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

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## 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 Miramira Hill-Ntungamo-Ishaka road; and the Rehabilitation of 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 Programme<sup>1</sup> (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 PANAFTEL network for Eastern and Central Africa, while Uganda had the opportunity of

<sup>&</sup>lt;sup>1</sup> 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.