

Institutional Development in the Nile Equatorial Lakes Sub-basin Learning from the Experience of the Kagera Basin Organisation

Rashid Mbaziira University of Oxford rashid.mbaziira@stcatz.ox.ac.uk,
charles.mbaziira@stcatz.ox.ac.uk

Nsubuga Senfuma Directorate of Water Development, Uganda nsubuga.wrmd@dwd.co.ug
Rachael McDonnell University of Oxford Rmcdonnell@ouce.ox.ac.uk

Abstract

As we look to the future management and development of the Nile River Basin Water Resources through the Nile Basin Initiative (NBI), it is useful to review the challenges faced by the Kagera Basin Organisation (KBO) and their impact on its performance. The KBO was established with the primary goal of alleviating poverty and achieving socio-economic development in the Kagera Basin. It met this objective with mixed results. Its underperformance has generally been attributed to an ambitious mandate that stretched way beyond the functions of a River Basin Organisation and the Kagera's territorial jurisdiction. In a progressive institution, such a mandate would have presented increased opportunities for trade-offs among the participants. But because the KBO was built on a weak social resources foundation, it lacked the adaptive capacity to survive the historical, political and cultural dynamics between the riparians.

The paper, thus, explores the concept of Institutional Adaptive Capacity and the interaction of technical and social ingenuity as critical success factors in institutional development and sustenance. A lesson learnt from the KBO experience is that a sustainability level of social resources will be required to identify, define and deploy the appropriate development, reform and adaptation mechanisms to transform the NBI into a lasting regime of cooperation.

Keywords

Institutional development, Adaptive capacity, social resources, sustainability, regional cooperation

Historical Background

The Kagera Basin Organisation (KBO) was established in 1977 as a result of diplomatic initiatives to operationalise the concept of regional and basin-wide planning in the Kagera Basin. The first step was taken in 1969 when a United Nations Development Programme (UNDP) fact finding mission, in consultation with the governments of Burundi, Rwanda, Tanzania and Uganda, recommended that a technical committee be established to coordinate orderly regional planning. The committee was established between Burundi, Rwanda and Tanzania; Uganda preferring to participate in an observer role. In 1970, the committee submitted a successful funding proposal to the UNDP for the Kagera Basin Development studies, which were launched in 1971. The first phase, which lasted up to 1973, consisted largely of data collection and analysis, with emphasis on tourism; hydropower potential; fisheries; and institutional arrangements. This data, together with the national priorities of the three States, then formed the basis for the preparation of the Indicative Basin Plan that was submitted in 1976 at the end of Phase II. The committee also commissioned a separate study on harnessing hydroelectric power at Rusomo Falls on the Kagera, and the environmental and commercial implications of such a development. From the initial findings of these studies, it was clear that all the riparian States shared common problems in most fields of economic and social development; and that a medium was required through which the basin's development potential could be realised by jointly coordinating the planning and exploitation of the sub-region's resources. And so it was that on August 24, 1977 the Agreement establishing the Organisation for the Development and Management of the

Kagera River Basin, commonly known as the KBO, was signed between Burundi, Rwanda and Tanzania at Rusomo. Uganda acceded to it in 1981.

At its inception, it was envisaged that the KBO would deal, and I quote Article IV of the Treaty, "all questions relevant to the activities to be carried out in the Kagera Basin"(FAO, 1997: 37). After two donor support mobilisation conferences, in Paris in 1979 and Geneva in 1982, the organisation's governing organs finally articulated this objective into the conduct of studies for the implementation of fourteen priority projects in four key sectors namely: Transport and Communications; Energy; Agriculture; and Information and Training. By 1992, project documents and feasibility study reports had been prepared for most of the projects. However, there was limited success in raising funds for their implementation. At the time of its dissolution, this list of projects had further been prioritised into four: the Rusomo Falls Hydroelectric Power Project; Phase II of the Tsetsefly and Trypanosomiasis Control Project; the Rehabilitation of the Miramira Hill-Ntungamo-Ishaka road; and the Rehabilitation of the Mutukula-Bukoba-Biharamulo-Lusahanga road. The presentation of funding proposals for these projects to the donors was scheduled for June 1995 but had to be called off following the April to July 1994 war in Rwanda.

KBO's performance

Though institutions are much broader than mere organisations, a review of the factors that influence institutions is necessary for a fair assessment of the KBO's performance. Institutional literature lists some of these factors as historical precedents, constitutional provisions, political arrangements, demographic conditions, resources endowment, and economic development. Thus, the process of institutional design and the resulting frameworks, policy and administrative arrangements are invariably a reflection of the particular blend of these factors, which in turn defines the goals and objectives of any institution (Bromley, 1989a, 1989b; Commons, 1968; North, 1990).

For the KBO, the overriding need was to disenclave its landlocked hinterland and, in the process, provide opportunities to exploit the sub-region's hitherto untapped natural resources. Its original mandate extended way beyond the Kagera river catchment and reflected a development agenda expected more of a regional development agency than a River Basin Organisation (RBO). None of its wide array of projects was in line with such core functions of a RBO as hydrological studies, pollution control, environmental protection, or ecological conservation. In this context, the overall performance of the KBO is relatively more difficult to assess for neither the criteria for evaluating a development agency nor that for a RBO seem appropriate. And since the KBO's Indicative Basin Plan read more like a specific project development list than a development strategy, its performance can be evaluated in terms of the extent to which the Priority Action Programme¹ (PAP) was implemented. Its achievements on this front included:

The KBO regional telecommunications project: This was the organisation's main achievement. With funds from the African Development Bank, interconnection between the four member States' Capitals and a number of key towns was made possible using high quality terrestrial microwave links and modern switching equipment. This eliminated the need to route calls through Europe, and not only reduced the costs of making calls within East Africa but also improved the quality of connection. Rwanda and Burundi gained direct access to the East African Telecommunications network – with the possibility of tapping into the main PANAFTTEL network for Eastern and Central Africa, while Uganda had the opportunity of

¹ A list of 14 projects in the four key sectors of Transport and Communications; Energy; Agriculture; and Information and Training, which was arrived at after the donor community advised that the Indicative Basin Plan was too incomplete for funding consideration.

opportunity of being connected to Southern Africa. This was a major step towards improving trade and commerce with the outside world.

But being one of four projects that were intended to meet the primary goal of opening up the landlocked interior, this was a modest achievement. The railways project, in which two branch lines would connect Rwanda and Burundi to the East African Community (EAC) grid through the port of Bukoba; the roads rehabilitation programme; and the navigability of the Kagera never got beyond the feasibility study stage.

The KBO regional centre for economic documentation: The centre was set up in Kigali as part of the Human Resources Development project portfolio. Funded by the UNDP, it boasted² of a collection of over 8,000 items that included reference books, periodicals and project study reports and documents; and a modern Statistical Data Bank and Information Service. It was to serve the purpose of acquiring, storing and disseminating information to the KBO Secretariat, specialists and consultants participating in the organisation's activities and other relevant bodies in the member States.

The Kagera Polytechnic Institute, which was the other project in this portfolio, was shelved in part due to its intended beneficiaries preferring to study abroad.

The tsetsefly and trypanosomiasis control project: This was one of six projects under the Agriculture Sector. Under this project, the Economic Commission for Africa's International Centre of Insect Physiology and Ecology ECA/ICIPE conducted vector distribution surveys and trials on various control methodologies in the heavily infested (former) Akagera Park region. It is on the basis of this that the full-scale control programme was to be launched. This, however, was not implemented due to funding constraints.

The Rusomo Hydroelectric project, which at the organisation's inception was conceived as the key to industrial activity in the basin areas of Burundi, Rwanda and Tanzania ended up being the subject of several inconclusive studies. Thus, in terms of implementing the Priority Action Programme, the KBO clearly under performed. Indeed viewed in financial terms, only US \$18.75 million³ of the budgeted US \$3 billion capital cost of the PAP was mobilised. This represents a huge investment gap and, a failure to capture the interest of potential funding agencies. Also, considering that member contributions averaged about 30% of funding requirements, it could be that its architects overestimated the members' financial capacity to meet regime costs or that the riparian states lacked faith in the organisation.

Adaptive capacity: an alternative evaluation criteria

As Rangley *et al* (1994) concluded, the organisation's overextended mandate and a lack of clear objectives were key factors that influenced its performance, but going by Waterbury's (2002) argument, extending the agenda to include non-water related sectors presented an opportunity for increased trade-offs between the riparians which was not exploited. Which brings into question the role social resources, or their lack of, played in the KBO's performance.

The social resources referred to in this context can be defined as the ability of administrative organs and managers responsible for natural resources utilisation to deploy the appropriate development, reform and adaptation mechanisms for management organisations to function: in essence Adaptive Capacity (see Homer-Dixon, 2000, 1994; Ohlsson, 1999; Serengeldin, Aster, 1994; Turton, 2002; Turton, 1999, 2000). Social resources determine the openness and flexibility of an institution thus defining the progressiveness of an institution in the face of emerging problems. They form the required foundation upon which policy options and or

² Almost all of its collection of equipment and materials were looted in the 1994 civil war in Rwanda.

³ Excluding the cost of constructing the Headquarters and regional offices buildings.

strategies can subsequently be built. A sound principle is that for the development of a functional institutional framework, a level of social resources corresponding to the required level of adaptation to the increasing complexities of natural resources development must be achieved and maintained. A failure to meet and sustain this level would mean the failure of the institution.

Continuing with the construction analogy, we find that the pillars of institutional development are technical ingenuity on the one hand and social ingenuity on the other.

Technical ingenuity deals with the creation of the capacity to manipulate the environment in order to develop and utilise natural resources. In institutional design, this forms the structural component whose construction parts are the technical and financial aspects of the institutional arrangements. It lays out the procedural rules; the actors; the mechanisms for creating capacity in data generation, capture, processing and sharing; and the intellectual capital needed to interpret the data in order to generate and implement viable strategies or policy options. This is a well-covered subject in institutional literature upon which we will not dwell much (see Bromley, 2000; Carlsson, 2001; North, 1990; Young, 1989, 1980; Young, Osherenko, 1993).

Social ingenuity as an aspect of management institutional development is often mentioned in passing, but has not been explored in depth as a critical success factor in regime formation. It constitutes the social element of regime formation that determines the level of success that can be achieved when creating an enabling environment for:

- inspiring commitment to the institutional arrangements among stakeholders;
- the regime to generate strategies or policy options that are perceived as being both reasonable and legitimate by the stakeholders; and
- the institutional organs to develop adaptive mechanisms with which to ensure that the regime is not held hostage by 'high-politics' especially if the latter is characterised by tense relations between riparians.

Perceptions are therefore very important especially among sovereign States whose interests are dynamic. It is for the purpose of understanding these perceptions and, where appropriate, changing them or instituting reforms to adapt to them that makes social ingenuity an indispensable element of regime formation.

Obviously, these two pillars, technical and social ingenuity, cannot be developed in isolation from one another. Yet in the case of the KBO, all the activities leading up to the Rusomo Treaty focussed entirely on the technical aspects of the regime with no attempt whatsoever to explore the social resources that would legitimise the regime for its intended actions and thus garner member commitment and, more importantly, eliminate the donor skepticism that undermined its existence. In developing countries, exogenous support from such actors as aid donors, specialised agencies and financial institutions plays a central role in institutional development. Similarly for the KBO, the UNDP and the Kingdom of Belgium played such a central role in the activities to justify the KBO's formation and its design that even the Rusomo treaty was based on a draft prepared by two UNDP consultants⁴. Under such circumstances, the social component was required to develop a mechanism to adapt these arrangements to the historical, cultural and political conditions that existed among the riparians. It goes without saying that the negotiating dynamics leading to successful establishment of water management accords vary from basin to basin and as such there is no global applicability (Cano, 1986; Marty, 2001; Mitchell, 1990), which is why there was a need for feedback to take place between the technical and social components of the KBO's establishment.

⁴ The treaty was based on a draft put together by Guillermo Canas of Argentina and Roger Hayton of the USA.

This oversight was actually the KBO's undoing. In failing to deploy the appropriate social resources to engender a culture that would enable the riparian States to sacrifice some constituency interests and focus on the goal of alleviating poverty, the riparian States failed to achieve internal cohesion and commitment. In so doing, they failed to assure aid donors and credit institutions, on whose technical and financial support the organisation was to rely, of the successful implementation of the joint development projects. This argument can best be appreciated with an analysis of the design flaws and oversights that ultimately failed the organisation.

Why the KBO Underperformed

The KBO as the East African Community's replacement

The fact that efforts to establish the KBO followed immediately in the wake of the decline of the East African Community (EAC), and were championed by Tanzania was not a coincidence. In the lead up to the collapse of the EAC, Uganda and Tanzania had for long complained of the inequalities in the benefits derived from the Union, notably:

- Due to disparate levels of development levels of development, trade within the de facto common market was heavily in favour of Kenya, and because most industries in the Union had their headquarters in Nairobi, Kenya also received a lion's share of the customs and other revenues;
- Nairobi was the seat of most of the Commission's establishments which did not augur well with Uganda and Tanzania; and
- Tanzania justifiably complained of not being served well by the transport system under the Union, specifically the railway lines which were too short and only the light aircraft of the East African Airlines flew to Dar es salaam.

And when Kenya refused to ratify the 1964 Kampala Agreement⁵ the central tenet of which was the relocation of certain industries away from Kenya, it was only a matter of time before the EAC would break up. This was not lost on Tanzania, which sought another avenue for the achievement of her long-term goal of attaining socio-economic development through regional integration.

Also recall that this was around the time when the government of Tanzania had just issued what has come to be known as the Nyerere Doctrine on State Succession to Treaties, outlining the policy of Tanzania on the use of the waters of Lake Victoria and its catchment area, which had invariably been adopted by the governments of Uganda, Kenya, Rwanda and Burundi. Building on these sentiments, and presenting the EAC's replacement as an entity that would deal with Burundi, Rwanda and Uganda's handicap of being landlocked by facilitating their trade and transport with the outside world, Tanzania had no difficulties enlisting the support of the other Kagera riparians in the formation of the KBO. The overriding goal was to fill the void left by the collapse of the EAC. The EAC having been a regional trading block, it is no wonder that the KBO had the semblance of a development agency with the development of the Kagera River basin water resources as an incidental part of its mandate.

Thus established, and following donor feedback on the articulation of objectives, a healthy interaction of social and technical ingenuity was required to restructure the organisation in ways that would enhance donor interest. What follows is an account of the key historical, political and cultural factors that clearly illustrate social resources as the lacking interceding variable in this re-orientation process.

⁵ Based on the Jeremy Raisman Commission's recommendations for correcting trade imbalances in East Africa (East African Economic and Fiscal Commission, 1961)

The Amin – Nyerere clash of personalities

What has been said of friendships among countries in Africa being ultimately dependent on the friendships, at a personal level, of their leaders came to pass in this incident when General Idi Amin Dada overthrew President Apollo Milton Obote, a personal friend of Mwalimu Julius Nyerere. President Nyerere refused to accept Amin's leadership and despite Uganda and Tanzania sharing grievances with regard to the direction the EAC was taking, Nyerere refused to recognise Amin's nominated delegates to the EAC. Instead, he accused Amin of withdrawing the recognised delegates (nominated by Obote) without prior consultation. He made no secret of his wish to have no dealings with President Amin and, thus, Obote's fall arguably dealt the final blow to the EAC.

But for the customary law requirement that the implementation of projects on shared watercourses be consented to by all riparians, President Nyerere would have preferred to deal with only Rwanda and Burundi. President Amin for his part opted to restrict Uganda's involvement in the KBO to that of observation thereby undermining the utility of the organisation since studies could only be carried out in three of the riparian countries. And when Uganda acceded to the treaty, the organisation's administrative arrangements had to be restructured to accommodate the Ugandan delegation, something that did nothing to improve the coordination of activities.

Ethnic tension

The Hutu–Tutsi friction, carried over from the Belgian colonial microcosm, further compounded the organisation's lack of internal cohesion. Before implementing their colonisation policy of '*Les reformes voison*', the Belgians took time to study the Chiefly hierarchy in the kingdoms of Rwanda and Burundi, and the system of indirect administration bequeathed by the Germans. They concluded that the Tutsi Chiefs were more active, intelligent, progressive and, thus, best suited to work with the government (Prunier, 1995). This eventually led to a situation of almost total dominance of the administrative functions of Rwanda-Urundi by the Tutsis. The words *Tutsi*, which originally described the status of an individual rich in cattle, became a term referring to the elite group; and the word *Hutu*, meaning subordinate or follower of a more powerful person, came to refer to the mass of ordinary people (de Forges, 1999). With pressure from the United Nations (UN), which supervised the administration of Rwanda-Urundi under the trusteeship system, the Belgians initiated changes to increase Hutu participation in public life toward the end of their rule. This culminated in the Hutu Revolution in the Republic of Rwanda, but the Tutsi dominated government ruthlessly put down similar efforts in Burundi.

The Tutsi – Hutu friction between two of the founder members of the KBO spilt over to the running of the organisation, resulting in such counter productive measures as different delegations objecting to projects that seemed to be more beneficial to the politically dominant group in either country; and where such objections were overcome, there were incidents of individual States failing to send agreed delegations to donor countries and institutions to mobilise resources to implement the projects.

Franco – Anglo competition

Also set in the region's colonial history are the effects of Franco-Anglo competition on the performance of the KBO. Within the donor community, Tanzania's leading role in the KBO's establishment no doubt played into French and Belgian fears of an Anglo-Saxon erosion of their position on the continent – a fear that was not helped by the appointment of the first two Executive Secretaries from Tanzania (1978 – 1982) and Uganda (1983 – 1987). This despite the fact that Uganda only acceded to the treaty in 1981. This situation was further exacerbated by Tanzania's lean towards the Communist Camp in the politics of the Cold War.

Among the riparian States, Franco – Anglo competition was a key factor in the lack of internal cohesion, which in turn had an impact on the organisation's overall performance. Tiharuhondi (2001: 6) cites the highest tension as having been witnessed in the period 1978 – 1982 when two of the organisation's departmental directors "concentrated on highlighting the political differences between their countries to the detriment of the organisation's development."

Civil wars and non water related disputes among riparian States

Political differences and mistrust between member States were further exacerbated by the 1990 Rwandese Patriotic Front's (RPF) invasion of Rwanda from Uganda. Since the majority of the invading forces had been members of Uganda's National Resistance Army (NRA), President Juvenial Habyarimana accused his Ugandan counterpart of having aided the invasion.

With three (Rwanda – Burundi and Rwanda – Uganda) of the four member States harbouring deep suspicions of each other, the impact on the organisation's activities was that timely decisions could not be taken on many KBO activities. The invasion also marked the start of the civil war in Rwanda that paved way for the 1994 genocide. Together with the internal conflicts in Burundi, this meant that it was impossible to continue with project studies and implementation work in about 55% of the KBO's territorial jurisdiction.

Lack of commitment

Though the treaty did not provide for the assembly of the Heads of State, who comprised the Summit – which was one of the organisation's three institutional organs, the others being the Council of Ministers and the Intergovernmental Commission of Experts – it provided for annual meetings. But such was the lack of commitment to the organisation that prior to its dissolution in 2004, the Summit last met in 1993 while the Council of Ministers only met twice in the same period. And even when the meetings took place, they ended up being more like talking shops, for none of the resolutions taken were ever effected.

Lessons learnt and reflected in the Nile Basin Initiative

The formal dissolution of the KBO on 7 July 2004 followed a decision taken at the January 2000 Extra-ordinary KBO Council of Ministers meeting that KBO activities be transferred to the EAC when it is reactivated, and Rwanda and Burundi are admitted as members. Since then the Nile Basin Initiative (NBI) has taken particular interest in two of the projects in the KBO's portfolio – the Rusomo Hydroelectric power project, and the navigability of the Kagera River – and agreement has been reached for them to be implemented under the Nile Equatorial Lakes Subsidiary Action Programme (NELSAP).

As a background, the NBI was launched in 1999 as a transitional mechanism for cooperation in the pursuit of sustainable development and management of the Nile waters. Its goal is set out as "to achieve sustainable socio-economic development through the equitable utilisation of, and benefit from the common Nile Basin water resources." (NBI, World Bank, 2001: 2). This is to be achieved through a two tier Strategic Action Programme comprising of the Shared Vision Programme (SVP), of technical assistance and capacity building projects to be implemented basin-wide as a means of creating an enabling environment for cooperative development; and the Subsidiary Action Programme (SAP), comprising of joint investment projects. Two groupings for the SAP have formed, one within the Eastern Nile (ENSAP) including Egypt, Sudan and Ethiopia, while the other covers the Nile Equatorial Lakes Region (NELSAP) with the six countries in the southern portion of the basin, namely Burundi, the Democratic Republic of Congo (DRC), Kenya, Rwanda, Tanzania and Uganda, as well as Sudan and Egypt. A Coordination Unit (NEL-CU) has been established for NELSAP with a mandate to build national institutional capacity for sub-basin cooperation in the implementation of the activities of NELSAP. Key among these activities is the creation of an enabling environment for the development of a joint strategy for the water allocation

negotiations and a framework for a permanent institution to manage the water resources in the Kagera River Basin (NEL-COM, 2001).

Evidently, there are parallels between the KBO and the NBI and a review of the KBO's performance would certainly inform the process of developing a sustainable framework for cooperation whether in the Lake Victoria basin or the Nile Basin as a whole. It makes place for the following key lessons.

Political stability and support

It is conventional wisdom regarding cooperation on shared watercourses that results can best be achieved within a climate of trust, the prerequisites of which are internal political stability of each riparian State; and demonstration of political commitment to shared river basin issues. An analysis of the SVP reveals that the objectives of the NBI were indeed informed by this wisdom. What is of concern is the prevalence of the development discourse that seems to suggest that economic development is the necessary and sufficient solution to the riparians' problems.

True the NEL sub-basin is home to three of the world's poorest nations and so it would seem logical that jointly implementing investment projects utilising the sub basin waters will open up these countries to each other's ideas, goods, services and labour thus speeding up the process of poverty reduction. But despite publicly extolling the virtues of cooperation, not much has changed in the sub-basin political dynamics from what existed at the formation of the KBO. The tensions and mistrust borne of the Colonial and, later, Cold War politics have now given way to a complex mosaic of tensions characterised by national assertiveness especially among the DRC, Rwanda and Uganda. The 'New Leadership'⁶ that in the late 1980's and early 1990's provided optimism for the achievement of peace and the improvement of policy environments in the sub-basin seem to have been sucked into the regional political quagmire and instead harbour deep seated suspicions of each other based on political, ideological and sometimes personal differences. In fact the prevailing intra and inter State mistrust makes cross-border investment highly risky, which in turn makes economic development suspect as a key strategy for achieving the desired cooperation and regional integration. Interestingly, the water resources of the Kagera catchment do not feature in any of the Poverty Reduction Strategy Programmes of its riparians.

Financial resource mobilisation

A clear lesson from the KBO experience is that a sound financial position is imperative for the establishment of an effective regime. The ability to meet the costs related to regime formation; sustenance; and financing of investments certainly requires commitment and innovative financing arrangements by governments, donors and the benefiting community. In this regard, an International Consortium for Cooperation on the Nile (ICCON) was established to support the NBI's Strategic Action Programme. It brings together the Nile riparian States; donor agencies; credit institutions; private investors; and civil society, professional and non-governmental organisations. Because the NBI is a transitional cooperative institution, this funding mechanism is operated as a World Bank managed Trust Fund, the Nile Basin Trust Fund, that will eventually be transferred to a Nile Basin Institution with appropriate legal status and capacity (NBI, World Bank, 2001).

Development strategy

One of the key criticisms levelled at the KBO by Rangle *et al* (1994), is its focus on project based planning without developing a strategy for identifying and evaluating investment opportunities. The result was a waste of time and resources studying projects that had little chance of being implemented. This has been addressed through a four-step process of establishing the NELSAP, consisting of in-country analysis and project identification; inter-

⁶ Referring to the governments that replaced the dictatorships in the region.

country project conceptualisation; preparation of joint Project Identification Documents for submission at ICCON meetings; and the development of project proposals and implementation. Through this process, projects are streamlined and only those deemed to be sustainable; achievable; and of significant shared benefits get to be presented at ICCON meetings, which are currently, scheduled to take place every two to three years (NBI, World Bank, 2001).

Ownership and commitment

No strategy would be useful in the absence of ownership by those who would later put it to use. External consultants may be of assistance but local decision makers and communities must have a sense of ownership or see a role for themselves. The SVP anticipates broad based participation that also includes representatives of the general public, private sector associations and NGOs. It is envisaged that this will promote effective dissemination of information to a wide audience which will in turn provide a means of enhancing stakeholder confidence in the NBI. Within this broad objective, a public information campaign will encourage greater basin-wide political engagement for cooperation; promote a healthy discourse on regional development; and raise public awareness and understanding of the NBI process (NBI, 2001).

In pursuing the principle of subsidiarity, the riparians will be able to take full advantage of the opportunities in the different geographical areas to address the unique nature of the needs in each sub-basin. This may well be the key to sustained riparian commitment.

A shift from water sharing to benefit sharing

Realising the practical difficulties of negotiating equitable use formulae against a rich history of conflict and controversy over the utilisation of the Nile waters, the riparians took a historic step towards a functional regime of cooperation by diffusing focus from the symbolic but inconclusive issues of water redistribution to a redefinition of the problem as one of basin wide development with emphasis on the benefits of regional cooperation. The cooperative dialogue is aimed at facilitating a move from a primarily country focus towards wider need and interest, based upon which opportunities for collaboration can be better identified. In due course an enabling environment for the development of a joint strategy for water allocation negotiations will be created, and the process will be made easier by a wider pool of trade-offs resulting from the confidence building process.

Conclusion

The above discussion of the KBO's performance would provide for the argument that social resources mobilisation and natural resources development are two completely separate yet deeply interrelated spheres of management institutional development, and the interaction between them is vital to understand when designing management institutions. The need for a lasting regime of cooperation, whether in the Lake Victoria basin or the Nile as a whole cannot be overemphasised. Yet the region's problematic history of non-cooperation and the prevailing political dynamics present a tremendous challenge to this goal.

The NBI's Shared Vision Programme represents a major attempt at overcoming this challenge and, if genuinely implemented, may act as the catalyst for basin-wide cooperation; building trust; and ensuring a comprehensive approach to the achievement of sustainable basin-wide economic development. But while this programme lists sufficient conditions for overcoming the current problems, a sustainability level of social resources in the legal and institutional dialogue will be required to identify, define and deploy the appropriate development, reform and adaptation mechanisms to transform the NBI into a lasting regime of cooperation.

Bibliography

- Bromley, D W, 1989a. Economic Interests and Institutions: The Conceptual Foundations of Public Policy. New York, Basil Blackwell.
- Bromley, D W, 1989b. Institutional Economics Revisited: Discussion. *Journal of Agricultural Economics* **75**: 837-839.
- Bromley, D W, 2000. A Most Difficult Passage: The Economic Transition in Central and Eastern Europe and the Former Soviet Union. KATO Symposium, 2-4 November, Humbolt University, Berlin, KATO Symposium.
- Cano, G, (Ed.), 1986. The Del Plata Basin: Summary Chronicle of Its Development, Process and Related Conflicts. The Management of International Rivers. Laxenburg, Austria, IASA.
- Carlsson, E, 2001. Creating a Methodological Framework for Analysing Property Right Institutions. Lund Studies in Economic History.
- Commons, J R, 1968. The Legal Foundation of Capitalism. Madison, Wisconsin, University of Wisconsin Press.
- de Forges, A, 1999. Leave None to Tell the Story: Genocide in Rwanda. Human Rights Watch.
- East African Economic and Fiscal Commission, 1961. East Africa Report of the Economic and Fiscal Commission (the Raisman Report). East African Community.
- FAO, 1997. Treaties Concerning the Non-Navigational Uses of International Water Courses: Africa. Legislative Study 61. In: (Ed.^Eds.). Legislative Study 61: 35-42. Rome.
- Homer-Dixon, T F, 1994. The Ingenuity Gap: Can Developing Countries Adapt to Environmental Scarcity? *Population and Development Review* **21**(3): 587-612.
- Homer-Dixon, T F, 2000. The Ingenuity Gap. London, Jonathan Cape.
- Marty, F, 2001. Managing International Rivers: Problems, Politics and Insitutions. Bern, Peter Lang.
- Mitchell, B, (Ed.), 1990. Integrated Water Management: International Experience and Perspectives. London, Belhaven Press.
- NBI, 2001. Shared Vision Program: Confidence Building and Stakeholder Involvement (Communications). Nile Basin Initiative.
- NBI, World Bank, 2001. Strategic Action Programme: Overview. Nile Basin Initiative.
- NEL-COM, 2001. Report to the Nile Equatorial Lakes Council of Ministers (Nel-Com) in Preparation of Nelsap. Nile Basin Initiative.
- North, D, 1990. Institutions, Institutional Change and Economic Performance. Cambridge, Massachusetts, Cambridge University Press.
- Ohlsson, L, 1999. Environment, Scarcity and Conflict: A Study of Malthusian Concerns. Department of Peace and Development Research, Universtiy of Goteborg.

- Prunier, G, 1995. *The Rwanda Crisis 1959-1994*. Kampala, Fountain Publishers.
- Rangley, R, B M Thiam, e al., 1994. *International River Basin Organisations in Subsaharan Africa*. The World Bank, Africa Region Technical Department.
- Serengeldin, I, A Aster, 1994. *Making Development Sustainable: From Concept to Action*. World Bank.
- Tiharuhondi, E, 2001. *Organisation for the Management and Development of the Kagera River Basin (Kbo): Objectives, Achievements and the Future*. UNECA/EA-SRDC Meeting of the Intergovernmental Committee of Experts, October, Kigali, UNECA/EA-SRDC Meeting of the Intergovernmental Committee of Experts.
- Turton, A R, 1999. *Water Scarcity and Social Adaptive Capacity: Towards an Understanding of the Social Dynamics of Managing Water Scarcity in Developing Countries*. London, School of Oriental and African Studies - Water Issues Group, University of London.
- Turton, A R, (Ed.), 2000. *Water Wars in Southern Africa: Challenging Conventional Wisdom. Water Wars: Enduring Myth or Impending Reality?*, African Centre for the Constructive Resolution of Disputes (ACCORD).
- Turton, A R, 2002. *Water Demand Management, Natural Resource Reconstruction and Adaptive Capacity: Establishing the Linkage between Variables*. AWIRU & WARFSA.
- Waterbury, J, 2002. *The Nile River Basin: National Determinants of Collective Action*, Yale University Press.
- Young, O R, 1980. *International Regimes: Problems of Concept Formation*. *World Politics* 32(3): 331-356.
- Young, O R, 1989. *International Cooperation: Building Regimes for Natural Resources and the Environment*. Ithaca, Cornell University Press.
- Young, O R, G Osherenko, (Ed.), 1993. *Testing Theories of Regime Formation: Findings from a Large Collaborative Research Project*. *Regime Theory and International Relations*. Oxford, Claredon Press.