

LAKE VICTORIA · A SHARED VISION

The Swedish government has authorized Sida to embark on a long-term commitment to support sustainable development in the Lake Victoria basin in East Africa. The commitment is developed in close collaboration with East African partners, in particular the East African Community, EAC.







A SEA OF PROBLEMS • AN OCEAN OF OPPORTUNITIES

Lake Victoria, with a surface area of 68,800 km2, is the world's second largest freshwater lake and is, together with its tributaries the source of the river Nile. The lake has the largest freshwater fishery grounds in the world. While the three riparian states are the EAC members Kenya, Tanzania and Uganda, large portions of the territories of Rwanda and Burundi are located within the basin, as well. A total of close to 40 million people live in the catchment area, of which some 30 million live in the three East African countries. The majority of them derive their livelihood directly or indirectly from the lake or from farming activities around the lake in its basin.

With its vast expanse of water and breathtaking landscapes along its shores the lake is a natural symbol of unity and potential wealth for the surrounding countries. It provides an enormous potential for lucrative economic activities such as fisheries, tourism, agriculture, forestry, water, power, industry and transport.

Today Lake Victoria and its natural resources are environmentally threatened and so are the livelihoods of the people living in the catchment area. Intense population growth and unsustainable exploitation of natural resources in and around the lake are eroding the livelihoods of the people. Environmental deterioration is increasing poverty, and poverty is exacerbating the environmental degradation. About half the population has an income per capita of less than one dollar per day, the internationally accepted poverty line.

In the mid-1990s, the three East African Heads of State took a joint initiative to promote development in the Lake Victoria region. To this purpose EAC was given the mandate to coordinate development activities at the regional level.

Potentials and Constraints

The economy of the lake basin has seen periods of growth, driven by the agricultural output, rich fisheries, newly established mainly agricultural-based industries and mining operations. The employment rate is high by East African standards. The potential for development is to be found in the people and in the rich natural resources. The greatest development challenges facing the Lake Victoria basin are its socio-economic and ecological problems, with a close correlation between poverty and environmental degradation. The prevalence of HIV/AIDS is alarmingly high. Without addressing these issues, as well as the inequality between men and women, sustained growth cannot be achieved. At the same time, substantial growth is required in order to alleviate poverty. During the last decade growth has been steady in Tanzania and Uganda (some 4 and 6 per cent per annum), while the



"The problems, challenges and opportunities posed by the Lake are today of such magnitude that they cannot be faced by the riparian states acting separately. Our challenge is to contribute to the development of a collective approach to roll back the environmental threat that hangs over the Lake and unlock the vast potential of the Lake for the benefit of the people of the region."

JAKAYA KIKWETE, Minister for Foreign Affairs and International Cooperation, Tanzania

economy of Kenya has been stagnant.

Economic growth in the region during the last few decades has been based mainly on the exploitation of natural resources. Many of the present economic activities are implemented in an unsustainable manner. To achieve sustainable growth should be possible, but presents tough challenges for many years ahead.

Environment under Threat

The ecosystem of Lake Victoria has undergone substantial and mostly negative changes over the last thirty years. One of the driving factors is the unintentional nutrient enrichment of the lake, which has altered its ecological balance.

The largely unplanned rapid urbanisation contributes to the existence of "hot spots" of pollution, where there is especially heavy degradation of the water quality in the lake. Human waste, urban runoff,

effluent discharges from industries, and inflow of residues from the use of chemical herbicides and pesticides in agricultural operations all contribute to this degradation. Existing facilities for disposal or treatment of sewage, urban refuse, and industrial waste are generally in poor condition and quite inadequate to meet the demands.

The Water Hyacinth Menace

Nutrients in the water provide the breeding grounds for various invasive weeds, including the menacing water hyacinth. This weed entered the lake during the 1980s. At its height, the fast spreading water hyacinth covered strategic portions of the lake's surface and effectively hindered economic activities. The presence of the hyacinth has also been a serious health threat to those dependent on drawing drinking water from the lake.

Tanzania, Uganda and Kenya have made concerted efforts to com-

bat the weed, applying manual, mechanical and biological control methods. From late 1999 onwards a drastic decrease of the water hyacinth population has been noticed. The future will show if the problem has been permanently addressed. In any case, the underlying problems with nutrient rich soil, human waste, urban runoff, and effluent discharges from industry entering the lake remain to be addressed.

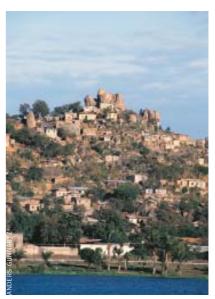
Fishery in Decline

Lake Victoria has one of the most prolific and productive inland fisheries in Africa. At one time it harboured over 500 endemic fish species. The introduction, in the 1950s, of "exotic" fish species such as the Nile perch and the Nile tilapia altered the ecological balance in the lake and resulted in a massive loss of biodiversity.

Fishing and fish processing are important economic activities in the lake basin, employing an estimated



The fast spreading water hyacinth is a threat both to health and to economic activities in the lake region.



Mwanza, Tanzania.

500,000 persons. Industrial, largescale fishing methods linked to overseas exports of fillets have led to massive over-fishing. This has put great strain on the local fishing industry and resulted in growing unemployment among the fishing population in the region. The consumption of protein in the riparian communities is also negatively affected.

High Level of Poverty

Despite the rich natural resources of the lake and its environment, approximately half of the basin's total population of 40 million people live below the poverty line. With the ongoing environmental degradation there follows rising levels of poverty.

Smallholder farmers in the basin are forced to engage in increasingly desperate and unsustainable uses of natural resources. This includes cultivating marginal and fragile areas such as wetlands, as well as the clearing of vital forests to open up new

arable land. Trees are also cut for firewood and charcoal production. Already, an estimated 90 per cent of the original forest cover has been lost to settlement or cultivation. All of these activities contribute to increased soil erosion, resulting in the loss of agricultural production and an increased eutrophication (inputs of mainly nitrogen and phosphor).

The population density is among the highest in the world for rural areas. Life expectancy in the region has decreased considerably over the last 10–20 years. The mortality rate for diseases such as cholera/diarrhoea, malaria, and tuberculosisis is alarmingly high. The social sectors have seen many years of decline due to financial and structural problems. The high incidence of HIV/AIDS adds new and dramatic dimensions to the situation.

Actors and Ongoing Programmes

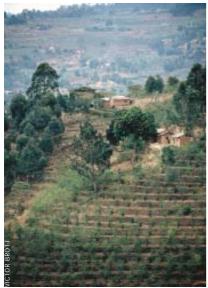
A number of initiatives have been taken over the last few years to ad-

dress aspects of the development challenges of the lake basin.

There are, at present, up to a hundred institutions, projects and organisations with mandates related to the use and management of the basin's resources. However, no efficient mechanism for coordination and exchange of information between the actors exists so far. The East African Community (EAC) is however mandated to take up this function and is expected with increased capacity to increasingly face this challenge.

National institutions from each country are important players in various aspects of the lake environment. A recent survey identified 28 ministries and agencies in Kenya, Tanzania and Uganda with major responsibilities and activities. Local authorities have important roles to play, as well.

Civil society organisations, which include NGOs, business enterprises and associations, and tourist



Terrassing around the lake to avoide erosion.

"Our engagement in the Lake Victoria area will be one of the most important challenges for Sida during the coming 20 years."

BO GÖRANSSON Director General of Sida

organisations are key players in the development efforts. Their motivation is often strong, as their activities and livelihoods are directly linked to the status of the lake and its environment.

An important regional institution in place is the Lake Victoria Fisheries Organisation (LVFO), established in 1994 to oversee management of fisheries resources on a sustainable basis.

The Lake Victoria Fisheries Research Project, sponsored by the European Union and the Lake Victoria Environment Management Project (LVEMP), supported by the World Bank, the Global Environmental Facility and Norway, are examples of important donor-sponsored East African programmes in the lake basin.

LVEMP is an environmental project with emphasis on a comprehensive approach to the management of the lake's ecosystem. The fundamental objective of the project is to restore the lake to a healthy, var-

ied ecosystem that is inherently stable and that can support, in a sustainable way, the many human activities in the catchment area and in the lake itself. A second phase of the project is under preparation, changing both its planned duration from five to fifteen years, and its scope from mainly addressing problems in the lake to also emphasising the developing of the land surrounding it and its population.

The World Bank-sponsored Nile Basin Initiative (NBI) has established co-operation between the ten Nile Basin countries focusing on equitable use of water resources in the Nile. The initiative includes the establishment of subsidiary action plans for sub-basins of the Nile. The White Nile and Lake Victoria form the area for one such action plan – the Nile Equatorial Lakes Subsidiary Action Programme (NELSAP). A number of donors, including Sweden, support the NBI and NELSAP programmes.

A Comprehensive East African Initiative

Under the East African Development Strategy the Lake Victoria basin has been designated as an area of common economic interest and as an economic growth zone to be developed jointly by the partner states.

The EAC initiatives on Lake Victoria so far include inland water transport, Lake Victoria ports, and a regional strategy and action plan for the control of water hyacinths and other invasive weeds.

In 1998, the Secretariat of EAC, in collaboration with Sida, convened a high-level seminar in Arusha (Tanzania) on sustainable development in the Lake Victoria basin. The participants in the seminar agreed upon the need for a coordinated approach to foster sustainable development in the lake basin area. Many of the issues that had been proposed to be addressed were found to be cross-sectoral and transnational.



The goal: sustainable development that benefits the people in the lake basin.

In mid-1999 the East African countries, through EAC, decided to establish a comprehensive programme the Lake Victoria Development Programme (LVDP) - aimed at promoting sustainable development in the Lake Victoria basin. A Committee on the Lake Victoria Development Programme (CLVDP) was established under the EAC structure. It is composed of the Permanent Secretaries from the partner states, who are responsible for lake basin issues. A process was also initiated to search for a regional mechanism for the management of the lake and its resources.

The Strategic Partnership

The process, initiated 1998 soon took as its aim to establish a broad programme for the sustainable development of the Lake Victoria basin. In early 2000, the idea of establishing a strategic partnership between EAC, its member states and the donor community was developed.

On 24 April 2001 a Partnership Agreement was signed at Arusha by EAC representing itself and the member states on the one hand and the donor community, led by Sweden on the other. The agreement was signed in the presence by the three Heads of State. The other signatories were Norway, France, the World Bank and East African Development Bank.

The strategic partnership concept builds on the realization that substantial donor support will be required to assist East Africa to exploit the opportunities and address the existing problems in the region. The concept, which is inclusive and process-oriented, has as a further starting point the conviction that research, capacity building, and support for institutional change will need to go hand in hand with, or precede investments.

 The goal for the partnership is to contribute to equitable and sustainable development that benefits the people in the lake basin

- The partnership will focus on setting priorities and creating good conditions for development interventions as well as for commercial investments, and encourage and facilitate constructive longterm donor involvement
- Specific investment and capacity building programmes will normally not be undertaken by the strategic partnership, but be left to specialized institutions, authorities or associations at regional, national or local levels.

Vision and Strategy

Under the leadership of EAC a broad-based vision for the Lake Victoria region is being established. The process, facilitated by a team of international experts, is highly participatory, allowing stakeholders and the local population living around the lake to voice their opinions on what solutions should be found to address the poverty of the region and the sustainable develop-

"The Lake Victoria programme includes a number of exciting challenges. One is to build a genuine strategic partnership with the East African countries through the East African Community. Another is to broaden the Partnership to include new international partners. A third one is to successfully harness the various resources, which exist in the Swedish society and at Sida to support a comprehensive approach to sustainable development. What more, our vision goes beyond the traditional time span for development programmes and extends over a period of twenty years."

LARS EKENGREN
Director
Lake Victoria Directorate, Sida

ment of the basin. NGOs, cultural organisations, advocacy groups, church communities etc will participate in the discussions. The vision development project is expected to be followed up by the preparation of a comprehensive strategy.

The Swedish Commitment

Sweden's interest in providing broad and long-term support for East Africa's development efforts in the Lake Victoria basin is motivated by the increasing poverty in the area and by the alarming, ongoing environmental degradation. The commitment is also based on recognition of the area's potential for economic growth based on the sustainable use of its rich natural resources.

In late 1999, the Swedish longterm commitment was conceptualised in the "Strategy for Support of Sustainable Development in the Lake Victoria Region," passed by the Swedish government in March 2000 and by a three year Action Plan. New Action Plans will be developed every third year.

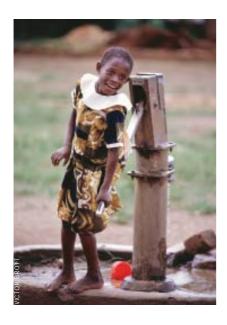
One of the cornerstones for Sweden's involvement is the experience acquired from 30 years of development co-operation with the three riparian countries: Kenya, Tanzania and Uganda. The other entry point is Sweden's successful co-operation with its neighbours in combating the environmental threat to the Baltic Sea and promoting sustainable development in that region.

Modalities of Swedish Support Sweden has committed itself to a

process, rather than to specific sectors or projects. The gradual outcome of the process will determine the focus for specific interventions over time. Swedish contributions are foreseen to be directed towards:

 Support of processes on political decisions setting regional goals and policies, harmonizing laws and regulations, and facilitating

- the establishment of coordinating mechanisms
- Support to capacity building, to studies of various kinds, and to developing action and investment plans
- Specific regional level activities such as: building and strengthening networks between relevant actors, developing capacity through the strengthening of institutions and research, mapping pollution sources and unsustainable uses of natural resources, and setting priorities for investments
- Facilitation of the creation of networks, which will support or complement the international partnership, between actors and institutions in areas such as local communities, community-based organisations and NGOs, private sector institutions and universities and other research institutions
- Activities prioritised on the regional level, but implemented nationally or locally, aimed at pro-



moting sustainable development (economic, social and environmental) in the Lake Victoria basin. Such efforts will include expanding and refocusing relevant ongoing Swedish-supported programmes at both national and local levels. In addition, a number of new programmes are expected to be established in collaboration with local and international partners

The active involvement of civil society organisations in the lake basin area is crucial in combating poverty. Support by Sida to such organisations will grow. A few Swedish non-government actors, notably Vi Agroforestry, are already active in relevant programmes in the lake region. The possibility to expand such programmes is being explored. Other Swedish NGOs will be encouraged to take up new activities in the basin within their respective fields of competence and interest.

Tools To Be Applied

Sida stands ready to apply a variety of methods and financial instruments to support East Africa's development efforts in the Lake Victoria region.

Sida is supporting the linking of actors in the Lake Victoria region with those in the Baltic Sea. "Twinning" or partnerships between institutions, networks, municipalities and organisations in the two regions are encouraged.

Sweden's relationships with development banks, UN organisations, the EU and other international organisations, such as the International Union for Conservation of Nature (IUCN), will be exploited. The purpose would be to create a synergy between development efforts and to get additional resources to the Lake Victoria development process.

Several financial instruments are available within Sida to support Lake Victoria development efforts. These include funds for regional co-operation, environment, democracy and human rights, culture, country programmes, concessionary credits, as well as funds for business development.

Funds available to Sida for development co-operation with Africa are likely to increase substantially over the next few years. Regional co-operation will be given high priority when allocating such additional funds within the Sida budget. Lake Victoria is expected to feature prominently in this context.

Areas of Intervention

The following possible areas of intervention have been identified:

- Sustainable urban development, which includes support to the Lake Victoria Region Local Authorities Co-operation (LVRLAC) and to the cities of Kampala (Uganda), Kisumu (Kenya) and Musoma or Mwanza (Tanzania)
- Rural water, sanitation and health
- Land management, including support to Regional Land Management Unit's activities in the

Relation to country programmes

Sweden through Sida has established country programmes in all the three East African countries. The programmes include a number of projects and activities, which are geographically situated in or affect the Lake Victoria region. A concerted effort to "tilt" the programmes towards the lake is being made, whereby in the selection of districts etc for Swedish support, priority is afforded to those in the lake region.

Uganda

In Uganda the Lake Victoria basin includes Kampala, the capital, as well as other major cities: Entebbe, Jinja and Masaka. The issue of "tilting" towards Lake Victoria is not as much in focus as the most developed areas lie within the basin. The country strategy 2001–2005 therefore rather gives emphasis to efforts to reach out towards the northern and poorest part of the country.

Tanzania

Sweden has for many years been involved in the Lake Victoria region in Tanzania through a health, water, and sanitation programme (HESAWA), and through various NGO activities. Another bilateral intervention has been the Land Management Programme (LAMP). In the new country programme 2001–2005 the most successful practices from HESAWA and LAMP will be incorporated into a new District Development programme that focuses on three districts within the Lake Victoria basin.

three countries and to the programmes of the Swedish NGO Vi Agroforestry

- Water resources management, including support to the development of frameworks for the cooperative water management of three main tributaries to Lake Victoria: Kagera river basin, Mara river basin and the Malakasi-Malaba-Sio river basin
- Business sector development, including the possible partnership between the Industrial Council of Sweden and East African Business Council



The country programme for Kenya 1999–2003 includes suppport to programmes for rural health, soil and water conservation, water and sanitation in rural areas, and rural roads. Certain activities under those programmes, for instance in rural health, have already been focused on districts in the Lake Victoria basin.

- HIV/AIDS, in particular transboundary spreading of the pandemic
- Democratic governance, where the possibilities to assist in the building of capacity within the newly established East African Court of Justice and the East African Legislative Assembly are being studied
- Higher Education and Research through a programme of support to thematic research on issues related to the sustainable development of the lake basin
- Information and media, where a long term support to environmental journalism through training and capacity building is an initial example
- Communication, infrastructure and IT, including support to an initiative to further link the power transmission systems in the three countries together
- Development of East African Civil Society Organisations, initially through a capacity building of Ecovic, the only NGO which operates in all the three countries.



BALTIC SEA EXPERIENCE

A point of departure for the Swedish initiative to support sustainable development in the Lake Victoria region was the experience from the successful co-operation established in the Baltic Sea region. In spite of obvious differences between the two regions, several principles and important lessons from the Baltic Sea experience emerged. Possibilities to apply some of these in the Lake Victoria region are being explored.

The Baltic Sea is a semi-enclosed sea, with a unique and sensitive ecosystem. Almost 80 million people live in its drainage area, which is a highly industrialized and intensively farmed region.

Already in the early 1970s it was obvious that the body of water was in a bad state. When political changes occurred in the region in the early 1990s, a successful and efficient regional co-operation was established. As a result, the Baltic Sea Joint Comprehensive Environ-

mental Action Program (JPC), was adopted in 1992.

The JPC programme includes activities related to institutional strengthening, human resource development, investment activities, research, and education and awareness raising. In addition, 132 major sources of pollution, so called "hot spots," were identified and included in the investment part of the programme.

The implementation has been very successful. Major investments supported by donors and financing institutions have been directed towards municipal wastewater treatment plants and fresh-water-supplies.

The JPC progress laid the foundation for broader and deeper cooperation in the region, including democratic and economic development. Moreover, an environmental action programme, the Agenda 21 for the Baltic Sea (the Baltic 21), has been established.

Both the JPC and the Baltic 21 are based on strong political commitments. The experiences demonstrate that success can be achieved through:

- Strong and sustained commitment from the highest political levels
- Building on existing political and other structures
- Involving all major stakeholders early on in the process
- Allowing for an open, democratic and transparent process
- Establishing joint priority actions benefiting all countries
- Readiness between the countries to support each other through various stages of the process
- Creating public awareness about the state of the environment and its relationship to economic development.

Baltic Sea Experiences Support Lake Victoria Development

In 1999, a high level delegation from East Africa visited the Baltic Sea region. The participants concluded "The regional co-operation on the Baltic Sea, being one of the most successful regional co-operation arrangements on a heavily used sea, is a useful example from which the co-operation we are developing on the Lake Victoria can borrow experience."

FRANCIS K. MUTHAURA
The first Secretary General of EAC

that several principles and important lessons from the Baltic Sea collaboration could be applied to the Lake Victoria region. They expressed specific interest in developing networks between similar institutions and organizations in the Lake Victoria region, and to linking them with sister networks in the Baltic Sea region.

The visit was followed by a workshop, which gave participants the opportunity to exchange information on various initiatives and institutional arrangements being developed in the two regions, and to look at opportunities for co-operation. Subsequent to this, co-operation and partnership have been initiated in a number of areas, including

 City to city co-operation where the Union of Baltic Cities (UBC) has signed a three year agreement with its East African counterpart, Lake Victoria Region Local Authorities Co-operation (LVRLAC). Visits have been exchanged between senior representatives of various Baltic cities (notably Kalmar and Gdansk) and senior representatives of the Lake Victoria principal cities (notably Entebbe), seminars, workshops and conferences have been organised, all with the view to transferring experience and build capacity. In the Baltic Sea area the UBC has established a number of co-operating mech-

anisms with the business community, within education, environment, sports, culture, tourism, urban planning, waste management, etc. These experiences may prove useful to the UBC-LVRAC co-operation.

A collaboration has been initiated between the Baltic University Programme and the Inter-University Council of East Africa, which includes exchanges of experiences and visits.







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