component interventions will:

Activity 5.1: Establish Local Coordinating Committees;
Activity 5.2: Analyze baseline situation in each pilot site;
Activity 5.3: Identify priority issues from the TDA and develop site-specific Demonstration Programs;
Activity 5.4: Select and sub-contract a national NGO in each riparian country to manage the microgrant component;
Activity 5.5: Implement demonstration of best practices;
Activity 5.6: Prepare the detailed Microgrant Program Operational Manual to include compliance with environmental and social safeguards;
Activity 5.7: Community pilot demonstrations replicated in other appropriate regions in the Basin;
Activity 5.8: Implement a public information campaign on best practices;
Activity 5.9: Implement accompanying measures such as local enabling activities, and land use planning; and
Activity 5.10: Monitor and evaluate the demonstration program environmental benefits and cost-effectiveness.

65. **Component 6: TDA and SAP Preparation** (US$2.5 million): This component will work in complement to the broader international waters work which is developing a Basin-wide SDAP through in-depth consultations that will lead to large multi-sector investments. Consequently, the SAP being developed under the GEF Project will focus primarily on the environmental aspects. In finalizing the TDA, the component activities will complete an in-depth identification and analysis of environmental problems and issues throughout the Basin and their linkages with transboundary dynamics. The sources of the problems, their impacts on the natural and human environments as well as their root causes will be assessed and prioritized in order to highlight the most affected areas in the Basin and the transboundary priorities which need to be addressed as a result. As noted earlier, a preliminary TDA was done in the five main stem riparian countries of the Niger Basin (Benin, Guinea, Mali, Niger and Nigeria), and this effort will be extended to the remaining four riparian countries – Burkina Faso, Cameroon, Chad and Cote d'Ivoire, to complete the TDA and develop a comprehensive understanding of the priority transboundary issues, threats to the Basin, and root causes, which then will be the basis for preparing the SAP.

66. Both the TDA and SAP will serve as critical documents to improve environmental management in the Basin; introduce relevant environmental protection policies; provide opportunities innovative community-based microgrant funded investments; and inform the public on the issues in the Basin. The SAP, will be a strategic document for decision makers for future actions and investments in the Basin. Local counterparts preparing the SAP will be required to identify, for the proposed priority activities, the possible environmental and social impacts, any future investments and actions will be required to comply with the riparian's environmental policies and any future regional policies established in the Basin.

67. The SAP will facilitate transparent and sustainable Basin management through strengthening of relevant local, national and regional institutions, introduce relevant environmental protection policies and legislation, and provide opportunities for innovative community-based activities to improve community livelihoods through small microgrant investments while providing mechanisms for improved resource management.

68. Critical to the process is the complementary efforts of developing the SAP and the SDAP. Whereas the GEF Project's SAP will focus on managing the Basin's environment, the SDAP will deal with the broader issues of development in the Basin. The SAP and SDAP will be managed as complementary processes, for which the SAP is the natural precursor. The SAP will prioritize environmentally focused issues and sectors across the Basin member states, as well as developing a framework for environment management for sustainable development in the Basin. Subsequently, the SDAP will envelope all possible sectors, both those with the environmental externalities. Recognizing that the SAP and SDAP are complementary in their objective, vision and outcome, the Component 6 efforts and activities have a target focus, and will be coordinated with the SDAP process to avoid duplication.

69. The SAP will conform to GEF expectations and include:
    - A clear definition of national and transboundary priorities based on the TDA outcomes;
    - A concise summary of the identified threats and their root causes;
    - A description of public perceptions of environmental threats, development and equipment actions at the Basin-wide level, and the related transboundary management issues;
    - A priority ranking of national and transboundary actions according to the recommendations;
    - Identify and define priority actions and responsible parties;
    - Identify the tools and mechanisms for good management practices t o reverse land and water degradation in the Niger River; and
    - Identify additional capacity building necessary to facilitate SAP implementation

70. The component activities are:
    Activity 6.1: Finalize the TDA to include the remaining riparian countries;
    Activity 6.2: Develop the SAP based upon the TDA;
    Activity 6.3: Validate the SAP; and
    Activity 6.4: Engage donors to support implementation of the SAP.

KEY POLICY AND INSTITUTIONAL REFORMS SUPPORTED BY THE PROJECT

71. The Project will strengthen existing regional and national institutions in order to design and implement policies to sustainably develop the Basin's resources. Part of the strengthening process will be to ensure activities happen at the most appropriate level (subsidiarity). At the regional level, this will allow the Basin's regional institution, the NBA, to better serve its member countries by facilitating the Basin's development. This will be in line with its long-term objective "to promote cooperation among the member countries and to ensure integrated development in all fields". The Project's daily execution will be done by a PMU, which will work closely with the NBA. Thus, the NBA will have the opportunity to strengthen its understanding of Project execution as it develops its capacities in line with the mandate given to

it by its member countries. This will prepare the NBA for the broader challenges that will derive from overseeing the investment portfolio that will result from the cooperative development of the Niger River Basin by its riparian countries. At the local level, the principle of subsidiarity will engage community-based organisations in the decision-making process, and in tackling the Basin's priority issues.

G. RISKS AND SUSTAINABILITY

RISKS

72. The long term success of regional scale, multi-country management programs, such as this Project depends upon the political willingness of the participating countries to co-operate, to continue Project programs and approaches after the GEF intervention, and the extent to which activities successfully engage end-users at the community level. Despite occasional political and social tensions in the Basin, the riparian countries' commitment to cooperate and to the NBA lends credence to a hope for successful and sustainable implementation.

73. The riparian country governments have agreed upon and are committed to achieve Project development objective, and the countries are committed to sustain the Project activities, implementing lessons learned after the Project is completed. The risk of launching an unsustainable Project is seen as moderate. Project activities are coordinated with compatible activities in the Basin and continued political commitment and support from all riparian countries will be sustained through continued cooperation between regional, national and local institutions. Annex B, the Logical Framework outlines some of the critical assumptions to be heeded during project implementation to minimize risks.

SUSTAINABILITY

74. *Financial Sustainability*. The Basin countries' financial commitment is largely reflected through their NBA contributions (current national commitments are estimated at US$ 2.14 million) current donor, UNDP's and the World Bank's ongoing work in country projects, which form the baseline for this intervention. Most importantly, national water policy reform work as integrated into an overall regional policy development process, and as part of the SDAP, will further consolidate and strengthen the long-term financial sustainability of the present intervention. In addition, a number of donors are actively supporting work in the Niger River Basin either through the riparian countries or in the NBA.

75. *Government Commitment*. The Basin countries' commitment to cooperatively managing the Niger River Basin is evidenced by their request to UNDP and the World Bank for assistance in strengthening their joint management mechanisms. With specific regard to the GEF Project, the Basin countries that participated explicitly in the design worked well together during the preparation process. The involvement of national officials' in organizing national and regional workshops, workgroups, and steering committees has been extensive and consistent. The intent of the Project is to strengthen regional collaboration, which is essential for reduction of tensions, to foster exchange of knowledge, skills, and know-how, and provide a conducive environment for donor support.

76. The Project's purpose is to lay the foundation for future sustainable coordinated development in the Basin by: (i) building on national water resource Projects and initiatives already supported by UNDP and the World Bank; (ii) creating capacity for transboundary environmental management at the community, national and regional levels; (iii) setting in place strong participatory process, which will involve communities, local authorities, scientific institutions and NGOs in the management of the common transboundary resources; and (iv) designing a common TDA and SAP which will lay the technical, policy and institutional foundation for future cooperative Projects and programs.

REPLICABILITY

77. The Project potential for successful replication and reoccurrence, within the Basin and to other similar Projects is high both at the regional, national, and local levels. The principles of successful implantation practices, for institutional capacity building are integrated in the Project design, this includes but not limited to activities such as management training and cooperative workshops, and enforcing principles of accountability and transparency in the Project management and implementation. Inherent in the pilot-demonstration activities and the micro-grant supported interventions, will be the exchange of lessons learned on causes and demonstrating solutions and best practices to the address priority problems. These lessons learned and good resource management practices will be transferred to other appropriate areas of the Basin, through in the field training, workshops, and technical assistance and implementation of microgrant supported interventions.

78. A number of other GEF international waters projects are under way or preparation in West Africa. Component 4 will promote and facilitate, through a regional forum, the exchange of experiences, and best practices in other GEF international waters projects and other comparable projects in Sub-Sahara Africa.

H. BENEFICIARIES AND STAKEHOLDERS INVOLVEMENT

BENEFICIARIES

79. Through the PDF-B the Project's regional, national, and local beneficiaries and stakeholders affected by the management of the Niger Basin's water and land resources were engaged in the project preparation process. The primary regional institution is the NBA; nationally the principle beneficiaries would be ministries, academic institutions, and NGOs; and at the local level the primary beneficiaries would be communities who are either involved directly in the Project through microgrant-supported interventions, or to whom indirect benefits accrue.

80. The current Project proposal builds on and adds to the level of public involvement that began during the preparatory process under the PDF-A and PDF-B. Through the PDF-B, the Basin stakeholders include the NBA, national governments, local communities, NGOs and international agencies, contributed towards finalizing the Project Brief. In addition to the national governments, local communities and NGOs will be important partners in implementing the planned activities. Many international, regional, and national institutions will also work through the NBA to secure implementation of planned activities. This involved a broad array of stakeholders including local communities, local and sub-national governments and institutions, and the NGO community.

81. The Project's primary benefits will be a more inclusive decision-making process regarding the Basin's resources, strengthened institutions, direct action on priority issues, upscaling of pilot activities demonstrated to have been effective, and the NBA's growing confidence to facilitate the Basin's future development. At the local level, there will be opportunities to address local priority issues through the demonstration program. The Project will address rural poverty in the context of capacity building at the local level in Project Component 2 and the financing of community-based microgrant-supported interventions improving the livelihood of rural communities. Through implementing the component activities, the overall SAP process will provide for effective resource management of the Basin. These activities will provide a basis for future benefits to the rural communities:

- Successful best practices demonstrated, and adopted through microgrant supported interventions will provide tools and empower communities to address local priority issues;
- The demonstration program and microgrant-supported interventions will provide communities opportunities to find alternative livelihoods that are more sustainable;
- The demonstration program will provide a means to be more involved in the local decision-making process; and
- These demonstration programs and microgrant-supported activities will be able to quickly have positive impacts on the ground.

STAKEHOLDER PARTICIPATION

82. The Basin stakeholders include the NBA, national governments, local communities, NGOs and international agencies, contributed, in their own way, towards finalizing Project Brief. The current Project proposal builds on and adds to the level of public involvement that began during the preparatory process under the PDF-A and PDF-B. In addition to the national governments, local communities and NGOs will be important partners in the implementing the planned activities. Many international, regional, and national institutions will also work through the NBA to secure implementation of planned activities.

83. During preparation, provision of e-mail facilities, national and regional workshops, meetings, and interviews during visits to the entire Basin states by the Chief Technical Advisor (CTA), the GEF Focal Point, and NBA representation were part of the stakeholder participation. This involved a broad array of stakeholders including local communities, local and sub-national governments and institutions, and the NGO community. This effort was achieved with varying degrees of success in all five countries. In some countries, it was difficult to involve local communities at workshops, but many of the communities were visited during the interviews carried out by the national consultants.

84. Through the NBA, an informational and consultative process for all NBA members was established. This was achieved through keeping members informed via e-mail and during national workshops. Following the preparation of a preliminary, five country framework TDA summarizing key issues, priorities, and future options in each of the participating countries, an initial evaluation of water resources development scenarios and their individual and, to the extent possible, their combined impact on the natural and human environment.

I. INSTITUTIONAL AND IMPLEMENTATION ARRANGEMENTS

REGIONAL LEVEL IMPLEMENTATION

85. *NRB-PTF*. In assisting in the facilitation of Project's implementation the Niger River Basin Project Task Force (NRB-PTF), will serve as a steering committee in an advisor capacity for project implementation activities. Proposed Task Force members would include the NBA Executive Secretariat as the Chair, high level government representatives from participating countries, the Executing Agency, any other (major) donors to the Project. The UNDP, WB will participate in an observer status. The finalized list of Task Force members will be completed during appraisal. The entire NRB-PTF will meet at minimum annually to review the project implementation progress. Key members will meet as needed for activity specific guidance and review and will:

- Align the Project with other Basin-wide initiatives;
- Monitor Project progress and take timely actions to resolve implementation constraints;
- Liaise with different national Project coordination units within the riparian countries to ensure that the national units and the PMU act in harmony;
- Receive and review annual substantive and financial reports on project activities;
- Review and approve annual work plans; and
- Ensure monitoring and evaluation of project activities.

86. *Executing Agency*. . Given the NBA's mandate "to promote cooperation among the member countries and to ensure integrated development in all fields", it will undertake a more facilitative role as an executing agency during this Full Project rather than serve as a traditional executing agency. The NBA Executive Secretariat will be the lead counterpart agency on behalf of the member states that will host the implementation of this Project. It is a prominent regional organization with many decades of experience and strong will to develop a shared vision and common future for the Basin. The respective UNDP, World Bank, and Executing Agency task team leaders will be in direct and ongoing contact to facilitate the work of the project and to ensure maximum levels of co-operation to bring about project success. In implementing this project, NBA will ensure close coordination and harmonization with other ongoing Basin projects, especially ensuring information exchange and coordination within the context of the SDAP development activities.

87. *PMU*. A PMU, the project management/administrative unit will be established to work closely with the NBA Executive Secretariat and Executing Agency. Co-located at the NBA, the PMU will work closely with regional institutions and National Project Coordination Units (NPCU). Specific project funded staff will also be recruited to support the implementation of the project. In addition to strengthening the NBA's capacities, the PMU will be primarily responsible for implementation, which will include reporting on Project progress and impact, identifying implementation gaps and bottlenecks, providing technical support, and managing Project accounts and budget. Administrative, accounting, financial and auditing arrangements will be finalized during pre-appraisal, and will include:

- Assessment of the financial management system with timetable for any improvements required;

- Agreement with Project on financial and accounting standards;
- Audit arrangements, to ensure independent audits will be undertaken on an annual basis according to standard Implementing Agency requirements;
- Procurement Plan based on traditional disbursement procedures and best practice.
- All administrative reporting, monitoring and evaluation requirements and procedures as required by the implementing agencies.

88. *SAC*. Scientific Advisory Committee (SAC) composed of technical specialists, institutional specialists, and other relevant experts who will assure the scientific quality and standard of project implementation and reporting. The SAC has a significant role in addition to advising on technical matters during Project implementation and reporting, and also to support at the national and local levels as it pertains to Component 5, the microgrant-supported activity design and implementation, and the TDA/SAP development process. The SAC will regularly to assist in their technical capacity.

89. *NBA Council of Ministers.* The NBA Council of Ministers will provide guidance for issues related to the River Basin, approve strategic actions by supporting the NRB-PTF, and discuss when needed specific issues pertaining to Basin management. The NBA Council of Minister's members are representatives from the water resources and related ministries. The NBA Council of Ministers reports to the Heads of State in each country.

90. *Collaborating Agency*. The Project will be executed by a collaborating agency, on behalf of the NBA Executive Secretariat who will be responsible for supporting NBA Executive Secretariat in ensuring that the regional, national and local priorities agreed by the riparian states are substantively and coherently addressed through effective implementing the Project activities to achieve the Project's objectives. The final determination of the Collaborating Agency will occur during the Appraisal phase. Annex J provides an more detailed review of the Project institutional and implementation arrangements, as with defining the Executing Agency the institutional and implementation arrangements, and the Terms of References for the institutional responsibilities will be completed during the Appraisal phase.

91. *Implementing Agencies.* UNDP and the World Bank are the co-implementing agencies for this Project. The UNDP role will be to contribute its on-the-ground strength and resulting trust it builds with national governments, directly facilitate workshops and the convening of key stakeholders consistent with its comparative advantage in capacity building, work to secure national country-based financial resources to complement Project activities, and provide important links to other UN Agencies.

NATIONAL LEVEL IMPLEMENTATION

92. *NPCU*. The Project will support the establishment of the National Project Coordinating Units (NPCU). The NPCU's will be established in each countries building on appropriate existing institutions or establishing new ones as needed. The NPCU will work closely with the PMU and NBA, and will be responsible for implementing the Project at the national level. A National Coordinator (NC) will work closely with the NPCU staff in implementing the Project at the national level. The NPCU provides a critical link between the PMU, other Project resource-persons and the various national specialists, technical services, and organizations involved in implementing the various project components within the respective countries.

93. *NBA-NFPC*. The NBA National Focal Point Committees (NBA-NFPC) already established in each country will act in an advisory capacity for Project implementation at the national level, will provide technical advise, and assist in facilitating as needed. The NBA-NFPC will coordinate with the NPCU and the NBA-PMU during Project implementation.

LOCAL LEVEL IMPLEMENTATION

94. *Local community-based implementation units.* Following the principle of subsidiarity, community-based organisations would be involved in the decision-making and implementation process, and in tackling the Basin's priority issues. At the local level, working closely with the NPCU and the Local Coordinating Committees, these local community-based implementation units (NGOs community-based organizations) will be key in educating the local community on the specifics of local level component activities, and the micro-grant supported demonstration programs. They will work with local authorities and Local Coordinating Committee in developing the site-specific demonstration activities. The collaborative effort of the local institutions (both public and civil) is vital for the program success. It will provide opportunities for communities to communicate amongst themselves and with local government, and be responsible for assisting in the implementation and monitoring and evaluation of the demonstration programs.

95. *Local Coordination Committees.* The Local Coordination Committees will serve in an advisory capacity for Project implementation. The LCCs will coordinate with the NPCU, NBA-NFPC, and the PMU during Project implementation

VALUE ADDED BY THE WORLD BANK AND UNDP

96. Joint implementation by UNDP and the World Bank harnesses each agency's comparative advantage for the benefit of the Basin countries. As has been the experience in other, GEF international waters Projects in Sub-Saharan Africa, notably in Lake Chad, Nile and Senegal. UNDP brings its on-the-ground presence, close partnership with governments, capacity building experience and working with community-based organizations through the GEF Small Grants Program (SGP). The Bank brings in-depth technical analysis, convening power and access to the international financial markets. In addition, both organizations have ongoing GEF international waters and other programs and Projects in the region, which form the baseline for the GEF Project. Their joint involvement will facilitate closer coordination with these ongoing activities, especially the broader shared vision work supported by the Bank.

J. MONITORING AND EVALUATION

97. The NBA is responsible for ensuring that all GEF funded activities are carried out in compliance with the Project's design, and the performance and monitoring indicators outlined in the Project Logical Framework (see Annex B). The NBA will report to UNDP and the World Bank, which are co-implementing agencies (IAs). The Project will comply with monitoring and evaluation (M&E) procedures as based upon the IAs' institutional guidelines and ensure compliance with social and environmental safeguards. UNDP and the Bank will evaluate and review the Project progress according to their institutional requirements. As part of the Project Implementation Plan (PIP), which will detail all the reporting requirements, a Monitoring and Evaluation plan will be prepared to evaluate project progress, this will be supplemented with the Environmental Management Framework (EMF), a document providing a framework for ensuring compliance with environmental and social safeguards.

98. The PMU will be responsible for Project reporting according to institutional procedures. The components and emerging issues will be reviewed regularly, and evaluated annually, by the NRB-PTF, as noted above. It is anticipated that the SAC will contribute to assuring the scientific quality and standard of Project implementation and reporting.

99. In conducting Project reviews, emphasis will be given to emerging GEF policies regarding monitoring and evaluation of GEF international waters, particularly the development of process, stress reduction, and environmental status indicators for long-term monitoring of SAP implementation. The Project will also liase with another GEF international waters Project, "International Waters Learning, Exchange and Resource Network" (IW: LEARN), which aims to ensure exchange of knowledge and lessons learnt in managing international waters projects. The project may also liase with GEF-UNDP UNDOALOS project "Train-Sea-Coast", which is presently developing a course on TDA/SAP Methodology that could be of substantial value to the Niger SAP/TDA stakeholder teams.

100. There are a number of reporting requirement as part of the monitoring and evaluation, and supervision process:

(a) The PMU will follow a reporting schedule documenting the Project's progress, and prepare:

- Monthly progress reports outlining the work accomplished, work to be completed, with comments, and recommendations regarding the Project's progress.
- Semi-Annual Project Completion Progress Reports reflecting implementation status and progress, extent to which objectives have been achieved, current costs, budgetary issues, and procurement and disbursement progress.
- Annual Progress Reports, which will assess progress against the established, work plan and the Project's development objectives.

(b) The IAs require specific documents for reporting Project progress. When appropriate they will be prepared and submitted as comparable documents. The following documents will be prepared with the assistance of the NBA/PMU as part of UNDP's monitoring and evaluation process:

- ✍ Annual Project/Program Review (APR)
- ✍ Tri-Partite Review/Evaluation (TPR)
- ✍ An external Mid-Term and Final Evaluation and a Final Project Report before the Project's termination
- ✍ Annual Project Implementation Review (PIR) of the GEF

(c) The following documents will be prepared as part of the World Bank's reporting process:

- ✍ Project Supervision Reports
- ✍ Project progress reports
- ✍ Mid-Term Review (MTR) complementing the UNDP efforts
- ✍ Implementation Completion Report (ICR)

K. PROJECT FINANCING AND INCREMENTAL COSTS

PROJECT FINANCING

101. The Project designed to build-on and reinforce current activities in the Basin strengthens the regional institutional framework within which future activities, through the SAP and SDAP, are implemented. Additional financing for these future activities will be sought at the completion of these action programmes; hence, the GEF Project serves as a leverage and catalyst for further investments in the Basin. A detailed project budget, corresponding to the component activities will be prepared, with the stakeholders during the Appraisal phase.

102. The Project will finance activities in the nine countries as described in Table 3 below. The Project builds on World Bank and UNDP supported national activities in these countries, and serves as a transboundary increment to those national actions. The Project will not fund the NBA operations and recurrent costs. These costs will continue to be funded by the countries themselves through the annual contribution to the NBA.

103. Funding for this Project is within the context of the agreed GEF Project envelope, ensures the commitment of all Governments and bi-lateral and multilateral donors who have expressed an interest in supporting NBA and the SAP and SDAP process. The Project's co-financing funds, both of in-kind counterpart contributions and donor supported parallel funds as they contribute to the project components, are indicative of the on-going project activities to contribute to the GEF Project.

104. Total project costs are estimated to be US$ 30.277 million, with a total GEF contribution of US$13.375 million (this includes US$0.375 million of PDF A and B funding) and additional US$0.18 million preparation funds (US$ 0.10 million from UNDP-TRIB, and US$0.08 million from UNDP-SPPD). The remaining amount of US$ 16.722 million will come from various parallel funded co-financing sources such as: national government in-kind contributions, and active donors in the Basin (US$ 2.14 m from current estimated in-kind commitments, and US$m 14. 582 from donors). The Project budget and financing will be confirmed during the Appraisal phase. .

Table 3. Summary of Project Financing (US$ million)

Project Components	Co-financing	GEF	TOTAL
	US$ millions		
Component 1: Project Management	1.07	1.5	2.57
Component 2: Capacity Building	4.420	1.5	5.920
Component 3: Data Management	0.66	2.0	2.660
Component 4: Regional Forum	0.00	0.5	.500
Component 5: Demonstrating Change in the Basin – Microgrant supported interventions	10.11	5.0	15.11
Component 6: TDA and SAP Preparation	0.460	2.5	2.960
TOTALS	**16.722**	**13.00**	**29.722**
PDF (Block A and B)	0	0.375	0.375
UNDP-SPPD	0	0.08	0.08
UNDP-TRIB	0	0.100	0.100
Total Project Financing	**16.722**	**13.555**	**30.277**

Incremental Costs

105. The incremental cost of is the difference between the baseline costs and GEF Alternative. The incremental costs are those associated with the regional and global benefits, linked principally to overcome transboundary barriers. Overcoming these barriers has specific capacity building implications and associated costs that lie beyond the domestic baselines of the riparian countries. Table 4 provides a summary of the incremental costs, and Annex A, the Incremental Cost Analysis, presents a summary of the domestic and global benefits associated with the baseline activities and the proposed GEF Alternative. As part of the GEF Alternative, (US$ 29.722 million) the incremental cost of US$13.00 million of this GEF Project is the costs that are beyond the baseline costs (US$ 16. 722 million). .

Table 4 Summary of Incremental Costs and Baseline Costs

FINANCING	Baseline Scenario (US$ million)	GEF Alternative (US$ million)	Project Increment
GEF Contribution		13.00	13.00
Co-financing:	14.582	14.582	
Current Estimated In-kind Contribution	2.140	2.140	
	16.722	**29.722**	**13.00**

COST EFFECTIVENESS

106. The design and scope of present Project is consistent with these GEF guidelines. Further, the Project objective corresponds to GEF guidance under this OP and makes possible the formulation of the TDA and SAP prescribed as part of the International Waters Portfolio. The economic, social, and environmental well being of participating countries depends upon the vitality and productivity of entire Niger Basin is a transboundary in nature. The co-operatively prepared and unanimously endorsed preliminary transboundary analysis, and anticipated adoption of the SAP provide a sound technical basis for, and countries commitment to, participation in OP #9 generally and specifically the Land Degradation Component of that OP.

L. INSTITUTIONAL AND PROGRAM COORDINATION

COORDINATING WITH GEF PROJECTS.

107. This Project will complement and work directly with, other GEF IW Projects, to the extent possible, with other Basin-wide GEF-IW Projects, such as the Gulf of Guinea Large Marine Ecosystem (LME) Project, and the Lake Chad Project, and the Senegal River Project. It will coordinate closely with the proposed Project for the Fouta Djallon highlands and the GEF supported dryland Project in the Senegal River valley, which are concerned with land degradation issues as part of the overall GEF supported efforts to address land and water degradation in Africa. The Project make provisions s for co-implementation by the World Bank and UNDP to demonstrate the commitment to the Africa Land and Water Management Initiative (ALWMI), to ensure coordination with the GEF Projects in the regional and ensure effective coordination of multilateral assistance to the Niger River Basin.

INTERFACING WITH OTHER PROJECTS AND INITIATIVES

108. There are a number initiatives in the Basin, which should be noted as valuable efforts for developing appropriate linkages and coordinating efforts to benefit from lessons learned and so that scarce financial resources could be used more efficiently. Other Projects in the Niger River Basin include:

- *SDAP*. Developing a Shared Vision and SDAP: In June 2002, the Chairman of the NBA Heads of State, the President of the Niger Republic wrote to the President of the World Bank, formally requesting the Bank's assistance to the NBA member countries in developing a cooperative framework, which the Bank agreed to do. To tap the development potential in the Niger Basin, the nine riparian countries requested the World Bank's assistance to develop cooperative management of the Basin's resources. In supporting the Basin countries and their Basin organization, the NBA, the Bank is facilitating the expression of a shared vision for the Niger River Basin, and the SDAP will manifest the vision on the ground. The broader process of developing a shared vision and the SDAP is still being designed but will include: (a) capacity building and institutional strengthening; (b) strategic planning of regional activities and sectoral analysis of regional issues; and (c) coordinating the Niger Basin countries' development partners.

- *The Sub-Regional Action Plan Against Desertification of CILSS and CEDEAO (SRAPDC)* aims enhance sub-regional cooperation vis-à-vis rational management of shared natural resources and contribute West and Central Africa's sustainable development. SRAPDC strategic objectives are to ensure food security, energy security, sustainability and quality of economic growth. To pursue this objective, eight priority areas for intervention have been agreed upon:

    a) Sustainable management of shared water resources;
    b) Sustainable management of shared and/or cross border plant and animal;
    c) Scientific and technical cooperation;
    d) Development and rational management of energy resources;
    e) Control of pests affecting crops, forest species, and animals;
    f) Early warning mechanisms and mitigation of drought effects;
    g) Information / Education / Communication;
    h) Coordination of marketing rules and establishment of common infrastructures.

- *Regional IWRM Action Plan in collaboration with the Global Water Partnership*: This programme aims to promote the adoption of integrated water resources management (IWRM) principles in West Africa. Its operational objectives included: (a) to set-up a full participatory West African Partnership for the preparation of regional action plan; (b) to complete the process of elaborating national water visions in ten countries; (c) to build a strong alliance with ECOWAS and UEMOA to implement IWRM principles; and (d) to build capacity and awareness in the region.

- FAO. The UN's Food and Agriculture Organization (FAO) together with the African Development Bank has a three-phase program to combat hydro-erosion and sedimentation of watercourses that is in its first year. FAO is also supporting a program against aquatic weeds that is being implemented as part of the NBA's Action Plan, which involves intervention from FAO and financial assistance from UNICEF concerning biogas and fertilizer production.

- *World Bank.* There are number of active environment and water-related World Bank Projects in the Basin in which the objectives are relevant to the objectives of the current GEF Project which include but not limited to:

    a) Benin: Rural Water Supply and Sanitation Project;
    b) Burkina Faso: the Ouagadougou Water Supply Project and Community-based Rural Project;
    c) Cameroon: the Regional Environmental and Information Management Program;
    d) Cote d'Ivoire: Water Resource Strategy;
    e) Guinea: Third Water Supply and Supplemental Project;
    f) Mali: National Water Resources Strategy Preparation;
    g) Niger: the Water Resource Management Sector Strategy, and Water Sector Project; and
    h) Nigeria: the Water Resource Management Strategy and the Urban Water Sector Reform Project.

- *UNDP*. The regional international waters project, Integrated Management of the Lake Chad Basin, outside the Basin has commenced, and there are a number of ongoing UNDP country environmental projects that also complement the proposed Project. As part capacity building projects in Nigeria and Benin were included in the incremental analysis, and other projects complementary in their geographic proximity and/or objectives, prevent them as part of the of the Project baseline. The three regional/national complementary projects include but not limited to: (i) Industrial water pollution control in the Gulf of Guinea Large Marine Ecosystem, within Cote d'Ivoire, Benin, Cameroon, Ghana and Nigeria; (ii) Integrated Management of the Lake Chad Basin, Chad, Nigeria, Mali, and Cameroon; and (iii) Control of exotic aquatic weeds in rivers and coastal lagoons to enhance /restore biodiversity in Cote d'Ivoire.

M. REVIEW BY EXPERT STAT ROSTER

112. The Project review process included a two-step process, an upstream STAP review to provide a critical review of project objectives, design an d a second STAP review (refer to Annex D), provides an objective critique of the project design. A subsequent response is provided in Annex E.