

Mid-term Review of:



Tanzania

Final Report

24 November 2008

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PREFACE & ACKNOWLEDGEMENT

The report in hand covers the Mid-term Review (“the Review”) of the:

Pangani River Basin Management Project

in Tanzania (“the Project”). The Review was undertaken in September 2008 in Tanzania, with a brief visit to the Republic of South Africa, by a Consultant from Nordic Consulting Group Norway and an IWRM Expert from the Ministry of Water and Irrigation in Dar es Salaam (jointly referred to as the Review Team - “the RT”).

External, independent reviews of any development project is a normal procedure with most international donors and finance institutions. The overall goal of the Project is: *Integrated Water Resources Management in the Pangani Basin strengthened, including mainstreaming climate change to support the equitable provision and wise governance of freshwater for livelihoods and environment for current and future generations*, with a purpose of: *Water users and managers in Pangani Basin empowered to manage and allocate water resources with consideration for climate change, the environment and other technical information, through consultative processes and the sound framework of an IWRM*. The aim of the Mid-term Review was largely to see if the Project was “on track” and to give recommendations for further implementation and advice on improvements of the Project, if required. The elements reviewed in addition to the appropriateness of the project design (including the LFA elements) and the project progress at large were project relevance, effectiveness, efficiency, and impact; in addition to the sustainability factors. The Draft Report was submitted primo October 2008, and the final version is submitted ultimo November following clarifications and comments from IUCN and the project partners (in joint memo submitted 5.11.2008, enclosed in *Appendix 7*).

The Review Team wants to thank all the involved project partners and stakeholders for their open and kind contribution during the Review. In specific should be mentioned: IUCN EARO for having trust in the RT to undertake the Mid-Term Review of a relatively complex project, and for facilitating the consultancy; representatives of the EU and UNDP for their constructive views; Mr. Washington Mutayoba, Director Water Resources for invaluable discussion on the Project links to national policy and strategic direction of the water sector; Mr. Peter C. Kangwa and Dr. Jigal Beez of PAMOJA and Mr. Anenmose L. Maro of TIP for their views on grassroots interventions related to irrigation efficiencies and stakeholder processes; Ms. Josephine S. Lemoyan and Mr. Mturi J. Mturi of SNV for their open and positive discussion on the processes related to the establishment of the Kikuletwa Catchment Forum; Mr. Hamza Sadiki, the Pangani Basin Water Officer and his team for providing invaluable information pertaining to the activities of the Basin Water Office and its Board, and different aspects of the Project in relation to the problems on the ground; and Ms. Jackie King and her team of University of Cape Town/Southern Waters/Anchor Environmental Consultants for constructive discussion on their work related to the River Flow Assessment and scenario development in the Basin.

A special thanks goes to the staff of the Project Management Unit, first and foremost the Project Coordinator Mr. Sylvand Kamugisha, who with never-failing positive attitude and prompt effectiveness was responsible for the logistics and transport during the RT’s work in Tanzania.

24 November 2008

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The conclusions and recommendations in this report are clearly those of the Review Team, and do not necessarily reflect the opinion of IUCN, PWBO or any other project partners or the persons and institutions consulted, and are thus not in any way binding for the Project.

LIST OF ACCRONYMS AND ABBREVIATIONS

AM	- Annual Meeting
BWO	- Basin Water Officer
CB	- Capacity building
CC	- Catchment Committee
CDO	- Community Development Officer
DED	- District Executive Director
EFA	- Environmental Flow Assessment
EC	- European Commission
EARO	- Eastern Africa Regional Office
ESARO	- Eastern & Southern Africa Regional Office
EU	- European Union
EUR	- Euro
FT	- Facilitation Team
GEF	- Global Environmental Facility
HQ	- Headquarters
IUCN	- The World Conservation Union (International Union for Conservation of Nature)
IWRM	- Integrated Water Resources Management
KC	- Kikuletwa Catchment
KCF	- Kikuletwa Catchment Forum
LFA	- Logical Framework Approach
M&E	- Monitoring and Evaluation
MoU	- Memorandum of Understanding
MoWI	- Ministry of Water and Irrigation (former MoWLD)
MoWLD	- Ministry of Water and Livestock Development
MW	- Megawatt
NAWAPO	- National Water Policy (2002)
NCG	- Nordic Consulting Group
NGO	- Non-Governmental Organisation
NWSDS	- National Water Sector Development Strategy
PAIA	- Project Activity Implementation Agreement
PB	- Pangani Basin
PBWB	- Pangani Basin Water Board
PBWO	- Pangani Basin Water Office
PC	- Project Coordinator
PD	- Project Document
PIM	- Project Implementation Manual
PM	- Project Manager
PMU	- Project Management Unit
PRBMP	- Pangani River Basin Management Project
PSC	- Project Steering Committee
RG	- Reference Group
RSA	- Republic of South Africa
RT	- Review Team
SACCOS	- Savings & Credit Cooperative Society
SCC	- Sub-Catchment Committee
SCFT	- Sub-Catchment Facilitation Team
SNV	- Netherlands Development Organisation (an NGO)
SW	- Southern Waters Ecological Research and Consulting cc
TA	- Technical Assistance
ToR	- Terms of Reference
UNDP	- United Nations Development Programme
USD	- US dollars
WANI	- Water and Nature Initiative
WUA	- Water User Association
WUG	- Water User Group
WWF	- World Wildlife Fund

EXECUTIVE SUMMARY

1. INTRODUCTION AND REVIEW MANDATE

- The Pangani Basin Water Board was the first of nine in Tanzania to be established.
- The new National Water Policy was gazetted in 2002 (NAWAPO 2002).
- Pangani Basin is one of the most productive in Tanzania (agriculture and hydropower).
- Many conflicts occur over the use of scarce and gradual deteriorating water resources (irrigation-hydropower; upstream-downstream uses; farmers and cattle breeders, etc.).
- The project initiative started late 2001, with pilot projects undertaken in 2003-04.
- Project partners are IUCN, Pangani Basin Water Board, and the NGOs PAMOJA and SNV. Financing institutions are the UNDP/GEF and the EU Water Facility, together with IUCN and the Tanzanian Government (mainly in the early project phases).
- The aim of this Review was to assess project achievements, impacts, and lessons learned.
- The Review was undertaken in September 2008, and the Review Team (RT) comprised Tore Laugerud and Saidi Faraji.

2. FINDINGS AND ASSESSMENTS

2.1 The Project Design Elements

- Project planning has been undertaken in steps, following available financing.
- A merged logframe was commendably formulated in November 2007. Both goal and purpose are well formulated, but the latter could preferably be limited to Kikuletwa Catchment.
- There are four main project results formulated with sub-results and activities under each, in addition to project management. Result 1 is somewhat ambiguously formulated ("increased understanding"), Result 3 is not well formulated, and Result 4 (IWRM planning) is very comprehensive and ambitious.
- The merged activities are not presented in a joint merged time schedule format.
- No joint set of performance indicators has been developed, but this is understood to be in progress at the time of the Review.

2.2 Project Managerial Set-up

- The managerial set-up is ambiguously described in the various steering documents. Too little integration of the Project into the

Pangani Basin Water Office is observed by the RT, in spite of efforts by IUCN.

- There seems to be too little delegation from IUCN Nairobi to the PMU in Moshi.

2.3 Overall Activity Status and Progress

- **Result 1:** The EFA and scenario development is satisfactory, being the most successful component.
- **Result 2:** The Kikuletwa Catchment Forum design and establishment is unsatisfactory and seems almost to have halted. Reluctance from SNV to take the lead of the activity and too little staffing capacity in the PBWO to take onboard these activities. The other activities have been suffering from a lack of CP facilitator, but a few initiatives have started (e.g. information collection, and awareness raising amongst parliamentarians in the three EAC countries).
- **Result 3:** The climate change aspects have just started and are considered marginally unsatisfactory. Pilot activities still ongoing in Soko and Hingilili under PAMOJA, delayed, partly out of PAMOJA's control.
- **Result 4** has not properly started, and the needs assessment in PBWO has halted and is unsatisfactory.
- The financial status shows that only 14% of the EU funds have been spent (after 20 months) and 23% of the UNDP/GEF (after 14 months), clearly reflecting the lack of activity progress.
- UNDP/GEF expenditures are reported on various *outputs*, whereas EU funds are reported on *cost categories* only, making a joint aggregated financial over view difficult to compile.

2.4 Review of Standard Evaluation Elements

- **Relevance:** is highly satisfactory.
- **Effectiveness:** Result 1 is satisfactory. Result 2 is unsatisfactory (delayed). Result 3 has hardly started and Result 4 is awaiting input from the other results. The partnership is marginally satisfactory.
- **Efficiency:** difficult to assess, largely considered marginally satisfactory.
- **Impact:** too early to assess properly, but considered unsatisfactory due to lack of progress in Kikuletwa Catchment and lack of

- systematic capacity building efforts in PWBO.
- Sustainability: is marginally unsatisfactory, as proper ownership in PBWO seems to be lacking.

2.5 Other Project Elements

- There are several project steering documents, following the financing sources, being confusing.
- The work plans and progress reporting are not in the same format, making it difficult to assess physical annual progress.
- Financial progress is difficult to assess due to different reporting for EU (on cost categories) and UNDP/GEF (on outputs).
- Project document management is not satisfactory as most documents lack date, reference, author and institution on each page (header or footer), and even on front pages.
- Capacity building of Core Team under Result 1 is not fully successful, but still adequate.
- In general, the Project is comprehensive and complicated, and the results will surely not be delivered as planned.

3. RECOMMENDATIONS AND LESSONS LEARNED

3.1 Conclusions and Recommendations

- The PMU should be more integrated into the PBWO in order to create ownership to the project activities and secure sustainability. More technical communication should go between IUCN Nairobi and the Basin Water Officer. The CDO in PWBO should be fulltime seconded to the Project.
- The design and establishment of the Kikuletwa Catchment Forum (KCF) must be significantly boosted:
 - The project activities should start in the four Sub-Catchments of Kikuletwa, where Sub-Catchment Forums (SCFs) should be established (starting with *one* to try the methodology out first), later forming the larger KCF.
 - The NGOs PAMOJA and TIP will coach, and participate in, the SCFs, and claim to have both capacity and ability to do this (staffing according to needs in projects, like many NGOs).
 - Low-cost Sub-Catchment Committees should be selected by the SCFs, acting as forum secretariats.
 - A Core Team of SNV and the CDO should be

formed, with increased exposure and support from external advisors with extensive experience (e.g. from the Rufiji Basin).

- The Reference Group should comprise max. six handpicked individual experts, covering various professional topics (district policies; institutional development; stakeholder participation; IWRM processes; irrigation efficiency; and the BWO from Rufiji). The RG should work as a "Steering Committee" to the Core Team.
- The IWRM planning requires comprehensive expertise to be involved at the required level, and e.g. groundwater is lacking today. In case additional funds will not be available, the RT recommends funds to be reallocated from Result 4 to the KCF development. The project management must analyse the needs versus the available funds (as this is outside the scope of the RT). The IWRM planning could be incorporated later in the Water Sector Development Programme, where funds for such activities will be available.
- The pilot interventions on climate adaptation measures should be undertaken in the Kikuletwa Catchment in order to gain synergy of the efforts in the area and show tangible results. (The started interventions in Soko and Hingilili should continue, but preferably with funds from elsewhere).
- The Project should be extended by 1-2 years, depending on the available funds, to gain momentum of the forum establishments in the Kikuletwa Sub-Catchments.
- A single aggregated and merged Project Document should be prepared to ease project overview and internal project monitoring.
- Annual plans should be more elaborate and comply with the reporting formats.
- All pages in all documents must have date, author, institution and document name in header/footer.

3.2 Lessons Learned

- The managerial structure must be revisited (and if required - revised) when projects are becoming more comprehensive and extended with time.
- Several agreements should be aggregated into one single main Project Document, with the already merged logframe.
- Project management must be integrated into

the local administrative structure, to secure ownership and sustainability. Project management should be delegated and decentralised to the extent possible.

- Document codes ("keys") for easy reference should be established at the start-up of any project.
- Project annual planning and reporting must follow identical templates and set-ups (tables and narrative text).
- Important lessons learned from the Project will have to be internalized and mainstreamed into the basin management system.
- Sustainable financing of activities post-project should be instigated early, as this is critical for database updating, review of EFA and scenarios, and hence contribute to the basin IWRM plans.

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- Appendix 2: Some identified conflicts in the Pangani Basin
- Appendix 3: List of persons met and contacted. Meeting programme
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- Appendix 5: The Review Team's Terms of Reference
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- Appendix 7: Comments to the Draft Report

1. INTRODUCTION AND REVIEW MANDATE

1.1 Introduction and Background

1.1.1 Project History and Scope

The Tanzanian Government adopted its first Water Policy back in 1991 for overall development and management of water resources, where radical changes in the institutional and managerial set-up in the water sector was initiated. The policy focuses on participatory planning, and cost sharing in the construction, operation and maintenance of community based domestic water supply systems. The policy however does not address adequately cross-sectoral interests in water, watershed management or sustainable river basin management. Prior to the launching of this policy, in 1989, through the Water Utilization (*Control and Regulation*) Act No. 42 of 1974 as amended by Act No. 10 of 1981) the Government gazetted nine (9) water basins for the purposes of water resources administration and management. The nine river basins are shown in *Figure 1.1* in *Appendix 1*. The Pangani Basin Water Office (PBWO) was the first to be formed, followed by the Rufiji Basin Water Office in 1993, and the other basins slowly followed suit. This transformation process took 15 years and in 2005 the last office was established (the Ruvuma Basin Water Office) and its Board was formed in 2006. During this process, a new updated National Water Policy was gazetted in 2002 (NAWAP0 2002) and a National Water Sector Development Strategy was launched in March 2008. A new water legislation (Water Bill) is due to pass through the Parliament ultimo 2008. These documents give the basic guidance and point at the way forward in water sector development in the country.

Pangani Basin (PB, “the Basin”) is notably one of the most productive areas in Tanzania (see *Figure 2.1a*) in *Appendix 1*, and *Figures 2.1b*) and *c*) showing the features of the Kikuletwa Catchment, being an important project area), with nationally important agricultural outputs and hydropower generation (installed 95 MW, being 17% of Tanzania’s national power grid capacity), as well as globally important forest and biodiversity resources. It is a water-stressed basin and already inadequate supplies threaten the basin’s natural resources, livelihoods and agricultural and hydroelectric productivity. Many problems are occurring from several conflicts between various water users in the Basin, e.g.: between upstream irrigated agriculture and downstream hydropower generation; between pastoralists watering their animals and farmers utilising the same river/stream for irrigation; between upstream and downstream irrigation farmers in the same sub-catchment; between various formal and informal institutions/interest groups over water management within some villages (Water User Associations - WUAs, village governments, groups of elders/land owners, land tenants, etc.). These conflicts are expected to worsen as climate change result in less rainfall and thus less water available at the needed times of the year, and as uncoordinated abstractions jeopardize water supplies. Some specific conflicts in the Basin are listed in *Appendix 2* of this report.

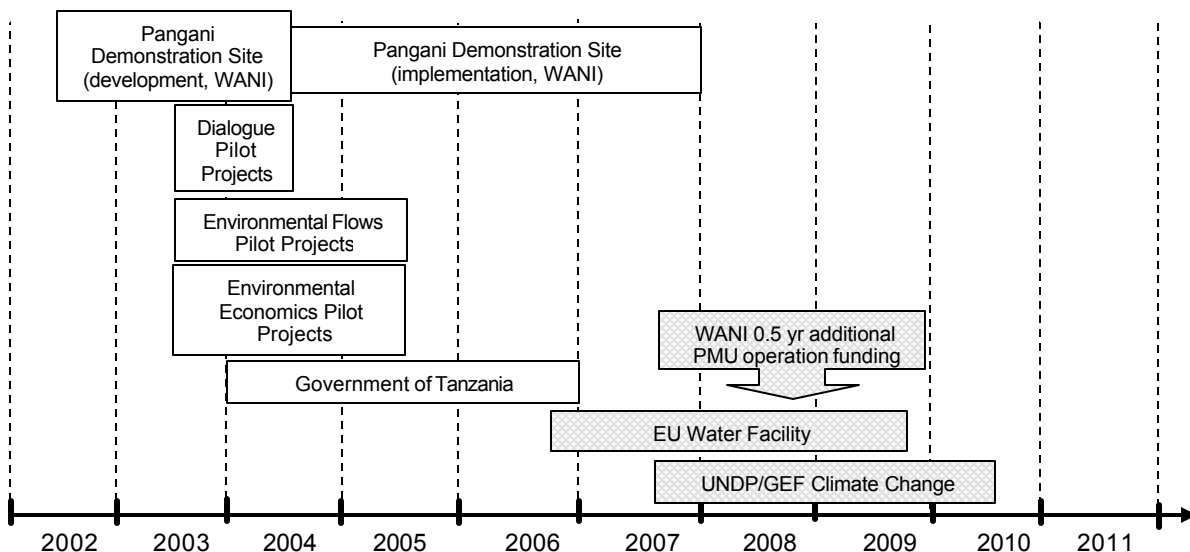
The Pangani River Basin Management Project (PRBMP, hereafter also referred to as “the Project”) has had a relatively long period of initiation and establishment, and is closely connected with the operations of IUCN (International Union of Conservation of Nature) in the water sector as a whole. By the turn of the century, IUCN decided to go more actively into the water sector, this being so closely linked especially to the core IUCN area of wetlands management. In July 2001, the Ministry of Foreign Affairs in the Netherlands allocated USD 13 million to IUCN for the development of the WANI (Water and Nature Initiative) programme. WANI works with governments and local communities to use and manage water resources more sustainably, and aims to help reduce poverty and protect the environment by helping people to manage river flows and improve access to all communities. The programme operates in five continents and 12 countries already, of which the Pangani River Basin is one, notably the largest in terms of project value¹ and the first one of this comprehensive outline working with water partners.

¹ USD 13 million for 13 countries in five continents is a relatively small amount, but in terms of donation it is probably the largest by the donor in support of this of activities.

It is difficult to establish a definite single starting date of the project preparations. Already in November 2001 IUCN had a reconnaissance trip in the PB to investigate its suitability as an IUCN-WANI demonstration site. The PB was found suitable of many reasons: IUCN was looking for a basin in Tanzania; the Ministry of Water requested support to this Basin; the Basin has great importance in environmental management; the Basin had a lot of interventions at various levels already; and the Basin was of a managerial size. In May 2002, IUCN and PBWO had a Stakeholders Workshop to identify the main actors in the Basin and their needs. IUCN funding for some smaller pilot projects were made available and these were undertaken in 2003-2004 (Dialogue Project; Environmental Flows Project; Environmental Economics Project; and Transboundary Collaboration on Lake Jipe). Also the NGO PAMOJA, already at that time active in the area, was taken on board as a project partner in the Dialogue Project, and two Ministries were actively involved (Ministry of Water and Irrigation – MoWI (called Min. of Water & Livestock Development – MoWLD at that time)) and Ministry of Water in Kenya. Based on these pilot projects, the conflicts, prevalent problems and challenges were more clearly revealed and better understood by the partners (see *Appendix 2*).

In March 2003, a Planning Workshop was held, aiming at a “Pangani Basin Demonstration Project”, and a Situation Analysis Report (in English) was published. Following this, addition funds from IUCN-WANI (USD 1 million) and from the Tanzanian Government (USD 300,000) were secured and partnership agreement were signed with MoWLD, PBWO and IUCN. Also, the South African consulting company Southern Waters Ecological Research and Consulting cc (SW), already known for good work in Tanzania, was hired to participate in the largest activity in the Project, namely the Environmental Flow Assessment (EFA). The project office was then established, and consequently the project activities started. The National Project Coordinator (PC) was recruited in April 2005, and in August 2005 the Project Manager (PM) joined.

It was early realised that due to the comprehensiveness of the Project and expected activities required, the need for funding would increase. Negotiations were therefore started with the European Union/European Commission (EU/EC), and funding was approved in the EC system in February 2006 and signed 12 October 2006 (EUR 1,774,063). As these funds came from a special EU Water Facility from which only partnerships between international institutions and EU NGOs could apply for support, the Dutch NGO SNV was taken on board as a partner and a partnership agreement signed prior to application submission. This project component (partly “by default” connected to the core activities of the SNV) focused on strengthening participation and planning for Integrated Water Resources Management (IWRM) in the Basin. Similarly, the UNDP/GEF (Global Environmental Facility) was approached, and an agreement was signed in 15 August 2007 (USD 1 million), having the focus on support activities connected to climate change adaptation in the water sector (which is part of the GEF focal area). The below figure largely show the main elements of the Project through history, with funding sources.



With two major donors outside IUCN-WANI and the Tanzanian Government being in with their specific requirements as to project set-up and content, there was a need to refine the project logframe including the new requirements. This was done during second half of 2007, and the new merged logframe, with refined objectives, were approved by the Project Steering Committee (PSC) in November 2007. The total project value at that time had reached USD 4,792,454. *Figure 1.3* in *Appendix 1* illustrates by a quick glance the main Memorandums of Understanding (MoUs) and Project Activity Implementation Agreements (PAIA) under the Project, and *Figure 1.4* shows other main events in the history of the Project (not meant to be exhaustive).

The Project will support the Pangani Basin Water Office (PBWO) in transitioning into using the principles of Integrated Water Resources Management (IWRM), specifically in providing technical information to support in the allocation process; in strengthening water managers and water users to participate in IWRM; and subsequently in developing an IWRM plan. The Project has been structured into four main technical project components (also referred to as “results”):

- **Result 1:** Increased understanding of environmental, economic and social implications of different river flow scenarios under expected climatic conditions and increased capacity to collect and analyze such flow assessment information.
- **Result 2:** Water users strengthened and empowered to participate in IWRM and Climate Change adaptation processes through dialogue and decentralised water governance.
- **Result 3:** Water Sector’s vulnerability to climate change understood and pilot actions generate lessons in adaptation.
- **Result 4:** Basin Water Office coordinates other sectors and stakeholders in the development of an IWRM Plan.

In addition, the project administration and management is defined as one component:

- **Result 5:** Project implemented effectively & efficiently to the satisfaction of all stakeholders

Under each of these headings, there are some sub-results listed. The detailed activities are defined from year to year in the Annual Plans. *Figure 1.5* in *Appendix 1* shows the main project logframe following the refinement in November 2007, and this is commented upon in later sections in the report.

1.1.2 Project Objectives

Figure 1.5 shows the main objectives of the Project, after refinement in November 2007 being:

- **Goal:** Integrated Water Resources Management in the Pangani Basin strengthened, including mainstreaming climate change to support the equitable provision and wise governance of freshwater for livelihoods and environment for current and future generations.
- **Objective (project purpose):** Water users and managers in Pangani Basin empowered to manage and allocate water resources with consideration for climate change, the environment and other technical information, through consultative processes and the sound framework of an IWRM.

It is appreciated that these objectives captures previous formulated objectives and requirements related to the funding agreements, especially from UNDP/GEF and EU. The project logframe will be commented in a later section of this report.

1.2 The Appraisal Consultant’s Mandate and Approach

This Mid-term Review (“the Review”) was requested by PBWO and IUCN to assess the progress and performance of the Pangani River Basin Management Project (“the Project”). The aim of the Review of the Project is to assess project achievements, impacts, and lessons learned. The Review has been commissioned at a time when new funding from EU and UNDP GEF has already been mobilised to scale up the work started through the WANI funding. The EU funding aims to support integrated water resource management while the UNDP GEF funds contribute to strengthening capacity of the Basin in adaptation for climate change. It should be noted that the Review is not undertaken in the middle of the Project per se, but rather in the first half of the Project with all the funding sources on board.

The overall purpose of this Review is twofold:

- I. **Learning and Improvement:** The outputs of this Mid-term Review will provide useful and relevant information to the ongoing scope of work of the partner institutions; explore why the interventions implemented by the Project succeeded or not; and provide guidance for implementation mechanisms of subsequent PRBMP interventions to be carried out in the Basin in the next three years.
- II. **Accountability:** The Mid-term Review is also an instrument for the overall accountability system of the Project. Consequently, the Review will assess whether or not the project plans were fulfilled and resources were used in a responsible way.

The Review was undertaken by a team of independent consultants: Mr. Tore Laugerud from Nordic Consulting Group – NCG Norway, and Mr. Saidi Faraji, daily working in the Ministry of Water and Irrigation in Dar es Salaam. According to the Terms of Reference (ToR) in *Appendix 5* to this report, the review should include document reviews and field visits including interviews of the project partners and important stakeholders.

The RT reviewed the project documents prior to the joint work in Tanzania, which commenced in Moshi on 9 September 2008. The RT also travelled to Cape Town on 11.09.08 and met with the South African Consultant for the EFA, the Southern Waters and its associate Anchor Environmental Consultants the following day. Whereas this meeting was important to understand the EFA work and the building of scenario analysis by complicated computerised models, the RT might in hindsight question the cost-effectiveness of such visit. This, because the travelling efforts involved were significant and timely, and some unfortunately baggage delays out of the control of the RT added to the frustration.

Upon return to Dar es Salaam, the RT met with the Ministry of Water and Irrigation, the IUCN country Office, the EU Delegation, UNDP and SNV Country Office. Telephone conversions were held with IUCN headquarters in Switzerland and with UNDP regional headquarters in Pretoria, both proving useful to the overall understanding of the donors' perception of the Project and key approach being adapted in the Project. After having returned to Moshi, the Team met with various staff in the PBWO, had extensive discussions with the Project Coordinator on several key topics, met the partner SNV in Arusha, and PAMOJA in Moshi, and met another prominent NGO working in the area - TIP (Traditional Irrigation and Environmental Development Organisation). The RT also had a field visit to one of the Water User Associations in the Kikuletwa Catchment (Lekitatu Water Users Association), and had an appointment to meet with a large coffee farmer, but this failed due to "misunderstandings" in the meeting arrangement. The RT had also planned a meeting with TANESCO (Tanzania Electricity Supply Company), but this representative cancelled the meeting in the last minute. List of the persons met and contacted during the Review is enclosed in *Appendix 3*, together with the initial meeting itinerary of the RT. In *Appendix 6* is enclosed a note on review methodology to be implemented prepared by the RT the first day of the Review, submitted upon request to IUCN.

The report largely comprises two main parts: *Chapter 2 Findings and Assessments*, containing the description of the project planning and design, the project status and assessment of standard logframe elements (relevance, effectiveness, efficiency, impact and sustainability); and *Chapter 3 Conclusions and Recommendations*, including drawing up the lessons learned from the project process so far. Comments from the project partners to the Draft Review Report is enclosed in *Appendix 7* for easy reference.

2. FINDINGS AND ASSESSMENTS

2.1 The Project Design Elements

2.1.1 Project Planning

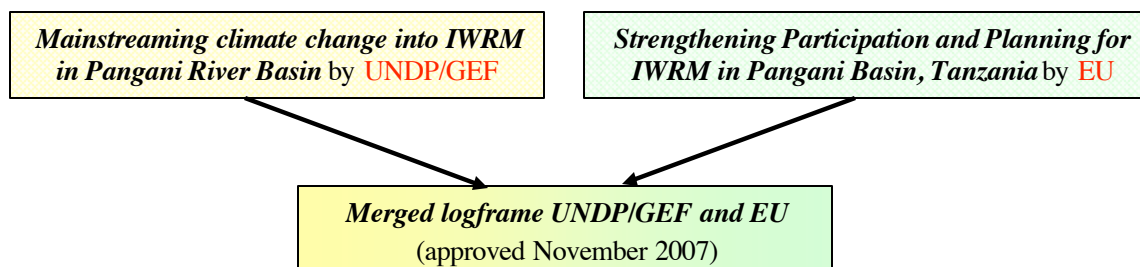
The project planning has been undertaken in steps, evolving from the available funding and donors coming on board. The initiative started with four smaller studies funded by the IUCN WANI alone, and developed into a much more comprehensive project, today rather being a "programme" with several

projects, but the term “project” will still be kept throughout this report to avoid confusion as this is the term used but the Project itself. There are two main Project Documents being prepared, for the EU and the UNDP/GEF components respectively, and the format and content of these are different, reflecting the priorities and focus of the donors. In addition, there is an agreement for funding between IUCN WANI and IUCN Regional Office, which have taken on board specific requirements of the IUCN operations and sector involvements. These documents exist side by side and steer various interventions of the Project.

This “piecemeal” planning approach was obviously unintended from the start, but the Project has somewhat been overtaken by events in this case. Due to this, the RT finds it very difficult to get the full overview of the project design and particulars, causing problems for an outside team to grasp the core issues at stake through one single reference documents. This multitude of steering documents made the Review challenging and indeed not easy.

2.1.2 The Project Logframe

The main elements of the Project has also evolved into a project logframe (LFA - Logical Framework Approach) through a stepwise process largely following the timing of the funding partners coming onboard and their special requirements. Prior to the November 2007 PSC meeting, where the refined merged logframe was approved, there has not been a consistent common logframe, as the two main focus areas of the Project (IWRM and climate change) had two separate logframes. These were surely complementary as to the core issues at stake in the Project, and had somehow a mutual co-existence, but having two logframes in the same project may clearly create confusion and may even lead to a non-coordinated double focus of the project efforts. The 2007 efforts of the project staff in blending and merging the two sets of logframes into one is outlined in a separate document “Pangani River Basin Management Project: Proposed Merged Logframe UNDP/GEF & EU”, was therefore highly needed and indeed commendable.



The merged logframe has obviously not in any way changed the main course of the Project. As a general comment, the RT wants to emphasise that normally the formulation of logframe elements must follow the Project through from beginning to end in a consistent manner, and any changes underway to specific elements must be clearly justified and documented. The formulation of the goal and purpose should *not* in any case be altered (unless unforeseen requirements from e.g. donors become imperative to the mere project existence), as semantics here are indeed important. Below follows a short assessment of the various project design elements, also with reference to *Figure 1.6* showing the normal internationally accepted logframe set-up modality.

2.1.3 Goal

Goal: In a logframe context, the goal (also referred to as the “development objective” or “overall objective”) of any project is defined to be the long-term objective to which the project will significantly contribute. The achievement of the goal will, however, also depend on other factors and projects beyond this particular project. Formulation of the goal should ideally be clearly defined and used as a main point of reference by all involved parties during project implementation. This means that a narrow, specific goal normally should be formulated (close to the purpose), also increasing the probability of “success” when evaluating the project achievements against the goal later on. The goal must represent a sufficient justification for the project, should be formulated as a desired state (not as an activity), it must not be too ambitious, it should preferably mention the target groups, and should ideally be expressed in verifiable terms.

The merged goal is formulated as: “*Integrated Water Resources Management in the Pangani Basin strengthened, including mainstreaming climate change to support the equitable provision and wise*

governance of freshwater for livelihoods and environment for current and future generations". It is noted that the formulation slightly varies in the various documents reviewed by the RT, where in some cases the formulation starts with *"To strengthen...."*. The latter, formally speaking, states an *activity*, whereas the correct formulation should represent a future *state* (as in the above formulation). Notwithstanding this minor linguistic issue, the formulation adequately captures the long-term aim of the Project and is considered well formulated.

2.1.4 Objective (purpose)

Purpose: According to the logframe methodology, the purpose should be the state (or situation) that is expected to prevail as a direct consequence of the project, also meaning the outcome (or impact) of the project. The achievement of the purpose is clearly outside the project and cannot be guaranteed by the project management. However, when the results (outputs) are delivered as planned, there is a high probability that the purpose will prevail. Any project should have only one purpose, which ideally should specify the target groups, should be formulated as a desired state (not as an activity), should be precise and verifiable, and should be realistic. The purpose should be as "close" as possible to the guaranteed results.

The purpose of the Project is formulated as: *"Water users and managers in Pangani Basin empowered to manage and allocate water resources with consideration for climate change, the environment and other technical information, through consultative processes and the sound framework of an IWRM"*. In some documents, as with the goal, the purpose is formulated as an activity (starting with *"to..."*), which is a minor shortcoming only. The purpose must describe a future *state*. It is noted that the terminology used here is not directly on par with the "normal" LFA modality. The purpose is called *"objective"* which is misleading, as *"objectives"* is a joint name for both the long-term objective (goal) and the short-term objective (purpose). The name should therefore preferably be *"purpose"* (or alternatively *"immediate objective"*).

Notwithstanding this minor linguistic shortcoming, it is noted that the purpose in principle includes *all* the water users and managers (as long as no limitations are mentioned) in the *whole* basin. Although the IWRM plan will necessarily cover the whole basin, it is understood that participatory processes and awareness raising activities of practical reasons will be concentrated to Kikuletwa Catchment (KC). Also other areas in the Pangani Basin will be targeted, amongst others in connection with studying and mediating water user conflicts, but not to the same detail as in KC.

With this in mind, the RT believes the formulation is slightly too ambitious, as it will definitely take quite some time before the other catchments of the Pangani River Basin are covered to the same degree as KC following the completion of the Project. This will probably happen after several years and the purpose should therefore ideally be defined closer to the guaranteed outputs of the Project, referring to the KC specifically and explicitly. It should be noted that the Project cannot guarantee that the water users and managers get *"the power or authority"* (one definition of the word *"empowered"*), but it can guarantee that they *"get a sense of confidence and self-esteem"* (another definition of the word). With this latter understanding, this part of the formulation is understood and acceptable.

2.1.5 Results/activities

Results are the direct deliverables of the project. The results are following from the successful implementation of the activities and these will be guaranteed by the project management.

There are four technical results defined under the Project, each with sub-results and activities:

Result	Sub-result	Activity Groups
Result 1: Increased understanding of environmental, economic and social implications of different river flow scenarios	1.1 Tanzanian technicians capable of assessing environmental, economic and social implications of different water allocation scenarios	1.1.1 Assemble teams and provide training, mentoring, and guided practical experience to flow assessment methods
	1.2 Environmental, economic and social implications of various flow	1.2.1 Team collects and compiles environmental, economic and social information about various water allocation scenarios in Pangani Basin

under expected climatic conditions and increased capacity to collect and analyze such flow assessment information	scenarios under expected climatic conditions available for the Pangani Basin	1.2.2 Team uses data to populate flow scenario evaluation tool and elaborates the environmental, economic and social implications of various flow scenarios
	1.3 Lesson in EFA in Pangani Basin extracted and disseminated to Ministry and other basins	1.2.3 Team produces technical reports
		1.3.1 Review of the project monitoring data and consultations with stakeholders to identify key issues in the implementation of FA
Result 2: Water users strengthened and empowered to participate in IWRM and Climate Change adaptation processes through dialogue and decentralised water governance	2.1 WUAs strengthened and empowered in IWRM principles and climate change adaptation	1.3.2 Facilitation of stakeholders in a lessons-learning platforms
		2.1.1 Develop training modules in IWRM + Tanzanian water policy + legislation & climate change vulnerability + adaptation measures
		2.1.2 Conduct "Training of Trainers"
	2.2 Sub-catchment and basin level forums established and integrate community, district and regional concerns into catchment and basin level water management	2.1.3 Targeted capacity building to 150+ WUAs in IWRM, Tanzanian water policy and legislation, climate change vulnerability and adaptation measures
		2.2.1 Sub-catchment and basin forum inventory process
		2.2.2 Sub-catchment and basin forum design process
		2.2.3 Consultation process on forum design
		2.2.4 Establishment of sub-catchment and basin forums
	2.3 Stakeholder awareness raised on climate change, IWRM, and flow assessment results and this information informs water negotiations	2.2.5 Continued technical backstopping to forums
		2.3.1 Translate and repackage technical information from Result 2 for general public
2.4 Lessons in capacity building to WUAs and establishing stakeholder forums extracted and disseminated to Ministry and other basins	2.3.2 Create awareness among local authorities, decision makers, communities and the private sector through briefs, presentations, exchange visits, meetings, basin level forum, on the implications of climate change, IWRM and various likely river flow scenarios	
	2.4.1 Review of the project monitoring data and consultations with stakeholders to identify key issues in the establishment of sub-catchment and basin forums	
	2.4.2 Facilitation of stakeholders in a lessons-learning platforms	
Result 3: Water Sector's vulnerability to climate change understood and pilot actions generate lessons in adaptation	3.1 Institutional and information gaps between the basin and national level processes bridged through studies, exchange and collaboration between climate change and water sectors	2.3.1 Translate and repackage technical information from Result 2 for general public
		2.3.2 Create awareness among local authorities, decision makers, communities and the private sector through briefs, presentations, exchange visits, meetings, basin level forum, on the implications of climate change, IWRM and various likely river flow scenarios
	3.2 Pilot activities, implementation of adaptation actions	2.4.1 Review of the project monitoring data and consultations with stakeholders to identify key issues in the establishment of sub-catchment and basin forums
		2.4.2 Facilitation of stakeholders in a lessons-learning platforms
	3.3 Experiences and lessons learned in climate adaptation inform other communities, basins and countries	3.1.1 Collect information on expected climate change patterns and impacts in Pangani Basin
		3.1.2 Facilitate collaboration and exchange between basin and climate change sectors to review information and identify adaptation actions
Result 4: Basin Water Office coordinates other sectors and stakeholders in the development of an IWRM Plan	4.1 Pangani Basin Water Office empowered to coordinate and support IWRM processes	3.2.1 Implement adaptation actions on a pilot basis
		3.2.2 Monitor and review implementation
	4.2 IWRM plan established for Pangani Basin	3.3.1 Project participates in relevant climate change events and forums at national, regional and international levels and communicates results
		3.3.2 Project contributes to the UNDP Adaptation Policy Framework
		4.1.1 Capacity building to Basin Water Office in planning, facilitation, negotiation and mediation, monitoring and evaluation
		4.1.2 Capacity building to Basin Water Office – Equipment and Material Support
4.3 Financing strategy in	4.2.1 Review of water models and social, economic and environmental information	
	4.2.2 Review of sector plans (agriculture, energy, regional & local governance, among others) and identification of key plan priorities and components	
	4.2.3 Consultation among sectors and stakeholders	
	4.2.4 Elaboration of plan	
	4.2.5 Consultation on plan, feedback and revision	
	4.3.1 Consultancy to develop a sustainable financing	

place of implementation of IWRM plan	mechanism for Pangani Basin IWRM plan
4.4 Lessons in IWRM planning in Pangani Basin extracted and disseminated to Ministry and other basins	4.4.1 Review of the project monitoring data and consultations with stakeholders to identify key
	4.4.2 Facilitation of stakeholders in a lesson-learning platforms

It is noted that the activities are called “Activity groups”, reflecting the overall level of detail to which they are presented in the matrix. Detailed activity plans are presented in the Annual Plans and budgets, following from the previous year’s progress and overall project status.

In addition, the project administration and management is defined as one component:

Result	Sub-result	Activity Groups
Result 5: Project implemented effectively & efficiently to the satisfaction of all stakeholders	5.1 Efficient systems and strategies supporting project	5.1.1 Develop project implementation manual for recruitment, procurement, financial management, planning, monitoring & evaluation and gender mainstreaming processes and procedures
		5.1.2 Manage implementation processes (human resources, communications travel, operations)
		5.1.3 Facilitate equipment procurement and maintenance
	5.2 Key stakeholders aware of project progress and offer steering and guidance to implementation	5.2.1 Project planning and monitoring: review logical framework and implementation systems against progress, adaptive management, quarterly and annual planning
		5.2.2 Conduct mid-term review, final evaluation
		5.2.3 Convene partners meetings, project steering committee meetings, participate in PBWB meetings
		5.2.4 Produce informative project progress reports

The above matrices are largely self-explanatory, and the RT has merely a few comments to the structure and contents of the results and activities:

- **Result 1:** Activities are covering the scope of work in broad terms. 1.3.2 is somewhat ambiguously formulated, but understood to contain seminars where ministerial people, experts, Basin Water Office staff and possibly other decision-makers from other basins are invited.
- **Result 2:** Activities are covering the scope of work in broad terms. The activities are developed to very little detail, and it is not indicated what sort of “forum” one has in mind, and how many are foreseen (incidentally only one is planned formed during the Project). This thus seems to be a very open-ended activity, including the follow-up of the forums (2.2.5).
- **Result 3:** Activities are covering the scope of work in broad terms. 3.2 is indeed a very ambitious action, where the content can possibly *not* be seen today, before the scenario analysis are concluded. Preferably the lessons learned during the implementation of the pilots should form part of the IWRM planning basis, as they will show what works and what does not work in the Basin.
- **Result 4:** This result is most likely very comprehensive and ambitious, which is not directly reflected in the activities. The RT suspects that the ones having formulated these activities do not have the full overview of what it takes of time and resources to make a fully-fledged IWRM plan. It should also be mentioned that a proposal for how to finance the actions proposed in the plan is indeed an integral part of the IWRM plan itself, and not an add-on later as listed in the matrix. It is however commendable that this is highlighted to show the importance of the activity (it should however be part of 4.2)
- **Result 5:** Normally, the project management and administration is an integral part of any project, and providing the managing institution is experienced in such tasks these elements almost goes without saying, and are thus normally not listed in the same hierarchy as the technical results. In order to make the list complete, also aspects like accounting, auditing, etc. could preferably have been mentioned. In the budget, however, such elements must of course be incorporated in order to capture all the costs involved at an early stage. Result 5 is a crosscutting component with the other results and should be displayed as such, as shown in *Figure 1.5* in *Appendix 1*.

In general, the project activities are only described at an overall level, and the RT has difficulties in

seeing how a reasonable budget could have been set up based on this list. It is suspected that the planning of activities has started with the available funding coming onboard, and, partly based on requirements from the donors, the list of activities have been created. The modality of implementation has therefore from the start been fairly “loose”, with one activity building on the previous one, and the road largely being built as progress materialises. This is probably not entirely appropriate in a project with activities widely spread out thematically and geographically, which is also being reflected in the lack of project progress.

The merged activities are not presented in a joint time schedule format, and this is a shortcoming of the planning so far. Each of the main components has, as part of their agreement/project description, a tentative allocation schedule over time. The EU allocation lasts from October 2006 to October 2007, and the UNDP/GEF lasts from August 2007 to August 2010. The IUCN WANI funds initially lasted from 2003-2007, but additional funds have been allocated to the Project from IUCN (see below). Although the Project from the beginning had a modality of “building the road as one goes along”, at least an indicative aggregated and joint time schedule with inter-dependencies between the various results and activities could have facilitated a more pro-active steering of the activities than has been experienced.

2.1.6 Project Inputs. Financing

The Project input is mainly funding and staffing. Financing of the overall Project is coming from three main sources, in addition to contribution from the Tanzania Government, as shown in the table below.

Source of Funds	Amount (USD)
IUCN-WANI (from 2003 to June 2007)	1,274,875
European Commission - Water Facility (From 2006 to 2009)	2,171,433
GEF Coordination Unit of the UNDP (from 2007 to 2010)	1,000,000
Government of Tanzania	300,000
Total Contributions	4,746,308

(Exchange rate: EUR 1= USD 1.51)

a) **EU Funding:** EU funding for the PRBMP is governed by an Agreement titled “European Community Contribution Agreement with International Organization”: Contract No. 9.ACP.RPR.39. The start date and end date is 12 October 2006 and 11 October 2009 respectively, i.e. 36 months in total. The focus of this Agreement is: *Strengthening Participation and Planning for IWRM in Pangani Basin, Tanzania* (“the Action”) as described in Annex 1 of the Contribution Agreement document. The total cost of the “Action” eligible for financing by the European Commission is estimated at EUR 2,846,370.40², with EC committing a maximum of EUR 1,707,822.24 equivalent to 60% of the estimated total eligible cost (approx. USD 2,578,811.58, the exact figure varying with the exchange rate at any time). The balance is co-financed from IUCN WANI and UNDP in the ratios of 27% and 13%, as shown in the table below.

Source of Funds	Amount (EUR)	Percentage of total (%)
European Commission - Water Facility	1,707,063.00	60.00
IUCN-WANI	779,852.04	27.00
GEF Coordination Unit of the UNDP	359,454.96	13.00
Total Contributions	2,846,370.40	100.00

The schedule of payment according to the Agreement is as follows: First pre-financing: EUR 466,595.52; further forecasted instalments of pre-financing: EUR 535,222.14, and EUR 535,222.14; with a final payment of EUR 170,782.20.

b) **UNDP-GEF Funds:** The UNDP Project Document (UNDP-GEF “Medium-Size Project”) of 9 May 2007 provides the main features of the sub-project “*Mainstreaming Climate Change into Integrated water Resources Management in Pangani River Basin (Tanzania)*”. The project formally started on

² The reason for this funding being defined to the last cent is not understood and should indeed not be required.

15 August 2007 and ends at 14 August 2010, i.e. the duration being 36 months. On yearly basis, the Project has budgeted to spend USD 295,374, USD 354,722 and USD 349,544 for Year 1, 2, and 3 respectively.

c) **IUCN WANI Funds:** IUCN WANI had budgeted to spend USD 1,000,000 (largely covering the period July 2004 to June 2007). Additional IUCN ESARO in June 2008 (26.06.08) has allocated additional funding to cover for half a year of operation of the PMU in Moshi. This amounts to around USD 60,000 (*Table 2.1 in Appendix 1* refers) being additional funding due to the possible negative impact on the Project resulting from internal reorganisation in IUCN (the Eastern and Southern Africa Regional Offices have been merged), and possible sufferings due to the IUCN being unable to fill the position of the Water Technical Coordinator in Nairobi for some, meaning the Regional Coordinator having to fill this position, with less than expected focus on the Project.

The manpower is largely paid for by the above financing, involving the following implementing partners: IUCN, PMU (Project Management Unit), SNV and PAMOJA. In addition, a Core Team of Tanzanian experts was hired on individual basis to act as counterparts with the external experts from South Africa in the EFA and the scenario development. Southern Waters is hired as consultants in the Project, with their sub-consultant Anchor Environmental Consultants, also from South Africa.

Staff from PBWO and MoWI, and possibly Local Government Authority persons at district levels, are contributing with their “own time” into the Project (in-kind contribution), but when these persons are occurring direct costs in connection with project work (field travels), such costs are covered over the project budget.

2.1.7 Monitoring indicators

No *joint* set of indicators has so far been developed connected to the various merged activities from November 2007. The project team is working on these by the time of the Review, and such a joint merged set of indicators will hopefully be presented to the PSC meeting in November 2008.

The RT has found listings of indicators in the following documents:

- The Concept Note: Expanding M&E Systems (undated, but notably submitted in November 2007 to the PSC meeting). Annex 1: The Monitoring & evaluation Matrix lists some overall indicators, but neither are these detailed nor is the baseline information defined, or the data collection methods outlined.
- A 1-page document (undated) developed by IUCN in connection with the follow-up of the M&E Concept Note, listing some “indicators”. These are however mostly impact that will be seen *after* the Project is completed and as such are indicators connected to the objectives. This is however not so relevant as they are likely not to be monitored (at least by the project staff). The indicators connected to the results are much more useful in monitoring the progress of the Project during implementation.
- An undated and un-referenced table named “WANI Learning logical framework matrix” lists some indicators and benchmarks, which also can be construed as “indicators” through which the progress is measured.
- Annex 3 to the Request for GEF Funding (dated 18 May 2005) list some verifiable indicators, with some sources of verification listed, but not in detail.
- Annex 1 (Logical Framework) to the Agreement between IUCN WANI and IUCN EARO (Eastern Africa Regional Office, 1.12-2005-15.06.2007), also largely with few details as to method of verification.
- Section 2.4.5 (Logical framework) of the Agreement between IUCN and EU (dated 12.10.2006), contains a rather detailed listing of the types of indicators required, but with no elaboration in detail of how they are connected to the individual activity and not very elaborate in description.

An aggregated joint set of indicators should indeed be developed without delay for the Project in total. The RT appreciates that formulation of indicators is a demanding exercise that indeed requires a lot of experience to be realistic. The RT is therefore advising against making this formulation exercise too academic, by trying to capture all kinds of details and elements in the indicators. If the indicators should

serve its purpose of being a real monitoring tool for the project management, the Project should limit themselves to a handful of indicators under each main result.

2.1.8 Risk/assumptions/external frame conditions

In an LFA modality a risks pertain to possible impacts on the project from actions/happenings *outside* the control of the project management. There might also be “internal risks” within the project itself, but these should merely be looked upon as “managerial challenges” that a competent management will be able to tackle.

No joint risk analysis following the merging of the main project logframes have been developed. Assumptions are listed in Annex 3 to the Request for GEF Funding (18 May 2005). Risks for each action has been elaborated in Annex 1 to the agreement between IUCN and the EU, which is commendable. Other steering documents do not include elaboration of risks, as far as the RT have verified. This is a shortcoming, considering that the Project has been significantly delayed of various reasons, which is an important risk factor to elaborate in the start-up of any project.

2.1.9 Project Budgeting

There is no readily available written information about the budgeting *process* from the beginning of the Project, so the RT can unfortunately not assess this aspect properly from own discretion. According to “last minute information” from IUCN Nairobi *“the budgeting process is normally undertaken after identification and agreement of the activities to be undertaken by the partners. Initial budgets are therefore worked out on activity/result-based formats, then turned into donor formats. It is the role of the IUCN Programme Officer to ensure that all issues and activities raised during such discussions on project development are costed and later put in the required donor format. Further consultations are also undertaken where technical issues are involved and costing may not be easily known from within the project development team”*. A general comment from the RT could be that the main project budgeting should clearly be on activities/results and not on cost items (see comments elsewhere in the report).

2.2 Project Managerial Set-up

The RT will make a point of assessing the management structure of the Project in some detail, as this is considered to be very important for the success and sustainability of the Project.

2.2.1 Management set-up as defined in Project Documents

The below descriptions are found in the main steering documents regarding this issue (underlining done by the RT):

a) UNDP Project Document (15.08.07)

In Para 20 it is stated: *“The PBWB will be the Executing Agency for the Project.... The Executing Agency (EA) will have overall supervisory responsibility to the donors and government for delivery of project objectives, and will be the ultimate authority with regard to accountability, guidance, monitoring & evaluation”*.

Further in Para 21 is written: *“PBWO (will),, together with IUCN-EARO form the implementing entities for this Project. PWBO and IUCN have created the Project Management Unit (PMU) based in the PBWO offices to undertake implementation of activities for this Project. The PMU staff report to the head of the PBWO, UNDP, IUCN-EARO”*.

Para 23 states: *“The implementation of all components of the Pangani initiative follow a common pattern using the PMU established ...”*.

Para 24: *“The role of the PSC is to provide coordination and oversight to the project implementation”; “The PMU will be the secretariat to the PSC”*.

Para 26: *“In consultation with the PBWB, Co-Implementing Agencies shall be authorised to make budget variations not exceeding 20% on any one line item of the approved annual project budget,... Any significant changes in project strategy or reallocation of budgets will be taken to the PSC for*

endorsement".

b) The MoU between IUCN and PBWB

The MoU between IUCN and PBWB (dated 20.03.2007) is annexed to the UNDP PD, and states e.g.: "The parties shall cooperate, consistent with their respective mandates and missions, ..."; "... will work as partners recognising that their efforts complement one another...."; and "decisions pertaining to the implementation of the day-to-day project activities will be taken by the PMU".

Pertaining to the undertakings of the PBWO it is stated that PBWO agrees and undertakes to: ".. ensure implementation of the workplan and seek prior consent from PBWB and IUCN should a need to sub-contract whole or part of the assignment arise"; "provide supervision to, and monitor the implementation of the activities"; "..ensure delivery of outputs and provide progress reports.."; "... participate in regular monitoring of performance of the Project activities.....".

Pertaining to the undertakings of the IUCN, it is stated that IUCN (as a co-implementing agency) agrees and undertakes to: "... enter into, and be fully responsible for the performance of contracts with relevant service providers for the implementation of Project activities"; "... participate in regular monitoring of performance of the Project activities.....".

c) The Project Implementation Manual

The following quotes are taken from the Project Implementation Manual (PIM, Version 10, November 2007³). The RT does not know the status of this document in the Project and in the document hierarchy.

Under section 2.1 is stated: "IUCN and PBWB through Pangani Basin Water Office (PBWO) have set up a Project Management Unit (PMU) in the PBWO in Moshi, northern Tanzania", and "The PMU reports to both the head of the PBWO and to IUCN ...".

Section 2.2.1.1 states: "The PWBO will delegate the overall implementation to the project to IUCN".

Section 2.2.1.2: states: "The Regional Director of IUCN is responsible for the overall co-ordination and supervision of the PRBMP. ...The Regional Director will in turn delegate technical supervision to a designated Technical Coordinator based in the IUCN secretariat The day-to-day field level management of the project will be delegated to the PRBMP Project Coordinator". Further: "At implementation level, IUCN delegates technical and financial responsibility for specific activities to the Project Coordinator, Community Participation Facilitator and the Project Manager; ...", and "Each of the above named entities has distinct responsibilities and priority areas of action".

Section 2.2.3 states: "The Project Management Unit (PMU) will be integrated in the Pangani Basin Water Office (PBWO) based in Moshi",

Figure 2.1 in Appendix I shows the illustration of the project management set-up as taken from the PIM.

d) The ToR of the Project Coordinator

In Section 5 of the ToR, is stated that the PC should: "Serve as the principle focal point for the coordination and delivery of ... project intervention, ... ensuring quality reports that met the satisfaction of IUCN and the Pangani Basin water Office".

Under Section 6.1 is stated: "a. Oversee, manage and administer the implementation of the three project interventions....."; "e. Provide technical support to the project interventions, ..., ensuring quality outputs that met the satisfaction of the project partners"; "g. Oversee and ensure due diligence in the planning, monitoring and evaluation of project activities"

Under Section 6.2 pertaining to Oversight of other project staff: "mentor, manage and supervise other

³ It is however noted that the footer of the document says "9/10/2008", which must mean 10 September. This dating is ambiguous.

project staff (CDO, PM) ...”.

In addition, under Section 6.3 the PC should “*assist in overseeing and developing*” the relationship between IUCN and the donors, partners and the PBWO.

The Review Team’s Observations/Comments:

The RT is confused as to what managerial set-up was *intended* to start with, and what *is said* in the above documents about this. Clearly, everything that is done in the Project is aimed at strengthening the performance of PBWO and its ability to undertake the mandated tasks instigated by law. The RT is therefore surprised to see that the PWBO has *delegated* the overall responsibility of implementation of the Project to IUCN, whereas at the same time the PWBO should *ensure* implementation, *provide supervision* to the process, and *ensure delivery* of outputs. At the same time both parties have set up the PMU, which is an entity working directly under IUCN. Similarly, the PMU should be *integrated into the PBWO*, and it is nothing said about this being institutionally or geographically. The RT interprets it as being the former, because in case of the latter, other words would probably have been used to describe the aim: “located together with”; “sharing office facilities”, or similar. This is quite ambiguous.

At the same time the documents are not clear as to what responsibilities the IUCN Nairobi is really delegating to the PC. What does it mean when the Regional Coordinator has the *overall coordination and supervision*, whereas the PC will ensure the *coordination and delivery of the project interventions*, and *oversee, manage and administer* the implementation? The documents are confusing, and this may be largely due to interpretation of terminology used, not describing precisely what the roles are. In the comments to the Draft Review Report, the IUCN explains that: “*The PMU works directly under IUCN in the sense that IUCN issues contracts for the PMU staff, however, it should be noted that the Project Coordinator reports both to PBWO and to IUCN and his performance is jointly appraised*”. This comment does however not exactly shed the necessary light to a better understanding of the formal roles.

The observations of the RT is that IUCN maintains a close hands-on management of the Project, and seemingly leaves the PC only limited room for manoeuvring in his day-to-day activities. This is also the conception of most of the stakeholders interviewed by the RT, who perceive the Project as clearly being an “IUCN Project”. Some of the stakeholders interviewed interpret this as being a lack of “trust” from the IUCN Nairobi’s side.

It is also the RT’s observation that the PMU to some extent operates “in parallel with” the PBWO structure. The RT understood that the PBWO *‘is informed’* and *‘is getting copies of reports’* but seemingly he is not fully and directly participating in the “steering” of the Project, in spite of the core activities are directly under his mandate to take onboard and oversee in the Basin⁴. The written delegation of the responsibility of the project implementation to the ICUN, and further (at least in theory to some degree) to the PMU, could in this perspective be seen as an “unfortunate oversight” from the PBWO’s side during planning of the Project. It could also be a deliberate act of IUCN to maintain the control of the Project on “own hands”, as this could be the institution’s working modality in other projects and has been so for a long time. Or, the whole set-up could be a result of the thinking behind at the start-up when the Project was small with one major source of finance, and today when the Project has grown much bigger, some unintended impact of these early decisions reveal.

The RT notes in general that the modality of establishing a PMU to be in lead of the project implementation, in some instances is an “outdated model”. Notably, the most active and “likeminded” international donors in the water and environment field abandoned this model several years back, as it was clearly realised that building institutional structures outside and in parallel to the established

⁴ The PBWO in his comments to the Draft Review Report reminds that the PMU is answerable also to him and that PBWO receives the PMU reports and copy of all correspondence from Nairobi. He also claims that the decisions in the Project are taken in consultation with himself. The RT appreciates this statement, but remain with the (subjective) observations revealed.

government institutions significantly weakened the local ownership of the interventions and consequently undermined the sustainability of the projects. (Now, the likeminded donors are additionally pooling their resources in basket funds and/or the interventions are implemented through the established national structure, also with its weaknesses. The Water Sector Development Programme (WSDP) being but one such intervention). However, it should be emphasised that in this Project, the funding sources tapped into (being the IUCN Water & Nature Initiative, EU-ECP Water Facility and UNDP/GEF) do *not* contribute to the basket funding approach. Notwithstanding this observation, it is stated from the project management's side that the intention has been full integration into the local institutional structures, and that there was indeed a close cooperation and dialogue between the management and the BWO in the early stages of the Project. Staff turnover in PBWO might be one reason why this integration is not fully observed today and that the notion of "them and us" having entered the scene.

2.2.2 The Observed Project Organisational set-up

The Managerial and institutional set-up of the Project *as observed from the RT's side* is illustrated in *Figure 2.2 in Appendix I*. The figure is assumed to the most extent to be self-explanatory, so the RT will supply a few comments only. For easy reference, the present organisational set-up of the PBWO is shown in *Figure 2.3*.

The Project Partners are the IUCN, the SNV, PAMOJA and the PBWO (not the Board per se), connected through Partnership Agreements. The Project seems to a large extent, both formally and in reality, to be mostly steered from IUCN ESARO, Nairobi (see above), with the staff travelling frequently to Moshi for meetings and follow-up actions. The main funding of the present activities is coming from UNDP/GEF and the EU Water Facility, in addition to minor funds from IUCN Water & Nature Initiative. Payments are made from these donors directly to IUCN ESARO in Nairobi. PBWB is authorising payments from UNDP/GEF, but not the payments from EU.

Initially, the Project was overseen by the PBWB through reports at the PBWB meetings. UNDP/GEF funding had a Project Steering Committee (PSC) requirement and this was therefore initiated, basically so the donors could have a forum to oversee and guide the implementation processes. (UNDP/GEF also had the requirement of an Inception Workshop at the end of the inception period in November 2007). More members have been taken onboard underway and the PSC now comprises 14 members (the PBWB having two representatives, including the Chairman). The PSC has had one meeting only (November 2007, as the June 2008 meeting was postponed mainly due to delays in implementation), and the next meeting will be in November 2008. This is in fact a too low meetings frequency for the PSC to have any *real* influence on the implementation process, as some of the members will have only superficial overview of what is ongoing in the Project. The RT feels that the PSC could meet more often especially at critical points and actively provide guidance to the processes.

On the lower part of the figure the most prominent outside expert consultants and stakeholders are listed, in one way or the other feeding into the project activities. Notably, the actors in the Kikuletwa Catchment Forum have not yet been identified, as this process is significantly lagging behind schedule and in fact is somehow "sidetracked". The Tanzanian Core Team comprises professionals from various key institutions, identified to work with the South African consultants on the Environmental Flow Assessment (EFA) and the model development of scenarios. (Reference to later section on capacity building effects under this arrangement).

2.3 Overall Activity Status and Progress

2.3.1 Introduction

In this section the RT briefly assesses the project design and progress related to the standard evaluation elements: relevance, effectiveness, efficiency, impact and sustainability. It should be clear that some of these issues are not possible to fully assess, as this could only be undertaken once the Project is completed, and in fact some time *after* completion. Thus, a mid-term review for some of the issues has to assess the *likeliness* of degree of success/failure rather than observing the *real* successes or failures per se. This is commented upon under each of the below main headings. There are various options of valuating

the different aspects of the Project, and different institutions have various systems. The World Bank has a system with five different scores. This is not fully appreciated by the RT, as it does not force the evaluators to decide whether the aspect at stake is on the positive or on the negative side of “the middle line”. UNDP in their Annual Performance report has six ratings, which is more appreciated by the RT and will thus be used as far as relevant in the following assessment (with the RT’s definition of the meaning of the ratings):

- **Highly satisfactory (HS):** Project achieved or exceeded *all its major* relevant objectives and has achieved (or is highly likely to achieve) substantial development results.
- **Satisfactory (S):** Project achieved *most of its major* relevant objectives and has achieved (or is expected to achieve) satisfactory development results with only a few shortcomings
- **Marginally satisfactory (MS):** Project achieved some of its major relevant objectives, and has achieved (or is expected to achieve) some satisfactory development results.
- **Marginally unsatisfactory (MU):** Project achieved *only a few of its major* relevant objectives, and has achieved (or is expected to achieve) only few satisfactory development results.
- **Unsatisfactory (U):** Project *failed to achieve most of its major* relevant objectives, has not yielded and is not expected to yield substantial development results, and has significant shortcomings.
- **Highly unsatisfactory (HU):** Project *failed to achieve any of its major* relevant objectives and has not yielded (and is not expected to yield) worthwhile development results.

In the following sections, assessment of the status of the main activities is summarized at an aggregated level. It has not been possible for the RT to assess each and every sub-activity, as the work plans for the last years have not been available (only for 2008). Result 5, which in fact is the crosscutting project management, is not treated as an operational result similar to the other four, but touched upon in a later section.

2.3.2 Result 1

Result 1: Increased understanding of environmental, economic and social implications of different river flow scenarios under expected climatic conditions and increased capacity to collect and analyze such flow assessment information.

Formulated sub-results	Achievements
1.1 Tanzanian technicians capable of assessing environmental, economic and social implications of different water allocation scenarios	<p>This work is proceeding well, and is in fact the most successful component of the Project. The RT is confident that the South African consultants are capable of leading this process to the end of the scenario assessment process. A workshop will be held in November 2008 to complete the scenario development. It is noted that more staff than anticipated has taken part in the workshops, being commendable.</p> <p>11 scenarios have so far been run corresponding to various climate change impacts on water availability. Another 7 scenarios will be run later in 2008. The interpretation of the scenario runnings is an important part of the workshops. In the model, climate changes have been incorporated as variation in rainfall only. Fewer staff than planned is so far able to operationalise the tool. The process have been slowed down twice as it was obvious that the Tanzanian staff needed more time to digest and understand the new ideas. This is commendable! (S)</p> <p>N/A. (Not systematically done, as this will be undertaken later in the Project). It is however noted that information dissemination has to some extent been undertaken, including participation in national and International forums. (The Basin Water Officer, Director of Water Resources and Project Coordinator have made presentations on Environmental Flow including River Symposium in Brisbane in 2007 and 2008, Stockholm Water Week 2006, World Water Forums and World Conservation Congress).</p>
1.2 Environmental, economic and social implications of various flow scenarios under expected climatic conditions available for the Pangani Basin	
1.3 Lesson in EFA in Pangani Basin extracted and disseminated to Ministry and other basins	

In general this activity is slightly behind schedule, say by around ¼ of a year.

2.3.3 Result 2

Result 2: Water users strengthened and empowered to participate in IWRM and Climate Change adaptation processes through dialogue and decentralised water governance

Formulated sub-results	Achievements
2.1 WUAs strengthened and empowered in IWRM principles and climate change adaptation	<p>This result has just partly taken off as planned, the activities mainly started in 2008. The activities have been suffering from lack of a CP facilitator (CDO) being recruited in the Project. There are few tangible results so far, as there has mainly been information collection on IWRM and climate change to support planning of the training. An IUCN officer participated in training on IWRM in Stockholm (Aug. 07). Thus, the WUAs have just partly been strengthened and empowered (2.1), merely as part of the present PAMOJA grass-root interventions in Soko (3 nurseries) and Hingilili (planning of cattle trough, but where implementation is hanging) rather than a systematised project approach on a broad scale.</p> <p>The Road Map from 13 March 2005 on 2.2 indicates a progress plan over three years: 2005: In-depth inventory of all relevant aspects in the catchment. 2006: Establishment of the Catchment Forum 2007: First year of operation of the Forum.</p> <p>In reality the inventory was largely completed in February 2007 (joint workshop, over a year delayed) with some additional work by PAMOJA on the institutional inventory until mid-2007. Since then the activities have been somehow “stumbling ahead”, not gaining proper momentum. It seems to the RT that the progress has at the time of the Review (September 2008) almost “come to a standstill”⁵, and the discussions and exchange of letters and documents between the partners (read: from SNV to the Project) has reached an unnecessarily high level of “abstraction” and seems to have turned into a discussion on theory at a somewhat “philosophical” level, as compared to the project staff’s background and ability to comprehend and follow it adequately, or pick it up and bring it further (e.g. Strategy Paper from SNV dated 28 May 2008). This discussion has not yet translated into concrete actions “on the ground”. The description and establishment of the Kikuletwa Catchment Forum Reference Group seems to be completely misunderstood and distorted. The RT believes there is uncertainty on all sides on how the process should be pushed further, and how to start the real on-ground interventions with the stakeholders/water users. This process thus needs an overhaul to be put back on track. The awareness raising (2.3) is a gradual process (difficult to measure), but has not gained proper momentum as the connected projects activities have not fully started. In Sept. 07 the Project hosted a delegation of Parliament from Kenya, Tanzania and Uganda and EA Legislation Assembly for water resources awareness raising in the region (technical presentations, site visits, etc.). 2.4 is expected to materialise towards the end of the Project, when proper field experienced is gained. (U)</p>
2.2 Sub-catchment and basin level forums established and integrate community, district and regional concerns into catchment and basin level water management	
2.3 Stakeholder awareness raised on climate change, IWRM, and flow assessment results and this information informs water negotiations	
2.4 Lessons in capacity building to WUAs and establishing stakeholder forums extracted and disseminated to Ministry and other basins	

Sub-result 2.2 is the most comprehensive (and difficult?) activity, and it seems that the partner SNV has not fully realised their responsibility in leading the process through. Nobody else in the Project has the skills or capacity to do this. Both the SNV HQs in Dar and the Arusha office seem to have the conception that the Project (read: IUCN/PMU/PBWO) is by the steering wheel in this process. The RT got the

⁵ It is noted that the SNV disagrees to this, and claims that the progress has been revamped as compared to previously, although be it at a slower pace than planned. The RT still maintains their observation.

impression that SNV is reluctant to properly take the initiative in the process as they do not get active response from the project staff, or the project staff taking grips themselves, which they do not do⁶. The CDO in the Project is inexperienced, and is *not* expected to take any leading role alone here. Ideally seen, the RT appreciates this “holding the horses” of the SNV, as the ownership of the Project staff could in theory be undermined by too much proactive actions. However, reality in this case is somewhat different.

The Project Activity Implementation Agreement (PAIA) between IUCN and SNV dated 20 September 2007 states that SNV should undertake: “*Facilitate the establishment of sub-catchment and basin level forums...*”.

Further it is stated that under SNV’s deliverables: “*Coordination and facilitation of the sub-catchment forum design group*”. The “design group” is referring to the Reference Group (first time mentioned in the Road Map from 2005), which has not been established and which proposed composition in the last mail from SNV in August 2008 has increased to 25 people!! (Increased from 13 people in an earlier memo on “*Preliminary background information and process for the reference group for Design of Kikuletwa Catchment Forum*”).

It is also listed in the PAIA that SNV shall:

- “*Design Concept for sub-catchment and basin forums*”;
- deliver “*Consultation strategy for sub-catchment and basin forums*”;
- “*facilitation to formulation process on design...*”;
- “*facilitation to establishment of sub-catchment and basin forums*”; and
- “*technical backstopping to sub-catchment and basin forum operations*”.

As seen from the above quotes, SNV is beyond any doubt assigned to be the lead, or at least the main driving force in the Kikuletwa Catchment Forum (KCF) establishment process. This should be widely understood notwithstanding the fact that “facilitation” is formally defined as “*to make something easy or easier to do*” (with synonyms like: “*smooth the progress of; help; and assist*”), implying that someone else is by the steering wheel. It should be obvious to everyone that the PBWO has no capacity or capability at present to take any leading role alone in this (which is why SNV was taken onboard in the first place), the CDO needing much more exposure and coaching. SNV is the only partner that has the experience and resources to take grips in this case, and the term “coordinate” implies that a much more proactive role is expected.

In any case, the KCF process has now reached a stage where the proposed interventions are not understood properly by the RT, and likely neither understood fully by the project staff. *Figure 2.4* tries to capture the information and suggestions given by SNV in the latest correspondence with the Project:

1. Email on 28 April 2008, with attached sample letter so invitation to be sent to institutions to nominate members of the Reference Group. In addition was attached a memo: “*Preliminary Background Information and Process for the Reference Group for Design of Kikuletwa Catchment Forum*”. Attached to the memo is a “*Conceptual Model of the proposed Kikuletwa Catchment Forum*”.
2. “*Strategy for Stakeholder Analysis and Participation in Kikuletwa Catchment*”, dated 28.05.2008 (JSL).
3. Email from SNV to the Project 20 August 2008, suggesting increasing the number of Reference Group members to 25 people.

The figure shows some quotations for the above documents in red attached to some arrows illustrating the contribution of the various actors in the process. There seems to be some major misunderstandings regarding the process, and the RT has observed the following:

- SNV is not realising their own role as a driving force in the process, as they use expressions like: “*Facilitate, provide guidance*” etc. to the Reference Group.

⁶ SNV has objected to this statement in the Draft Report, and claims that there has been a strong follow-up from their side “*through physical visits, emails and by telephone as part of reactions to PBWO*”. SNV also states that they do “*not take actions which are not shared with the partner organisation, i.e. SNV always seek the consent of the partner to her advices*”. This is appreciated by the RT, but the observation of too little push in the process remains.

- It seems as if the Reference Group will be responsible for the design of the forum (“design the KCF”, “participate in stakeholder consultation processes”). This is however pulling the responsibility away from the ones that really should have it, namely the project partners lead by SNV, and it is clearly *not* practical (or even possible at all) with a group of 25 people, most of them not belonging to the project staff.
- The project partners are part of the Reference Group, but as they are implementing the Project they would clearly play double roles in this set-up.
- Project Facilitators are mentioned but their roles and affiliation is not clearly defined.
- The Strategy from 29.05.2008 contains language of relatively high “academic” nature, and circles around the theory of how the Forum could be established, not managing to bring the concept down to an operational level with clear guidance on how to proceed. The Strategy is not properly understood by the RT and obviously neither by the project staff at PMU/PWBO.
- The Conceptual Model figure is not understood properly by the RT and is therefore believed not to bring the strategy closer to a realistic operational set-up at grassroots level.

What the Project needs at this stage is practical guidance on how to start the processes in the field without delay, moving the process from “the offices” and out where the water users are.

2.3.4 Result 3

Result 3: Water Sector’s vulnerability to climate change understood and pilot actions generate lessons in adaptation.

Formulated sub-results	Achievements
3.1 Institutional and information gaps between the basin and national level processes bridged through studies, exchange and collaboration between climate change and water sectors	Not well formulated result and too ambiguous, when referring to national processes. Climate change impact is incorporated in the scenario modelling (variation in rainfall being the main parameter). A separate Climate Change Report has been prepared (February 2008), but the Project and UNDP/GEF still have comments to the contents, and sent it to another independent reviewer. Only after this, the additional scenarios would be finalised tentatively by November/December 2008. (MU)
3.2 Pilot activities, implementation of adaptation actions	N/A. Not started yet, and planned for a later stage. Some grassroots interventions in Soko, Ruvu and Hingilili largely started under earlier project stages undertaken by PAMOJA as continuation of pre-project interventions in the area. Soko activities are carried on, and the Hingilili cattle trough planning has been hanging (due to circumstances outside the Project’s control)
3.3 Experiences and lessons learned in climate adaptation inform other communities, basins and countries	N/A. Will be undertaken later in the Project.

The pilot adaptation actions have not started, as they are awaiting the conclusions of the scenario assessments. Ongoing grassroots interventions is following PAMOJA’s previous project portfolio, but is fairly widely spread out *outside* the Kikuletwa area, which has been chosen as the project pilot catchment. All future pilot interventions should be taking place in Kikuletwa in order to gain synergy from the efforts there. It is also important to show people tangible results leading from all the talking and awareness raising on IWRM principles.

Climate change is not built into the computerised scenario model per se. The input data into the model are the *impact* of possible climate changes, meaning less rainfall available for supply. For example, increased temperature’s possible impact on the cropping pattern and change in vegetation over time is not incorporated in the model, where the cropping pattern and selection of crops remain constant in the scenario runnings. Although the RT is not experts in this kind of model running, it is understood that adding such parameters is very complicated and indeed requires much more model development than foreseen in the Project.

2.3.5 Result 4

Result 4: Basin Water Office coordinates other sectors and stakeholders in the development of an IWRM Plan.

Formulated sub-results	Achievements
4.1 Pangani Basin Water Office empowered to coordinate and support IWRM processes	The systematised training of PBWO staff is essential and should start with the needs assessment of the individual staff (first activity). This has just been initiated, but also halted due to reluctance from SNV to push, and PBWO's lack of understanding on how to proceed. The process is so far around ½ year delayed. (U)
4.2 IWRM plan established for Pangani Basin	N/A. Not yet started.
4.3 Financing strategy in place of implementation of IWRM plan	N/A, Not yet started. This part should normally be an integral part of any IWRM Plan, and could as such have been included in 4.2
4.4 Lessons in IWRM planning in Pangani Basin extracted and disseminated to Ministry and other basins	N/A. Will be implemented later in the Project.

Under the deliverables of SNV in the PAIA between SNV and IUCN is listed: “A report and action plan following the capacity and skills assessment of PBWO”. No doubt, SNV should be driving and leading the skills assessment process, and can only partly blame the lack of action of the CDO in PBWO, although the CDO has not necessarily responded adequately on the SNV initiatives. The SNV refers to difficulty in reaching the officers in PBWO because of their frequent travelling in the Basin. It seems clear that the needs assessment must be undertaken while the daily operational processes in PBWO are ongoing, and staff travelling is an integral part of this. It is also understood that the needs assessment will largely be on a one-to-one basis, so appointments should be possible to make with the individual officers to meet with the project staff. There is no reason why this process has stopped up, and the staff from SNV should revitalise it without delay.

2.3.6 Financial Status

Table 2.1 in Appendix 1 lists the financial performance of the Project up to June 2008. Below is a summary of the table (in USD):

Source of Funds	Budget (USD)	Expenditure to June 2008	Budget Balance	% Rate of Expenditure	Expenditure months	Donor Disbursements to Date
IUCN-WANI	1,000,000	1,000,000	-	100%	36 months	1,000,000
EU	2,578,811	366,725	2,212,086	14%	20 months	698,543
UNDP-GEF	1,000,000	230,994	769,006	23%	14 months	395,870
Total	4,578,811.58	1,597,719	2,981,092			2,094,413.0

At a glance, it can be observed that the rate of expenditure of the donor funds has been slow. 20 months after the signing of the EC Contribution Agreement, only 14% of the EC funds have been spent. A relatively better expenditure picture is observed in the case of the UNDP/GEF funds, with 23% expenditure over a period of 14 months, but this is then also covering the continuously running personnel costs of the PMU.

The following reasons were provided as being the cause of the delay in project funds expenditure:

- i) In the beginning of coming in of the EC funding, expenditure emphasis was given to the IUCN WANI funds, which had to be utilized before close of 30th June 2007.

- ii) The merger of IUCN’s Eastern and Southern Africa programmes/offices into one led to work overload of the Water and Wetlands Programme Coordinator in charge of technical support to the Project. Her appointment to the position of the Regional Programme Coordinator and prolonged delay in the recruitment of a replacement and recruitment of Regional Director meant that she had to service three positions simultaneously. This caused some delays in implantation of the Project. It must be noted positively that IUCN did take responsibility of its contribution to the project implementation delay and wrote to project donors and partners in June 2008 to offer ½ year of additional support to cover for the PMU operation costs (around USD 60,000).
- iii) Delays in implementation of activities spearheaded by partners – PAMOJA and SNV. This is discussed in detail in another section of the report, and is partly caused by factors outside of the Project.

Actual expenditures of the UNDP/GEF funds for the period April 2007 - September 2008 amounted to USD 230,993 out of the allocated amount of USD 408,384 expected to be spent, representing an expenditure rate of 23%. The below table clearly shows that the project activities are lagging behind, especially Results 2 and 3 from UNDP/GEF financing:

No	GEF Outcome/Activity	Budget USD	Expenditure	Budget Balance	Expenditure as % Budget
1	Outcome 1: Increased understanding of environmental, economic and social implications of different climatic conditions	397,556	176,297	221,259	44,3%
2	Outcome 2: Water users strengthened and empowered to participate in IWRM and Climate Change adaptation processes through dialogue and decentralized water Governance	296,880	-	296,880	0%
3	Outcome 3: Coordination between water and Climate change sectors	205,400	11,343	194,057	5.5%
4	Outcome 5: Project implemented effectively and efficiently to the satisfaction of all stakeholders	100,164	43,353	56,811	43.3%
	Total	1,000,000	230,993	769,007	23%

(It should be noted that the term “outcome” here has been mixed with the correct term “output”, meaning result.)

IUCN WANI had budgeted to spend USD 1,000,000 and expenditure has been reported to be 100%, spent during the period July 2004 to June 2007. Expenditure was on financing consultants’ costs, staff time, workshops, and finalization of the GEF Proposal. The project closed in June 2007, and it is only reflected here for purposes of completeness as the IUCN WANI funds contributed to the overall PRBM Project funding.

No separate budget for the use of the EU funds related to outcomes has been prepared, and such is not used in the financial reporting. The EU funds are reported on cost categories as related to the *total* donor funding, not related to the EU budget alone. Below follow a summary of the EU expenditures on main cost categories:

Expenses Category	Expenses (EUR)
Human resources (salaries, per diems, etc.)	127,099
Travel Costs	24,710
Office equipment, vehicles and supplies	44,680
Local office/action costs	12,913
Other costs, services	4,460
Misc Costs (“Other”)	0
Sub-Total	213,862
+ Administrative costs (%)	15,541

+ contingency (5% of the above costs)	13,461
TOTAL (EUR)	242,861
(Equivalent in USD, EUR 1=USD 1.51)	366,725

It has not been possible for the RT, with the available information, to distribute these various cost categories across the different activities/results.

As seen from the above, around 60% of the costs (excl. Administration and contingencies) are related to Personnel. This includes the salaries of the four PMU staff, up to 50% of the time of the IUCN Regional Technical Coordinator in Nairobi (normally averaging 30-40%), IWRM consultants, regional/local per diems and seminar/conference participation. Unless the personnel costs also include some previously unpaid bills outside this particular implementation period, the RT observes that 60% for Personnel costs might initially seem relatively high. However, as the technical assistance is a major input into the Project, securing the results to be delivered, the RT has no founded reasons to claim that the costs are *too* high. *Figure 2.5 in Appendix 1* shows the distribution of the funding on the various results as outlined by the Project as part of the merged logframe.

2.4 Review of Standard Evaluation Elements

Below, the RT has attempted to assess the standard evaluation elements that are normally assessed in any evaluation and review. The assessment follows largely from observations and progress of activities as described above, and will necessarily be at an aggregated project level.

2.4.1 Project Relevance

Relevance is a measure of whether the original rationale behind the Project and the objectives still are in keeping with the priorities and requirements of the national and local policy, priorities and needs, and the usefulness of the Project in this respect. The aspect covers the direction of the Project and its objectives as compared to possible social and political changes that have materialised since the project start-up.

The relevance of the Project should be assessed in terms of:

- how it is in line with NAWAPO 2002 and other national policies and legal frameworks;
- how it responds to priority issues of integrated river basin management in the Pangani River Basin;
- how the project goals, objectives and strategies are valid in relation to existing challenges.

Box 2.1: NAWAPO 2002.

The Tanzania's National Water Policy 2002 (NAWAPO 2002) advocates integrated approach to water resources management that is participatory, multi-sectoral, multi-disciplinary, and based on river basins, and recognizes that water is a scarce resources and treats it as such. It integrates the linkage between land use and water use, water quality and quantity, and recognizes the important role ecosystems play in the sustainable development and management of water resources. The policy focuses on building and strengthening water resources management, and complements the service delivery aspects of water resources development, and aims at reducing dependency on external support, and is based on "learning by doing".

NAWAPO 2002 has established priority uses: water to meet basic human needs attains the highest priority followed by water for the environment to protect ecosystems. All other uses will be subject to socio and economic criteria to be reviewed from time to time. Operationalising this policy within a functional water allocation system is a challenge to, not only the Pangani Basin Water Office, but also in all the remaining eight Basin Water Offices in the country.

Result 1 of the Project targets increased understanding of environmental, economic and social implications of different river flow scenarios under expected climate conditions and increased capacity to collect and analyze such flow assessment information. Under this result knowledge of environmental, economic and social implications of various flow scenarios under expected climate conditions will be available to the Pangani Basin. This will enable *equitable* water allocations, and hence, *sustainable growth* which calls for the protection of the ecosystems.

Result 2 of the Project, targeting the strengthening of water users and empowering them to participate in IWRM and climate change adaptation processes through dialogue and decentralised water governance, is

an important intervention that operationalises key provisions of the NAWAPO 2002 and the National Water Sector Development Strategy 2002 -2015 (NWSDS). That is, helping people to plan and manage their own water resources by ensuring participation in decision-making, creating user organizations (Water User Associations, Sub-catchment and Catchment organisations), and transferring operations and maintenance responsibilities to the basin level will increase *empowerment and promote good governance*. The Project envisages strengthening WUAs, to facilitate the establishment of Sub-catchment, Catchment and Basin level forums. The Project has planned to undertake a process of facilitating the establishment of *Kikuletwa Catchment Forum* (and the Review Team has given a recommendation to focus this process for the Kikuletwa Catchment), being fully in line with the aspiration of the NAWAPO 2002. The Draft Water Bill has provisions on the functions of such forums and how they would be established.

Operationalising this policy of integrated approach to water resources management by river basin, other than it requires establish an operationally effective, transparent, accountable, and financially sustainable water resources regulatory capacity at the basin level (Basin Water Offices), it also entails establishing an IWRM Plan for the Basin and strategy for its financing. According to the National Water Sector Development Strategy (NWSDS) and the Draft Water Resources Legislation (the “Water Bill”), the coordination of the IWRM planning process is a key function of the Basin Water Board. The IWRM Plan preparation process (*Result 4*) has not started yet but activities undertaken so far in respect of river flow assessments and scenarios development are clearly laying the foundation, and are indeed part of the planning process per se.

Pangani River Basin is faced with many challenges including increasing demand on limited supplies while, at the same time, there is evidence of water stress. Current water use efficiencies, especially in irrigation systems, is very low, and as the number of water users increase, along with the competition between them, the likelihood of conflict between water users will also augment if measures are not taken on time. Rainfall variability is high and the water stress is exacerbated by the global effects of climate change. Therefore, mainstreaming climate change adaptation into the IWRM planning and management system is important for the Pangani Basin. Water plays a pivotal role in poverty alleviation through enhancing food security and domestic hygiene security, and the environment for sustenance of ecosystems. It has therefore clearly been demonstrated that the Project responds to priority issues of integrated river basin management in the Pangani River Basin, and thus that the project objectives are very valid in this context.

The actions under the Project will clearly make operational the main components of NAWAPO 2002, the Draft Water Bill and the sector-wide approach to planning. It will also clearly contribute to Tanzania’s implementation of the National Poverty Reductions Strategy and Millennium Development Goals. The RT will thus characterise the relevance of the Project to be *Highly Satisfactory*.

2.4.2 Project Effectiveness

The *effectiveness* largely describes the project progress as compared to the work plans and budgets, and the extent to which the targets (outputs) and objectives have been achieved so far. The prospect of achievement within the remaining project period is also relevant in this case. Effectiveness is also used as an aggregate measure of (or judgment about) the merit or worth of an activity, i.e. the extent to which an intervention/project has attained, or is expected to attain, its major relevant objectives efficiently in a sustainable fashion and with a positive institutional development impact.

a) Overall Project Effectiveness

It is very difficult to assess the achievements of the actions by comparing the action plans with the progress reporting, as the two have totally different format, making direct comparison and reference impossible. The RT wonders if this is a result of lack of delegation from Nairobi to Moshi in IUCN or whether it is a result of the plans and the reporting being prepared by different persons at different locations. It is however noted that the project activities in general have been delayed, to a larger or to a minor extent.

Result 1, comprising the EFA and the scenario assessments, has been proceeding fairly well, when considering the complexity of the modelling that take place. It is expected that the scenario running will be concluded by the end of this year in a joint workshop. These scenario elaborations will form a very

important basis for the continued IWRM planning in the Basin, and will subsequently be presented in a Scenario Report. The capacity building under this component has been truly hands-on, by working with the Tanzanian Core Team. In order to make sure that the Core Team could follow and understand the analysis, the process has been slowed down twice. This is indeed a very commendable action.

The consultants from Republic of South Africa (RSA) wanted to push the process faster and in some instances claimed they were waiting “too long” on decisions from Tanzania and thus being able to proceed. This is a natural human reaction, but in the opinion of the RT, such waiting *had to* be part of the process as capacity building (CB) was a core issue at stake. Although the Core Team complained that the working sessions with the consultants were far too hectic, they are individually to various degrees underway to understand the scenario development, if not necessarily getting the holistic view of the scenarios in an IWRM perspective.

It is observed that the interest, eagerness and performance of the Core Team deteriorated towards the end of the period (most likely due to lack of “incentives” or simply because some were not the right staff to participate in the first place), and as one consultant put it “*None of them will become Environmental Flow Specialists, as none of the Core team picked up on that*”. The PBWO on his side emphasises that the intention was never to make EFA specialists of the Core Team, but to involve a multidisciplinary team to study the Basin. However, one of the objectives of the FA sub-project is “*build capacity that will enable PBWO to act as a nucleus of expertise for FA related work in other areas*” (ref: Pangani River Basin Flow Assessment - Draft Scenario Report - Executive Summary, Section 1.1, bullet No 5). The RT observed that it is important for the Project to be consistent on what it wants to achieve in terms of capacity building for PBWO so as not to lose track of the Project’s key deliverables. Also bearing in mind that PBWO claims to have inadequate capacity to day, even for fully engaging in the Project, this objective still seems very relevant. The specialists hired to participate in this activity were nevertheless largely praised by the consultants, as being more professional and dedicated (but then they got paid as consultants for their efforts). It is assumed that too few resources were set aside for these activities to catch the appropriate momentum towards achieving the objectives. In spite of the shortcomings encountered, this component is largely characterised as *Satisfactory*.

The Kikuletwa Catchment Forum establishment (*Result 2*) seem to be significantly delayed, which indeed is *Unsatisfactory*. *Result 3* has hardly started and the pilot interventions are awaiting the Climate Change Report (except for the PAMOJA interventions, partly running independently of the others). *Result 4* is awaiting input from the other results and thus this is consequently lagging behind.

b) The Partnership

The partnership has not been fully successful as observed by the RT, and during the last period there has been some tension between SNV and PBWO+IUCN, as the Kikuletwa processes (considered to be the most important of the activities, comprising many crosscutting issues, and thus the SNV-PBWO/IUCN is construed by the RT also to be the most important “relationship” in the Project) seems from the RT’s observations to have come to a halt and have been somehow skewed⁷. There could be several reasons for this, but one is assumed by the RT to have been that nobody really *understood* how to approach the Kikuletwa Forum issue, and the communication on this issue has not been good, although it has slowly taken up since the CDO in the Project took up position. It was also claimed by the PBWO that the office has inadequate staffing capacity to fully coordinate and engage in all the activities of the Project. The RT believes this to be true and thinks that the KCF process has been suffering from this lack of capacity, this seemingly being one reason for the non-performance of the activity, the trend now being turned with the CDO joining the PBWO. PAMOJA seems to have been sidetracked in this process, whereas they were fully onboard in the start-up stages. (Notably, PAMOJA has continued some of their previous initiatives in Soko and Hingilili).

The lack of PAMOJA involvement in the KCF establishment is not understood by the RT, but could have something to do with the frequent shift in SNV Focal Points with new ideas coming on board at certain times, not following the initial ideas and Road Map. This has been clearly visible in the last

⁷ See footnote No. 3 where SNV disagrees to this statement.

correspondence between the PMU and SNV (see other section in this report). The PBWO has obviously not been fully taken on board as a *real* partner, as most of the decisions are seemingly taken by IUCN. PAMOJA seem to regret this development, and claims that this is not due to lack of capacity or capability to participate. The partnership is therefore characterised as *Marginally Satisfactory* only.

2.4.3 Project Efficiency

Efficiency is a measure of productivity, meaning comparing inputs against outputs. The term involves the assessment of achievements/results as compared to the input of resources, meaning how economically resources/inputs (funds, expertise, time, etc.) are converted to results.

Efficiency is very difficult for the RT to assess at present, due to the lack of consistent planning and reporting formats. As mentioned above, the funds to make the capacity building of the Core Team under *Result 1* fully successful were probably too small and time allowed for the Team to be trained properly too short, in spite of the commendable “slow down” of the processes. This was surely difficult to see during the planning of the Project.

The RT in general has observed that the efficiency of the Project as a whole has not been fully as would be expected. The capacity and capability of the partner SNV has not met the expectations of the project management, partly due to frequent shift in SNV personnel. Also the confusion with the KCF establishment from SNV’s side adds to this impression. Surely, the lack of a well-experienced Community Development Expert in the PMU, as initially planned for, has also contributed to this halt in the process. There has simply not been capacity on the PMU’s side to communicate properly with the SNV experts or even comprehend what the issues at stake imply of actions from their side.

It was observed that the cost of the site interventions at Soko (cattle trough), Ruvu and Hingilili (rehabilitation of irrigation scheme intake and main canal) by PAMOJA was significantly underestimated, and in 2007 the project proposals were re-costed. The conclusion was that the Project could not sustain all three projects and it was decided to continue with Soko, and with some planning in Hingilili. Other financial sources would be sought later to complete Ruvu and Hingilili as initially intended. The three established nurseries in Soko will provide seedlings for the Soko spring catchment. Privatisation of the railway authority (50% of staff re-trenched) has however delayed the planning of (and permission for) the cattle trough under the railway line. The activity (*Result 2*) has, as mentioned, largely been hampered by the lack of CDO recruitment in the PMU. Seemingly, the project partners, lead by PAMOJA, have been cooperating, following-up and pushing to get things on track, but the delays obviously have been outside the Project’s control. PAMOJA has ample resources to continue these efforts. The RT believes that interventions on cattle troughs would have raised awareness of pastoralists to acquire Water Rights, refrain from taking their cattle to Soko springs and thus enhance the value of basin management to wider segments of society.

The issue of *who* is leading the KCF processes is discussed in other parts of this report. The SNV claims that they should *not* lead the process, but have been awaiting the initiative of PMU/PBWO to move. However, knowing that the PBWO on its side had no experienced person to handle these matters, and had inadequate staffing capacity in general to fully engage in this activity, this is largely trying to put the responsibility where it could possibly *not* be taken up. The SNV therefore clearly has the responsibility of pulling this process through (not only “facilitate” it), which they have not done so far. With a recommended revised Road Map as presented in this report, with an adjacent extension of the project period, there is clearly not enough resources to carry out the required actions. In case additional funds are not found, funds must be reallocated *within* the Project to cater for this. The efficiency of the Project is therefore considered *Marginally Satisfactory* only.

2.4.4 Impact

Impact is a measure of all positive and negative consequences/effects of the Project, whether planned for and expected, foreseen or not foreseen, direct or indirect. Such effects could be economic, political, social, technical or environmental, both on local and national level. The long-term impacts are difficult to assess in this case, as the Project is still ongoing. In the logframe terminology such “perceived changes” may correspond either to the purpose level or to the goal level of a project intervention.

At the stage of the Mid-term Review (September 2008) it is very difficult to assess the impact of the Project, as such will only be seen some time *after* the completion of the Project. Working with people's minds take time, and the awareness raising of the stakeholders in the Basin, and especially in the KC is just about to start. The capacity building of the Core Team members has not reached to the level anticipated. It is however noted that some impact has materialised connected to *Result 1* ("Increased understanding..."), where the PBWB staff is now at least aware of the findings of river/estuary health assessments, and are said to be using this knowledge in prioritising actions accordingly.

The organised capacity building of the PBWO staff has not started, as the needs assessment exercise has come to halt (basically due to SNV not pulling the process through, but waiting for the CDO in PBWO to do this). This is indeed a pity, as the PBWO strongly claim that they have inadequate capacity to fully take part and engage in the project activities. Increasing such capacity does not only mean increased number of staff (which has slowly started with the two CDOs coming onboard), but also capacity building through training and HRD in general. There are so far no tangible impacts on the ground in the Basin affecting the water resources or the distribution at large. Some smaller interventions by PAMOJA might have resulted in local effects from conflict resolution in micro catchments, but this is not documented. The impact of the Project is therefore considered only *Unsatisfactory* at this stage. However, time will hopefully show that this will improve once the Kikuletwa processes have started, and the training of the PBWO staff instigated.

2.4.5 Sustainability

Sustainability is a measure of whether the positive effects (or assumed measurable effects) of the Project is likely to continue after the external support is concluded, meaning: will the programme process lead to long term benefits. This is indeed for most projects, may be the most important element to be assessed, so also in this case. The sustainability of a Project is a measure of how the partner country will continue to pursue the objectives following termination of the project assistance, and the probability of continued long-term benefits.

Normally, the sustainability can be divided into: Technical, institutional, environmental and economic/financial sustainability.

Technical sustainability: This is connected to the technicalities around the EFA and the computerised modelling of the scenarios. Here both experts and the Core Team has been trained, and the consultant claims that at least some of these will be able to run the scenarios alone in the future. The interpretation of the scenarios and how they are feeding into the overall IWRM planning process and policy decisions in the Basin is not yet in place. Likely to be *Marginally Satisfactory*.

Institutional sustainability: Hopefully the training of PBWO staff will lead to better performance of their duties in the future, but this training has not started yet. The establishment of the Sub-catchment Forums in Kikuletwa will support the Government efforts in establishing decision-making bodies at lower levels, and as such a structure is regulated by law (the new Water Bill), it is likely to be sustained once the operations can be secured by income through water user charges. This however remains to be seen. As described earlier, the RT has observed that the Project is not properly and satisfactorily integrated into the PWBO structure, although having attempted to do so, having the parallel PMU operating the activities with close steering from IUCN Nairobi. The RT fears that this set-up does not create the required ownership of the interventions and the processes in the institution where such ownership must lie. In case no grips are taken to improve this situation the institutional sustainability of the efforts are at stake. *Marginally Unsatisfactory* at present.

Environmental sustainability: this is too early to assess, as such processes take time even following tangible interactions on ground. Some smaller interventions at grassroots level will be included in the Project, but these will hardly lead to tangible environmental improvements in the short-term. Hopefully in the long-term, when interventions catch up and are replicated at a larger scale, an effect will be seen and hopefully maintained through improved management of the resources at local level. *N/A* at present.

Economic/financial sustainability: NAWAPO promotes financial and administrative autonomy of the

Basin Water Boards and Offices. This is seen as a critical issue for the success of basin management. Reforms taking place in the country limits Government role to that of regulator, facilitator and coordinator, which provide the necessity for Government to continue to inject resources into capital costs and personnel emoluments and training of key staff. The RT learned that a study would be conducted under the WSDP to determine the economic value of water in all its competing uses in the nine basins, and to determine financing needs for water resources management and development for all water using and water impacting sectors at all levels. This will lead to identifying and designing financing options for each of the river basins. The ability to manage water effectively (which is supported by the Project) in line with water permit conditions and to collect the water fees from an effective water service will directly link to the viability of the basin organisations and hence hopefully promote *financial sustainability* in the (far) future.

2.5 Other Project Elements. Particular Aspects

2.5.1 Project Steering Documents

No joint Project Document/Steering Document, being an aggregated document that contains all the details of the Project with its elements and the implementation modality, has been prepared. The “newest” documentation is the merged logframe prepared in 2007, but this is merely just one part of a Project Document (PD), although an important one. Today, the prevalent overall documents of reference, to explain what has been agreed to undertake and how relationship will be between the partners in the Project, are the funding agreements, with descriptive annexes. In addition, the Internal Agreement between the IUCN WANI and the IUCN ESARO (previously EARO) gives a good overview of the Project from the early period 2005-2007, from before EU and UNDP/GEF came in as donors. Also, the MoU between IUCN and the MoWLD (dated 18.03.2004) was an important document during the first period of the Project, but this does not contain any details as to the project content as appearing today. Another MoU between IUCN and PBWB was signed on 20 March 2007, being an annex to the agreement connected to the UNDP Project Document. Several MoUs and Agreements with project partners, consultants and experts have been signed, but these are not considered steering documents for the Project as a whole, but merely steering various project activities within the framework of the overall steering documents.

It has been impossible for the RT to obtain the complete picture of the Project through a single reference document, rather than having to plunge through the existing three agreements/PDs. Neither is there a hierarchy of steering documents that could be conclusive in case of ambiguous or contradicting formulations in the various documents. As seen in a later section, the Project is recommended to prepare a merged aggregated PD to increase the understanding of the Project as a whole.

2.5.2 Project Planning and Reporting

a) Work Plans

Work Plans have been prepared in different formats: the “August-December 2007 Plan” was a table of activities and weeks of implementation marked only; and the “Multi-Year Work Plan 2007-2010” was an EXCEL table with both implementation quarters of the various actions marked and budget for the various activities listed. Also the financial sources of the various activities were indicated. The “2008 Annual Work Plan” had a similar format.

Notwithstanding the fact that the EXCEL work plans tries to capture the planned activities both in time and in budget, the format of the planning is difficult to read. Firstly the font becomes too small to read for a normal eye when printed; and secondly the table does not provide any detailed narrative comments to the various budget lines and activities. It is normally expected that a Work Plan contain a narrative description (in a readable font) of the activities with an indicative time schedule and an adjacent budget in separate tables.

b) Progress Reporting

The progress reporting is not following the format in which the Annual Plans are presented, and this is a

shortcoming that makes the direct comparison between the two difficult. Two comprehensive progress reports have been prepared under the Project: The “Technical Progress Report January 2003 – December 2006”, and “Technical Progress Report January–December 2007”. Both these reports have descriptive narrative text outlining what has been undertaken during the period under each result area, which is commendable. The latter report also summarises the lessons learned during implementation the last year, which is useful to all parties. However, it is difficult to see what has been achieved directly related to what was planned and budgeted for in the particular year. Some kind of tabular form reporting on this would be useful to easily see where the challenges have been.

The RT has also reviewed a report named “Progress Report #5, 1 July 2007 – 23 November 2007”, which is obviously prepared by the consultant Southern Waters and comprise the work under *Result 1* only. The report however, has no date and no proper reference as to *who* and *why*. The RT has not seen the previous four reports in this format. It is not a quarterly report, and such report is not even required in the Project. In case it is a semi-annual report, it does not cover ½ a year. Semi-annual reports are normally submitted in July for the period January-June and in January for the period July-December.

In the Project Implementation Manual (PIM) it is stated “*the project will design reporting formats to be used by various stakeholders for effective project management*”. The RT has not seen such agreed formats yet.

c) Financial Progress Reporting

As stated above, the Review Team observed that the UNDP/GEF requirement for budgeting and reporting along results/outputs made it easy for analysis of expenditure against specified outputs. This is however not the case with the EU and IUCN WANI requirement where budgeting and expenditure is recorded along cost categories such as personnel costs, travel, equipment etc., as compared to the *total* donor allocations. It is not even accounted for against the EU funding alone! This made it impossible for the RT to make accurate comparisons of expenditures on results/outputs against budget on all donors and the Project in total. This is indeed a serious shortcoming in the Project, and not acceptable by any standard.

Different budgeting and reporting format requirements by different donors thus means double accounting and analysis if a “standard reporting” is to be maintained. This however has to be undertaken by the Project, as it must be possible to see what kind of expenses have been used under the various results and activities. This is especially needed to facilitate monitoring of project activities by the project management and also if re-allocation between activities should take place in the Project. It is not properly understood why the project management could not prepare an EXCEL matrix based on expenditures per activity of certain main cost categories, and then from there aggregate special reports to the donors as required.

d) Reports from seminars, study tours and workshops

The RT has reviewed one travel report from a study visit to Arumeru Kikuletwa in March 2008, undertaken by project staff. The report is not dated and the author is unknown. It is understood that no common system of reporting following field trips has been instigated in the Project. Neither is there a common modality to report from seminars and workshops. Notably, in some cases reports have been prepared (not reviewed by the RT), and in some cases not. It is important for the Project to establish a common reporting system for field trips, and a common modality to report from seminars and workshops.

e) Other Reporting

The UNDP system requires annual reporting from all their projects, known as Annual Performance Report. The RT has reviewed one such report for 2008. This is following a preset format and is used internally in UNDP to oversee the progress. It is prepared by the IUCN project management, also to some degree giving scores as to the success of the various project components.

PAMOJA is preparing Quarterly Reports on the site interventions at Soko and Hingilili, which is orderly with proper analysis of progress and lessons learned.

2.5.3 Project Document Management

The RT had great difficulties in navigating through all the documents reviewed during the Review, as virtually none had proper dating and reference to place them in “space and time”. Copies of selected pages taken from documents have no indications from which document the copies are coming, when it has been produced, who prepared it, etc. This is a serious shortcoming in the Project, which has to be remedied and which indeed is fairly easy to improve.

It is understood that all documents are filed in two separate computers in Moshi and in the IUCN office in Nairobi. This secures backups in case a computer is stolen or data disappear in fires. Backups are not made on CDs.

2.5.4 Capacity Building Aspects

It was learned from discussion with Southern Waters that capacity building of the Core Team was not very successful for any of them to be “EFA specialist” in the near future, as it takes many years of research and commitment to build EFA expertise (although this was the initial intention from the Project’s side as discussed in *Section 2.4.2*, fourth paragraph).. They noted that some Core Team members were to provide data on certain areas but there was not enough money to contract them and hence in some situations they would give what they *know* rather than what was *needed*. As a result some of the response curves were made from experience. Southern Waters however accepted that local staff capacity of the Core Team and within the PBWO on EFA processes has been enhanced, and that they can use the EFA models, run scenarios, and update databases. They strongly felt however that the Core Team and PBWO staff training advancement in databases, EFA and how it links to flows, and interpretation of results is needed for sustainability. The PBWO also needs capacity building in Monitoring and Evaluation, procurement and financial management all of which are crucial for sustainable basin management system.

It is noted that the organised systematic capacity building in PWBO, based on proper individual needs assessment, has not started. One reason for this, as mentioned, was that PWBO had inadequate capacity to take onboard this activity before the CDOs joined the office. Also partly lack of push and action from SNV has caused this delay. It is hoped that this activity is revitalised, as there seems to be a need to build further capacity in PWBO.

2.5.5 Misc. Issues

a) Interaction with other projects and programmes

The PBWO, like all other Basin Water Offices is currently implementing Component-1 of the Water Sector Development Programme (see *Box 3.3*). Details on each of the WSDP components are found in the programme document that is available with the Basin Water Office. The BWO has also interacted with a Spanish NGO (Engineers Without Frontiers – ISF) who are working in Same District assisting in enhancing livelihoods. The BWO helped in conducting geophysical surveys to identify potential for groundwater for enhancing livelihoods. WSDP has a big water resources management and development agenda over the whole basin, while at local level BWO is also involved in livelihood issues by helping to make water available to fight poverty – which is good and similar to site interventions in Hingilili, Soko and Ruvu by PAMOJA. The RT feels that PBWO need to create proper synergy with all ongoing initiatives to maximise the benefits from all the interventions within the Basin in support of basin management but also for poverty reduction. This will enhance visibility and the positive image of the PBWO.

b) Gender aspects and governance

Gender aspects are usually given due consideration in the process of forming WUAs, especially in representation in leadership committees (*Results 2.1* and *2.2*). This demands strong awareness creation on water resources issues and IWRM principles especially on women, as they cannot participate without being empowered. It is important to ensure that WUA and Sub-catchment constitutions that will be developed in future should preferably include gender aspects.

2.6 Overall Project Observation

The Project is comprehensive and complicated, and it has evolved over time from smaller studies financed by IUCN WANI and the Tanzanian Government, to larger interventions when EU and UNDP/GEF came on board as donors. The Project comprises several tasks, from scenario developments to preparation of a basin IWRM Plan, and from small ongoing pilot interventions outside the Kikuletwa area (by PAMOJA), to upcoming resource-demanding awareness raising and advocacy activities at grassroots and district levels in the Kikuletwa Catchment, and to new pilot interventions implementing climate change adaptation issues with the water users.

The Review Team observes that the most of the activities leave alone the EFA and the scenario development, are seriously lagging behind schedule. Especially the formation of the Kikuletwa Catchment Forum seems to have been “looping” for the last 1.5 years and is now seriously sidetracked due to lack of practical approach and formulation of a pragmatic road map. When considering the time left of the EU funding (October 2009), the RT believes that the Project will definitely not be able to deliver the results promised. The Project needs to be extended in time, and focus from now need to be put on the most important aspects forming the basis for the management and daily operations of the PBWO. These activities will include the awareness raising and building of sub-catchment and catchment forums to bring the water users and their conflicts to a common arena for discussion, and solving them. Recommendations in this respect are outlined in the next chapter.

3. RECOMMENDATIONS AND LESSONS LEARNED

3.1 Conclusions and Recommendations

Based on the above observations, analysis and overall conclusions, the RT has made some recommendations for the Project in order to improve the performance and chances of success.

3.1.1 Organisational and Managerial Structure

The rationale behind the Project in the first place, and behind all other possible interventions in the Basin supported by external donors, is to build capacity in the PBWO in order to enable the Basin Water Officer and his staff to improve their performance and operations in general. Any intervention that fails to help the BWO achieving this aim has also largely failed by all standards. As described in earlier sections, the RT notes that there is a lack of proper ownership of the project interventions amongst the PBWO staff, as they perceive the Project as being an “IUCN project” and not their own, in spite of IUCN’s endeavours to achieve such ownership. This is serious and means that the sustainability of the Project is at risk, due to lack of local ownership to the processes.

The RT therefore advocates that some grips should be taken to try to create the required ownership and subsequent sustainability of the Project. These grips are illustrated in *Figure 3.1* in *Appendix 1*, with the following main key issues:

- The PBWM Project should organisationally be placed under the Basin Water Officer (BWO). The PBWO and the Project are already today located together in the same compound, but this does not necessarily mean they are integrated *institutionally*. The BWO must be readily able to properly feel and declare in all forums that the Project is in integral part of his portfolio. A “new box” containing special interventions and projects supported by outside institutions/donors has been inserted in his organisation plan. This at present only contains the IUCN-supported project, but might easily in the future also include other projects coming onboard.
- The Project Management Unit (PMU) will only be a “project unit” in the BWO organisation on equal terms with other similar units coming onboard later on (assisted by other donors, e.g. the WSDP). The term PMU should clearly be avoided, as it gives the wrong nomination of the unit and its affiliation. However, realising that the present PMU must maintain the contractual obligations both towards its employees and IUCN, and the donors providing the bulk of the funding, the “internal” processes

(accounting, salary payments, personnel issues, etc.) are *not* expected to be changed.

- It is therefore understood that the communication between IUCN and the Project (Management) Unit on “internal IUCN administrative matters” (staffing, accounting, etc.) must continue as before. However, matters pertaining to the daily implementation of the project activities, the project planning at large and internal monitoring, the use of human and other resources to the benefit of the Project, etc. should to a larger extent take place *within* the PBWO. This means that there should be a much more active communication between the PC and the BWO on “professional” project aspects, and subsequently less communication on such matters directly between the IUCN in Nairobi and the PC, keeping the BWO outside this communication loop.

Matters of overall principle interest, policy issues, and strategy pertaining to the project activities, planning, progress, monitoring, etc. should to a larger extent be discussed between the responsible IUCN staff in Nairobi directly with the BWO, rather than directly with the PC, *if* need be. In matters being an integral part of the basin development activities, the PC should be seen and construed as an “officer” under the BWO. This means that the IUCN Nairobi staff should be able to delegate more of the daily tasks on management and decisions to the PC and BWO jointly, *trusting* that they are able to undertake this to the best for the Project. This also requires that the PC is more proactive in contacting the BWO on such daily matters rather than readily consulting the IUCN Nairobi.

- One CDO (Ms. Irene) will be seconded full-time to the Project from the BWO, and a letter in this respect will be issued to avoid misunderstandings. Through this, she can fully concentrate on the Kikuletwa interventions (see below) without being involved in other activities under the BWO in the other parts of the Basin (to be followed by the other CDO returning from maternity leave next month). The CDO will however maintain the present basic working conditions (salary, etc.) with the PBWO.
- The Project (Management) Unit staff will continue to interact actively with the other PWBO staff in the implementation of the project activities.

3.1.2 The Kikuletwa Catchment Forum

The Kikuletwa Catchment Forum (KCF) establishment seem to have, as described earlier, come into some “backwaters”, where the practical approach required seems to have been distorted by theoretical discussions on topics which are not fully appreciated by the project staff and the BWO. There has also been meagre response in PBWO due to lack of capacity (enough staff and the right qualifications). Grips must therefore be taken to get the process back on a viable track, now that a CDO will be fulltime assigned the Project..

Figure 3.2 tries to illustrate the principles of the forum establishment that the RT recommends. The “forums” are understood to be arenas/meeting places where the catchment/sub-catchment stakeholders could raise and discuss issues of common interest, and basically bring to a joint table the emerging conflicts regarding distribution and allocation of water between them. Kikuletwa has four identified sub-catchments and it is understood that processes and issues instigated in these lower forums should be aggregated into the overall KCF. This should therefore also be reflected in the approach of the Project.

It is suggested that in order to gain some momentum and re-vitalise the forum establishment process, the interaction and awareness raising activities amongst stakeholders should be instigated in all four sub-catchment. In practical terms the Project should not start in all four simultaneously from Day 1, but rather start in one sub-catchment and gain some experience there before embarking on the other three, say after some few months. The first step will be to train the Facilitation Teams (FTs) comprising staff from various institutions, where the key staff will come from the DEDs (being the District Community Development Officers). It is however not foreseen that these teams will be very large, but rather small and operational, say 3-4 persons at most. Thereafter, these FTs will travel around and interact with various water user groups in the sub-catchments coached by the project staff, especially TIP and PAMOJA staff (being willing and capable), and other advisors taken on board the Project (see below). Once the Sub-

Catchment Forums (SCFs) are established and operational, the larger Kikuletwa Catchment Forum (KCF) should be formed in the future.

The establishment of the KCF should be quicker and easier once the experience from the four sub-catchments is brought on board the process. It is expected, although a time extension of the Project is proposed, that by the end of the project period the outcomes should be having gained experience with the establishment and operation of the forums in the sub-catchments; to synthesise these; and to prepare the design and ToR for the KCF. *Maybe* also the KCF could formally be established during the project period, but operation of this overall forum would be outside the scope of the Project.

The new Water Bill, now being processed in the Government system, instigates the establishment of “Councils” in the catchments. This structure is not described in detail in the legislation, but it is understood to be similar to the “forum” discussed in the Project. Regulation for its implementation will be prepared in due course. Whether the name of the baby is the one or the other does not really matter to the activities in the Project per se, so the term “forum” is still kept, as this has been there from the beginning and all parties are used to it by now. The establishment of Sub-Catchment Committees (SCCs) and Catchment Committees (CCs) is included in the National Water Sector Development Strategy 2006-2015 (NWSDS), approved by Government on 13th March 2008. The strategy shows that the Catchment and Sub-Catchment Committees will be autonomous bodies, financed from user charges, and will carry out such functions as are delegated by the Basin Water Board. They may employ staff necessary to carry out these functions, or may be supported by Basin Water Board staff.

These institutions are the extended arm of the WBO in the catchments and sub-catchments, and the set-up of these will depend on the size of the catchments and the nature of the issues at stake. No large organisations are foreseen, merely simple offices with part time staff and very small administrative expenses. It should be the understanding that the committees given by law should clearly *not* be established in the beginning of the forum design process, but merely towards the end when the full overview of the situation on water resources allocation in the sub-catchments has been revealed. With some experience from the forum work, the establishment of the SCCs will be much more targeted and there is a larger chance of getting the right persons onboard from the beginning. It should also be clear that the Project will not directly provide for any establishment or operational cost of such government institutions, but could, if budget allows, support with simple means (little equipment and coaching/advisory) to make them operational.

The SCCs will act as secretariats to the forums in the future, reporting back to the BWO on prevalent issues taken up and bringing back guidance on policy, etc. from the BWO. The Facilitation Teams will however act as secretariats of the forums in the start-up until the SCCs are in place. It is formally speaking the responsibility of the BWO to establish these committees, and the integration of the Project into his portfolio should make such establishment easier and indeed possible to coordinate with the other KCF activities. There is a clear provision in the NWSDS that the operation of such committees should be financed through water fees, and there are good examples in the Rufiji Basin – Great Ruaha Catchment (in Mkoji, Kimani and Ndembera Sub-catchments) where this functions well.

It is realised that the proposed process by the RT might be more demanding than initially planned for. In order to undertake the above described process, the whole Project most likely needs to be extended beyond 2009 (see below), as such stakeholder participatory processes really take a long time. Also, the RT assumes additional budgetary resources will most likely have to be allocated to this extended activity (in time and scope), which by the RT is construed to be the core activity of the Project in the coming years. It is however emphasised that the RT does not have enough detailed information, and does clearly *not* have the mandate within this Review, to substantiate the costs of such allocations and the impact on the rest of the budget. This is a task for the project management to calculate and assess in detail, but the RT at this stage has a “gut feeling” that additional funds might be needed. In order to enable this process, the Road Map Towards Establishment of Kikuletwa Catchment Forum should be re-visited and revised accordingly. *Figure 3.3* illustrates the process approach, as follows:

- A KFC Core Team should be established to push and run the process, and be responsible for the

outputs. This Core Team should comprise one of the CDOs (Ms. Irene), seconded full time to the Project from the BWO, and a representative from SNV (who in fact is already contracted to lead the process). This Core Team will get a vehicle at their disposal, now being in Dar, purchased for this purpose by the IUCN. The two Core Team members will have to be on this task full time, not to be distorted by other tasks within their organisations. This seems to be the only way to boost the halting process and gain proper momentum in the activities.

Initially, in the Agreement between IUCN and SNV, it was clearly envisaged that the latter would provide international adequate expertise to drive this process through. This has not been the case up to now, and the first option would be for the Project to demand that SNV should second an experienced person to the Project full time to lead the process. The CDO in the PBWO should ideally understudy this person and build capacity to gradually take over the steering of the processes. Such arrangement would be the best option for the Project. However, SNV so far has not been able to provide this expertise to the required level, and in the case the only option is to work with the person already identified as the SNV main representative, the approach described by the RT in this report should apply. It is clearly not the ideal situation, but it is a pragmatic approach realising the limited human resources available.

- As the two persons in the Core Team available today both are fairly inexperienced (one is an engineer of origin and the other has only three years of CD experience) they clearly need a lot of exposure and coaching to be able to undertake their mandate satisfactorily (which has also been confirmed by the two persons in question). It is therefore strongly recommended that an advisor from the Ruaha Catchment in the Rufiji Basin is brought on board to support the Core Team. In this basin, a similar process has taken place under the WWF-supported project (financed by the EU), and this person to advise in Pangani should have been key in this process. The person should be paid as an external consultant, preferably by SNV as they have not been able to provide such person from own ranks and should work continuously (on a close to full-time basis) with the Core Team during the first 12 months of the establishment (to be decided during the detailed planning of the activity).
- In addition, an individual expert in community development processes, e.g. it could be one that already have been contacted by the BWO with this aim (Mr. Haule), should be taken on board as an advisor to the Core Team. This assignment could preferably be on-going for the first year of the activities, and should clearly be on a part-time basis. The contract with this advisor should be tailored as to phase him out in a controlled way when his services are no longer needed. This advisory should thus make sure that the Core Team is not left in jeopardy without the required backing. The main purpose of this advisory is to enable the Core Team to undertake their duties as the leading group in the process.
- Four Sub-Catchment Facilitating Teams (SCFTs) should be formed, each working in more or less parallel in the four sub-catchments. (In practical terms, it is expected that one sub-catchment is established ahead of the others as the first trial area). The composition and size of these SCFTs will be left with the Project to decide, but it is expected that CD staff from the Districts will form the nucleus of the teams. The teams should be small and operational (fitting into one vehicle for easy transport, say max four persons). There should also be members from NGOs being used to undertake grassroots communications and development in these teams, at least in the early stages, e.g. PAMOJA and TIP. Both these two partners have confirmed their willingness, capability and capacity to participate in these efforts, as this is part of their core business. The two NGOs claim to have ample staffing capacity that can be mobilised to fully participate to the satisfaction of the Project. The RT believes this to be true, as such NGOs normally adjust their staff according to the project portfolio, as some staff are on contract from project to project. (It should be noted that within the limited time available for the RT during the Review, and the fact that the RT only met the two NGOs once each, it is considered beyond the scope of the Review to undertake an in-depth institutional capacity assessment. The RT's judgement must therefore be based on the impression from own observations during the meetings and what the NGOs told and further substantiated with reference to written material presented). A comment to the Draft Report pointed at the fact that PAMOJA has been

suffering non-deliveries in Soko and Hingilili, and that this could indicate that the NGO would *not* be a suitable partner to heavily involve in the KC. The RT still maintains that PAMOJA should be involved in the KC process, as these activities seem to be more in line with the core business of the NGO, rather than building cattle troughs. It is also fair to mention that some aspects outside PAMOJA's control (e.g. bureaucratic approval procedures) evidently caused delay in the mentioned area.

- The establishment and training of the SCFTs will be lead by the Core Team but with significant coaching and assistance on field approach and methodology from the partner PAMOJA, who also is expected to have selected members in the teams. In addition, the RT suggests bringing onboard TIP (Traditional Irrigation & Environmental Development Organization), which is a grassroots NGO that have had several interventions with WUAs and in fact establishment of micro-catchment conflict solution forums (see *Box 3.1*). TIP should also, and is willing to, advise and assist in the M&E of the activities on the ground, and might contribute to the pilot adaptations on climate change that is part of the Project, at a later stage. Such activities fall well within the main business of TIP.
- As described above, the composition of the Reference Group (RG, also in some case misleadingly referred to as the “Design Team”) has been discussed over a long period of time, and the real function of such group is not properly described in the first Road Map. In the RT's opinion, this group is an advisory group for the process, comprising people that are not involved in the project activities on a daily basis. In some projects this group would have been referred to, and having the same functions as, a “Steering Committee”. The RG should be small and effective, proposed to comprise a total of around six persons (residents of Tanzania), meeting more frequently in the start-up of the processes than later on. Such a small group could also preferably be consulted through emails and telephone during the course of the Project, in order to save time and reduce meeting costs. The members of the RG should be identified as scholars in their fields beforehand and selected by names as *individuals*, not by institutions. The RG could comprise persons representing the following disciplines:
 - 1) A DED from one of the districts covered by the Project in Kikuletwa. This person should be known as proactive and clear thinking, being able to bring onboard the district perspective of the activities. It is important to avoid a discussion between the DEDs themselves on this representation and clearly avoid a discussion on geographical representations, as it is the functions and processes in the district more than the area-specific issues that should be brought to the table.
 - 2) An expert covering the fields of institutional design and institutional development, preferably blended with knowledge of national policies and strategies in the sector.
 - 3) An expert on stakeholder participatory processes.
 - 4) An expert on IWRM processes.
 - 5) An expert with experience from planning and implementation of efficiency interventions in agriculture. This could be an agricultural extension worker who has been working on the grassroots level. This expertise is important to have on the group as most of the efficiency measures in the water use sector will necessarily come within agriculture.
 - 6) The BWO in Rufiji Basin, who has taken part in the forum establishment in his own basin.

The notion of the Reference Group comprising up to 25 people from “all talks of life” in the Kikuletwa Catchment is totally unrealistic. Also the expectation of that group driving the design process is “far out” and indeed is an escape by SNV from their mandated duties in the Project. A prolongation of this project activity, and the fact that the RT suggests to form the four Sub-catchment Forums instead of embarking upon the establishing the overall KCF at once, will mean that additional resources are required to this activity.

Box 3.1: Nduruma Catchment Association.

The initiative to form the Nduruma catchment Association was taken by TIP. This catchment, which includes two districts (Hai upstream and Moshi downstream) is basically one river serving in the magnitude of 10-20,000 people, all using the same river as supply source. The user also includes large flower growing farmer, exporting internationally. Through the association the user came to an understanding and are presumably now abiding to the rules they jointly set up. A management plan was prepared for the sub-catchment, outlining all the challenges with solutions.

3.1.3 The IWRM Planning

The overall mandate of the PBWO is IWRM in its broadest interpretation of the term, and the principles of integrating the various components of the water resources allocation and use in the Basin is also crosscutting all the project activities as a general backdrop. It is however noted that *Sub-result 4.2* is defined as “*IWRM Plan established for the Pangani Basin*”. This is, to the knowledge of the RT, indeed a very resource-demanding, time-consuming and comprehensive exercise, where experts having that experience from elsewhere must be taken on-board, in order to bring the planning process to the final stage of a full-fledged plan.

Whereas the EFA and the development of scenarios for future water distribution is clearly a condition and the most important basis for the planning itself, the RT is not convinced that time is ripe for the establishment of the mere plan itself under the Project. Neither is the RT convinced that there are sufficient resources under the Project to pull the plan preparation through; and neither is the RT comforted as to the available human resources in the PWBO/Project to undertake this exercise. The activity plan presented in the Project does not give enough details to highlight the elements of such planning and does not reflect the required knowledge of such processes. *Box 3.2* gives a very brief introduction to what the planning implies, based on the Team Leader’s experience from undertaken IWRM planning in Armenia for the World Bank around the turn of the century.

Box 3.2: IWRM Planning Principles (from IWRM Plan of Armenia)

IWRM is a continuous and comprehensive process, where many actors with different interests must play a role. The “processes” of IWRM can take place across a variety of institutions from farmer groups to inter-ministerial discussions. A vast range of issues and considerations are involved in the planning and management of water resources in an integrated way. Given this complexity, it is useful to think of ways of visualising the interdependencies that are inherent in any particular issue. Once we are dealing with the inter-dependencies, our water resources management can then be said to have been integrated. Figure 3.4 in Appendix 1 illustrates that any issue in water resources management can be viewed from the perspective of a number of different technical disciplines (where six main groups are listed in the figure).

Any issue can therefore be reviewed under the focus of these six key components to identify the interdependencies and the techniques and criteria that are applicable. Ideally, this process is supported by a comprehensive set of data and information. The results of this review could be a number of quantitative and qualitative investigations, the objective of which could be monitoring processes, evaluation of impacts, the formulation of policies or programme targets.

Water is a vital and scarce resource, which needs to be allocated between different users. It needs to be used efficiently and the quality needs to be safeguarded. Integrated water resources management therefore involves a continuous and complicated process, in which many actors with different interests play a role.

The Project will, in the development of the Integrated Water Resources Management Plan, go through the different stages of this planning process.

The planning process might typically include the following steps:

- a) Analysis of Current Policies and Objectives
- b) Analysis of Current Sector Plans and Projections
- c) Analysis of Policy Instruments and Tools
- d) Water Resources Assessment
- e) Water Resources Projections (demand-supply, scenarios)
- f) Identification of Issues (evaluation of scenarios)
- g) Development of Options
- h) Consultation with Stakeholders
- i) Evaluation of Options (incl. assessment of the economic, environmental, social, public health and institutional impact of each of the different options).
- j) Preparation of the Water Resources Management Plan (include policies and strategies on water allocation, quality standards, monitoring systems, institutional and legal arrangements, investment programs and financing plans).
- k) Implementation of Programs (may include the following steps:
 - Allocation of water resources: based on the approved WRMP, permits can be issued for the use of water within the different sectors; simultaneously the quality of the discharge of wastewater and permits for discharge can be evaluated and, if appropriate, be issued
 - Monitoring of the use and quality of water and wastewater
 - Implementation of sectoral and water resources management investment programs
 - Preparation of any required legislation
 - Development of institutional and human resource capacity to deal with the necessary issues.

In addition to the above, it is clear that an important component is lacking to make the IWRM planning

complete, being the groundwater. In order to make any IWRM plan complete, assessment of groundwater must surely be included and this may easily take a year or two. Last, but not least, there is no room in the Project for extending any project activities significantly beyond the planned duration without this meaning that additional funds must be brought onboard. Alternatively, it will necessarily have budgetary implications on other activities under the Project. The RT believes that today there are not enough funds to undertake the IWRM plan to the required level of detail and standard. The Project might therefore be in an awkward position where some activities have to be given priority before others.

The RT considers the KCF activities to be more in line with the core issues at stake in the Project, and more useful to the WBO in strengthening his duties and performance than the preparation of the IWRM Plan documents per se, while at the same time strive to fill the gaps in resources assessment such as a comprehensive assessment of groundwater resources. It is therefore strongly recommended that the activities connected to Sub-Activities 4.2, 4.3 and partly 4.3 (dissemination connected to IWRM planning) is taken out of the Project and the resources allocated for these activities been allocated to the activities connected to the KCF design and implementation (Result 2), in case no additional funds can be found for such activities within the Project or from elsewhere.

The opinion of the RT is that the IWRM plan preparations could be taken on board the Water Sector Development Programme (WSDP) later on (see Box 3.3). This will also ensure that planning in Pangani is complying with the planning in the other basins in the country, coached and supervised under a programme where expertise technical assistance (TA) is expected to be taken on board. The development of the scenarios as basis for a later IWRM Plan, and the small-scale interventions (pilot adaptation actions) should however be kept in the Project, concentrated in the Kikuletwa Catchment.

Box 3.3: The Water Sector Development Programme (WSDP)

The overall objective of the WSDP is to contribute to poverty reduction through improvements in the governance of water resources management and the sustainable delivery of water supply and sanitation services.

The WSDP targets four broad areas of support, namely: (1) Water Resources Management and Development (WRMD), (2) National Rural Water Supply and Sanitation (NRWSS), (3) Urban Water Supply and Sewerage (UWSS), and (4) Sector Institutional Strengthening and Capacity Building, as follow:

Component 1 focuses on strengthening institutional capacity for improving the management of WR. It will provide: (i) logistical and technical assistance for strengthening of the 9 basin institutions and their management systems, (ii) support for the planning and preparation of Integrated (river and lake) Basin Management and Development Plans, and (iii) support for the implementation of selected priority water resources (single and multi-purpose) investment projects identified by the GoT.

Component 2 will provide support to all local governments in the scaling up of the provision of rural water and sanitation services in pursuit of the MDGs.

Component 3 will provide support to Dar es Salaam, all regional and district capitals, and gazetted small town utilities in the scaling up of provision of urban water and sanitation services in pursuit of the MDGs.

Component 4 will provide: (i) support for operationalizing the new role of the Ministry of Water, (ii) assistance for strengthening sub-sector planning and operational capacities, (iii) support to sector coordination and policy realignment, and (iv) support for sector capacity building.

Objectives of the WRM (Component 1) are:

- to develop a sound water resources management and development framework in all Nine Basins, for optimising the utilisation of the water resources in a sustainable manner for the various competing uses.
- to promote good governance of water resources through empowering water users, encouraging participatory and transparent decision-making, devolving ownership to the user level, and granting secure water rights with responsibilities to the water users, community groups, local government and Basin Boards.
- To strengthen the capacity of BWOs to address trans-boundary WR issues.

3.1.4 Pilot Activities on Climate Change Adaptation

Activity 3.2 “Pilot activities, implementation of adaptation actions” aims at instigating small low cost, interventions at grassroots level with selected water user groups to demonstrate to the other user groups appropriate technology and methods that gives tangible results in efficiency improvements in short time. The RT believes that such “pilots” (may be the name is misleading because all of the technologies are known today and already implemented in other areas and also in the KC) are important to maintain the momentum of the other project activities, simply to show that all the awareness raising and consultations result in more than just words. Tangible examples are very important in order to get the stakeholders at

grassroots level on board, giving them a positive attitude towards e.g. the formation of the forums.

At present, the practical interventions at grassroots level by PAMOJA were initiated in three sites: Ruvu, Hingilili and Soko, being far outside e.g. the Kikuletwa Catchment (and being continued mainly in Soko). Whereas the RT appreciate that the history of PAMOJA led to these areas being chosen, it is now suggested to concentrate all efforts in the Kikuletwa Catchment, at the same time as completing the mentioned ongoing activities, or continuing these with other funding to avoid distorting the local development processes. All new practical grassroots interventions should clearly be concentrated within the Kikuletwa Catchment with the partners continuing to work together, in order to gain a synergy from various activities under the Project⁸.

The RT has assessed the need for the Project to look into establishing new financing mechanisms for small-scale farmers and user groups to access in order to improve their water infrastructure. The needs for financing are definitely there; as such interventions cannot rely on outside grant funding to be sustainable. The need for new mechanisms has however not been revealed, as there is a funding scheme in operation today in Tanzania (SACCOS), which can be accessed by the groups in question (see *Box 3.4*). There are also plans to set up an Irrigation Fund nationally, but the content and design of this is not yet concluded.

Box 3.4: SACCOS (Savings & Credit Cooperative Society)

The SACCOS are formed to assist entrepreneurs through savings and credit scheme, and capital deposits by members. SACCOS collect shares from members and create a Fund. They need to assist themselves by up to 70% and only acquire loans of up to 30%. The intension is to create for the small entrepreneurs a culture of saving and pay loans, to enhance their economic wellbeing. There are about 9,000 primary SACCOS in Tanzania. Together they form SCCULT (Saving and Credit Cooperative Union League of Tanzania) which is the umbrella body.

3.1.5 Project Duration/Extension

It is not fully understood by the RT *when* the Project in practical terms ends. Formally, the support from UNDP should end 36 months after the signing of the Agreements with IUCN (15.08.2007), meaning 14.08.2010, and similarly the agreement with EU (signed 12.10.2007) lasting for 36 months should end 11.10.2009. In addition, the IUCN has granted an additional operational support of the PMU with another 6 months as compared to the initial plan, due to the Project having suffered from internal reorganisation in the IUCN and the lack of a Water Advisor being in place. What this means in terms of project extension is not clear to the RT.

Having shifted the focus of the remaining project activities to the KCF process now including four sub-catchments (if following the advice of the RT, and in case not additional funds are coming onboard), must necessarily mean an extension in time of this component. The component is almost two years delayed, and working with stakeholder processes takes time. Assuming that these project activities can start fully in say January 2009 (the time until then is used to establish the Core Team and build their capacity and modus operandi; establish the Reference Group; and take on board the external advisors and institutions), the activities in the catchment is expected by the RT realistically to take between two and three years (establishment and operation of the SCFs and SCCs, and maybe designing the KCF and its mandate). This is up to two years beyond the end of the EU funds and up to 0.5 years extension of the UNDP/GEF funding.

It is not known to the RT whether the abandonment of the IWRM planning from the Project (in case new funding is not coming onboard) would release enough funds to keep the process going for so long, and it is clearly beyond the scope of the Review Team to analyse this in detail. The project team must re-calculate the budget following the needed activities to be formulated, and see how far the new budget will bring the processes. It is hoped that the processes could be ongoing for at least two full years from January 2009. This would may be not bring the processes to an end but surely it would reach a long way

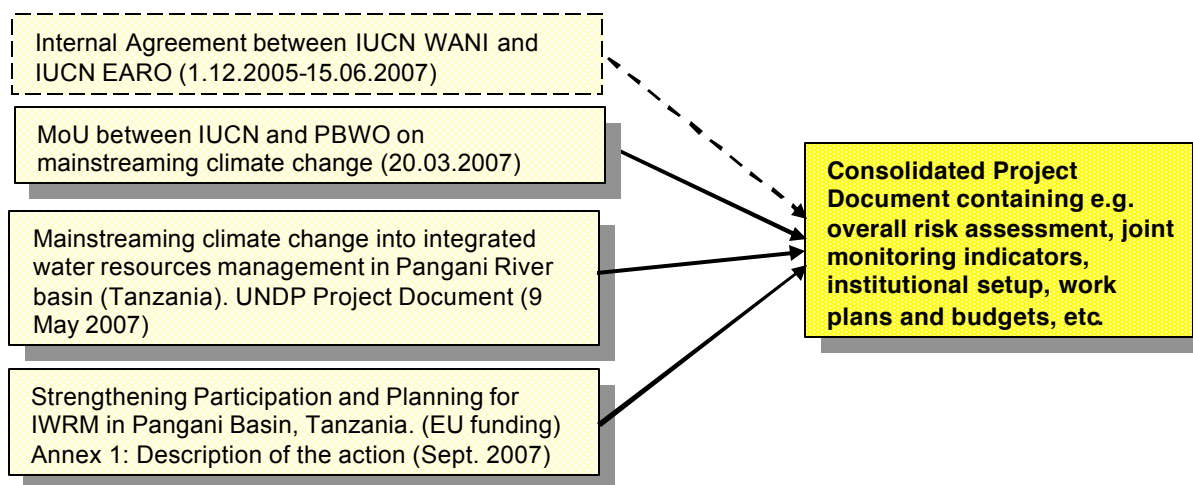
⁸ It is fair to remind that PAMOJA clearly disagrees to this recommendation in their comments to the Draft Report, being afraid of tarnishing their reputation as a reliable partners in e.g. Soko and Hingilili. The RT appreciates this point, but still maintains the recommendation, and hope that funds from outside the Project could be identified for PAMOJA to continue in the other areas.

and the bulk of the work would have been done at this time, at least on the sub-catchments level. It should be emphasised that as the RT does not have the full overview of the project budget details and are not experts on community development and participation processes, the final extension of the Project must therefore be decided by the experts in this field and the project management.

Another issue is the extension of funding by the donors, EU and UNDP/GEF, and their acceptance of the change in project focus by dropping the IWRM planning (if needed) and concentrate on stakeholder interventions from the grassroots level. The RT had a meeting with the EU, and the EU representative informed that an extension of the project period is “no big deal”, where only an addendum to the present agreement has to be signed in case the logframe is changed. If the revised work plan is reasonable and sensible, the EU is therefore expected to have no objections, as long as the total funding from EU is not exceeded. This should be possible to accommodate by clever planning and budgeting, as the processes are more human intensive than capital intensive. Which requirements UNDP/GEF might have on extension of the project period and reallocation of funds within a project, is not known to the RT at this stage. This will be task for the project management to sort out with the UNDP.

3.1.6 Consolidated Project Documents

As mentioned previously in the report, the Project has evolved from simple studies funded by IUCN WANI into a larger programme where other funding institutions came onboard. The steering documents today comprise mainly the project documents of the EU and UNDP/GEF, in addition to the MoU between IUCN and PBWO, and the RT has clearly raised a need for the steering documents to be merged into one, giving the present road map of the Project. With the changes proposed above, with less focus on the IWRM planning (in case of lack of funds) and more on the catchment stakeholder processes, there is clearly a need to prepare a consolidate Project Document (PD), taking the changes onboard. Without such a document, it will be almost impossible for outsiders (auditors, reviewers, evaluators) to get an overview of the Project and its activities and it will be very difficult for the project staff to use any single document as the reference for their work. It is therefore strongly recommended to prepare such a consolidated PD, with the changes in activities, organisational set-up and budget integrated. The right timing for such exercise could be the consolidation of the Project following the recommendations of the Review Team.



3.1.7 Other Recommendations

a) Annual Planning

As mentioned, the Annual Plans are merely EXCEL sheets that only can be read on the PC screen without the reader being disoriented. It is recommended that the EXCEL format be simplified so that the printouts can be read by “normal” eyes and the information given is concentrating on the key ones. Following the tables of activities and subsequent budgets, there should be explanatory notes explaining the details under the tables and an accompanying narrative text to elaborate on the next year’s activities.

b) Project Reporting

The Annual Progress Reports should follow the same set-up as the Annual Plans, so it is easy to follow the activities and expenditures through. The reporting on activities could be tabular (in a readable font size), but must necessarily be escorted by narrative text explaining deviations or special happenings that are not captured by a quick glance. There should be a chapter describing the main challenges, bottlenecks and problems encountered through the year, and the lessons learned to be taken onboard next year’s planning (being there today).

c) Document Handling and Filing

The total lack of reference information (date, author, institution, name of document, etc.) in the documents has been mentioned several times. There is a clear need to make sure that every document has, either in the header or footer, information on every document page, which can identify who prepared the document and when it was submitted. This will ensure that when copies are taken of a single or selection of pages in a document, there is no doubt as to *from where* the copies are coming. (Make sure the date is not “field” aggregated, because then the reader will see the date when s/he is opening the document electronically, not being very helpful). This is the minimum requirement in any project that produces many documents over a longer period of time. Ideally, the Project should have a filing key (a “code”) on each document, giving reference in a combination of letters and figures under which component the document has been produced, in which project phase, whether it is a progress report, a study, minutes, or similar. The filing key would again give guidance as to where in the filing system (manual and electronically) the document should be filed, for easy tracing. It is however understood that in the Project, introduction a filing key is not fully appropriate at this stage in time.

An example of how such documents could look like is given in below (to be refined further by the Project, colour to highlight the header/footer only):

Title of document (draft or final version)/document code (if relevant)	Page number
Bla, bla, bla ... main document text ... bla bla, bla, bla, bla, bla, bla, bla, bla, bla bla bla bla bla bla bla Bla, bla, blab la blab la bla bla bla bla bla bla, bla, bla, bla, bla, bla, bla, bla bla bla bla bla bla bla bla Bla, bla, blab la blab la bla bla bla bla bla bla, bla, bla, bla, bla, bla, bla, bla bla bla bla bla bla bla bla	
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<i>Date/prepared by institution/editor’s name or initials</i>	<i>(Alt. page no.)</i>

All the documents should regardless of system be filed in a system where they are easy to trace on the PC. The RT is somewhat surprised that the PMU in Moshi could not provide the Team with all the required documents from own computer system for the Review, but the RT had to ask the Project Officer in

Nairobi to provide these. It is understood that the documents are stored in two independent computers in the PMU offices (with the PC and the Adm. Assistant). In addition, backups on CD should be taken and stored outside the offices, in case of theft and fires.

3.2 Lessons learned

This section aggregates and lists the lessons learned from the Project so far, as seen from the RT's perspective. The lessons can be read from the above assessments and recommendations, and it should be noted that the RT has indeed limited overview of the Project and its detailed processes. The lessons listed is therefore to be seen as recommendations of more generic nature from external eyes:

- When a project is evolving from a simple set-up with interventions and activities into a larger programme with more actors, funding sources, more activities and higher complexity, it is important for the project management at any time to assess the suitability of the administrative and managerial set-up. What is suitable for a small project might not be so appropriate for larger programmes.
- Subsequently, where several agreements and project documents connected to various donors constitute the steering documents for the project, the project management must make sure to prepare aggregated consolidated documents that take onboard all the particular requirements of the donors and relate them to the overall project modus operandi and activities.
- A joint aggregated logframe must be prepared when several project components are coming onboard with special objectives and results by various donors (successful in this project). This logframe must be part of the aggregated consolidated Project Document.
- Any intervention in a developing country, where building of capacity and strengthening of the local institution's capability to undertake its mandated tasks in a satisfactory way, must to the degree possible be integrated into this institution's administrative set-up. Creating parallel administrative structures in order to speed up project progress or to make internal project accounting and reporting more easy, might easily not create the appropriate ownership in the host institution and the sustainability of the efforts will thus be at stake.
- The project management at site must be given the required trust and delegated responsibility to undertake the daily tasks without consulting the head office of the executing institution on every detailed issue.
- The project-executing agency should, at the start-up of the project, make a simple code ("key") for categorising the documents to be produced, which will make the documents traceable to certain components for activities both manually and in the computers. All documents must have the name and date of the document, producing institution and editors printed on each page either in header or footer.
- Project annual planning and reporting must follow identical templates and set-ups, combination of tables and narrative text, so it is easy to follow the progress through.
- New water resources management legislation will extend as well as provide legal authorization for many components of NAWAPO. Thus important lessons learned from this Project will have to be internalized and mainstreamed into the basin management system to mitigate water resources governance challenges that exist.
- Sustainable financing of activities including river system monitoring beyond project lifetime should be instigated early within the project lifetime, as this is critical for database updating, review of EFA and scenarios, and hence contribute to review of basin IWRM plans.