### KfW Development Bank

### **»** Project Information

# KFW

## Sustainable management of Lake Victoria – East Africa

Sustainable and coordinated use of Lake Victoria and its catchment area through cross-border water resources management, regional cooperation and infrastructure

Lake Victoria is a source of development for East Africa: it provides food, energy and water for the population and economy of the riparian states. As a transport route and cross-border resource, Lake Victoria is a motor for regional integration and stability. However, the lake is under threat: Population growth and economic development are leading to a growing demand for water and increasing competition in the use of the lake. Climate change is further intensifying the pressure on the ecosystem. On behalf of the German Federal Government, KfW is therefore working with the European Union to support the regional Lake Victoria Basin Commission (LVBC) of the East African Community of Nations (EAC) in managing the catchment area of Lake Victoria sustainably. To this end, KfW and the EU are strengthening the capacities of the Commission for transboundary integrated water resources management (IWRM) and promoting the construction of wastewater disposal infrastructure. Strategically, the aim is to establish a crossborder set of rules that will ensure the holistic and coordinated use of Lake Victoria in the long term.

#### Context

The world's second largest inland water body serves the five countries bordering the region (Burundi, Kenya, Rwanda, Tanzania, and Uganda) as an indispensable resource: it is a source of energy and a transport route; provides water for the population, ecosystems, and the economy of the region; cushions negative impacts of climate change and is a hotspot for biodiversity. Politically, Lake Victoria plays an important role in regional integration. It can be a resource for peace and stability in a region affected by conflict.

However, this source is under threat. Progressive degradation of wetlands and deforestation in the cross-border catchment area are leading to a loss of ecological diversity. Of 205 endemic species described, threequarters are highly endangered. The input of pollutants, untreated wastewater from industry and agriculture, and overfishing threaten the ecological balance of the lake. The drivers of these challenges are rapid urbanisation and population growth as well as dynamic economic

Project name	Programme for integrated man- agement of water resources in the Lake Victoria catchment area
Commissioned by	Federal Ministry for Economic Cooperation and Development (BMZ) and European Union (EU)
Country/Region	East African Community (EAC)
Lead executing agency	Lake Victoria Basin Commission (LVBC)





Lake Victoria. Source: KfW photo archive, photographer: photothek.net

development, which is leading to increasing water demand and higher pressure on the ecosystem. Climate change further intensifies these challenges. All of this leads to increased competition between the users of the lake: between states, but also between different economic sectors and the ecosystem. Regional cooperation and integrated management of the Lake Victoria basin is key to meeting these complex challenges.

#### **Project approach**

The objective of the FC programme is to improve the availability and quality of water in the catchment area of Lake Victoria. KfW and the EU are providing almost EUR 30 million in grants to support EAC in the regional management of Lake Victoria. The Lake Victoria Basin Commission (LVBC), established in 2003, is the programme executing agency at regional level. At national level, the respective water agencies or ministries are responsible for implementing the supported infrastructure investments.

The programme is based on the approach of integrated management of the transboundary water resources (IWRM) of Lake Victoria. This approach makes it possible to coordinate competing water needs and uses of the lake. Relevant actors from agriculture, industry, fisheries and the local population will be involved in the reconciliation of interests.

The programme will finance services that strengthen the capacities of the LVBC to better fulfil its role as a long-term strategic institution of regional water management, e.g. by establishing transnational water objectives and related monitoring concepts.

In parallel, investments will be made in wastewater infrastructure projects which will have a direct positive impact on the water quality of Lake Victoria. Initially, the cities of Kigali, Kampala, Mwanza and Kisumu in the

lake's catchment area will be supported. These "high priority investments" provide an incentive for the riparian states to cooperate more intensively and should develop demonstration potential and result in further targeted investments to implement the water quality objectives. The vision is to ensure the coordinated and sustainable use of the lake by the riparian states in the long term through a common, regional set of rules and a strong river basin commission. The successful model of the European Water Framework Directive serves as a guide.

#### Impact

The sustainable use of Lake Victoria ensures the water supply and nutritional basis for around 40 million people living in the lake's catchment area. The preservation of the ecosystem increases the region's resilience to the effects of climate change, in particular droughts and heat waves. The improvement of the water quality of the lake is a prerequisite for the preservation of biodiversity. In addition, the integrated management of Lake Victoria contributes to deepening cross-border integration and indirectly reduces the risk of conflicts in the region.

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