

# Tanzania–Sweden 2001–2005





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# Abbreviations and Acronyms

ART	Anti-Retroviral Treatment
BEST	Business Environment Strengthening for Tanzania
BCA	Bagamoyo Collage of Arts
CAG	Controller and Auditor General
CBO	Community Based Organisation
CCM	Chama cha Mapinduzi
CIDA	Canadian International Development Agency
CMSA	Capital Markets and Securities Authority
CS	Country Strategy for development cooperation, Tanzania, 2001–2005
CUF	Civic United Front
D by D	Decentralisation by Devolution
DCST	Dogodogo Center Street Children Trust
DDP	District Development Programme
DP	Development Partners
DPG	Development Partners Group
DSO	District Support Office
EAC	East African Community
EIA	Environment Impact Assessment
EPOPA	Export Promotion of Organic Products from Africa
ESDP	Education Sector Development Programme
FSD	Financial Sector Deepening
FY	Financial Year
GBS	General Budget Support
GoT	Government of Tanzania
HESAWA	Health through Water and Sanitation
HIPC	Heavily Indebted Poor Countries
HR	Human Rights
HRD	Human Resources Development
ICT	Information and Communication Technology
ICT4D	Information and Communication and Technology for Development
IFMAP	Integrated Financial Management and Accountability Programme
IFMS	Integrated Financial Management System
IMG	Independent Monitoring Group
IT	Information Technology
ITC	International Training Courses
ITP	International Training Programmes
JAS	Joint Assistance Strategy
JPIRC	Joint Program Implementation Review Committee
JSC	Joint Steering Committee
KICAMP	Kinondoni Integrated Coastal Area management Programme
LAMP	Land Management Programme
LGA	Local Government Authority

LGRP	Local Government Reform Programme
LHRC	Legal and Human Rights Centre
LVI	Lake Victoria Initiative
MCT	Media Council of Tanzania
MDG	Millennium Development Goals
MES	Minor Environmental Support
MIT	Ministry of Industry and Trade
MKUKUTA	Mkakati wa Kukuza Uchumi na Kuondoa Umaskini Tanzania the Swahili version of NSGRP
MoF	Ministry of Finance
MTS	Medium Term Strategy
NACSAP	National Anti-Corruption, Strategy and Action Plans
NAO	National Audit Office
NBS	National Bureau of Statistics
NCTP	National Care and Treatment Plan
NEC	National Electoral Commission
NEMC	National Environment Management Council
NGO	Non-Government Organisation
NSGRP	National Strategy for Growth and Reduction of Poverty
ODA	Official Development Assistance
PAF	Performance Assessment Framework
PCB	Prevention of Corruption Bureau
PEDP	Primary Education Development Plan
PER	Public Expenditure Review
PFM	Public Financial Management
PFMRP	Public Financial Management Reform Programme
PGBS	Poverty Reduction General Budget Support
PGU	Policy for Global Development
PINGO	Pastoralists Indigenous Non-Governmental Organisations Forum
PO	Programme Officer
PRIDE	Promotion of Rural Initiative and Development Enterprises
PRSC	Poverty Reduction Support Credit
PRS(P)	Poverty Reduction Strategy (Paper)
PSR	Public Service Reform
PTS	Presidential Trust Fund
REA	Rural Energy Agency
REF	Rural Energy Fund
REPOA	Research on Poverty Alleviation
RUFIP	Rural Financial Services in the Lake Victoria zone
SCCCT	Strengthen Capacities to Combat Corruption in Tanzania
SEDP	Secondary Education Development Plan
STCDA	Stone Town Conservation and Development Authority
SUDPF	Bagamoyo Strategic Urban Development Plan
SWAP	Sector Wide Approach
TAMFI	Tanzania Association of Micro Finance Institutions
TANESCO	Tanzania Electric Supply Company
TA	Technical Assistance
TAS	Tanzania Assistance Strategy
TCCIA	Tanzania Chambers of Commerce, Industry and Agriculture
TCRA	Tanzania Communication Regulatory Authority
TCTF	Tanzania Culture Trust Fund
TRA	Tanzania Revenue Authority
UD	Utrikesdepartementet (Ministry of Foreign Affairs)
UDSM	University of Dar es Salaam
URT	United Republic of Tanzania
ZLSC	Zanzibar Legal Service Centre

# Summary

The period 2001–2005 has been characterised by high and sustained economic growth. The net primary school enrolment rate has increased from 59% in 2000 to 95% in 2005. Tanzania has made headway in its effort to reform the relationship with its development partners, reducing duplicative processes and moving towards harmonisation and rationalisation. Public financial management has improved and the government reform process has continued in different areas.

Poverty is still high and the incidence of income poverty falls very slowly. Economic growth is concentrated to mining and services. The growth in the agricultural sector, where most poor people are found, is much slower. With 6.8% of the adult population HIV positive, AIDS poses a real threat to economic and social development.

The overarching objective of the Swedish Country Strategy for cooperation with Tanzania 2001–2005 is to contribute to poverty reduction. Poverty is regarded as a multi-dimension problem and the objective is to be achieved through support to the development within three reinforcing clusters: *pro-poor growth; human resource development and democratic development*. Sweden is supporting Tanzania's efforts to make aid delivery more effective and to have a larger share of aid to be in the form of general budget support. It is envisaged that the Swedish project portfolio will become more concentrated during the strategy period and that the number of projects and programmes will be reduced.

It is clear that many of the supported projects and programmes have contributed to reduce poverty in its different dimensions for the target groups. When moving to the aggregate level, it is a more difficult methodological problem to attribute developments in income poverty, human resource development and democracy to the Swedish support. However, it is most likely that Sweden has contributed to reducing overall poverty in Tanzania. In certain areas the cooperation has become more concentrated and focused, though, to a large extent, it still remains to reduce the country portfolio in terms of the number projects and programmes.

## **Pro-poor Growth**

It is not possible to associate Poverty Reducing General Budget Support (PGBS) to reduction in poverty during the strategy period. It is partly a data problem – information on developments is scarce. But it is also clear that it is not agriculture, where most of the poor are found, that have experienced fast economic growth. PGBS has however had more immedi-

ate effects at the output and outcome levels. Tanzania has made a number of major achievements in the past ten years. These would have been considerably more difficult if there had not been budget support funding – together with the associated dialogue – or if such funding had been channeled through alternative aid modalities. The achievements include, for example, good macroeconomic management with low inflation and solid GDP growth, substantial increases in expenditures within the PRS priority areas and consistent improvement in the public financial management.

Apart from supporting the reformation of public financial management through the general budget support Sweden has provided project support for the Integrated Financial Management and Accountability Programme (IFMAP), the Human Resource Development project at Tanzania Revenue Authority and a capacity building programme at the National Audit Office. A well functioning integrated financial management system is a precondition in the new aid-architecture with an increasing share of aid in the form of general budget support. IFMAP is in this context an extremely important programme. Implementation has been successful and what remains is to consolidate achievements and continue the roll-out to districts and provinces. The project is considered to have contributed to the development of one of the best Integrated Financial Management Systems in Africa. The Human Resource Development at the Tanzania revenue authority was also successfully implemented and has now been phased out, while the capacity building at the National Audit Office has been hampered by delays but now seem to be on track.

The Swedish support to the growth in the agricultural sector includes the support to the Land Management Programme (LAMP) and District Development Programme (DDP). The DDP has only been going since 2003 and progress has been very slow. The LAMP, on the other hand, has been ongoing since 1989 and has had an impact on a large number of rural communities, for example, through the positive impact on productivity by the introduction of new farming techniques. Farmers have also had the possibility to improve their situations through the opportunity to investments given by various micro-finance programmes supported by Sweden. In beginning of the strategy period the Health through Water and Sanitation (HESAWA) programme covering 16 districts was phased out. The project provided access to safe water and sanitation to a large number of people, though the ex-post management of the water facilities is less satisfactory. The support to Export Promotion of Organic Products from Africa (EPOPA) has had a high, and sustainable, impact on farmers increasing their incomes, enhancing consumption and investments.

The Swedish support for private sector development has been concentrated and become more focused during the strategy period. A number of projects have been phased out and some are moved into a broader joint donor programme – the Financial Sector Deepening (FSD) programme. FSD has had a slow start but is now getting off ground. Through the Business Environment Strengthening basket, support is provided to strategic regulatory and legal reforms. Progress is, for example, being made in the Land Law Reform and a new Business Activities Registration Bill is envisaged to be up in parliament during the fall. The support to the micro-finance projects has largely been implemented according to plans.



Provision of basic infrastructure, including access to electricity, is essential for economic growth. Sweden is the only bilateral donor in the energy sector in Tanzania and can benefit from a unique experience gained through many years of support. During the strategy period, focus has shifted towards assisting Tanzania in the development of its energy policy and energy regulations. However, implementation of policies has been slow. As a first step to privatise Tanzania Electric Supply Company a private management contract has been financed. It led to improved management and improved fees collections. Support to power plant rehabilitation projects has increased power supply capacity and reliability. Two rural electrification projects have been completed, with the potential to increase productivity and reduce rural poverty in its different dimensions.

### **Human Resource Developments**

One of the most significant achievements during the strategy period is the increase in enrolment ratios in primary school. The main reason for this increase was the abolishment of school fees, a reform that would not have been possible without donor support. The support to the education sector has to a large extent been concentrated to a few strategic joint donor programmes. Sweden played an important role in the development of a Sector Wide Approach (SWAP) for the education sector and has been active in the dialogue (e.g. on issues of HIV/AIDS and follow up). Other contributions include, project support to HakiElimu, an advocacy NGO, support to a school theatre project with focus on girls, and to Barbro Johansson Model Girl's Secondary School. A large number of new classrooms have been constructed both on the mainland and on Zanzibar. Overall, the reformation of the education sector has been slow and there has been no major change in the learning process within the classrooms.

The successful collaboration with Tanzania's research sector has continued, resulting in a large number of Master and PhD degrees, publications and significant contributions to Tanzania's knowledge base. Research institutions' capacity has been strengthened. There has been extensive collaboration with Swedish academic institutions and researches.

Sida supports a UNICEF programme to reach the most vulnerable children and young people. The project has enhanced the role and position of youth in their own development and the development of their communities. Young people in and out of school have participated in activities to increase awareness about HIV/AIDS and sexually transmitted diseases in projects implemented by Student's Partnership Worldwide. These initiatives are likely to have a positive impact on the spread of HIV, though there is no available data on new infection rates and behaviour to confirm this. Sweden is also contributing to the National HIV/AIDS Care and Treatment Plan. Currently about 24 000 patients receive anti-retroviral treatment.

### **Democratic Developments**

The 2005 election, though somewhat tainted by biased media coverage and imbalances in campaign funding and state subsidies, was a marked improvement in democratic practise as compared to the previous election. The election support is likely to have had a positive impact. Among the achievements is an increased transparency of the electoral process, increased media reporting on electoral issues and increased capacity of the National Electoral Commission to carry out its duties. The legal sector reform process has been supported but progress has been very slow.

Support to strengthen the Legal and Human Rights Centre has been successful. The organisation is regarded as credible and has played an important role for human rights in Tanzania and in raising awareness. In Zanzibar, the support to the Zanzibar Legal Service Centre has, likewise increased awareness about human rights issues and increased the access of legal assistance to the poor.

The support to the Media Council of Tanzania (MCT) has contributed to the safeguarding of professional ethics in the media sector and to strengthen MCT's capacity to provide for resolution of disputes that arise from infringement of the ethics. The supported has also resulted in institutional development and capacity building for the district press clubs.

Many of the supported projects and programmes include components of local democracy and community participation, notably in the area based programmes and urban development programmes. In the support to the rehabilitation of Zanzibar Stone Town, building cooperation between the community and government organisations is considered an achievement and a possible way forward in creating a public, private and community partnership in urban governance. The support for Bagamoyo's Strategic Urban Development Plan, another project with strong community involvement, has been less effective. The Safer Cities project in Dar es Salaam performed well. It is likely that the project has contributed to the falling crime trend in Dar es Salaam.

Sweden has facilitated capacity building in the cultural sector and cultural activities through support to Bagamoyo Collage of Arts (BCA), Tanzania Culture Trust Fund (TCTF), the Children's Book Project and the National Museum of Tanzania. The support to BCA has contributed to the collage's position as an outstanding and well known arts collage in the region. The TCTF has enhanced merit and excellence by supporting strategic arts projects. In the Children's Book project, 100 titles has been produced and distributed.

## **Conclusions**

One of the most frequently cited problems of projects and programmes is the delays. Time frames need to be given more attention in the design and implementation of the projects and programmes. Renewed efforts should be made to concentrate the country portfolio. This effort should be guided by past experience and by the role Sweden has within the donor group in the different sectors. In the Energy Sector, Research Cooperation, Primary Education, ICT and Private Sector Development Sweden has during the strategy period had a prominent role. The cooperation with Civil Society Organisations in the area of Human Rights and Democracy and with Media institutions has also played an important role. Furthermore, Swedish support to interventions for stronger Public Financial Management institutions in Tanzania has been important and recognized in our partnership. To achieve the objectives of the country strategy, including the objective to get a more concentrated and focused country portfolio, it is important to have an internal incentive structure that is supportive of these aims.

# 1 Introduction

The overall objective of the Swedish cooperation with Tanzania 2001–2005 was to contribute to poverty reduction. What happened? Did the Swedish efforts result in any reduction of poverty in its different dimensions? That is the question this report tries to answer. The purpose is twofold: first, to account for the result of the cooperation during the last five years in relation to stated objectives and; second, to serve as input to the next strategy period, telling us what worked and what did not work, informing coming priorities and facilitating the improvement of programme management and methods.

The assessment builds on external evaluations, reviews and audits and other programme and project documents and on contributions by programme officers (PO). In addition to these contributions-related sources, the Government of Tanzania's Progress Reports on the Poverty Reduction Strategy 2000/01, 2001/02 and 2002/03, Tanzania's Poverty and Human Development Report 2005 and other GoT documents has been reviewed. The sector-analysis is informed by a combination of programme officers self assessments a peer-review exercise with a group of "like-minded" development partners and by the sector departments at Sida and a review by an external consultant.

In the next section, Tanzania's policies and priorities, as expressed in central policy documents, is briefly accounted for as well as the major economic, social and political developments during the strategy period. Thereafter, follows an outline of some of the strategic priorities of the CS and next comes the assessment of the achievements in relation to the strategy. It begins with an assessment of the outcome in relation to the overall objective of the cooperation. The structure of the remaining part of the outcome assessment corresponds to the three clusters in the CS: Pro-Poor Growth; Human Resource Development and; Democratic Development. Each section begins with a table with the overall cluster objectives as expressed in the CS and gives a brief account of main outcomes. Then follows a more detailed account of the outcome of the sector programmes belonging to that cluster. Here, outcome should be interpreted broadly. It encompasses the effectiveness of the cooperation in achieving what, in evaluation terminology, is referred to as *outputs, outcomes and impacts*.<sup>1</sup>

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<sup>1</sup> To move from output to outcome and finally to impact implies a progressive mover through the causality chain of a development cooperation project or programme. See, for example Sida's evaluation manual (Molund and Schill, 2004).

It should be clear from the text which level in the output-impact chain that our use of the term outcome refers to. Ideally, we would like to know what the final impact is, both for the overall cooperation as well as for each area. However, it is rarely we can answer this question with any certainty. The approach here is to go as far down the impact chain as the evidence allows. But the assessment does in places include discussions about likely impact in cases when there is no clear evidence, and in cases when there is a change in the target variable but it is not possible to indisputably attribute this change to the outputs or outcomes of a programme. It should be clear from the context when the assessment is based on “hard evidence” and when the discussion is more “speculative”.

The grouping of sector programmes under the different cluster is to some extent arbitrary. For example the Area Based Programmes are important to both pro-poor growth, human resource development and democratic development. This cross cutting character of the cooperation is to a lesser or larger extent present in most sector programmes.

The General Budget Support (GBS) has also got a section of its own (though, this is modality and not a sector). It follows a somewhat different structure to that of the sector programme sections, summarising the main findings from the recent joint donor partner evaluation of GBS to Tanzania.

This outcome assessment encompasses a large share of the activities and funding during the last five. However, it has not been possible to cover all activities. The emphasise is on ongoing activities. Projects and programmes phased during the first half of the strategy period are covered to a lesser extent.

## 2 Tanzania 2001–2005: Policy and Developments

The Tanzanian policy context of the CS was to a large extent determined by the Tanzania Assistant Strategy (URT, 2002) and the Poverty Reduction Strategy Paper (URT, 2000). The work on a Tanzania Assistance Strategy (TAS) was originally articulated by the Government of Tanzania (GoT) before the PRS. There is in any case a high degree of complementarities between the two documents. While the TAS indicates how the Government expects development partners to cooperate and provide support, the PRS indicates which sectors and what actions have been prioritised in the medium term for poverty reduction. The TAS thus provides a framework for development partners' cooperation with Tanzania, and its goals are to: i) improve predictability of the external resource flow, ii) integrate donor funds into the GoT budget, iii) harmonise and rationalise processes, iv) build capacity for aid coordination and external resource management, and v) untie aid and ensure that aid is as far as possible provided in the form of budget or program support. TAS has been operationalised into an action plan with benchmarks which is followed up yearly and is reported to partners.

The PRS concentrate on efforts aimed at: (i) reducing income poverty; (ii) improving human capabilities, survival and social well-being; and (iii) containing extreme vulnerability among the poor. Measures to achieve these aims are implemented parallel to a process of policy reforms, of building capacity in the government and of shifting the responsibility for formulating, implementing, and monitoring poverty reduction interventions to the districts, municipalities, and communities at the grass roots.

Through a participatory process and based on the experiences of the first PRS, PRS II, or the MKUKUTA, was developed. The MKUKUTA is broader in scope and with a greater focus on growth and governance. It was formally established in 2005, but since 2003 the policy focus had gradually shifted in the direction of this new policy framework.

Throughout the CS period the reforms of the public sector has continued and efforts have been made to ensure effective use of resources allocated to PRS priority sectors, including the rolling out of the Integrated Financial Management System and other measures to strengthen budgetary control and accountability.

Efforts to harmonise and align the contributions by development partners are ongoing and Tanzania is in the forefront of implementing the new aid-architecture in line with the Paris Declaration. Change take

time but remarkably much headway has been made during the last five years. In an implementation report on TAS, which is the main instrument for reforming the aid-relationship in Tanzania, it is concluded that with “the TAS implementation, Tanzania has made significant improvements in minimising duplicative and parallel processes and in implementing its harmonisation and rationalisation agenda.” (URT, 2005c, p 13) However, there is still a significant amount of aid in the form of project support, with associated individual reporting, accounting etc. and despite the harmonisation benefits associated with basket funds, they have been problematic by creating parallel implementation structures to those of the Government.

A decisive turning point for the harmonisation agenda was the joint Government and development partner study in 2002/03 to identify the scope for rationalising and harmonising the cycle of policy and consultative processes. It resulted in a revised calendar for the consultative process, including “quite time” in which interaction between the Government and development partners is minimised to provide the Government with adequate time for its internal work on budget preparations, debate in Parliament etc. (URT, 2005c)

Tanzania has shown very strong economic growth during the CS period, with annual growth rates around 6%. This has most likely had a significant impact on poverty, though the low frequency household data does not allow for a definite answer to what have happened in terms of poverty reduction during the period.<sup>2</sup> The most quoted findings are based on simulations. In the Tanzania’s “Poverty and Human Development Report” (URT, 2005a) the poverty incidence is estimated to have dropped from 35.6% in 2001 to 31.1% in 2004.<sup>3</sup> Figure 1 plots estimates of the change in poverty incidence. From year 2005 it is a forecast based on the assumption of continued strong GDP growth.

The Primary Education Development Programme has raised primary school enrolment ratios significantly (see table 1), and now the Secondary Education Development Programme are raising them at secondary level. However, drop out is a problem and actual attendance ratios are lower than enrolment ratios. There is not much difference between boys and girls attendance ratios, though boys tend to be in school at an older age than girls. Neither is there much difference between young orphaned and non-orphaned children’s attendance. Disabled children are much less likely to be in school than other children. The achievement during the strategy period has mainly been quantitative. Quality of education is still a problem. Although more teachers have been educated the increase has not kept pace with the increase in enrolment ratios.

Recent data indicate substantial reduction in infant and under-five mortality and more modest reduced rates of child malnutrition. Maternity mortality is high<sup>4</sup>, and unchanged between censuses in 1988 and 2002, while life expectancy at birth now is 51 and little changed since 1988. New available information indicates that the adult HIV prevalence rate is 6.8%, implying that 1 million adults in Tanzania are HIV positive. The lack of human resources for health care is a major limiting factor in implementing health policies and health reforms.

<sup>2</sup> As noted in the Tanzania’s “Poverty and Human Development Report 2005” the analysis of poverty trends is hindered by the low frequency with which estimates on poverty is available. “It is especially troubling that the analysis of any changes in rural poverty rates is still inconclusive.” (United Republic of Tanzania 2005, p xvii). It is first and foremost poverty in the Dar es Salaam area that has been reduced.

<sup>3</sup> Thanks to the 2001 household survey, it has been possible to set a new baseline for poverty during the strategy period.

<sup>4</sup> 578 per 100 000 live births.

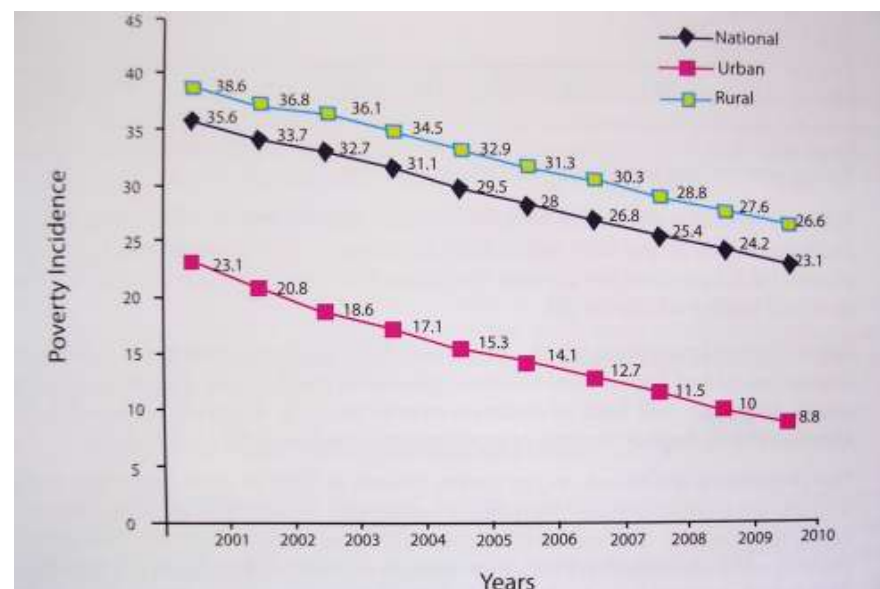
Chama cha Mapinduzi (CCM) still dominates the political arena, though Tanzania held its third multi-party election in 2005. Jakaya Kikwete, was elected president, replacing Benjamin W. Mkapa. The elections in 2005, though not fully satisfactory, are considered to be a progress in democratic practice as compared to the 2000 election. The 2000 election was marred by irregularities, especially on Zanzibar, where subsequent political violence claimed at least 23 lives in January 2001. In October 2001, the CCM and the Civic United Front (CUF) signed a reconciliation agreement, which called for inquire into the violent aftermath of the election and for reforms of the electoral process. In May 2003, by-elections to fill vacant seats in the parliament were held. Observers considered these to be fair and peaceful.

Throughout the period 2001–2005 Tanzania had many of the features of a typical aid-dependent country and suffered all of the classic distortions and transactions costs commonly associated with aid dependency. Even in recent years the significance in real terms of non-programme aid appears largely unchanged from FY2000 to the present. The education and health sectors provide the only clear-cut examples in Tanzania of a decisive shift away from project funding. Most other sectors are still characterized by the high transactions costs associated with high levels of external project funding.

**Table 1: Some selected indicators**

	2000	2001	2002	2003	2004	2005
GDP growth (%) <sup>5</sup>	5.1	6.2	7.2	7.1	6.3	-
Gross domestic investment <sup>6</sup>	17.6	17.0	19.1	18.6	18.4	-
Primary school net enrolment <sup>7</sup> ratio (%)	59	66	81	89	91	95
Corruption Perceptions Index <sup>8</sup>	2.5	2.2	2.7	2.5	2.8	2.9

**Figure 1: Projected poverty**



Source: URT 2005a, p 7.

<sup>5</sup> At market prices. From WB (2005b), table 1.

<sup>6</sup> As percent of GDP at market prices. From WB (2005b), table 1.

<sup>7</sup> From URT (2005a), table 7.

<sup>8</sup> Source: Transparency International [www.transparency.org](http://www.transparency.org). A higher index number indicates more transparency and less corruption.



# 3 The Swedish Country Strategy for Development Cooperation with Tanzania 2001–2005

As already mentioned the CS (UD, 2000) focus on three mutually reinforcing areas. That is, pro-poor growth, human resource development and democratic development. Here follows some of the strategic considerations of the CS.

First, the CS posits that TAS and PRSP set the framework for the co-operation. Sweden will continue to participate in efforts to develop partnership methods, including instruments to assess the quality and outcome of the partnership between Tanzania and the donors. Sweden support Tanzania's effort to harmonise donor programme and procedures and its ambition that more aid is to be given in the form of budget support.

Efforts will be made to address the paradox between economic growth and continued poverty. A participatory approach to poverty will be taken. All areas of the cooperation will be directly or indirectly related to pro-poor growth.

New programmes will be developed to meet the Tanzania's new needs while other will be phased out. It is envisaged that Sweden will have a relatively wide cooperation portfolio at the beginning of the CS period but that it then will decrease and the programme will be more concentrated and focused. Methods for consortiums with other donors for support to Tanzania led programmes will be further developed. Sida will make efforts to work cross-sector and find synergies between the national programme and the Swedish supported regional programmes.



# 4 Outcome of the Development Cooperation

Objective <sup>9</sup>	Outcome
to contribute to poverty reduction	<ul style="list-style-type: none"><li>• many of the projects and programmes have contributed to reduce poverty in its different dimensions for the target groups</li><li>• there is no indisputable evidence that the objective of poverty reduction was achieved at the aggregate level, but it is most likely that Sweden has contributed to reducing poverty in Tanzania</li></ul>

To the extent that programme and project evaluations have been carried out and data is available, it is often shown that poverty, in its different dimensions, has been reduced. It may be reduced income poverty, as in the project for Export Promotion of Organic Products from Africa, protection of human rights through increased access to legal services, as in the support to the Zanzibar Legal Service Centre or, increase in human resources resulting from the Primary Education Development Programme and its significant impact on enrolment ratios. Moving to a more aggregate level it is more difficult to attribute achievements to the Swedish support. One would then have to consider how all the different project and programmes interact, including possible negative effects of the way the cooperation is organised and managed (i.e. project proliferation, disruption of the governments work, competition for scarce human resources, etc.). However, although the evidences are not indisputable, it is most likely that Sweden has contributed to reduce poverty in its different dimensions in Tanzania. Before we go into more details of what have happened in the different sectors let us turn to some of the overarching strategic issues of the cooperation and of the CS.

Sweden was an active partner both to Tanzania and its partners throughout the strategy period, contributing to the development of the partnership and to Tanzania's new policy for National Strategy for Growth and Reduction of Poverty (URT, 2005d). The monitoring of the PGBS and the monitoring of the cooperation between Tanzania and its partners has been developed through the establishment of the Independ-

<sup>9</sup> The *objectives*, and *objective and plans*, listed in the tables beginning each subsection of chapter 4, are objectives and plans as expressed in the CS. Some of the objectives of the CS are relevant for many, or all, of the subsection (e.g. the objective of poverty reduction), however they are not repeated but included only once, in the section where it makes most sense.

ent Monitoring Group (IMG)<sup>10</sup> and through the yearly compilation of a Poverty and Human Development Report.<sup>11</sup>

There has not been any apparent broadening of the cooperation in the areas of research, culture, trade and investments. Rather, has an already broad cooperation in research and between NGOs in Tanzania and Sweden continued throughout the period (see Appendix A). Tanzania does not play any major role as a trading partner to Sweden and neither as a receiver of Swedish foreign direct investments. One important factor is the distance.<sup>12</sup> However, also in this area there have been some achievements during the strategy period.<sup>13</sup> The International Training Programme (ITP) also contributes to the broader cooperation between Sweden and Tanzania.<sup>14</sup> During the strategy period ITP had about 70 participants from Tanzania each year.

By and large, the Embassy failed to achieve the envisaged concentration of the country programme during the strategy period.<sup>15</sup> However, concentration was achieved in some areas (e.g. in the private sector programme). The country programme is very broad, including support to large number of sectors and a wide range of modalities and channels. To facilitate a more effective and efficient aid management it is important to concentrate and focus the country programme.

## 4.1 Pro-poor Growth

Objectives	Outcomes
to further contribute to Tanzania's:	
<ul style="list-style-type: none"> <li>• growth and,</li> <li>• efforts to create a conducive environment for the individual and communities to develop their livelihoods</li> </ul>	<ul style="list-style-type: none"> <li>• is likely that Sweden is contributing to economic growth in Tanzania,</li> <li>• the support to education and capacity building, policy reforms (including macro-economic reforms), regulatory and legal reforms and market development are activities that aims contributing to a growth enhancing environment in which the individuals and communities can prosper; many of these activities have been successfully implemented</li> </ul>

<sup>10</sup> "The group led by Prof. Samuel Wangwe under the auspices of the Dar es Salaam based Economic and Social Research Foundation (ESRF) undertakes biannual assessments of the Government's and its Partners' progress in aid effectiveness and in implementing the 'best practice' principles as set out in the TAS. It also offers recommendations on areas for further improvement. The IMG constitutes a unique and innovative monitoring mechanism, as it provides a country-based approach to placing Development Partners under the same degree of scrutiny to which they subject the Government." (<http://www.tzdac.or.tz/IMG/IMG-main.html>)

<sup>11</sup> See for example URT 2005a.

<sup>12</sup> An evaluation of a failed project to stimulate cooperation between Swedish and South African firms found that there was not much potential for success, distance being one contributing factors to the dismal outcome. (Svensson, 2005)

<sup>13</sup> For example, support through the Start-South programme resulting in prolonged business relations between Swedish and Tanzanian firms (see footnote 19).

<sup>14</sup> Every year the embassy invites Tanzanians in the government, private sector and NGOs to participate in training courses in Sweden. The programme changed character during the strategy period. Under the old programme, that implied participating in a course provided by a Swedish course organiser for some 5–7 weeks and then going back to Tanzania and hopefully being able to apply knowledge gained in Sweden. Under the new ITP, the participants are required to work out action plans on what they would like to achieve. The participants first attend a course in Sweden for some weeks. Then follows a visit in one of the countries from which the participants come. The requirement that the participants (or their organisation) pay for their ticket ensures an interest from the Tanzanian partner. However, for democracy and HR courses there is a full cost recovery and hence the interest to participate is, in itself, less of an indicator of a genuine felt need from the partner organisation.

An evaluation of the ITP within energy noted that programme is relevant to both the objective of poverty reduction as well as to the objective of a broad cooperation in PGU. Even if the capacity building is relevant to Tanzania development policy the profile of courses offered is more supply than demand driven (de Goys et al., 2005). This is not specific to Tanzania but is a general characteristic of the ITP. The discrepancy between objectives and target groups in the ITP for growth programmes need to be addressed. (Becker, 2005) For the ITP programmes for Human Rights it is noted that there is a risk that impact will be to dependent on individuals. To be more effective, it is better to have more participants in different positions from one and the same country. (Svensson and Anger, 2005)

<sup>15</sup> One reason for this failure could be that, during the first years of the period, the Embassy top management did not regard concentration as a binding constraint to the cooperation. Another reason put forward is that the pressure from HQ and Swedish Ministry of Foreign Affairs for large aid volumes to Tanzania made difficult to reduce the number of project, especially since Sida and the embassy during the beginning of the period could not as easily shift to budget support funding.

*“Ideally, a nation’s development should be people-centred, based on sustainable and shared growth and be free from abject poverty.” (The Tanzania Development Vision 2025)*

Here follows an account of the most important outcomes for the areas of co-operation that was considered under the Pro-Poor Growth cluster of the CS. For a more detailed account see respective subsection below.

It is most likely that Sweden has made a positive contribution to Tanzania’s effort to achieve economic growth. However, it is impossible to indisputably prove this. One would then have to answer what would have happened in the counterfactual situation. That is, in the situation without this support would Tanzania’s growth performance have been stronger or would it have experienced a more slow growth? This question can of course not be answered with any certainty. However, evidence from econometric cross country analysis<sup>16</sup> suggests that aid has a positive impact on growth. There is no reason to believe that this would not be the case for the cooperation with Tanzania as well. On the contrary, the potential for the current development cooperation with Tanzania to have a significant positive impact is large. The reason is mainly the change in the policy environment during the last ten years including macroeconomic reforms, legal reforms, etc. and due to Tanzania’s determination to make the markets work and make the private sector an engine for growth at the same time as service delivery, both in infrastructure, power and human resource development, is emphasised. Furthermore, Tanzania and the donors are making efforts to make aid delivery more effective.

The cooperation has positive impact on growth through two, to there nature different, but yet mutually reinforcing, mechanisms. First, Sweden has through the cooperation dialogue tried to influence Tanzania’s policy. To the extent that those efforts have been effective the impact is potentially very large. Second, growth is enhanced by the resource transfer, which effectiveness is reinforced by the effectiveness of the policy dialogue.

The major policy shift in Tanzania happened before the CS period. During the strategy period Sweden’s role has not been so much to convince Tanzania about what is the right policy, but rather to support Tanzania’s efforts to reform different areas in line with their own overall policy priority of creating a pro-poor growth enhancing environment. This includes for example legal sector reforms and private sector reforms.

It is not possible to associate Poverty Reducing General Budget Support (PGBS) to reduction in poverty during the strategy period. It is partly a data problem – we do not know exactly what has happened. But it is also clear that it is mining and services and not agriculture, where most of the poor are found, that have experienced fast economic growth. PGBS has however had more immediate effects at the output and outcome levels. Tanzania has made a number of major achievements in the past ten years. These would have been considerably more difficult if there had not been budget support funding – together with the associated dialogue – or if such funding had been channeled through alternative aid modalities. The achievements include for example good macroeconomic management with low inflation and solid GDP growth, substantial increases in expenditures within the PRS priority areas and consistent improvement in the public financial management.

In line with TAS and principles for effective and efficient aid delivery GBS is increasing in importance as a mechanism for transfer and dialogue.

<sup>16</sup> Which is a method for controlling for the counterfactual.

Sweden is in principle supporting this development and Tanzania's wish to receive a large share of the aid in this form, though in practise the Swedish portfolio has continued to include a large share of programme and project aid throughout the strategy period.

Apart from supporting the reformation of public financial management through the general budget support Sweden has provided project support for the Integrated Financial Management and Accountability Programme (IFMAP), the Human Resource Development project at Tanzania Revenue Authority and a capacity building programme at the National Audit Office. A well functioning integrated financial management system is a precondition in the new aid-architecture with an increasing share of aid in the form of general budget support. IFMAP is in this context an extremely important programme and have provided the government with the capacity to supply timely central government fiscal reports. Commitment control has been greatly improved and payments are generally disbursed in timely manner. Implementation has been successful and what remains is to consolidate achievements and continue the roll-out to districts and provinces. The Human Resource Development at the Tanzania revenue authority was also successfully implemented and has now been phased out, while the capacity building at the National Audit Office has been hampered by delays but now seem to be on track.

The Swedish support to growth in the agricultural sector includes support to the Land Management Programme (LAMP) and the District Development Programme (DDP). The DDP has only been going since 2003 and progress has been very slow. The LAMP has had positive impact on productivity through the introduction of new farming techniques. Farmers have also had the possibility to improve their situations through the opportunity to investments given by various micro-finance programmes supported by Sweden. The support to Export Promotion of Organic Products from Africa (EPOPA) has had a high, and sustainable, impact on farmers, increasing their incomes, enhancing consumption and investments.

The Swedish support for private sector development has been concentrated and become more focused during the strategy period. A number of projects have been phased out and some are moved into a broader joint donor programme – the Financial Sector Deepening (FSD) programme. FSD has had a slow start but is now getting off ground. Through the Business Environment Strengthening basket, support is provided to strategic regulatory and legal reforms. Progress is, for example, being made in the Land Law Reform and a new Business Activities Registration Bill is envisaged to be up in parliament during the fall. The support to the micro-finance projects has largely been implemented according to plans, though there is no evaluation of the impact of these projects.

Provision of basic infrastructure, including access to electricity, is essential for economic growth. Sweden is the only bilateral donor in the energy sector in Tanzania and can benefit from the unique experience gained through many years of support. During the strategy period focus have shifted towards assisting Tanzania in the development of its energy policy and energy regulations. However, implementation of policies has been slow. As a first step to privatise Tanzania Electric Supply Company (TANESCO) a private management contract has been financed. It led to improved management of TANESCO and improved fees collections. However, TANESCO is currently facing financial difficulties, partly for reasons that are not under the management team's control, and the gov-

ernment has decided to call off the contract. Given the dismal outcome of some power privatisation schemes in Africa, both the donors and Tanzania are backing off from the plans to privatise TANESCO.

Support to power plant rehabilitation projects has increased power supply capacity and reliability. Two rural electrification projects have been completed and several other are being implemented. These are important efforts for addressing the urban, mining and service biased growth. Evidence from Mozambique show that rural electrification has a great potential to increase productivity and reduce poverty in its different dimensions (i.e. additional to the effect on income, also improved access to education and health services).

From having emphasized social services in the first PRS, Tanzania has gradually shifted its focus towards emphasizing the importance of a pro-poor growth conducive environment. To achieve the MDG goal of halving poverty by 2015<sup>17</sup> the present growth rates need to be sustained and even increased if not the structure of growth changes radically. Critical to achieve growth is both access to human capital (see section 4.2 on human resource development), physical capital (which requires access to capital markets), well functioning infrastructure and well functioning institutions and regulatory framework. These are all areas in which Sweden has been involved during the strategy period. In energy Sweden has a unique position as the only bilateral donor. The commitment has been long lasting and there is no major hydro-power scheme in Tanzania in which Sweden has not been involved. Also in private sector development is Sweden a trusted partner. Both in private sector development and ICT has Sweden played an important role among the donors. Due to the concentration and changed focus of the private sector portfolio, Sweden is now in a better positioned to contribute to strategic areas for private sector development (i.e. policy, regulations and institutional capacity building).

#### 4.1.1 General budget support

Objectives and plans	Outcomes
the protection PGBS will give to the social sectors in budget allocations will contribute to poverty reduction	<ul style="list-style-type: none"> <li>• most notably, the protection of expenditures for education has significantly contributed to human resource development among poor Tanzanian children</li> <li>• this may have long run effect on income poverty, but this is yet to be seen</li> </ul>
the focus on social sectors will be of particular benefit of women and children	<ul style="list-style-type: none"> <li>• as noted, children have benefited from the focus on education</li> </ul>
PGBS will be reviewed annually by the Government of Tanzania together with the external providers of budget support	PGBS has been reviewed annually and the review process has been developed and simplified during the strategy period

The joint evaluation of General Budget Support (GBS) to Tanzania evaluates the efficiency and effectiveness of budget support, as an aid modality, over 1995 to 2004 and assesses its contribution to the processes of growth and poverty reduction. It was commissioned jointly by the Government of Tanzania and by the 14 external financing agencies currently providing GBS to the Government of Tanzania.

The evaluation utilised the GBS Evaluation Framework recently approved by the OECD-DAC Evaluation Network. The Evaluation Framework covers both the institutional and the 'flow of funds' effects of GBS, and these are considered simultaneously. It is based on a flow-diagram of

<sup>17</sup> See Appendix B.

the Logical Framework type, which spells out the causal linkages posited by the implicit thinking behind recent GBS programmes. The Framework distinguishes five levels:

- Level One: Inputs by GBS Donors.
- Level Two: Immediate effects (on the relationship between aid, the national budget and national policy processes).
- Level Three: Outputs (consequent changes in the financing and institutional framework for public spending and public policy).
- Level Four: Outcomes (interactions between the public sector and the wider economy and society, specifically with regard to the proximate determinants of poverty reduction).
- Level Five: Impacts (in terms of the empowerment of the poor and the improvement of their real incomes).

#### *Level 1: the GBS inputs*

Each of the six GBS inputs identified in the Framework is present in the Tanzanian case. Unearmarked direct budget support, has been provided to Tanzania since FY2001 in the form of the PGBS and has since FY2002 been channelled through the unified Performance Assessment Framework (PAF). GBS funds have increased rapidly and are expected to exceed US \$400 million in FY2005, when with HIPC they will represent some 20% of total government expenditure.

There is a structured process of dialogue linked to the provision of these funds which is described in the Partnership Framework for PGBS/PRSC. It focuses on the implementation of the actions and measures agreed in the PAF and involve an annual review and a mid-year review. It is complemented by sector-specific and reform-specific structures. Overall, the degree of access to senior government officials and the range of established fora for dialogue are exceptional. Nevertheless, further rationalisation of structures remains possible. An additional concern is to introduce a mechanism for periodic dialogue at the political level, rather than just the technical.

There is a structure of conditionality for the disbursement of GBS funds, which works through the PAF. It assesses three dimensions: i) overall progress in implementation, on which all PGBS disbursements are conditioned; ii) completion of the 'prior actions' which constitute trigger conditions for PRSC disbursements; and iii) performance against the PFM and service delivery indicators agreed for the EC 'variable tranches'.

Capacity building support has been provided for many of the core administrative and policy processes. This has been mostly through TA projects but the PGBS dialogue has influenced the focus and volume of such support. Indeed, this is an explicit objective of the PAF.

The objectives of harmonisation & alignment strongly informed the design of PGBS monitoring and disbursement processes. These are harmonised across the 14 DPs providing budget support and aligned to the budget cycle and to the national priorities in the PRS.

#### *Level 2: the immediate effects of budget support*

GBS in Tanzania has had immediate effects in the five areas postulated in the framework:

- It has dramatically increased the proportion of external funds subject to the national budget process, and in the process increased ownership of the development process.



- It has helped to focus dialogue on the strategic issues of economic management, and in the process made some significant contributions to the design of policy.
- It has helped to focus technical assistance and capacity building on core public policy and public expenditure processes.
- It has made a major contribution to the alignment process.
- It has made a major contribution to donor harmonization.

### *Level 3: Outputs*

#### *Improved financing & institutional framework for public policy & spending*

The expansion of the Tanzanian Budget over the past decade has been dramatic, and so has the subsequent level of discretion the Government of Tanzania has over its own resources. There has been a simultaneous expansion in the overall level of domestic revenues and donor inflows since FY96.

This strong recovery in government revenues – and the consequent increase in discretionary resources, has substantially reduced the costs of budget funding. The significance of interest payments has fallen in relative terms from 20% to 5% of budgeted expenditures, and has also fallen in absolute terms. In addition, accumulated arrears have been cleared and it is no longer necessary to use arrears as a method of budget financing.

In FY01 and FY02, GBS was the most unpredictable of all of the major GoT revenue sources, being respectively 22% and 32% below budgeted levels. Only because domestic revenues were buoyant in this period – with collections consistently above budgets, was it possible to restrict the shortfall in overall budget funding to 4.3% below budgeted amounts.

GBS Disbursement data for FY2003 showed a significant improvement and reports from the External Finance Department for FY 2004 and the start of FY 2005 suggest high levels of predictability in recent years, with budget support donors disbursing in full during the first quarter of the financial year. These improvements would need to be sustained over future financial years. However, there are indications that in part the erratic disbursement patterns of the first two years of the PGBS were due to a ‘learning cycle’ within the administrations of both GoT and its Development Partners, relating to the reporting requirements and decision-making processes necessary for efficient disbursement.

From the late 1990s onwards, the increased levels of available discretionary resources permitted a range of politically important budgetary actions which would not otherwise have been feasible. It is notable that the Government has been able to double per-capita spending on PRS priority sectors between FY1999 and FY 2003, and protect budget disbursements to those sectors. This has permitted a major expansion in education and health service provision.

However, the PRS1 priority sectors have not been a consistently high budgetary priority. Over the five year period FY99 to FY04, there has been a shift in budgetary shares first towards and then away from the explicit priority sectors in PRS1. There has been a constant shift towards economic services, which appears to have been the implicit priority of government.

There has undoubtedly been a major expansion in the levels of service delivery in Tanzania. However there remains substantial scope for increasing the efficiency of public expenditure. It remains unclear whether efficiency has improved, as there have been few shifts in the patterns of expenditure. The impression is “more of the same”, and that key constraints to service delivery have not been addressed.

There have been major efforts to strengthen public expenditure management systems, and capacity. The PER, the CFAA, and the IMF's Public Expenditure Management Annual Assessment and Action Plan (AAP) all document how systems have improved over time. Probably the most impressive achievement has been the establishment of the IFMS and, with it, the upgrading of the process of financial control, accounting and reporting. (see section 4.1.2)

Unfortunately, the lack of challenge in the budget process, combined with a continued domination of project funding in the development budget, and inadequate fora for challenging budget allocations and actual budget performance, means that incentives have changed little. A lack of consistent political drive behind the public sector and local government reforms, combined with undue focus on the programmes rather than the wider reform has contributed to the lack of widespread change in incentives.

There appears little evidence of Parliament's scrutiny of the budget improving significantly since the expansion of discretionary funding in the budget. It is made difficult, due to the way budget estimates are presented and as a result of the structure of the budget calendar.

At the local government level expanded financing is seen as an opportunity for reinforcing local accountability, and local management arrangements. However, in the short term, the benefits are likely only to be realised in councils with adequate capacity.

There are some signs that the capacity of the Tanzanian NGO community is strengthening particularly in relation to policy questions, although doubts remain over the depth of this capacity and over the ability of NGOs to genuinely challenge decisions over resource allocation.

#### *Level 4: Outcomes*

##### *Enhanced influence of government on the proximate determinants of poverty reduction*

At the outcome level, the improvement in the macroeconomic situation has been the most significant success story of the last decade. From a situation in the mid 1990s of stagnating growth, double-digit inflation and unsustainable levels of foreign and domestic borrowing, GDP growth has now averaged just under 6% p.a. for the last three years, inflation is below 5% and borrowing has been reduced to comfortably sustainable levels.

This has had important knock-on effects for the overall business environment. This can be seen in the high rate of credit growth to the private sector, which has been growing at double digit rates since 1997 and in the steady increase in Foreign Direct Investment, which has now reached an annual average inflow of US \$300 million per year, 3% of GDP.

The period of 2000 to 2004 witnessed a very significant expansion in the scale of services within education, health, water and road maintenance. In so far as expanded provision is a necessary condition to improving the access of the poor, this has clearly been an important achievement. Nevertheless, within each of these sectors, it has proven difficult, in the short-term, to expand services whilst maintaining efficiency and protecting quality.

The business climate and other influences on growth prospects have improved recently, but too recently to have influenced the impact trends. Key changes correspond both to presidential policy commitments and prior actions in the PAF. Justice-sector reform has gathered pace, but again the bulk of the change is quite recent.

In agricultural policy there has been less consistency and less action than on the business climate as a whole, despite the PAF. There are con-



tinuing efforts to advance the Crop Board reforms with ongoing discussions on reform options, but progress has been slow. There are also concerns about the effectiveness of the recent policy on fertiliser transport subsidies for food crop producers in the Southern Highlands.

Overall, the record on GBS outcomes is mixed, making the immediate prospects for an acceleration of poverty reduction rather slim. Prospects in the longer run may be better, if current policy trends – particularly in addressing the structural impediments to growth, are continued. In this respect, it might be argued that the period of analysis is the wrong one, in that current policy and spending actions facilitated by PGBS and promoted by debates around the PAF should generate improved outcomes and impacts in a future period.

On the other hand, we do not believe that current evidence on service delivery and legal and regulatory actions is sufficiently favourable to be confidently optimistic about such an outcome. There remain significant policy gaps, where the reasons for failing to provide efficient services are not immediately clear or where the solutions are not easy to implement.

#### *Level 5: Impacts on poverty*

It does not appear from the best available data that the incidence of income poverty fell significantly between the early 1990s and 2000/01. This was the central finding of the first Poverty and Human Development Report, using the results of the 2000/01 household survey (NBS, 2002). Slight improvements in the incidence of income poverty, using either of the two official poverty lines, may have occurred. However, it was only in Dar es Salaam that the measured change was statistically significant, reducing the proportion of those in poverty from 28 to 18 per cent.

There are no major exogenous factors to be taken into account in interpreting this finding (e.g. recurrent famine or war). However, per capita GDP fell in the early 1990s – due largely to two successive drought years in 1992 and 1993 and to poor macroeconomic management. Clearly this will have had a significant impact on the changing poverty profile up to 2000/01. Recent years have seen higher levels of growth, averaging nearly 6 per cent p.a. over the past three years. It is therefore plausible that poverty first increased during the period of economic stagnation that ended in 1995 and only declined once rapid growth was achieved in the second half of the decade.

A set of poverty simulations in Demombynes and Hoogeveen (2004), prepared as part of the analytical work for the World Bank Country Economic Memorandum support this view. Under a variety of scenarios, the simulations imply that poverty rates have followed an inverted U-pattern, increasing to over 40% or higher in 1994 and then dropping to below 36% in the 2000/01 survey.

However, low GDP growth in the early 1990s does not explain the differential performance of Dar es Salaam and other areas of the country. The obvious explanation is that while real GDP growth per capita has been significant and rising in recent years, the structure of this growth has been unfavourable to the poor. Mining and tourism have both been dynamic, helping along with aid to fuel capital-city growth. However, agriculture and other widely spread rural activities have not yet increased substantially their rates of growth.

This is a serious limitation. It is in agriculture and closely related activities that the bulk of the poor gain their living. About 87 per cent of both the poor and the extremely poor live in rural areas, while less than

3 per cent live in Dar es Salaam. Agriculture is where the poverty-reducing linkages from trade-related growth are strongest. Thus, unless the changes in the economy and society of Tanzania supported by the PGBS programme are such as to stimulate improvements in both the pace and the structure of growth, they are unlikely to impact significantly on poverty.

Should we therefore be confident that the next Household Budget survey will show a very much improved pattern? Aggregate growth is increasingly encouraging, and the IMF and the World Bank both believe that that current growth rates are close to the levels that would be necessary to meet the MDGs. However, the simulations are sensitive to changes in inequality or in population growth rates. Thus, an increase in the Gini coefficient to 0.36 would require a compensating increase in growth rates to 5.5%. Can such rates be consistently achieved over the next ten years? How will the economy react to external shocks or natural disasters? The weight of evidence is not yet sufficient to be confident that the Tanzanian economy has shifted to a higher growth trajectory which is sufficiently robust to hit the MDG targets.

Moreover, the salient feature of the poverty and growth patterns of the last ten years is not one of steady nation-wide declines in poverty but one of highly unequal growth. There are few signs that the sector pattern of the growth has started to change, so that the rural poor begin to participate in a significant way. Had it been possible to structure public policy so as to achieve more even growth over the late 1990s, then a clear-cut national reduction in poverty would already be visible. If current and future policies could be directed at achieving a change in the regional and sector structure of growth, then Tanzania would not simply achieve its MDGs for poverty reduction but substantially surpass them.

## **Conclusions**

GBS in Tanzania has had immediate effects in each of the five areas postulated in the evaluation framework. At the output and outcome levels, Tanzania has made a number of major achievements in the past ten years. These would have been considerably more difficult if there had not been budget support funding – together with the associated dialogue – or if such funding had been channeled through alternative aid modalities:

- 10 years of good macro management, with low inflation and solid GDP growth.
- A significant increase in the level of discretionary resources available to the budget which has in turn permitted:
- The stabilization of the domestic debt position and the clearing of domestic payment arrears
- Investment in a computerized IFMS
- The protection of commitments to the Road Fund since FY 1998, as a result of which maintenance of national roads has improved considerably
- Substantial increases in expenditure within the PRS priority sectors; and
- A large increase in the number of government teachers at the primary level and a dramatic expansion of enrolments into TTC colleges.
- Consistent improvements in the quality of public finance management and most particularly in the capacities of the AGD and the Policy Analysis Department of MoF.

- The initiation of important reforms to improve the business environment and promote investment.

Under any circumstances, this is a strongly positive balance sheet. In the context of Tanzania with its extreme human resource constraints, it is impressive indeed. The two GBS inputs which have been most significant in facilitating these results have been a) discretionary budget resources, provided with low transaction costs and b) a strategic national framework for dialogue. Other modalities simply do not offer these advantages.

Notwithstanding the increased rates of GDP growth achieved in recent years, commensurate reductions in poverty have not been achieved. This is predominantly because the structure of growth is skewed towards urban rather than rural areas, towards mining and services rather than agriculture and towards the richer rather than the poorer. If significant policy and institutional changes are not introduced by the Tanzanian Government, then this situation will continue. If the current high growth rates persist, poverty will fall but not dramatically and there is a significant risk of sharpening levels of inequality.

We see some evidence of the sorts of changes required beginning to be put into place. In particular, there have been important changes to improve the business environment and to improve the administration of justice. Macroeconomic fundamentals are in place and improvements are being made within the financial sector. GBS has supported these improvements – by providing discretionary resources to facilitate macroeconomic management, by helping to strengthen the central agencies of Government who are addressing these issues and by providing a robust framework for promoting dialogue on these questions and exerting pressure for progress.

### **The Swedish contribution**

Sweden has since long been supportive of the general budget support modality in Tanzania and can see itself as one of the funding father of the PGBS. Before the GBS Sweden contributed to its predecessors, the debt relief fund and balance of payment support. Swedish GBS in its present form started in year 2001 with a 2-year agreement followed by a 3-year agreement that ended 2005. Swedish GBS has been at quite stable level of 15–20 percent of country program up to last year when special efforts were made to increase GBS more significantly. Even with a 67 percent increase in 2005, Swedish GBS still only constituted 5 percent of total GBS to Tanzania.

Since August 2004, Sweden is part of the “Troika plus” mechanism on the donor side (in chair position since 2005), and will remain there until summer 2007. This has implied a shift of focus from the bilateral agenda to joint issues and relationships, especially during the present chairmanship. At the same time it has given Sweden unique possibilities to engage at depth with the Government that has been exceptional. Naturally, with chairmanship comes great responsibility to take all the processes forward and keep the quite diverse group together, but it also offer possibilities to influence the policy dialogue in a way that would not have been possible for a middle sized donor otherwise.

During the Swedish chairmanship priority has been given to the re-design of the PGBS framework. The work has been driven by the need to shift accountability more firmly between Government and domestic stakeholders (instead of donors), further reduce the transaction costs (especial-

ly for the Government) and encourage the development and use of Tanzania's own system rather than setting up and using parallel donor systems. The ambition has been to develop a "one process, one assessment" for management of the budget support instrument. (Embassy of Sweden – Dar es Salaam, 2006)

#### 4.1.2 Public financial management

Objectives and plans	Outcomes
<ul style="list-style-type: none"> <li>continued focus on the PFMRP</li> <li>support to the revenue side through institutional cooperation between the Swedish National Tax Board and Tanzania Revenue Authority focused on human resource development</li> <li>on the expenditure side: support to Government Accounts Department and the Budget Department</li> </ul>	<ul style="list-style-type: none"> <li>successful support to TRA, increased revenue collections</li> <li>successful implementation of integrated financial management programme</li> </ul>
consider to support the Office of the Controller and Auditor General	was considered and resulted in the a National Audit Office capacity building project, slow progress

Sweden is one of the Development partners supporting the PFMRP (Public Financial Management Reform Programme). A basket funding mechanism is established, in which Sweden is not in yet. Sweden is specifically supporting the Integrated Financial Management and Accountability programme (IFMAP) and the National Audit Office (NAO) project, which are components of PFMRP. Separate bilateral support to the Tanzania Revenue Authority for Human Resource Development (HRD) as been completed.

PFMRP features an organisational set-up with a joint steering committee of the GoT and development partners, chaired by the Principal Secretary, MoF, and with a Secretariat within the MoF. It should be noted that the Controller and Auditor General (CAG) of NAO is a member of the Joint Steering Committee (JSC) of PFMRP or the purpose of ensuring coordination and synchronisation of changes within NAO with other components. The CAG exercise oversight of the implementation of this component and delegates the management to staff within the NAO organisation.

The PFMRP, in its current form, was launched in August 2004. Its purpose is, since the beginning, to enhance capacity to maintain macro-economic stability and establish best practice in budgeting, accounting and financial management. PFMRP consists of ten components covering policies, budgets, accounting, procurement, IT, investments, administrative services etc.

The driving actors of the NAO-project are NAO Tanzania, Swedish NAO and Sida. However, the project is being implemented within the context of a number of other programmes aiming at enhancing the capacity of the central and local government administration of Tanzania. The stakeholders of the NAO-project are indeed many and all very important. In that perspective, the PFMRP provides a framework for the NAO-project. Along with the completion of implementation (2007), Swedish NAO should continue to give support and technical advice whereas focus will be set on getting the basics right (quality and timing of financial auditing) and the spirit of performance audit should also be stressed. The IFMAP project is implemented by the Ministry of Finance and under the Accountant General's department. It covers PFMRP-com-

ponents number 4, Treasury Management and Accounting. Sweden has also supported Human Resource Development at the Tanzania Revenue Authority.

### Relevance

Sound public financial management is essential for the implementation of TAS and also for the objective of the CS to further align Swedish support with government structures. Sound public financial management is also an important prerequisite for the Tanzanian population to access information and to be able to hold the government accountable to its commitments. The supported activities are relevant and address strategic needs in the reformation of Tanzania's public financial management.

### Outcome

The PFMRP is credible and the reform has had a slow start, but is now on track. The slow start was not indicative of lack of GoT commitment, but resistance to change and resistance to improved availability of information, both very real issues for PFMRP. In addition, unlike many other reform programmes PFMRP relies almost entirely on existing Ministry of Finance (MoF) staff who during the last years have been involved in other key areas of government business, related to the development of MKUKUTA and the JAS. A recent evaluation (Schiavo-Campo et.al., 2006, pp 6–7) of the outcome of PFMRP it is noted that:

*“Tanzania has made great strides in expenditure control (the first objective of good PFM) and is on the way to the second objective – allocative efficiency of resources through improved distribution to the different sectors in conformity with government policies. Achievement of the third objective – the efficient and effective use of public resources for public service, through improved operational management – is still a way off. [...] Significant progress has been made under several components of the PFMRP. Particularly noteworthy are the strengthening of macroeconomic programming and improvement of fiscal marksmanship; the stronger coordination of external aid; the greater timeliness of external audit reports; and the elaboration of the integrated financial management information system (IFMIS) and its progressive roll-out throughout central government and parts of local government. The bilateral project funds that supported these activities were well worth it.”*

However, it does not appear that the establishment of the basket fund has lead to additional or different form of activities. The contribution has rather been in terms of volume and quality of activities that would have been there also without the basket. The coordination of the various programme components has been weak and, partly, as a result of the deficient coordination, MoF has not been able to provide timely reporting on spending and achievements. This is due to a coordinating unit that does not have enough internal authority and not enough personnel resources.

Some of the specific achievements of IFMAP worth mentioning are:

- An internal audit training manual has been produced.
- Ministerial audit committees have been set up, but capacity building is still needed.
- The gender component has been widened from support to women in the ministry of Finance to women in the accounting cadre and the Tanzania Gender Networking programme is assisting in how they can be addressed.

Sweden has developed much trust during ten years of support to Government Accounting (IFMS) and this area has been successful and objectives seem to have been achieved. What remains seems mainly the work to relate to issues of consolidation/connectivity, roll-out to provinces and districts (the latter within the framework of the Local Government Reform Program – LGRP), and internal audit. In a review of financial management reforms Wynne (2005, p 22) concludes that “[o]verall, the Tanzanian IFMIS reform is considered as a success. The IFMIS has provided the Government of Tanzania with the capacity to provide timely central government fiscal reports [...] Internal budget reports are usually available within two weeks before the end of each month. In addition commitment control has been greatly enhanced and payments generally disbursed in timely manner to suppliers of goods and services.”

The NAO-project has been hampered by severe delays. According to a review of the first five years of the project (i.e. 1999–2004) there have been no substantial changes in the way NAO conduct its audit work. Factors that contributed to the poor result are: a delayed start for a short term consultant owing to medical reason, system for transport and cost recovery does not facilitate the mode of working of Performance Audit, key staff leaving for studies, lack of a proactive training unit and low IT capacity. After a kick off in 2004 for a new phase the project is now slowly progressing. The progress includes for example a number of studies and review of audit manuals, a Performance Audit group have been formed and preparations have been made for investment in a new office. However, the time frame seem to be too optimistic and it has been recommended that either the project period is extended or ambitions scaled down (Gerdén, 2005). It is too early yet to assess the impact on performance of the government and no formal evaluation has been made. An external evaluation is planned for 2006. There might be an extension of the agreement but no additional funding.

The Human Resource Development (HRD) project at the Tanzania Revenue Authority has largely reached its objectives. Improved infrastructure and equipment at the Institute of Tax Administration led to improved training. There is an indication of positive perception towards TRA staff by stakeholders including taxpayers. During the CS period the TRA have achieved a significant continued increase in revenue collections. The computerisation of expenditure accounting has enabled TRA to effectively fulfil one its core responsibilities of accounting for government revenue. (TRA, 2004)

### **Sustainability and risks**

The scope and the complexity of the public financial management changes in Tanzania during the last eight years strongly suggests, according to Schiavo-Campo et.al. (2006), the need for a digestion and consolidation period, to make sure that the system, and the people in it, has understood, internalized, and learned how to use those changes. This does not mean halting progress under way, but will permit adjusting the course of speed of specific reforms. Specifically, it is important to strengthen the coordination function during the next phase to get a more integrated programme and to create the necessary condition for better programme reporting.

The government have stated commitment to reduce aid dependence. To achieve this objective it is essential to have a well functioning PFM and tax collection system. The government hence have incentives to sustain the achievements in the PFMRP and the HRD project. A problem and risk-factor is the, sometimes, high staff turnover.



### Coordination, alignment and ownership

The present setup with two projects supported bilaterally by Sweden, but at the same time part of a broader reform program, has been complicated to handle and sometimes created frustration due to lack of understanding as well as sufficient communication between PFMRP and the NAO project. The ownership of the NAO-project has been weak, indicated by low priority in staffing and general interest on part of the management. PFMRP, and associated funding, has to some extent crowded out the activities NAO project.

The NAO and the Accountant General however, has been enthusiastic about the Swedish support but the NAO seems to have underestimated the role of the PFMRP. It is of a common understanding that if Sweden decides to support this area in the future, we should enter the basket funding of PFMRP.

### Conclusions

Given a consolidation period of the PFMRP and a fact-based review the prospect is good for capitalizing on the PFMRP reforms already enacted and build a new phase platform for further improvements in PFM in Tanzania. (Schiavo-Campo et.al., 2006) In that phase Sweden should join forces with the other donors and join the basket funding mechanism.

#### 4.1.3 Private sector

Objectives and plans	Outcome
increasingly focus on the creation of an enabling environment through assistance to policy reforms and through addressing the legal and regulatory constraints hindering private sector growth	policy reforms has been supported, policies changed and implementation has been initiated; processes are slow and business culture change slowly
special attention to the promotion of trade	promotion of trade has not got particular large attention
increase the provision of financial services, especially for the poor	the activities through our joining of FSD support an increase financial services for the poor
promote commercial links relationships between Sweden and Tanzania	commercial links has been supported, quite a large number of Swedfund credits during the period

Sweden has provided support for private sector and financial sector development as well as trade related interventions since the early 1970s. The nature and focus of the support has changed over the years, following the shifting trends from public sector to private sector led development. In order to increase the impact of the different interventions as well as reduce transaction costs, strong efforts have been made to identify opportunities for multi-donor supported programmes.

A joint donor basket funding mechanism for a programme for Business Environment Strengthening (BEST) has been established. The agreement covers the period 2004–2008 and the Swedish contribution is 40 million SEK out of a total amount of USD 19 million. An important component of the programme is the reformation of laws and regulations for the private sector (e.g. land law reforms, and taxation reforms). Other components include change in government culture to improve service delivery to private sector and an improved business dispute mechanism. (see for example URT 2005b) A similar joint donor facility has been established for a pro-poor Financial Sector Deepening Programme (FSD). The Swedish agreement covers the period 2005–2010

and the contribution is 40 million SEK out of a total amount of USD 33 million. The FSD has up to now committed USD 8 million. In line with the aim to consolidate our PSD portfolio, Sida is considering moving a number of financial sector projects that have previously been bilateral Sida projects under the umbrella of the joint basket for FSD. That includes support to:

- The Promotion of Rural Initiative and Development Enterprises (PRIDE).
- The Presidential Trusts Fund (PTF).
- The Tanzania Association of Micro Finance Institutions (TAMFI).
- To the establishment of savings and credit cooperatives in Mwanza and Mara (Rural Financial Services in the Lake Victoria zone, RUFIP). In the end of the CS-period the project has been extended to cover most of Tanzania.<sup>18</sup>

As of October 2004, Sweden is lead donor for the BEST programme. Sweden has also been nominated as Donor Facilitator for the Integration Framework for Trade Related Assistance. During the strategy period Sida has continued the assessment process for a comprehensive mechanism for support to trade related activities. GoT has under the Integrated Framework prepared a Diagnostic Trade Integration Study and an action plan for its implementation. This plan will be the basis for any future trade related support. That includes the support to the EPOPA (Export Promotion of Organic Products from Africa) that has been extended for a period of three years with an additional budget of 26,5 million SEK.

Sida is supporting the development of Tanzania Chambers of Commerce, Industry and Agriculture (TCCIA) into a sustainable and member-driven chamber network, able to provide appropriate services and authorities to the business community. The support is extended up to December 2007, with an additional amount of 20 million SEK.

Projects ended during the CS-period include:

- Support to the Capital Markets Development and Capacity Building Programme of the Capital Markets and Securities Authority (CMSA). The programme included a number of workshops for the public, journalists, ministry employees and parliamentarians as well a few studies and a proposed revision of regulations for government and municipality bonds.
- Capacity building support to Dar es Salaam Stock Exchange
- Capacity Building Project for the Ministry of Industry and Trade (MIT). Project support has been provided to the formulation of a National Trade Policy, implementation of the Fair Competition Policy and Law through the establishment of a Fair Competition Tribunal and Commission.
- Several micro finance projects have been ended.
- Support to Tanzania Bureau of Standards

Apart from these projects there have been research projects, projects through NGOs, International Training Programmes and StartSyd<sup>19</sup>

<sup>18</sup> This project has already become part of the FSD programme.

<sup>19</sup> Within the framework of the Start-South programme, Sida can give conditional loans directly to companies. There was two StartSyd disbursements during 2001 and 2002 respectively, and one in 2005. Four of these were successful and the cooperation between the Swedish and Tanzanian partners has continued. One of the projects failed because the Tanzanian counterpart was not able to get visa for going to Sweden.



projects that fall into the category of private sector development but over which the embassy has no direct influence.

### **Relevance**

The present strategy suggested that the support should focus on the creation of an enabling environment through assistance to policy reforms and through addressing the legal and regulatory constraints hindering private sector growth. Special attention should be given to the promotion of trade development. The necessity to create linkages between producers and the market was emphasised. The support to member-based private sector associations was proposed to continue. Sweden was also supposed to increase the provision of financial services, particularly for the poor.

The portfolio with its current strong focus on reforms of regulation and laws and strategic capacity building in government institutions and regulatory bodies as well as in business advocacy groups is well in line with the CS. Another important component of the private sector programme is the EPOPA which is well in line with the objective to develop new markets that can benefit the poor.

In the beginning of the strategy period the private sector programme was more fragmented on a number small projects, there was little of co-ordination with other donors and less focus on the important regulatory and business environment aspects. It can hence be said that that the profile of the programme and modes of operation was less relevant in relation to the CS in the beginning of the CS-period, but has since then become progressively more relevant both in relation to the CS and to the Tanzania Assistance Strategy.

### **Outcome**

First, we note that the objective to concentrate and focus the private sector portfolio has been achieved. During the strategy period the portfolio has been consolidated and a large number of projects have been finalized. The registered number of disbursements in Sida's financial administrative system (Plus) is indicative for the concentration of the private sector portfolio over the CS period (see table 1).<sup>20</sup>

Let us now turn to the outcome of the programmes that have been finalized during the CS-period. The Capacity Building Project at the Ministry of Industry and Trade has resulted in some important outcomes. The Trade Policy has been developed and translated into Swahili and the policy is now presented and discussed in workshops all over the country. The new Fair Competition Act was approved by the Parliament in 2003. Ministry of Industry and Trade has been nominated to be the supervisory body for the Fair Competition Commission and the Tribunal. However, the fair competition component has been facing serious delays and the Fair Competition Commission and the Tribunal is not yet operational due to problems in the recruitment of staff. (MIT, 2006)

According to the final project report of the Capital Markets Development and Capacity Building Programme of the Capital Markets and Securities Authority CMSA was able to achieve all the programme targets (in terms of seminars, studies, etc.). As to the long term impact on the capital market there is no readily available information.

When it comes to the ongoing programmes currently dominating the private sector portfolio, it is too early to assess the impact on the ground.

<sup>20</sup> The reader should be aware that it is not a perfect indicator. A project may have many disbursements filed as different activities, which would exaggerate the perceived project proliferation or disbursements for different projects may be filed under the same activity which would give an exaggerated picture of concentration.

At the output and outcome level the programmes are delivering expected results. After a rather slow start of BEST due to capacity constraints there is progress in the priority reform areas. Two independent but inter-linked regimes are under way; a business activities registration regime and a regulatory licensing regime. The Business Activities Registration Bill is envisaged to be tabled in Parliament in the fall of 2006. There is a considerable progress in Land Law Reforms. The existing land laws are amended and a bill for the Operation of the Land Market and Practice of Estate Agency is expected to be ready soon. The review of the Labour Law Reforms is at an advanced stage and it is envisaged it will culminate in the enactment of three separate Acts. The FSD programme has in the initial phase been hampered with some delays (e.g. with regard to recruitment of staff and setting up of an administrative unit) but is now slowly getting off ground.

The new regulatory framework for micro-finance operators, which was supported by Sweden, has been approved by the Parliament and the entire legal and regulatory framework now is in place. When it comes to outcome of the supported micro finance projects there is no available evaluation on the impact. The projects have however, with some delays, been implemented according to plans except for the support to the support to TAMFI for establishing a secretariat. A secretariat was established but its efficiency was low it has delivered below target. The main reason for the poor result was poor management at TAMFI.

TCCIA is today one of the most influential business associations in Tanzania. It is represented in all 21 regions and in over 70 districts. A number of the policy changes lobbied for by TCCIA in its advocacy role have been adopted. It is clear that TCCIA has contributed to the pressure for change though there is no way of knowing whether they played a decisive role for any particular policy. When it comes to TCCIA's financial sustainability and delivery of services to members the results fall short of objectives. Currently about 50% of head quarters expenses are covered by TCCIA's own revenues and some 50–70% of the expenditures of regional chambers. This is rather a case of setting unrealistic objectives than a matter of poor results. Organisational development takes time and it is doubtful whether this type of organisation can be totally self-sustainable in the context of poor countries.

An evaluation of the EPOPA programme was carried out in 2004 (Andante, 2004). The evaluation concludes that EPOPA has had a high impact on the farmers though objectives in terms of farmers to be contracted and crops produced have, at times, fallen short of targets. It has also taken longer to get started than expected. Incomes have on average increased with SEK 1000 per farmer per year and some 20 000 farmers have been reached. Total project cost per farmer is SEK 2000. Hence, the investment-return ratio is rather high and the project compares favourable when looking at the cost efficiency of other projects. The evaluators found that the increase in incomes was spent on durables like better housing and bicycles. For the poorest households the increase in income resulted in more consumption (i.e. food) rather than investment in durables. In the subsequent phase results are more mixed with one project terminated because of lack of interest from the exporter and a draught that have had a negative impact on yields. Still, according to the last annual report, current EPOPA projects that have come to the stage of exporting are resulting in significant premiums above the normal farm gate price for farmers participating (van Elzakker, 2006). One of the participating companies has been certified according to KRAV standards.

To summarise, the overall assessment of the outcome of the private sector programme is that it has to a large extent been effective in reaching its objectives. A large number of Tanzanians have been directly or indirectly reached by the various programmes.

**Figure 2: Private sector portfolio**

Year	2000	2001	2002	2003	2004	2005
Disbursement	21,768,568	18,961,576	12,084,131	16,812,703	11,131,139	23,982,466
No. of activities	29	20	8	10	4	7

Notes: Source: Sida's financial administrative system (Plus). The numbers include those in the intercept Partner Country: Tanzania and Sector: "Handel näringsliv finansiella system" excluding projects through NGO StartSyd and research

### Sustainability and risks

The commitment to the reforms seem to be strong in Tanzania and the changes in policy and regulatory framework is not likely to be reversed (WB, 2005a). Whether it will lead to sustained growth of the private sector, economic growth and reduced poverty remains to be seen. The current trend is encouraging but the business climate and business culture in the neighbouring (i.e. Uganda and Kenya) seem to be more conducive to the private sector and Tanzania may have difficulties to compete with producers in those countries.

No formal ex-post project evaluation has been made of the EPOPA project but there is reason to believe that the increase incomes and the interest from farmers and exporters will be sustained.<sup>21</sup> Changes in world market prices and competing profitable activities for farmers and exporters can have a negative effect on sustainability. There is no reason to expect any such changes in the near future and the incentives for farmers and exporters make it likely that positive effects of the project will be sustained.

The micro finance projects are, or are about to become, financially sustainable. It is not clear whether TCCIA will reach financial sustainability within a foreseeable future. The support to TAMFI was, apparently, not sustainable.

### Coordination, alignment and ownership

Efforts to concentrate and coordinate gave results. The support has been more concentrated during the CS period and focused on prioritised areas of policy and institutional development. As already mentioned basket funding is provided for the BEST and FSD programmes.

The private sector support has become more aligned with Tanzania's policies, particularly when comes to FSD and BEST. Sida is moving towards better coordination and alignment in the area of trade. A basket mechanism is planned for.

### Conclusions

Tanzania's private sector is waking up. The private sectors response to the changing incentives brought about by macro-economic reforms, legal and regulatory reforms and the opening up of the economy will be decisive for economic growth and poverty reduction. There is still a lot to be done to create a supportive environment for the private sector and stimulate individuals and firms to seas the new opportunities. The changes are

<sup>21</sup> When conducting the evaluation of the EPOPA phase two, the evaluators interviewed an exporter from the first phase cocoa project in Kyela in southern Tanzania. The volume of export had continued to increase after the project completion as well as the number of farmers registered and their incomes.

sometimes frustratingly slow but Tanzania is not likely to go back to the five year plans and there is no alternative then to move on in these efforts. Strategic support like the BEST and the FSD programmes has the potential of a high return. The management of the private sector support is facilitated by the less proliferated project portfolio. The programme officer can now concentrate more on strategic issues rather just trying to survive the day to day management of all the different projects.

#### 4.1.4 Energy

Objectives and plans	Outcomes
support in the areas of policy and regulation	increased focus on the areas of policy and regulation (National Energy Policy and Rural Energy Act); changes have been slow
support to Rural Energy Agency and Rural Energy Fund, if possible together with other donors	preparatory work to establish the Rural Energy Agency and Rural Energy Fund (together with the WB); increased focus on rural electrification projects – prepared and implemented
investments in large scale energy projects should not be financed with grant aid	there have been no grant funding of large scale energy projects

The Swedish support to the energy sector in Tanzania has been an important component of development assistance for many years, based on the assumption that a lack of access to modern energy is a severe constraint on development and economic growth. From the early large-scale hydro-power development the focus has shifted to institutional strengthening and increased access to electricity in rural areas.

Sida participated in the major World Bank led Power 6 programme, and components completed during the period have been construction of Kihansi 180 MW hydro power plant and rehabilitation of Kidatu 204 MW hydro power plant. Another completed investment project has been the rehabilitation of Dar es Salaam's major sub-station at Ubungu. These three projects together represent a Swedish contribution of 340 million SEK.

Sida has supported a reform programme in the power sector during the period. Support has been given to a management contract for the public power utility, TANESCO, from 2002 to 2004 and thereafter extended for another two years. Sida has financed the fixed retainer fee of the management contract in co-operation with the World Bank, relief projects and the monitoring of the management contract.

During the period a rural electrification programme commenced with a number of projects for national grid extensions to provide access to electricity in rural areas. Providing electricity for productive uses is a main focus. Of the projects supported two, Urambo and Serengeti, were completed in 2005. Three rural electrification projects are under implementation and another three are subject to feasibility studies for potential Swedish future support.

Sida has provided institutional support to the Ministry of Energy and Minerals in reviewing the National Energy Policy, and in the Ministry's work in implementing the policy, one being the establishment of a Rural Energy Agency (REA) and Rural Energy Fund (REF). Support has been provided in the development of a legislative framework for the REA including organisational set-up as well as developing an initial project portfolio for REA's assessment of co-funding from the REF.

In the framework of renewable energy a project for facilitation of solar photovoltaic market development in rural Tanzania has been developed.

Consultants to perform the facilitation services has been procured and the project started in July 2005.

A diagnostic study of the electricity sector in Zanzibar has been completed. It provides a platform for decisions to be taken by the Zanzibar authorities on reforms and investments needed in order to improve the performance in the sector.

Other contributions include support to the East Africa Community (EAC) regional project which has in an East African Power Master Plan with relevance for Tanzania. Sida and the WB's Africa Rural and Renewable Energy Unit assisting Tanzania in rural renewable energy development.

### **Relevance**

Access to clean and affordable has a positive impact on health, education and income poverty. No country in modern times has substantially reduced poverty without a massive increase in its use of energy and/or a shift to efficient energy sources (UNDP, 2005). The supported activities in the energy sector are relevant for promoting growth and reducing poverty. During the strategy period Tanzania's priorities has shifted towards emphasising growth, including energy. The CS assumes that the energy sector will contribute to the objectives of Pro-Poor Growth cluster, though the strategy does not include any specific energy sector objectives.

### **Outcome**

In February 2003, Tanzania's new Energy Policy was adopted by the Parliament, a result of the new focus of Sida's support. The policy has as main objectives increased competition in the energy sector, where one mean was privatisation of the power utility, and increased access to modern energy in rural areas. Sweden has contributed to meeting both of these objectives. However, a review of privatisation in Tanzania found it "remarkable how little of the Government's energy policy that had been implemented." (URT, Privatisation impact assessment). After the de-listing of the public power utility in October 2005 from the privatisation list it is doubtful whether the energy policy will be implemented as intended in the near future. The enactment of a Rural Energy Act (June 2005) that outlines the establishment of the Rural Energy Agency and Rural Energy Fund with the aim to increase access to modern energy (electricity) in rural areas is another result of Sida's support.

Support to a management contract of the public power utility, TANESCO, has improved the performance of the company. In 2003 the results are clearly visible. Monthly collection of bills had increased from 67 percent to 93 percent and the company reached a positive cash-flow. The successful implementation of the management contract was supposed to be an important first step in the process that would lead to the privatisation of TANESCO. (URT, Privatisation impact assessment). However, the government took off TANESCO from the privatisation list in October 2005. During the last year TANESCO has experienced financial problems, mainly due to the prolonged drought resulting in shift in generation from hydro-power production to more expensive thermal. The increased production cost due to the shift has not been reflected in the tariffs and thus been a major factor to TANESCO's financial problems. The financial constraints have stalled the planned refurbishment of the power system needed for reduction of the technical and commercial losses, the other deliverable under the management contract. The gov-

ernment has not been satisfied with the performance of the Swedish funded management team and has declared that the management contract will not be extended.

The support to the rural electrification programmes is expected to result in more than 10 000 grid connections (income generating activities, schools, health care, public lightning, and households). The support to rural electrification has so far resulted in two grid extensions completed in late 2005, namely Serengeti and Urambo. Innovative and cost-saving technologies are used, and in the sensitive area in the Serengeti district, cables in the earth will be used due to the wildlife migration. When feasible, cable with integrated optic fibre is used both for internal use at TANESCO (communication and trouble-shooting of cable failure) as well as for preparation for internet for external use. Three rural electrification projects are under implementation in different stages (Makambako-Njombe, Ukerewe and Simanjiro) and another three under preparation subject to Sida financing (Makambako-Songea, Bukombe and Kagera rural).

So far there are no data on the impact of the rural electrification projects, but evidence from similar investments point at a positive impact. A recent study of the impact of a rural electrification project in Mozambique concludes that the project did contribute positively to alleviating poverty. Access to electricity promoted commercial activities – productivity for existing industries improved and new commercial activities were established. The electrification also had positive impact on the health sector, education, media and communication and street safety. The impact on employment were less than hoped for and the electrification had the potential of increasing social differentiation since the poorest have less potential to reap the direct benefit of electrification through engaging in productive activities. (Nhate and Åkesson, 2006)

The contributions to the Kihansi and Kidatu hydro power plants and the Dar es Salaam substation Ubungu have improved the capacity and the reliability of the national grid electricity supply (SwedPower International, 2004; Norconsult, 2005).

### **Sustainability and risks**

Reforms of the energy sector (including improved management and improved cost recovery from collection of user fees) increase the likelihood that the investment will be sustainable and lead to long term impact on productivity, income, and in the end, poverty reduction.

A risk factor in the energy support is the limited capacity of the government to implement reforms and monitor privatised service providers. It is important to strengthen this capacity and carefully consider the appropriate moment for and pace of privatisation. (URT, Privatization impact assessment)<sup>22</sup>

The privatisation plan for TANESCO lead to an unfortunate inertia what concerned strategic energy sector decision during the CS period. Under this period the responsibility for TANESCO rested with Privatisation Commission. The poor result of privatisation efforts in other African countries has lead to the removal of TANESCO from the privatisation list and the responsibility is now back with the board.<sup>23</sup>

<sup>22</sup> The importance of basing reforms on a realistic assessment of national capabilities is also emphasised by Williams and Ghanadan (2005) in their reappraisal of electricity reforms in non-OECD countries.

<sup>23</sup> With reference to recent experience of energy sector privatisation in Africa an energy sector PO said that we should be rather happy the reforms in Tanzania have been slow.



### Coordination, alignment and ownership

In Tanzania, the capacity in the sector has increased facilitating stronger ownership. Sweden has been the only long-term bilateral donor in the energy sector during the strategy period. There has been close collaboration with the World Bank where the Swedish support to the management contract for TANESCO and the development of the East African Master Plan has been through WB managed trust funds. The EC is about to enter the energy sector in Tanzania and Sweden has been facilitating this process.

### Conclusions

Reliable and affordable supply of energy is important to achieve sustained pro-poor growth, as is emphasised in Tanzania's Strategy for Growth and Reduction of Poverty. Through its long-standing support to the energy sector in Tanzania, Sweden is unique among the bilateral donors and is well positioned to support Tanzania's efforts. Given the dismal outcome of the energy sector privatisation schemes in Africa, Sida should take stock of the situation and, together with Tanzania and its partners (notably the WB), assess the options and opportunities from making the energy sector more efficient and financially sustainable. Sweden should continue its support to rural electrification as well as to the regional collaboration in energy and consider support to transmission and generation.

#### 4.1.5 ICT4D

Objectives and plans	Outcomes
Sweden be support the government as a policy maker and regulator in telecommunications in the early part of the strategy period	the National ICT Policy was taken by the Government in March 2003; it has had a limited direct effect on the society after a slow start, the Capacity Building project at the telecom regulator progressed in a steady manner which have resulted in a model regulatory framework
else, no particular reference to ICT in the strategy	-

Sweden has a long experience from working in Tanzania in the Telecom sector, but also through the ICT support to the University and to the public administration. Sida's present support to the Telecom sector dates back to 1993. Since 2002, there have been contributions to strategic ICT initiatives to support the integration of ICT as a tool for development of Tanzania. An important part in the ICT4D programme has been the support to Tanzania Communication Regulatory Authority (TCRA)<sup>24</sup> in its endeavours to develop into an efficient and professional regulator in the communications industry in Tanzania with the end-result of increasing the availability and affordability of communication services to the consumers in Tanzania. The implementation was carried out by ÅF-Swedish Management Group.

ICT components are included in other Swedish programmes and projects including the institutional support to the University of Dar es Salaam (SAREC), Dar es Salaam Institute of Technology (development of IT Technician courses), Bagamoyo Collage of Arts (implementation), LAMP (implementation), DDP (planning), Primary & Secondary Education Development Programmes (Awareness and Capacity Development

<sup>24</sup> Previously, Tanzania Communication Commission (TCC).

& ICT in Teacher Education), University of Dar es Salaam (supported localization (translation) of Open Source<sup>25</sup> software to Swahili).

### Relevance

There is hardly any mentioning of ICT in the CS. The importance of basic infrastructure is noted but apart from that one cannot claim that the current work in ICT has any particular relevance to the strategy. Still, ICT is important for economic growth and development and the ICT programme in Tanzania has been guided by the Tanzania's National ICT Policy and Sida's ICT policy to complement/strengthen (mainstream) other Sida funded programmes with ICT.

ICT is mentioned in quite a number of strategies in the MKUKUTA, but during the elaboration of MKUKUTA there wasn't any strategic planning regarding ICT's role in the development of the country. This is partly due to lack of awareness at top government level, and an opportunity was missed, one can assume. Several ICT stakeholders believe that ICT should also have been included among the cross-cutting issues of MKUKUTA, by its nature of being a supporting factor.

### Outcome

According to the final project report the support to TCRA achieved most of its intended immediate outputs and outcomes. Tara's regulatory capacity has increased significantly. Its pro-active attitude and timely interventions have contributed to the rapid development of the ICT industry in Tanzania. TCRA is actively promoting effective and sustainable competition in the market, but market forces are still to work in favour for the consumers. Failures are evident in the area of pricing and quality of services. One explanation put forward is that with the rapid expansion of the industry, the services providers do not have to compete with prices to gain new costumers. (ÅF, 2005)

The National ICT Policy that was taken by the Government in March 2003, has had a limited direct effect on the society. The Policy is often referred to in the planning of ICT intervention, and, naturally, as justification for intended programmes. An earlier ambition that the National Policy should be the basis for elaboration of Sector ICT policies by ministries, has not been realized. Probably due to lack of support to the development of these policies from the focal point ministry, Ministry of Communication and Transport, housing the National ICT Coordinator, as this Ministry, in turn, lacked the resources required.

The Capacity Building project at the telecom regulator had initially a very slow process, due to various interferences by top government officials and a reform that united the telecom with the radio and post regulatory authority, which paralysed the regulatory work for almost a year. After recovering, the telecom regulatory business progressed in a steady manner and with more and more self confidence which resulted in a model regulatory framework that other countries in Africa are studying and that was rated the best telecom regulatory framework in Africa, 2006.

The ICT component in teachers training started a year ago (may 2005). During the first 11 month, there have been serious difficulties in procuring equipment and staffing the project. This is due to the ad hoc management and lack of discipline and result orientation within the Ministry. The half staffed project team has struggled ahead and has suc-

<sup>25</sup> Open Source software are computer programmes for different purposes that can be downloaded free of charge. There is, for example, an open source equivalent of the Microsoft Office package.



ceeded in not losing too much time, so that the project can terminate more or less as planned. Today the team is completely manned and the procurement process seems to work sufficiently well. The opinion of the project team is that obstacles causing delays in the procurement process has its cause in attempts for corruption.

At the Bagamoyo Collage of Arts, ICT facilities were set up during 2004. ICT staff has been recruited and training provided. Albeit limited in scope, the experience of multimedia training and production has been promising. (Uimonen, 2006) Up until this year (2006) the ICT component in LAMP has mainly been an educational effort. A consultant is now working with a proposal for a development programme for ICT in under-served/rural areas. The translation of open source programmes has been a very successful project. The project won the prestigious Stockholm Challenge Award as the best ICT in Education project in the world, in May this year.

### **Sustainability and risks**

The major programmes in the period have already demonstrated that they are sustainable. The TCRA programme is finalized since about 5 months, and the organisation has not requested any extension but is giving the impression of being empowered to manage its mandate and doing it well.

The IT Technician training at DIT, where Sweden supported the course development, the establishment of IT laboratories and training of staff, has for two years already delivered trained technicians to the market, and most, if not all, of these IT-technicians have been employed.

The largest general risk in the programmes still in operation is that Government switch interest and decreases the resources of the programmes. It is though less likely that that will happen today, than a year or two ago. I.e. the erratic planning, if any, the low strategic base in problem solving and development (at a Ministerial level), and the resource craving ad hoc management that the government in general practices pose a big risk to any programme or project.

### **Coordination, alignment and ownership**

The project with TCRA was agreed upon with the Ministry of Finance and Ministry of Communication, though the funding of the TA is not channelled through the government budget. The ICT in Teacher Education project is agreed upon with the Ministry of Finance and Sida's payments pass through the Exchequer. The support to the development of a national ICT policy for Tanzania strengthened the relations regarding ICT between Sweden and Tanzania. Through the support to ICT in different sectors a wide network of contacts has been established. Sweden has also been a prominent partner in the ICT donor group (earlier DAC and currently DPG).

Sida/Embassy is actively engaged in coordination/cooperation among development partners, government entities and other stakeholders as well a source of information and discussion partner with the majority of ICT stakeholders in the country as well as bi- and multi lateral donors in the country or internationally. This is done in the DPG-ICT group or through other meetings/communications. However, the coordination among the donors in Tanzania is restricted by the fact that other donors manage their ICT support from HQs and do not have local ICT programme officers. Sida is generally seen as the most important ICT donor in Tanzania among many partners and authorities. The Sida representa-

tive in the DPG-ICT is the group's spokesperson (the chairmanship is circulating among the members).

## Conclusions

The high profile of the Swedish ICT support is somewhat surprising given the low priority of ICT in the CS. However, Sida is well placed to take on a lead agency role, as compared to any other donor agency in Tanzania. The use of a development fund to stimulate promising initiatives has shown to very successful in creating a positive atmosphere and cooperative thinking amongst many of the stakeholders with ICT4D ambitions. The Swedish Embassy in Dar es Salaam can bring added value through the Swedish ICT network and its national and international outlook and experiences as one of the world leading countries of the sector. Internal expertise at Sida HQ exists within the ICT for Development Secretariat. The Secretariat functions as a resource for Sida HQ and the Embassies. The external resource pool is built up by consultants with call-off agreements, authorities with long experience in Government and the newly established Swedish Program for ICT in Developing Regions. Sida HQ is positive to mediate support if the Embassy should become a lead donor for an ICT program preferably from the existing resource pool. The support required will be dependent on the size of the donor group, and provided as demanded. Though, it is important that the role and priorities for the Swedish ICT support is made clear in the new strategy for the cooperation with Tanzania.

### 4.1.6 Area based programmes – local governance and natural resources

Objectives and plans	Outcomes
LAMP will continue through the whole strategy period with the aim to: <ul style="list-style-type: none"> <li>• improve the livelihoods of the farmers and their families</li> <li>• support to democratic governance at the local level</li> <li>• human resource development of both the farming communities and the local governments and administrations</li> <li>• continued focus on the smallholder management of natural resources including agriculture (will also be central to the District Development Programme, DDP)</li> </ul>	LAMP did continue throughout the strategy period and: <ul style="list-style-type: none"> <li>• livelihoods have improved for a large share the families included,</li> <li>• there has been a positive impact on local participation and empowerment,</li> <li>• human resources have been enhanced both in farming communities and in local governments and administrations</li> <li>• there has been a continued focus on smallholders' natural resource management (to a lesser extent in DDP)</li> </ul>
the urban-rural connection will be taken into account in further programme development in the agricultural sector	urban-rural connections has been taken into account to a limited extent at programme development <sup>26</sup>
Sweden will join a joint Government/donor working group on policies and strategies on the agricultural sector	Sweden is participating in the Agriculture Development Partner Group as an observer. The reason that Sweden is only observer is because Sweden is not a main actor in this sector
support to micro-credit facilities will be incorporated into the district-based programmes – women and young people are expected to be the main beneficiaries	micro-credit facilities have been incorporated in the programmes. There are mechanisms to ensure women's and, to a certain extent, young people's access to credit.
LGRP is expected to have a substantial impact on the delivery of social services	progress in service delivery role and capacity of the local government – information scarce on effect on supply of services

<sup>26</sup> For example, a new market place in Serengeti is part of the DDP to facilitate market exchange between rural areas and the provincial town. However, this has been a difficult project.

Objectives and plans	Outcomes
as decision making and resource allocation will be moved nearer to the communities, LGRP has the potential to facilitate the development of local democracy	continued central control and slow progress in decentralization of decision making
Sweden will join the consortium supporting the Ministry of Regional Administration and Local Government responsible for LGRP at the central level; Sweden's primary concern as a member of the consortium be democratic governance and social services delivery, in particularly education	Sweden has joined the consortium and its basket-funding mechanism; so far, and due to capacity constraint, Sweden has kept a relatively low profile in the consortium
the District Development Programme (DDP) will provide resources at local level for civic organisations to develop legal literacy with the aim to assist the small-holders to protect their rights and interests – in some districts, including support to efforts to promote and protect the rights of ethnic minorities	the initial phase of DDP has been very slow; during the preparatory phase a successfully implemented training component increased awareness of human rights and good governance with impact on attitudes and behaviour

Sida's main experience with regard to the Area Based Programmes is related to natural resources and capacity building at local level (16 years). The current phase of the Land Management Programme (LAMP) began in May 2002 and it is scheduled to continue until June 2006. Based on lessons learnt from implementation of the first phase, the LAMP II programme has shifted focus from considering previous core of natural resources management to support of empowerment and mobilization processes primarily of villagers and village communities with emphasis on natural resources management. LAMP is increasingly linking up with and supporting the implementation of the Local Government Reform Programme (LGRP). LAMP is also closely collaborating with the Ministry for Forestry and Beekeeping in order to share experience, to influence national policy-making and to spear-head the implementation of the Land Act and issues such as Community-Based Forest Management. LAMP has had significant achievements in natural resource management both on issues related to land security and land titling as well as in Community Based Forest Management. These achievements are however not completed and the programme needs to address some key challenges to bring theme to a successful conclusion. LAMP has on a general level been rather effective and positive impacts can be seen both regards to agriculture, livestock and increase and diversification on sources of income. The technical assistance provided by the Swedish consultants is often highly praised. On the negative side, the LAMP districts are still lacking financial management capacity which might disqualify them for the upcoming development grants system through the LGRP, even though the districts through LAMP has been rather strong when in developing capable local institutions efforts and to enhance empowerment of district target groups. The District Development Programme (DDP) is a similar intervention to LAMP, but is broader in its intervention areas. It is implemented in three districts in the Lake Victoria region during the period 2003–2007. In a the preparatory phase of DDP, the Legal and Human Rights Centre was appointed to train and sensitise Ward Executive Officers in issues of human rights and good governance, in particular the rights of women. The funding of both LAMP and DDP has gone

Implementation of LGRP started early 2000 and is now in a second and final phase, July 2005–June 2008. Sweden is one of the donors (together with Dfid, CIDA, Netherlands, Ireland, Norway, Finland,

Denmark, EC, and Germany) which have supported the LGRP Basket-Fund. The Basket will most likely continue to function up to the end of the programme when it is supposed to be internalised into the PMO-RALG structure. Funding the LGRP through the GBS is not seen as an option by the GoT or the donors at this stage. The LGRP is a vast undertaking which involve and influence actors at all levels of society; supporting the mainstreaming of Decentralisation by Devolution (D by D) across government, rollout of Local Government Capital Development Grants, PMO-RALG capacity building and restructuring, increased emphasis on sector co-ordination, harmonisation with other 'core reforms', and district and community level accountability. One of the major challenges of the LGRP is to get acceptance and ownership from other ministries on the policy of D by D. The reform has yet also to intensify its efforts on lower levels of government (wards and villages) where capacity is especially low. An issue to keep in mind is that the concept of D by D is politically sensitive as it causes power changes and that accountability and information structures must be strengthened. The Swedish interaction with the LGRP is generally limited to the LGRP-Development Partner Group meetings where, among other things, lessons-learned from the Swedish funded area based programmes are fed into the developments of the decentralisation process. So far, Sweden has had small possibilities to influence decision-making because of limited manpower resources at the Embassy. Sweden should however be able to add value due to the long experience when it comes to the public sector reforms generally as well as social service delivery specifically.

In the beginning of the strategy period the support to the Health through Water and Sanitation (HESAWA) programme in lake zone regions was phased out. The programme started in 1983 and aimed at building physical facilities for water and sanitation as well as capacity for management and governance. From year 2000 Sweden is supporting the Kinondoni Integrated Coastal Area management Programme (KICAMP). The objective of the programme is to improve the understanding and management of marine and coastal area resources. Four interventions have been prioritised: coastal land and water use planning; coastal community development; coastal survey, assessment and monitoring and; education, information and communication.

Apart from the support to Tanzanian area based programmes, Sweden is supporting regional development cooperation in the Lake Victoria Region to achieve sustainable environmental, economic and social development and long-term poverty reduction in the basin area. The Lake Victoria Initiative (LVI) channels support to multilateral-regional- and local organisations/projects/programmes, in order to achieve its objectives of poverty reduction.

A support programme the National Environmental Management Council was phased out early in the strategy period. The support covered training, equipment, technical advisors and financial resources. Parallel to the support to the National Environment Management Council (NEMC), from 1999 to 2002, there has been a programme of Minor Environmental Support (MES) aimed at method development, pilot projects other strategic interventions including support to environmental NGOs.

### **Relevance**

With there focus on community development outside the main urban centres, LAMP and DDP have a highly relevant focus both to the CS

and the PRS. To link the LAMP and DDP to the LGRP implies increased alignment with government structures and the wider government reform efforts. In the new development cooperation structure it is vital to strengthen the local governments' capacity to deliver and their democratic governance. The local government's role, and LGRP, is important as the process of decentralisation continues, which is recognised both in the CS and by the GoT.

An evaluation found that the HESAWA programme was relevant in terms of the primary stakeholders' priorities and needs as well as for the objectives of the Swedish development cooperation. The designs interventions are assessed as largely relevant considering the conditions on the programme area. (Plancenter ltd and Skoy, 2005). However, the parallel project structure was not relevant considering the current emphasis on alignment with government structures.

The objective of the Sida's strategy for support to the Lake Victoria Region is relevant from the perspective of the CS. It is crucial to strengthen regional institutions, CSO's and professionals and enhance their capacity in addressing, working and focussing on high priority regional issues. However, some of the current support provided by the LVI is not totally clear from a regional perspective. The contribution could instead have been part of a national programme.

### **Outcome**

The progress during the initial phase of the DDP has been extremely slow. Lately, there have been some progress and planning, budgeting, implementation and follow-up is improving though the programme is still hampered with some delays and the Districts still lack capacity in terms of man-power and administrative systems which need continued attention. The training and back-up support given to the districts on financial management does not seem to have any had positive effect on performance in two of the districts while a third district performed well. (Langbakk and Naitore, 2005 and DDP, 2005) The training in human rights and good governance by the Legal and Human Rights Centre was successful. According to an evaluation of these activities<sup>27</sup> the awareness of legal rights was significantly enhanced and attitudes and behaviour changed.

In an impact study of LAMP it was found that about 75% of respondents report that they have adopted new farming techniques and changes reportedly lead to increased productivity for most farmers. There has been an increase in the number of people planting trees and environmental degradation is slowing down. There have been some general socio-economic impacts too, which include general improvements in livelihood, housing and food security. Other areas where the study reports some progress include improvement in governance, participation, empowerment, gender and awareness of HIV/AIDS. The general conclusion is that the programme has been successful at varying degrees, depending mainly on for how long village had been the programme. Respondents gave more positive assessments in villages that had been in the programme for longer period. (Myena and Bashagi, 2004)

The HESAWA programme was initially not based on rigid work plans and logframes. Hence, when assessing the effectiveness of the programme it is not possible to make a clear-cut comparison between achievements and objectives. Still, the conclusions from an ex-post evalu-

<sup>27</sup> Including the training of 160 ward executive officers and 94 district heads of departments, police and court magistrates. A total of 7 416 booklets dealing with aspects of human rights and good governance were distributed to villages in the three DDP districts.

ation of HESAWA (Plancenter and Skoy, 2006) are that overall effectiveness of the water supply activities is satisfactory. When compared with other similar projects the evaluators find the cost efficiency satisfactory. The number of sanitation facilities constructed does not appear impressive when compared to the total number of households without latrines and there are large district-wise differences in achievements. To a large extent the human resource development activities were successful though the effectiveness of capacity building for the private sector participation in water supply maintenance function was fairly low. The establishment of Water Users' Association have been a successful concept for local management of water facilities. The programme has had a positive health impact. This is indicated both by the evaluation survey, in which villagers were asked about HESAWA's impact on their health situation, and by reduction in water related diseases in the Lake Zone according to the health statistics.

In a joint Government-donor review of the LGRP in 2004 the two main findings were: first, that there had been significant progress over the first three years of the programme in the service-delivery role of local government in Tanzania, and that LGRP's work had been pivotal in this; second, the progress at the Local Government Authority level has not been matched at national level. There has been little progress on the fundamentals required to implement decentralisation policy and Government commitments. Council reform efforts have been delayed by continuing central control. This result has partly to do with reform programmes impact on power structures. The conclusion of the review is that the programme must become more outward-oriented over the next phase, strengthening its networking and develop more effective way of achieving the influence and leverage necessary to progress parallel with continuation of the current capacity building activities with the LGA. (GoT, 2004)

There is no independent evaluation of the KICAMP. According to programme documents most objectives are being met. However, during the first phase (2000–04) there was an observed weakness in the feedback mechanism of the monitoring information on terrestrial and marine features produced by the programme. It was not clear who was the receiver of the information and how it was supposed to feed into the decision making process of the concerned municipalities. In the beginning of the second phase of the programme efforts are made to mainstream KICAMP into municipality work plans. Frequent power cuts and the local elections campaigns have caused interruptions in programme implementation in the 2004–05 period. (Kamukala and Sabai, 2005; and Danielsson, 2004)

The support to NEMC has, according to an evaluation (Campbell et. al., 2004), contributed to the progress made by its directorates of Environment Impact Assessment (EIA) and of Environmental Compliance and Enforcement. In particular, guidelines and procedures for EIA are in place, and a number of sector specific EIA guidelines have been produced. Overall, NEMC has made considerable progress. However, when compared to the plans, progress was slower than anticipated in many cases. Still, Campbell et.al. arrive at the conclusion that the long run Swedish support to NEMC has been highly cost effective, resulting in a new framework for environmental management in Tanzania, which they predict will have far reaching effects.

The outcomes of the MES projects are mixed. In the government sector important support was provided to the process of dialogue on the



institutional framework for environmental management. In contrast, the support to NGO's and CBOs suffered severe problems due to lack of management and financial expertise on part of the recipient organisations. (Campbell et.al., 2004) The support within the realm of the Lake Victoria Initiative has contributed to the Protocol for Sustainable Development of Lake Victoria Basin, signed in 2003 and ratified by the member states in 2004, the establishment of the Lake Victoria Basin Commission (LVBC). An East African Power Master Plan has been developed within the EAC and a platform for the development of a regional Telecom Carrier has been elaborated. Furthermore, regional organisations and other CSO's around the lake have been supported to consolidate cooperation on sustainable development. An outcome assessment of LVI is to be undertaken in 2006, in order to feed into the new Swedish Lake Victoria Strategy.

### **Sustainability and risks**

The 2005 review of the DDP concluded that without quite "drastic changes of the set-up of the programme, changes of the management structure and concentration of capacity building activities there is a risk that the results of the programme won't be sustainable." (Langbak and Naitore, 2005, p 24)

Three years after the ending of the support to HESAWA about half of the water supply installations functioned satisfactory while a fifth of the installations were completely out of order. One reason for this result is that the capacity building for the Water Users' Association began late and did not have enough time to gain long-term sustainability. Furthermore, only half of the households are willing to financially contribute to operation and maintenance and the chance for economic and financial sustainability of the WUGs and water systems is slim. (Plancenter and Skoy, 2006)

It is decisive that the Kinondoni municipality resume ownership for the KICAMP programme for it to be sustainable after phase out of the project. However, so far their revealed interest in doing so (through willingness to co-finance the programme) is not very promising. If not KICAMP can find any other external donor to finance the activities there is a risk that the programme disintegrates after the phase out of the Swedish support.<sup>28</sup>

There is a risk that support provided at regional level overlaps and duplicates interventions at national level. Therefore it is crucial that regional and national interventions create synergy effects, avoiding creation of parallel structures etc.

### **Coordination, alignment and ownership**

In the District Development Programme (DDP) the funds are channelled through the Exchequer and the District Council Budgets and as such the programme is following the national system. DDP has been effectively embedded into the LGA system with no parallel systems for planning and reporting established. This is also the case for LAMP. HESAWA was largely implemented through parallel structures and was not well integrated in the local government structures.

The sustainability problem KICAMP phase with the phase of the external funding is the classical problem of projects that have been initiated and implemented outside government structures and for which the donor then expect the take over the management responsibility and recurrent

<sup>28</sup> The World Bank has shown interest in including KICAMP in African coastal management programme.



expenditure after phase out. If the project has not been part of the local structure from the beginning and budget lines have been assigned for recurrent costs it is difficult to achieve this at phase out.

There is a risk of duplication between the LVI and the national programme, though a lot of time and effort seem to be spent on analysing how LVI preferably should relate to national programmes and structures without overlapping or bypassing.

## Conclusions

The ex-post evaluation of HESAWA shows that it is difficult to reach long run sustainability for rural community investments. It is essential that the local community institutional structure, capacity and incentives are place. These should be considered and built into projects and programmes up front. The shift, during the strategy period, towards institutional development, capacity building and alignment with Local Government Reform Programme contributes to a more conducive context for rural communities' development activities.

## 4.2 Human Resource Development

Objective	Outcomes
to support people in Tanzania to empower themselves to participate more actively in the development process	<ul style="list-style-type: none"> <li>• Sweden has contributed to a significant increase in school enrolment ratios, and more Tanzania's acquire basic reading capability, and other skills, as a result; however quality of education is still a problem</li> <li>• the education sector institutional capacity has been strengthened, though the process is slow</li> <li>• significant contributions have been made to academic institution building, research the knowledge base, increasing Tanzania's capacity to formulate and implement its development policies</li> <li>• Tanzanians have become more actively involved in the development process, foremost at the government level (e.g. the pro-activeness in on aid effectiveness and poverty policy); not possible to say whether the poor in general participates more actively in the development process</li> </ul>

*“Tanzania envisages to be a nation whose people are ingrained with a developmental mindset and competitive spirit. These attributes are driven by education and knowledge and are critical in enabling the nation to effectively utilize knowledge in mobilizing domestic resources for assuring the provision of people's basic needs and for attaining competitiveness in the regional and global economy.” (The Tanzania Development Vision 2025)*

In the area Human Resource Development the CS envisaged that Sweden would work strategically in the education sector to establish a sector development policy that would cover all areas of education, though Sweden would focus its work on primary education. The dialogue with Tanzania would include the issues of respect for human rights, the right of the children and democracy in the classroom. Research would be supported to increase Tanzania's knowledge base and means to stimulate links between universities and non-academic institutions were to be sought. The work on HIV/AIDS would foremost be through mainstreaming in all major programmes, and particularly in those reaching out to young people and rural communities.

As already mentions, one of the most significant achievements during the strategy period is the increase in enrolment ratios in primary school.

The main reason for this increase was the abolishment of school fees, a reform that would not have been possible without donor support. The support to the education sector has to a large extent been concentrated to a few strategic joint donor programmes<sup>29</sup>, complemented with project support to HakiElimu, an advocacy NGO, support to a school theatre project with focus on girls, support to a school theatre project with focus on girls and to Barbro Johansson Model Girl's Secondary School. A large number of new classrooms have been constructed both on the mainland and on Zanzibar. High drop-out, and high pupil-teacher ratio and quality are problems facing the education sector. In fact, the pupil-teacher ratio increased during the strategy period. The increase in teacher training has not been able to keep up with the increased enrolment ratios. During the strategy period a teachers education project was ended. The outcomes of the project were mixed and teacher training is now part of the overall sector support.

Overall, the reformation of the education sector has been slow and there has been no major change in the learning process within the classrooms. In Zanzibar the education sector support has been resumed after the normalisation of the political situation and preparations have been made for a sector-wide development programme.

The successful collaboration with Tanzania's research sector has continued, resulting in a large number of Master and PhD degrees, publications and significant contributions to Tanzania's knowledge base. Research institutions' capacity has been strengthened. There has been extensive collaboration with Swedish academic institutions and researchers.

Through UNICEF support has been given to reach the most vulnerable children and young people. The project has enhanced the role and position of youth in their own development and the development of their communities. Young people in and out of school have participated in activities to increase awareness about HIV/AIDS and sexually transmitted diseases in projects implemented by Student's Partnership Worldwide. These initiatives are likely to have a positive impact on the spread of HIV, though there is no available data on new infection rates, attitudes and behaviour to confirm this. Sweden is also contributing to the National HIV/AIDS Care and Treatment Plan. Currently about 24 000 patients receive anti-retroviral treatment.

The importance of human resource development to the economic and social development process can hardly be overestimated. Hence, it is encouraging to note that overall, the Swedish support to education and research has significantly contributed to human capacity growth in Tanzania. The increased coordination and alignment and Tanzania's strong commitment to the education sector has improved the scope for donors to more effectively deliver aid and make a difference to quantity and quality of primary and secondary education. It is important, however, that sector reforms continue and that the learning situation in the classrooms improves and that children receive respect for their rights. Furthermore, with its long-standing involvement in education and research support in Tanzania Sweden is well equipped to play a leading role as a partner to Tanzania's efforts to enhance its human resources. However, AIDS poses a real threat to achievements made and Sweden should continue to promote main-streaming of HIV/AIDS in all development programmes.

<sup>29</sup> That is, Primary Education Development Programme and Secondary Education Development Programme

#### 4.2.1 Education

Objectives and plans	Outcomes
continue to work together the responsible ministries, institutions and local governments and other development cooperation agencies, to establish and Education Sector Development Programme (ESDP)	the ESDP was established in 2001, through a consultative process
this ESDP will cover all levels of education, but the emphasise during the strategy period will be on basic education	the emphasise of the ESDP, as well as of the Swedish support, has been on basic education
the dialogue with the Ministry will include the issues of respect for human rights, the rights of children and democracy in the classroom	the dialogue has included issues of human rights, the rights of children and democracy in the classroom but very little progress have been made in changing conditions in the classrooms

In 2001 the Government of Tanzania, the development partners and Tanzanian civil society organisations agreed on an Education Sector Development Programme (ESDP). Gradually, sub-sector strategic plans would be elaborated. In 2002 the Primary Education Development Plan (PEDP) was finalised and started to be implemented through a SWAP-arrangement with support from about 15 external agencies, though only 9 of those were part of the pool fund arrangement. Support to PEDP has been the single largest Swedish contribution during the current strategy period 2001–2005. 455 million SEK is budgeted (2003–06) to support the PEDP. Previous Swedish project support to teacher education have been phased out and evaluated. Teacher education is now part of the PEDP. In 2004, the Secondary Education Development Plan (SEDP) was approved and external support provided by the World Bank.

By 2005, other sub-sectors had not yet concluded their strategic plans.

In addition to the support to PEDP, Sweden has resumed its support to the Zanzibar Education Sector after normalisation of the political situation. The support includes the building of much needed classrooms and preparations for a sector-wide programme.

The Tanzanian NGO HakiElimu is playing an important role in the education sector to promote popular engagement in the sector, e.g. through carrying out studies, dissemination of information and participation in the dialogue at various levels. Sweden has given considerable support to the organisation since 2002.

Sweden has provided support to the establishment of the Barbro Johansson Model Girls' Secondary School, aiming at giving talented poor girls an opportunity to get quality secondary education.

#### Relevance

Building human capabilities through the education sector is central to both the CS and Tanzania's PRSP. The goal of changing the classroom environment in a more democratic and child friendly direction does, however, not seem to be a strong priority for Tanzania. Further integration of the PEDP programme with government structures and processes would have made it more relevant in relation to the CS and the TAS.

HakiElimu fulfil an important role in its advocacy for change of policy and practise in Tanzania's education sector. Though Barbro Johansson Model Girls' Secondary School aims at giving poor girls an opportunity to high quality secondary education it is hard to see the relevance of the support in relation to the CS' objective to align, focus and concentrate the Swedish support.

## Outcome

During the period enrolment rates has increased drastically, from 59% in 2000 to 95% in 2005.<sup>30</sup> An important contributing factor is the abolishment of school fees, one of the ESDP reforms. This reform would not have been possible without the joint donor support through the PEDP. HakiElimu (2005, p 18), an education advocacy NGO finds that:

*“There is no doubt that the implementation of PEDP between 2002 and 2004 has brought positive changes in the primary schools. More children are enrolled in school than ever before. The school environment has improved, in the sense that new class rooms have built in nearly all schools. More teachers have been recruited to cope with increases in enrolment. Schools have begun receive more textbooks. Communities, through school committees, are participating in making decisions regarding their schools.”*

However, repetition and drop-out is still a problem, as is the quality of education. Less than 50% of the students passed the Primary School Leaving Examinations in 2004 (even if an improvement in relation to previous years can be noted). A considerable increase in the number of trained teachers has been recorded. However, the teacher/pupil ratio has increased from 1:41 in 2000 to 1:56 in 2005 which reflects a lack of balance between increased enrolment of students and training of new teachers, which worsen the situation regarding quality in education. Distribution of teaching and learning materials as well as access to in-service and pre-service teacher training have been insufficient to enhance quality. In 2004, the school committees were given the direct responsibility for purchasing of textbooks which reportedly has improved the situation.

Overall the reformation of the education sector has been slow. This concerns most of the suggestions the donors raised in the dialogue. The institutional development and the strengthening of the Tanzania's own capacity to implement policies in the educational sector has been disappointing and does not match the expectations. When it comes to the classroom as an arena for conveying and practising democracy and human rights there have likewise not been as much progress as hoped for.<sup>31</sup> There has been no major change in the teaching/learning process within the classroom. Numerous reviews of PEDP have not led to timely, strategic policy and operational actions.

Problems persist in channelling funds from the central to lower levels resulting in considerable delays. Furthermore, the ministries cycle for planning and reporting is characterised by delays, which results in delayed disbursements from donors. Reviews have identified capacity problems at all levels that need to be addressed. A strategy for capacity building in the education sector has been discussed for a long time, without much progress to date. Several audit reports and studies have indicated need for improvement of the financial management system.

The support to the Zanzibar education sector has resulted in construction and furnishing of more than 600 classrooms. A new education policy has been developed and several studies for preparation of a sector-wide development programme have been carried out. However, the process to develop the sector programme has been slow.

The Barbro Johansson Model Girls' Secondary School is still under expansion and the number of enrolled students in 2005 was about 250 girls. The school is well managed and has produced good results.

<sup>30</sup> This is a long way towards achieving the MDG goal of 100% net enrolment ratio in year 2015 (see, Appendix B).

<sup>31</sup> However, the increase in enrolment ratios have of course implied significant achievements with regard to children's right to education.

The teachers education project (1997–2002) consisted of four components. The project has been evaluated (Lindhe et.al. 2005) and the main findings regarding the project components are:

- The in-service training of college tutors. The objectives of the component have been fulfilled to a large extent, though not as many tutors have been trained per year as planned. In total 286 tutors have received accreditation for from Stockholm Institute of education.
- Sponsorship of teacher/tutors at the University of Dar es Salaam. This component has also been quite successful with almost 100 students certified in 2002.
- Distant Teacher Education. The original project design was abolished after a short time and a replaced with a new. The instruction media has shifted from English to Swahili. As a whole it can be said that a lot of investments have been made but the outcome is poor.
- Courses through Teachers Resource Centres. The evaluator finds that it is a good concept but implementation has been disruptive and the component suffers from both financial and administrative problems.

An evaluation of HakiElimu find that the organisation has been effective in achieving impact in specific initiatives, including its intervention in the policy process, the related mobilization of other NGOs and its work at community levels in its operational districts. It is harder to gauge what the impact is on the education system as a whole. (Odora-Hoppers et.al. 2004)

### **Sustainability and risks**

There are different possible explanations for the inertia in the reformation of the education sector. One could be the fear of change within the ministries. Change generally implies uncertainty and risk. There is no guarantee for an individual working in the Ministry of Education that they will retain the same status, salary etc. after a change, and the rational response may be to resist change. Another explanation for the lack of slow pace of change could be the tension between the Ministry of Education and Regional Administration of Local Government. In 2005, steps have been taken to widen the perspective, let the cooperation embrace the whole education sector, as intended by the Education Sector Development Programme (ESDP) from 2001. This gives the Prime Minister's Office and the Ministry of Finance clear coordinating roles and seems to provide a stronger leadership.

HakiElimu may be too ambitious. It needs to pay attention to its available capacity and comparative advantage, reform its management and focus its efforts. HakiElimu also needs to strengthen the grass roots presence, without which impact and credibility may wane over time. (Odora-Hoppers, 2004)

### **Coordination, alignment and ownership**

PEDP has not been sufficiently integrated in the ministry structures but handled as a super-project which has caused problems regarding full ownership by the relevant departments and implementing units. Agreed institutional arrangements have not been fully used which has limited opportunities for, and the usefulness of the dialogue between GoT, the civil society organisations and the development partners. Lack of capacity and no remedies to the problems have been part of a problematic situation regarding the implementation of PEDP. However, it is positive that

the support has partly been coordinated through a basket fund and discussions are ongoing on making the support to the education sector part of the budget support. In Zanzibar the ground has been laid for a Zanzibar government lead development towards a sector-wide education programme.

## Conclusions

Support to education is central in the effort to enhance the human resources in Tanzania, as noted in both Swedish and Tanzanian policy documents. With its long engagement in the sector and vast experience Sweden is in a good position the support Tanzania in its effort to improve the quality of the education sector and increase its output of human resources. Sweden need to work together with other donors to further align the support with Tanzanian structures. The support to Barbro Johansson Model Girls' Secondary School should be phased out and Sweden should avoid getting engaged in any similar ad hoc projects in the future. The support to the education sector in Zanzibar should move in the same direction as the mainland support.

### 4.2.2 Research cooperation

Objectives and plans	Outcomes
increase Tanzania's knowledge base	Tanzania's knowledge base has been increased
consider means to stimulate collaboration between universities and non-academic institutions	researchers and universities have, to some extent, been encouraged to collaborate with non-academic institutions; many researcher do work for government, private sector, NGOs and donors
broaden and intensify relations between Tanzania and Sweden	continued strong interest for Tanzania related research Swedish universities and researchers; no increase in number of approved grants applications to do Tanzania related research

The current Sida agreement on research cooperation amounts to 188 MSEK for the period July 2004 to June 2008, and covers research cooperation in the fields of Health, Science, Engineering, Marine Sciences, Linguistics, Business and Architecture/Land Surveying at the University of Dar es Salaam, UDSM and the Muhimbili University and support to the Research on Poverty Alleviation<sup>32</sup> (REPOA). The cooperation involves a number of Swedish Universities as cooperation partners, who get full cost-recovery for their activities in research training and research, a cost amounting to 40% of the total budget. The Sida support disbursed to Tanzania corresponds to 15–20% of the total budget for the UDSM.

Research Cooperation with Tanzania started in 1976 with support to a research council. In 1985 an evaluation showed that academic capacity in the country was far too low, and that the council could not perform its functions. From 1986 support to research capacity building focused on individuals at universities, research institutes and ministries. At the beginning of the 1990s it came clear that such fragmented support could not contribute to creation of sustainable research environments. A university reform at UDSM made it possible for Sida to support a strategic plan for institutional research capacity building at that university. As the GoT now is extending this process to the entire sub-sector, the logical sequence is to move to systemic approach to capacity building as opportunities emerge.

<sup>31</sup> An NGO doing research and promoting dialogue and development of policy for pro-poor growth and poverty reduction.



Sida's Department for Research Cooperation has developed a framework of policy, strategies and methods to redirect research cooperation to systemic shifts like the one now observed in Tanzania. The framework direct support into three categories of action: Research Policy, Research Management, and Research Environments. Throughout the years contacts between Tanzanian and Swedish researchers has been established and a network with international resources has been built to support continued work in these three areas.

### **Relevance**

To increase the knowledge base and long run human capital growth is highly relevant to the overall objectives of the cooperation with Tanzania and to the objectives and implementation of PRSP. The method of supporting research and institutional capacity building at the universities of Tanzania is relevant to achieve this objective. Furthermore, the collaboration between Swedish and Tanzanian institutions and researchers is relevant to the objective of the CS and PGU to further a broad collaboration.

### **Outcome**

Sweden has made a significant contribution to increase Tanzania's knowledge base. The research support seems to function well and has resulted in a large number of Masters and PhD degrees over the years. The support to the University of Dar es Salaam has been important to strengthen its institutional capacity. However, delayed reporting is a problem for many research projects. The research cooperation is currently being evaluated.

The support to Muhimbili University College Health Science has contributed to capacity building at the institution, health policy formulation and programming in Tanzania, human resource training for the health sector, and generation of scientific information that has contributed to non-income poverty alleviation by providing solutions to some of the problems inherent in the control and prevention of major endemic diseases in Tanzania.<sup>33</sup>

The SAREC support has contributed to build knowledge in academic institutions. Since many researchers are involved in commissioned work, this capacity is also of direct benefit to non-academic institutions<sup>34</sup>.

The Gender Development Capacity Programme at the University of Dar es Salaam appears to do a good work in training personnel and students in gender awareness, both as a dimension of research and in the recruitment of staff and students.

### **Sustainability and risks**

Though increase in the knowledge base is important to achieve the objectives of the PRS this has not resulted in research being a priority area in the government budget. It is reasonable to assume that research in Tanzania for a long period will, to a large extent, depend on external funding. Apart from SAREC's support there is not much funding for research. However, the government provide large amounts to the university's recurrent expenditure.

<sup>33</sup> This is according to, "Report of a workshop on impact of Sida/SAREC projects on poverty reduction held in Bagamoyo, 7-8th November 2005".

<sup>34</sup> Including government ministries, NGOs and international development agencies.



### Coordination, alignment and ownership

Sweden collaborates directly with research institutions. There is a formal agreement on the Swedish research cooperation with the Ministry of Finance. However, this agreement does not include any funding. There has been some coordination with the Norwegian research support.

### Conclusions

A strengthened knowledge base is essential for Tanzania to be able address its development problems and constraints. It will facilitate a Tanzanian ownership of policies and solutions. Some of the people that today play an important role in the development in Tanzania's poverty reductions strategies and cooperation strategies, and the follow up of these strategies, have developed their skills and capacities in the SAREC supported research programmes. Sweden is the major partner in Tanzania's research collaboration and has through the long-standing cooperation gained significant experience, competence and trust.<sup>35</sup>

#### 4.2.3 HIV/AIDS

Objectives and plans	Outcomes
through the regional office in Harare, work to fight the spread of HIV infection and the regional office will be a resource for the design of inputs in Tanzania	the regional office have been actively involved in designing inputs and support the Embassy in its efforts to include HIV/AIDS in projects and programmes
continued support to HIV/AIDS research	HIV/AIDS research has been supported
there will be no special programme for tackling HIV/AIDS but a strategy will be developed for the incorporation of project components concerning HIV/AIDS into all major sector programmes, in particular those which reach out to young people and rural communities	the strategy was established in 2002

In 2002 the Swedish Embassy established an "Embassy Policy for integrating a HIV/AIDS Perspective in Sweden's Bilateral Development Cooperation with Tanzania" which is in line with the Swedish policy "Investing for the Future Generation" and was goal of the country strategy 2001–2005. The policy provides a strategic framework and identifies four key areas of intervention that include; policy dialogue, direct intervention, main-streaming and workplace programme. With regard to policy dialogue Sweden is a signatory of the Memorandum of Understanding between the Government and Development Partners on the implementation of the National Multi-Sectoral HIV/AIDS Strategy 2003–2007; is a member to Development Partner Group for HIV/AIDS and is very active in the working group of the most vulnerable children.

The direct intervention has focused on the thematic areas of prevention, care and treatment and impact mitigation, it has targeted the most vulnerable groups in particular adolescents and young people. This is because it is estimated that the high prevalence rate of HIV is with most reproductive age group (15–49). The direct interventions include support to: the Student's Partnership Worldwide for their school health education project; the UNICEF projects Working with Adolescent and Young People and Reaching the most Vulnerable Children. Save the Children

<sup>35</sup> Sweden's earlier support to research cooperation has the extra benefit of today facilitating Sweden's interaction with the government in different areas of the cooperation. For example, are many of the economists trained in the sandwich programme during the 80s and 90s, and having personal links to Sweden and Swedes in research and development cooperation, are now in various positions in different ministries and think tanks working on strategic issues like the follow up of the PRS.

in Zanzibar through a programme called Youth Friendly Approaches to HIV/AIDS education.

In February 2005 Sweden was extending its support to the National HIV/AIDS Care and Treatment Plan (NCTP). The Swedish contribution covers all the four goals namely, the purchase of drugs, strengthening of the health essential systems, promoting the information, educational and communication and finally the social support at community and household level.

HIV/AIDS has been main-streamed in the education programmes and some area-based programmes.

In summary the Swedish bilateral support to HIV/AIDS in past five years has increased in volume and projects. The support has been mainly targeting the most vulnerable group who are at risk of infection and those effected and affected by the epidemic. The support has been mainly in prevention, impact mitigation and treatment.

### **Relevance**

Given the enormousness of the problem one could claim that all efforts to fight the spread of Aids and mitigate its consequences are relevant. The importance of measures against is recognised in both TAS and PRSP. The CS states that Sweden shall concentrate its efforts on main-streaming HIV/AIDS and introduce HIV/AIDS components in existing programmes. This has been done and HIV/AIDS is in some way or the other incorporated the major programmes. However, Sida has also engaged in specific HIV/AIDS interventions during the strategy period (i.e. the support to NCTP) which is not in accordance with the CS.

### **Outcome**

The support to the most vulnerable children through UNICEF has led into the formulation and adoption of the National OVC/MVC guidelines. This community based mechanism for identifying, supporting and following up most vulnerable children is now in place in almost 998 villages in 11 district and 82,000 most vulnerable children are supported. In addition to that, a costed National MVC Plan of Action is on place and policy discussion on establishing social protection framework for children is ongoing to ensure that they access basic social services and safety nets. Another important outcome is the promotion of youth rights through their active participation in national process that are “MKUKUTA” and draft National Youth Policy 2004, organized by UNICEF. The support to School Health Education Programme in Iringa and Mbeya through Student Partnership Worldwide has made a difference to over 700 young people who have worked as SPW Volunteers in schools and communities. According to a review of the project achievements the project has been successful in a number of areas including: providing HIV/AIDS information in an interactive manner that allows for both way exchange between young people; gained government recognition and contributed to education development; spreading enthusiasm and confidence among its volunteers and young people. They are now an empowered mass of confident, informed, energetic and enthusiastic young peoples in higher learning institutions. However, the absence of baseline data makes it difficult to identify the exact impact on behaviour and attitudes brought about by the interventions. (Humplick and Nyashalu, 2005)

With focus in rural areas, the programme has reached 38 schools in Iringa and 19 in Mbeya, its methodology of non formal education by

using edutainment and festival has created friendly messages and information about adolescent sexual and reproduction health and about HIV/AIDS to youth and the communities. According to the evaluation report (October 2005), the project is youth driven and has made meaningful impact to young people, as the main implementers and those in- schools and therefore contributed enhancing voices of the young people. The Youth-Friendly Approaches to HIV/AIDS Education that is implemented by Save the Children in Pemba and Unguja rural areas has reached out to in-school and out-of school adolescents, young people, youth with disabilities and youth substance abusers. About 40 youth clubs, schools clubs, health clubs and sports clubs have been formed and received good quality and appropriate information, advice and support about HIV/AIDS, STIs and youth sexually reproduction health services, through appropriate training and publications.

The support of vulnerable adolescents and children through the UNICEF projects a recent evaluation of the support (Humplick and Riwa, 2006) find that the project has been successful in enhancing the role and position of youth in their own development and the development of their communities. The projects contributed to enhance the capacity of communities do identify problems and find ways to deal with them. A good collection of working materials have been developed that could also be applied in other interventions. It has not been possible to establish youth centres to the extent envisaged. These were to be the main platform for reaching youth out of school and hence has the majority of youth not been reached. There is no mechanism in place to measure the knowledge of HIV/AIDS, attitudes and behaviour hence there is no way of knowing whether project targets are met. The external evaluators conclude that monitoring and evaluation of the programme leaves a lot to be desired.

Through the support to the National HIV/AIDS Care and Treatment Plan currently about 24 000 patients within the country are receiving treatment and health infrastructure is continuing to improve. The capacity building effort included during 2005 (i.e. the first year of Swedish support) included the training of 357 health care workers from 51 different clinics and hospitals were trained in the programme. However, a slow take off has lead to failure to reach targets. (URT, 2006)

### **Sustainability and risks**

It is not possible to say whether awareness and attitude changes of HIV/AIDS projects will be sustained. For a sustained effect it is probably important to keep up awareness enhancing efforts. Some of the interventions in this area, as the support to Student's Partnership Worldwide (SPW) are dependent on donor funding. In the review of the SPW the evaluators were concerned that SPW's ambitiousness is lead it to spread to thinly.

The implementation of the National AIDS Control Programme faces a number of challenges and constraints including low knowledge on ART among the majority of health care workers. Many hospitals lack laboratory equipment and the distribution and installation of such equipment has been slow. These are problems that need to be addressed in the coming phase to enhance the impact to the programme and reach the targets of roll out of ART.

The UNICEF projects for vulnerable youths and children were implemented in line on-going government reforms that have reoriented the focus to district level. However, the projects are not an integrated part of

the local government structure which might have enhanced sustainability. Furthermore, the poverty undermines the implementation of the programme. Humplick and Riwa (2006, p 10) find that the “provision of life skills without livelihood skills does not adequately empower young to sustain their basic needs at the same time protect themselves from HIV/AIDS.” There is a need to strengthen and consolidate what is already put in place in order to deliver the intended outputs.

## Conclusions

To combat the spread of HIV is extremely important; both because of the incomprehensible human suffering that follows from the disease, but also because of its potential long term negative development impact on human resources<sup>36</sup> HIV/AIDS should be mainstreamed into all the supported programmes.

## 4.3 Democratic Development

Objectives	Outcomes
to promote a democratic development by assisting both the Government and a range of actors in civil society to tackle the issues of the respect, protection and provision of civil, political, economic, social and cultural rights for all men, women and children	<ul style="list-style-type: none"> <li>• the election support most likely contributed to the successfully held elections 2005</li> <li>• strengthened local democracy through a range of different programme activities</li> <li>• awareness of, and government capacity deal with, corruption strengthened; as yet, no significant effect on the general level of corruption</li> <li>• little evidence of a more democratic and child-friendly environment in schools</li> <li>• continued abuse of a range of human rights</li> </ul>

*“A nation should enjoy peace, political stability, national unity and social cohesion in an environment of democracy and political and social tolerance.” (The Tanzania Development Vision 2025)*

It was envisaged in the CS that the ad hoc character of the support to democratic development would be replaced by a sector programme approach, focused on strengthening and developing capacity in public institutions and in civil society. To a certain degree, there is today more of a strategic sector approach to democratic development than an opportunistic project approach, as compared to the beginning of the strategy period.

The 2005 election, though somewhat tainted by biased media coverage and imbalances in campaign funding and state subsidies, was a marked improvement in democratic practise as compared to the previous election. The election support is likely to have had a positive impact. Among the achievements is an increased transparency of the electoral process, increased media reporting on electoral issues and increased capacity of the National Electoral Commission to carry out its duties. The support to strengthen the Legal and Human Rights Centre has been successful. The organisation is regarded as credible and has played an important role for human rights in Tanzania and in raising awareness. In Zanzibar, the support to the Zanzibar Legal Service Centre has, likewise increased awareness about human rights issues and increased the access of legal assistance to the poor.

<sup>36</sup> See for example Bonnel's (2000) empirical findings on the negative impact of HIV/AIDS on GDP per capita growth and Bell et.al. (2003) simulations illustrating the risk of HIV/AIDS leading to a poverty trap through its negative impact on human capital accumulation. However, the results from macro simulations are not conclusive when it comes to the long run growth effects. There are studies that find a positive impact on growth as well (e.g. Young, 2005).

The support to the Media Council of Tanzania (MCT) has contributed to the safeguarding of professional ethics in the media sector and to strengthen MCT's capacity to provide for resolution of disputes that arise from infringement of the ethics. However, with the fast expansion of the media sector there is a risk that professionalism is diluted as untrained journalists enter the sector. The supported has also resulted in institutional development and capacity building for the district press clubs. MCT is not financially self-sustainable and will depend on external funding to be able to continue its work.

The legal sector reform has been supported through the Quick Start programme. However, the programme has not been as "quick" as hoped for, but started off rather slow. As yet, it is not possible to say whether the programme has contributed to the performance of the legal sector. However, study and training components have been implemented satisfactory. One reason for the slow start was that the project was among the first collective funding mechanisms in Tanzania and it has been a learning process for both Tanzania and its development partners.

Many of the supported projects and programmes include components of local democracy and community participation, notably in the area based programmes and urban development programmes. In the support to the rehabilitation of Zanzibar Stone Town, building cooperation between the community and government organisations is considered an achievement and a possible way forward in creating a public, private and community partnership in urban governance. The number of houses renovated surpassed the project objectives. However, the general sustainability of the project was questioned by an evaluation. The support for Bagamoyo's Strategic Urban Development Plan, another project with strong community involvement, has been less effective. Few infrastructure components have been implemented and most of the stated outputs of the technical assistance was not on schedule or did not happen. Neither has the involvement of the community worked to full satisfaction. The Safer Cities project in Dar es Salaam performed better. A well trained auxiliary police service has been established and the ward tribunal system with focus on restorative justice and mediation has been re-introduced. Youth are included in project components. It is likely that the project has contributed to the positive crime trend in Dar es Salaam.

Sweden has facilitated capacity building in the cultural sector and cultural activities through support to Bagamoyo Collage of Arts (BCA), Tanzania Culture Trust Fund (TCTF), the Children's Book Project and the National Museum of Tanzania. The support to BCA has contributed to the collage's position as an outstanding and well known arts collage in the region. It is having a positive impact on the development of arts and the preservation of cultural heritage. During the CS period it has experienced some serious management problems. These have been addressed and the collage is currently in the process of implementing a master plan for the collage area developed with the support of Sweden and Norway. The TCTF has enhanced merit and excellence by supporting strategic arts projects. Another achievement by TCTF is the institutionalisation of democratic practices in the culture sector. In the Children's Book project, 100 titles have been produced and distributed. During the CS period, Sweden supported the National Museum in its participatory process to develop plans for the new House of Culture. The construction work is expected to commence in 2006.

The project portfolio that belongs to the democratic development cluster contains a rather diverse set of projects. Apart from the Legal

Sector Reform Programme are they projects outside the government structure that can generally be expected to need prolonged donor funding in order to thrive. This is not to say that Sweden should not support these projects. They do fulfil important needs in the democratic process and in protecting the rights of the poor. However, it is important to be aware of the limited possibility for many of the projects to be financially self-sustainable and also to be realistic about the possibility and willingness of the government to resume financial responsibility after donors phase out their support. Projects of this kind, often requires a long run commitment by the donors, for the investment in institutional capacity and human resources not to be wasted.

#### 4.3.1 Human rights and democracy

Objectives and plans	Outcomes
support to good governance – mainly through support to Public Service Reform (PSR), Local Government Reform Programme (LGRP), the anti-corruption strategy and support to NGOs in Tanzania	Sweden has supported good governance through, LGRP, NGO and support to the anti-corruption strategy; the PSR has not been supported
a broader support to PSR will be considered – particularly to the components concerning leadership, management and governance	the PSR was supported between until 2003 with focus on leadership, management, governance and gender issues
extend the support to NGOs devoted to the promotion and protection of democracy and HR; strengthen the democratic culture in general and support NGOs working with the rights of women, youth and children in particular	continued support to NGOs devoted to democracy and HR issues; special attention on the rights of women, to a lesser extent youngsters and children; still need for a more strategic approach
support to the implementation of the anti-corruption strategy through joint donor consortium	was supported through a UNDP managed basket, mixed results
Sweden will most likely be the leading donor for the support the National Population Census	this became a bilateral project, with Sweden as only donor; successfully implemented

Interventions during the recent strategy period include support to the election basket, anti-corruption, the population census and the Local Government Reform Programme (LGRP)<sup>37</sup>. Sweden has also provided financial support to different civil society organisation dealing with service delivery as well as advocacy/lobbying throughout Tanzania, aiming at supporting democracy and democratic development. This includes support to the Legal and Human Rights Centre, Zanzibar Legal Services Centre, HakiElimu (see section on Education), PINGO, Media Council of Tanzania, and Dogodogo.

The aims of the election project were to support an effective preparation and conduction of credible elections in 2005 to improve citizens' understanding of their rights, duties and their capability to engage in the political processes. The Muafaka agreement on Zanzibar aimed at restoring peace and tranquillity after the violent aftermath of the elections 2000, through the establishment of the free and impartial Zanzibar Electoral Commission, as well as enhancement of the of the judiciary's freedom. The Muafaka expired in September 2005.

Sweden supported a UNDP-managed programme, Strengthen Capacities to Combat Corruption in Tanzania (SCCCT), to assist NACSAP (National Anti-Corruption, Strategy and Action Plans) to strengthen its institutional arrangements for addressing governance and

<sup>37</sup> On the LGRP see, section 4.1.6.



anti-corruption issues.<sup>38</sup> A successor programme is developed and Sweden is evaluating the possibility for future support 2005–2007 together with Finland and Norway.

Central objectives for the Legal and Human Rights Centre's (LHRC) include promoting respect and observance of human rights, democracy and the rule of law. LHRC's four areas of work are: legal and human rights monitoring; outreach and advocacy; research, publication and documentation and; LHRC institutional capacity building.

The Embassy of Sweden supports the Dogodogo Center Street Children Trust (DCST), in order to improve conditions and creating better livelihoods for street children in Dar es Salaam. The Centre provides amongst others a day care centre for street children, counselling, medical care, preparative school training, vocational training etc. The organisation is basically a service provider

Sida is providing core support to Pastoralists Indigenous Non-Governmental Organisations Forum (PINGO's Forum). The Embassy has allocated an amount of MSEK 3 for support to the PINGO's Forum during a three year period 2004–2006. The objectives are to build up a civil society that protects cultural- economic rights of pastoralists as well as influencing policy-making processes in Tanzania.

Sweden supported the Tanzania 2002 Population and Housing Census. Statistics Sweden was involved in the project.

### **Relevance**

The sector objectives and activities are relevant to the over all objectives of the cooperation, and particularly to the rights perspective of the PGU. Democracy and the fight against corruption is a priority in Tanzania, while other human rights issues get less attention. Even though the analysis in the MKUKUTA has some features that reflect international human rights norms, it does not make explicit references to human rights and the international conventions guiding these principles. There is no pronounced recognition of the principles of equality and non-discrimination as well as the related rights of association, assembly and expression.

The contribution by PINGO can feed into and complement LAMP and DDP programmes on issues of land-rights and the rights of pastoralists.

### **Outcome**

One concrete achievement of the elections support is the establishment of a permanent voters register. Many activities started off too late to have full impact but on the balance a recent ex-post evaluation (Palmer et.al. 2005) found that the election support has had overall positive outcomes including:

- increased capacity of the National Electoral Commission (NEC) to provide for cost-efficient, free and fair election preparations,
- increased transparency and security of the electoral process,
- enhanced capacities of civil society organisations to increase citizens' knowledge and,
- increased media reporting on electoral issues in an impartial manner.

<sup>38</sup> More specifically the immediate objectives are to:

- assists with the revision, monitoring and coordination of the sectoral Action Plans,
- support implementation of strategic aspects of the sectoral Action Plans,
- publicize efforts to combat corruption and raise public awareness on the issue,
- strengthen civil society capacities to engage the public in the fight against corruption and,
- facilitate and maintain dialogue on corruption and conduct strategic studies.



The support carried out through a Zanzibar component within the election basket process has been partly successful. However, many aspects of the Muafaka were never implemented and as elections draw closer, serious problems marked the preparations, whereof a credible verification of the voters register is one.

According to the final project report the “Tanzania 2002 Population and Housing Census must be regarded as success when it comes to coverage and timeliness. The data have to be considered s of very good quality.” (Tambour, 2005)

According to an evaluation of the SCCCT, a number of strategic studies have been made and some of the outputs have fed into the implementation activities at ministries, departments and agencies (MDAs). Some significant progress has been made in supporting the implementation of NACSAP. Strategic action plans for MDAs have been developed and monitoring and evaluation systems are in place. However, the evaluators find that serious problems concerning monitoring and reporting on results still persist. Implementation largely fails to include gender specific components and issues. There has also been a failure in raising the interest of media and civil society for NACSAP. (Agyeman-Duah et.al., 2004)

The evaluation of the Zanzibar Legal Service Centre (ZLSC) found that on the whole the centre had successfully implemented the projects funded by its donors (Abubakar and Mnguto, 2004). The evaluators conclude that:

*“[T]he Centre is well placed in the community, it commands respect for the people of Zanzibar community who know the kind of services that the Centre is offering to the community. The education given to members of various departments of the government, NGOs and the public at large has had good impact on the services rendered by them. Furthermore, the community knows that legal assistance is available to those who cannot afford to engage advocates.” (p v)*

However, there is a critical need to deepen and strengthen the Centre’s institutional framework.

The success of the past years work by the LHRC has resulted in great public awareness about the possibilities for relief in individual human rights circumstances. The demand for assistance overwhelms LHRC’s legal services capacity and LHRC has neither the staffing nor funds to meet the current demand. The use of human rights Monitors and Paralegals has proven to be effective. However, the economic and moral incentives for them are lacking and there is a fear that they may soon loosen the grip on their duty to the detriment of the LHRC’s activities. There has been training of law enforcement officers, including magistrates, police officers, members of village councils etc. These groups has been sensitised on legal and human rights issues, both in general as well as specific to their work. Systematic follow up of the impact of training has not been done. Mass sensitisation has been done through radio programmes (estimated to have reached six million people), leaflets, posters, etc. The LHRC Human Rights Reports are regarded as credible and insightful. (LHRC, 2005)

As a result of the increased demand, DCST has expanded its operations in the area. The organization has grown and the total donations has increased from about Tsh 15 million in 1995 to Tsh 200 million in year 2000. The organisation receives more street children than previously. However, no evaluation has yet been carried out to estimate how

many of (Dogodogo's children) leave the streets after having entered the organisation. PINGO has actively been participating addressing pastoralist's perspectives in the elaboration of new policy for Livestock. Capacity building in Human Rights issues among its members- Dissemination of information concerning Pastoralists, land rights, livestock, conflict solving etc.

### **Sustainability and risks**

The evaluators of the election support recommend that the institutional support to NEC is continued and developed in order to build sustainable capacity for coming elections. The evaluation of The Zanzibar Legal Service Centre makes clear that the future of the Centre is dependent on donor assistance. The same is true for the Legal and Human Rights Centre in Dar es Salaam.

### **Coordination, alignment and ownership**

The involvement of the National Electoral Commission and the donors in the design of the election basket support contributed to commitment, collaboration and flexibility. The management structure facilitated consultation, oversight, collaboration and the provision of responsive, targeted and coordinated inputs. (Palmer et.al. 2005)

The cooperation between the donors during the Population and Housing Census was over all good although it could be more efficient if donors meet on a more regular basis in order to make the work more coordinated. (Tambour, 2005)

The SCCCT support to NACSAP has been coordinated by UNDP. However, there seem to be a lack of communication with other donors and activities in the sector. An evaluation of an EC funded project to strengthen capacity at the Prevention of Corruption Bureau (PCB) noted that, whilst the SCCCT also included support to PCB, neither UNDP resident staff nor the consultants who undertook the evaluation of SCCCT knew of the existence of the EC funded project in PCB. (Atkinson, 2005)

### **Conclusions**

The Governance Working Group has been active in issues dealing with accountability and studies on corruption. Recommendations include some key policy proposals within the area of accountability, such as to consider increased support to parliament and media, accelerate LGRP and increase transparency at the local level including improved access to information and decisions. In Sweden's future support to state and non-state actors, it is important to identify strategic actors that are able to act in this new architecture of aid and development cooperation, organisations/institutions able to serve as a "watchdog", holding authorities accountable. Moreover, civil society organizations have a crucial role in informing and sensitizing the people, and thereby strengthening public demand for accountability by leaders and services providers. One of the major challenges for the future is thus to further emphasize key areas and actors where capacity for advocacy and accountability can be strengthened.

### 4.3.2 Legal sector

Objectives and plans	Outcomes
Sweden will consider support to legal sector reform as a member of a donor consortium, focusing in particular on access to justice of the poor	as a member of a consortium and through a basket funding mechanism, Sweden has supported the Legal Sector Reform Programme; progress has been very slow

Sweden has been working now for 12 years in the legal sector and has developed good knowledge and enjoys a special relationship of trust with the Government of Tanzania (GoT) within the sector. Sweden was e.g. selectively approached by GoT for the sensitive Police and Prisons assessment in 2002.

One important advantage for Sweden has been the support to Legal Reform Programs in other eastern African countries (Kenya, Uganda and Ethiopia). There are a lot of potential gains yet to be drawn from further exchange and collaboration within the region, especially as the reforms are in different phases. The Sida Regional Adviser (based in Nairobi) and the HQ legal adviser both have key roles to coordinate, as well as information brokers, and to support the national processes.

Concerning the past five years, the legal the Quick Start project of the Legal Sector Reform Program was implemented meanwhile the Medium Term Strategy (MTS) was further developed. The purpose was to shift the focus to short term attainables, including: a new legal framework for the legal sector institutions; enhancing administrative support, division of work and supervision mechanism; enhancing delegation authority; training need and assessment for public legal sector institutions; enhancing juvenile justice and; district based support to the judiciary.

#### Relevance

At policy level, both government and donors recognize the legal sector as a high priority area for improving governance. The objectives of the Quick Start programme are relevant but the time frame was not realistic and the design, with unclear leadership on behalf of both the donors and the Ministry, did not facilitate the achievement of quick results (Woods, 2004).

#### Outcome

Conceived in October 2000, the Quick Start got off to a slow start and the official launch took place in January 2003, six months prior to the original forecast project-end date of July 2003. In the evaluation report, June 2003, it was still premature to suggest that the Quick Start has contributed to the increasing performance in the legal sector. Nevertheless, some level of progress has been made in the implementation of some of the components e.g. studies and training. On the other hand, achievements in terms of improved efficiency and transparency of legal sector institutions have not been attained. However, a number of significant lessons have been learnt within Quick Start. The contribution of the Quick Start experience to build the capacity of government and donor partners and to establish a functioning basket for the Legal Sector Reform must not be underestimated. (Woods, 2004)

This basket, which was among the very first collective funding mechanisms in Tanzania, has undoubtedly been a cause to the rather slow start of Quick Start. It has also been pointed out that in general, despite some previous bilateral projects in the sector, the legal sector was not familiar to development cooperation as such. Moreover, donors were

not used to work with the legal sector and expectations were not adequately shared, thus causing delays.

Though it has taken some time to arrive to this point, a basket involving seven donors (Denmark, the World Bank, Sweden Canada, Belgium, Germany and UNDP,) has been established. Furthermore, the community of government and donor partners now better understand the principles and processes of basket financing.

Previously, cooperation and dialogue among the multitude of legal sector institutions was not commonplace. Through Quick Start and the Legal sector reform program (LSRP) as a whole, the Ministry of Justice, Law Reform Commission, Commission for Human Rights, the Good Governance Coordination Unit, Attorney General Chambers, the Judiciary, the Tanganyika Law Society and legal training institutions have improved their relations and collaboration. Efforts to bring the Department of Home Affairs; the police and prisons into the LSRP have been successful. Overall, the process has helped to put in place a forum for discussion, which has galvanized the sector and donors into action. Other outputs during the period includes police and the prisons study and support to the Human Rights Commission, police and prisons with HR training, all implemented by the Raoul Wallenberg Institute.

### **Sustainability and risks**

There is a relatively high performance risk associated with LSRP, due to the low level of capacity. There is also a risk that reforms will be hampered by unwillingness to change, due to impact on power and privileges.

The Government recognizes that it needs to give a high priority to this reform agenda now that the other cross-cutting reform programs are under way. Failure to do so would undermine the gains made in the other sectors. It should, however, be stressed that building a society based on the Rule of Law, a bottom up approach is needed in order to guarantee sustainability rather than a top-down approach. The LSRP, MTS has undoubtedly a top-down approach in its implementation with very few signs of grass root orientation. Legal principles such as legality need to be organically rooted in society in order to create necessary conditions to build a society based on rule of law. Corruption erodes legality and other principles necessary to establish rule of law, which makes the overall implementation and sustainability of the programme difficult to foresee. Furthermore, the undisputed fact, that the LSRP, MTS concentrates its efforts on the formal legal system rather than on the informal – extra legal – makes this point even more obvious. Civil society is pivotal, particularly organisations that promote democracy and human rights. They can sustain the reform agenda and keep the reform agenda demand driven. (Ingelstam and Sevastik, 2006)

### **Coordination, alignment and ownership**

As mentioned above, the government recognises the importance of the legal sector reforms. The mechanism for the joint GoT/DP coordination of the LSRP implementation is the Joint (GoT and DPs) Program Implementation Review Committee (JPIRC). This committee is the main forum for policy and strategy dialogue between GoT and DPs. Once the pooled funding for the program is operational, the JPIRC will also approve funding and disbursements based on satisfactory performance and agreed annual work plan and budget. There is also a Policy Steering Committee, chaired by the Chief Justice, composed of the chief execu-

tives of all implementing institutions and responsible for coordinating GoT's LSRP policy guidance and oversight. (Ingelstam and Sevastik, 2006)

## Conclusions

As mentioned, legal sector reforms are a priority for both the government and the donors. Successes here would increase the chances of success in all other reforms and sectors. In this sense, the challenges faced by Quick Start and the Legal Sector Reform have succeeded in drawing further attention to the complexity and vastness of the tasks ahead. It has also stressed the urgent need for support the implementation of the Medium Term Strategy. A consensus has evolved on the imperative of a sound legal sector as a key link in the good governance chain of events that is necessary to achieve poverty reduction in Tanzania.

With regard to the external resource base there is the Raoul Wallenberg Institute both in Lund and Nairobi (which is a centre of excellence in Human Rights), the University of Stockholm, the Jurisprudential Institution of University of Umeå, the Swedish Police etc.

### 4.3.3 Culture

Objectives and plans	Outcomes
support to theatre projects for school children will be continue within the education sector support	it is expected that the Ministry of Education and Culture will streamline children's book and theatre activities into the school and teacher curricula during 2005/06

Based on the Human Rights to expression and cultural liberty Sida has supported culture in Tanzania since 1980s in projects such as Museum network, archaeology, health/culture/sport, Bagamoyo College of Arts, Tanzania Culture Trust Fund, UDSM-TUSEME, Children Book project etc. Collaboration between Sida's Divisions for Culture & Media and URBAN, for Human Rights and Good Governance, has contributed to strengthening of the sector and expanded the support to include Cultural Heritage. Due to the long-standing cooperation and the experience gained in the field, there is good knowledge within Sida of the sector's institutions, mandate, capacity and potential for development in Tanzania.

The Evaluation of Sida's work in the culture sector (COWI, 2004) underscores that the support to culture does contribute to development of human resources, strengthens self-esteem, dignity, sense of citizenship and knowledge of rights and thereby indirectly on socio-economic development

If required, Sida can take the lead agency role in Culture in Tanzania with a portfolio that provides opportunity for networking and adequate backstopping when needed and an increased resource pool in such a setting. Sida's long and loyal cooperation in the Culture sector specifically, has provided for good relations with relevant authorities such as The National Museum of Tanzania and the Department of Antiquities as well as the Department for Culture at the Ministry for Education and Culture. The Culture and Media Division at Sida HQ can provide advisory services and be instrumental in drawing upon available networks in Sweden and elsewhere for further support. There is increasing interest among the Swedish resource-pool consultants to be involved in cross-cultural exchange and support programmes.

The new Policy for Global Development puts a special emphasis on a Rights-based approach, and the culture sphere provides an enabling environment for empowerment and signification of vulnerable groups. This area is often overlooked in development cooperation, and Sweden along with the few other partners also engaged therefore has a special role.

Development cooperation and support to culture focuses on enhancing resources that empower people and communities to create opportunity for societal changes that lead to poverty reduction. Projects that include children, youngsters and women have been prioritized. Other than that the selection of cultural projects has not followed any strategic plan but has rather followed an opportunistic approach.

### Relevance

The CS note that culture central for democratic development and respect for human rights but no specific goal for the Swedish support to culture in Tanzania is stated. However, Sida's policy for cooperation in culture provides some more guidance.<sup>39</sup> The PRSP does not make any specific reference to culture. An evaluation of Sida's support to culture and media find that "[i]n sum, culture and media have not been systematically incorporated into PRSPs. With a few exceptions, the perspectives, strategies and priorities with regard to culture and media are not in keeping with the objectives defined in Sida's culture and media policy. "(Ljungman et.al., 2004, p 31). However, the evaluators come to the conclusion that culture must be considered relevant to poverty reduction efforts. "[C]ountries with which Sida has the largest cultural co-operation (Mozambique, Tanzania, South Africa and Vietnam) have themselves stipulated culture as a priority, in one way or another." (p vii)

### Outcome

The long term support has resulted in cultural practitioners being able to demand of Government that it take greater responsibility and to co-finance projects. In addition, the cooperation within the multi faceted culture sector gives an opportunity for Sweden to enhance its international exchange and thus learn and understand about other cultural values.

According to the above cited evaluation Tanzania Culture Trust Fund (TCTF) has been able to institutionalize democratic practices in the culture sector. It has supported merit and excellence by supporting strategic projects. It has gained respect and recognition among cultural community in Tanzania and there are indication that the fund has contributed to strengthening the cultural sector and cultural national networks. However, it needs to put more effort in building national and international networks. A Norwegian review of TCTF find that important contributions to the culture sector has been made, though the fund could have been more cost efficient. TCTF reports need improvement and their financial reports reveal irregularities in the early years of the fund. (Lange and Rønnevig, 2004)

The 2002 review of Bagamoyo College of Arts found that the college had established itself as outstanding and well-known in the national and regional context. It is having a positive impact on the development of the arts and preservation of cultural heritage. However, the review finds that

<sup>39</sup> The goals in this policy include: assisting the establishment of culture policies that respect human rights and take into consideration the views and knowledge of cultural practitioners; facilitate the public's access to information and participation in social debate; to make participation in creative activities possible, especially for children and young people; to create opportunities for professional meetings and regional cooperation between practitioners in developing countries; to create opportunities for the sustainable preservation and enjoyment of cultural heritage; create opportunities for culture and media production (e.g. production of children's books).



is under-achieving and only to a limited extent explores its potential and opportunities for being a regional centre of excellence within arts education.<sup>40</sup> February 2002 the roof of the theatre burned down. This resulted in renewed stocktaking involving all stakeholders. A new vision and a master plan were developed for the collage. Preparations have been done for building activities that will start in 2006. Sida was instrumental in facilitating this process. Furthermore, ICT has been introduced at the collage. All students have been educated on how to use ICT in their creative work. The collage's profile has been strengthened and it is now become an institute with more independence.

In the first five years of the Children's Book Project 100 titles were supported. Although it was not part of the scope for the evaluation on culture and media to assess whether the books actually reach the children the evaluators found no reason to suspect otherwise. The project has contributed to strengthen the book industry in Tanzania and provided publishers with resources to produce more books for the market. Furthermore, textbook distribution has become more effective. (Ljungman et.al., 2004)

The support to the National Museum has resulted in preparatory work for the new house of culture including an extensive participatory process, study tours, study on how to reach the poor, etc. An architect firm has design the house it there suggestion was approved in 2005. The participatory process to prepare the House of Culture has been time and resource consuming though, according to Msemwa's (2005) documentation of the process, worth the effort.

### **Sustainability and risks**

In general, support to culture, and specifically support to NGOs working with culture, cannot be expected to result in projects that are financially self-sustainable. What concerns the House of Culture, the participatory process and the strong commitment and interest of the stakeholders give reason for optimism. However, the long run sustainability will depend on whether the government resume responsibility for the current expenditures of the House of Culture.

### **Conclusions**

In Sweden in general there is highly qualified technical expertise in the Culture sector, to draw upon such as consultants already conversant with development issues and cross cultural experience for mutual benefits. Swedish cultural institutions are increasingly cooperating with Sida (Theatre institutes, Houses of Culture, Music etc.). Hence, the broad competence in the area of culture can add value to the cooperation. It can provide new dimensions to the right-based approach to culture in development, and will also ensure that the cross-cutting issues of gender, environment, HIV-AIDS and good governance are included in cultural interventions.

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<sup>40</sup> "Review of Bagamoyo College of Arts" (COWI, 2002) in Ljungman et.al. (2004).



#### 4.3.4 Media

Objectives and plans	Outcomes
<p>contribute to a relatively independent media sector important for the democratic process and HR through support to:</p> <ul style="list-style-type: none"> <li>• the Media Council of Tanzania (MCT) and,</li> <li>• community radio</li> </ul>	<ul style="list-style-type: none"> <li>• successful support to MCT, likely positive contribution to the democratic development; MCT is not financially sustainable</li> <li>• in the regional programme support is given to community radio for the</li> </ul>
<p>support to the public media service will be considered during the early phase of the CS period</p>	<p>support was considered, though no direct support to public media owing to limited interest from public authorities</p>

Media in Tanzania has been supported by Sweden since mid-1990s and cemented with the establishment of Media Council of Tanzania (MCT) in 1997 and presently with Press Clubs in all regions and preparations for in-service journalist training. The media law reform 2003 was important for the media sector and has facilitated its development. Sweden lobbied for change and of fifteen identified laws undermining media-freedom, six have been revised.

The recent focus on support to institutional capacity and enhancing of media professionalism to raise quality status of journalistic skills, underscores the potential for further support. There is a wide technical expertise in Sweden to draw upon with long experience from development cooperation work, such as FOJO, Stockholm University for Journalism, Swedish Radio and others.

The Swedish support to the Media Council in Tanzania (MCT) in their out-reach activities and watch-dog role in society, both on mainland and on Zanzibar, plays a vital role. Institutional development of MTC is an important component of the support. Through MTC support is also channelled to the regional Press Clubs. The Swedish support to media has been recognised by GoT and internationally. The support assists Tanzania in the process of establishing an independent institution which in order to be free cannot longer be supported by the GoT itself. Sweden also contributes to a network for environmental journalism in the Lake Victoria region.

#### Relevance

Swedish policy for Global development emphasizes a right-based approach, where freedom to information is essential. Continued support to Media is of great importance as it is a vehicle for improved governance and accountability. The CS goal for the media sector activities is to promote a democratic development and human rights. Both the goals and suggested activities are relevant to the overall objectives of the cooperation and to the rights of the poor. In the PRSP it is noted that the poor are participating more effectively in shaping development policies owing to, among other things, the growing role of public media.

#### Outcome

Collaboration between Swedish and local counterpart institutions (especially MCT) has proved successful and has in mutual terms added value to the focusing on the role of media in society as such and to the understanding of the need for ethical norms, constructive criticism, participation, democracy and awareness of Human Rights and Good Governance principles in the media. An institutional assessment of the MCT (Mwaipopo, 2005) found that the role of safeguarding professional ethics of media and providing for resolutions of disputes that arise from the infringement of the ethics has been performed quite effectively. MCT has

won recognition by the government. The rapidly increasing number of cases coming up for arbitration to the Council is evidence of the growing awareness and need for free media and strengthened ethical media practice. There is an improvement of the press clubs efficiency in performing their roles as a result of the support. The press clubs have made it easy for journalists and other media practitioners to link with media houses. Training workshops and courses conducted by the press clubs across the country and all the press clubs have received basic training in a wide number of issues including economic reporting, election, HIV/AIDS, etc. However, essential organizational skills are not yet well developed among the press clubs. During the last couple of years the funding for MTC has decreased at the same time as the demand for its services increase. Hence, MTC has difficulties fulfilling its role satisfactory.

It is difficult to assess what the impact has been on the media climate in Tanzania and to what extent the support is promoting democratic development and HR. It can be noted however that the media coverage in the last election was improved as compared to the previous election. The impression of POs living in Tanzania during the strategy period is that there has been a significant increase in the coverage of HR and the rights of the poor the last years.

### **Sustainability and risks**

The contribution to knowledge capacity and ethics in the media sector is sustainable to the extent that the individuals in whom these achievements are embedded remain in their profession. As in all capacity building of this kind a threat to sustainability is staff turnover. The media sector in Tanzania is growing and there is a high demand for good journalists which reduce the risk of competent people leaving the sector. However, there is a risk for dilution of professionalism and ethics when education and capacity building is not able to keep up with expansion of the media sector. Another risk factor is a turn to more a repressive practise of the government in relation to media. This risk is currently not considered to be very high.

When it to the financial self sustainability of MCT only small fraction (5%) of the budget is covered by contribution its members. Different options are considered to improve the financial sustainability of the council and the press clubs. However, MCT will most likely need external funding for a long period of time – either for development partners or from the government.

### **Coordination, alignment and ownership**

There is no coordinated donor support to the media sector. However, there is an ongoing process among the donors to coordinate their efforts. The support is in line with Tanzania's policies and priorities for the media sector but it does not go through the government system, though the government is a very interested party and participate in many of the donor sector meetings.

### **Conclusions**

There is good sector knowledge within Sida through studies on needs assessments in the media sector, and through programmes to enhance and support promotion of Human Rights, the Right to information, Freedom of the press, lobby against restrictive media legislation, Reforms towards free, fair and independent media laws, advocacy and awareness creation.

Sida division for Culture& Media cannot provide adequate back-stop-  
ping at present, but the resource pool expertise from the country as a  
whole, is a relevant backing source, e.g. FOJO.

Sida does not at present have enough personnel to engage in a strate-  
gic way. Hence, a lead agency role does not seem realistic at this point.  
Sida's support to the establishment of MCT has been extremely impor-  
tant for Tanzania, but has also been valuable to collaborating parties in  
Sweden. Now, the challenge is how to move on and make it possible for  
MCT to continue its work in a sustainable manner.

#### 4.3.5 Urban development

Objectives and plans	Outcomes
the CS does not include any specific objec- tives or plans for urban sector development	-

A study was commissioned in 1998 to analyse situation analysis of the  
urban sector in Tanzania. Since 2001 the Swedish urban interventions  
have focused on two areas, firstly on democratic governance specifically  
on urban participatory planning. The second area is urban cultural  
heritage. The Urban cultural heritage has been implemented mostly in  
Zanzibar, which is ending, and limited way in Bagamoyo.

The Swedish support to the conservation of the Stone Town of Zanzi-  
bar consists of a community-based rehabilitation project and a support to  
the Stone Town Conservation and Development Authority (STCDA).  
In 1998 the Swedish support to the community-based rehabilitation  
project commenced and it come to an end 2005. The project aims at  
developing awareness, structures and capacity for conservation of the  
unique Stone Town cultural heritage.<sup>41</sup> Sida's support to STCDA started  
in 2002 and aims at strengthening institutional and management capac-  
ity and service delivery. A twinning arrangement between Stone Town  
and Visby, another World Heritage Site is, is part of the project.

Sweden is supporting the new urban environmental planning process  
of the Bagamoyo Strategic Urban Development Plan (SUDPF) that  
promotes a broad base participation of stakeholders in an integrated  
approach that includes; land use, social and economic development,  
conserving ecological diversity, maintaining cultural diversity and urban  
governance. For this end the Bagamoyo Township Authority is estab-  
lished. The institutional support to the District Council is anticipated to  
create meaningful capacity of the local authority to qualify for the local  
government capital development grant. The programme is at present  
being embedded within the national framework for planning and local  
government reforms.

The Safer Cities programmes has responded to the Government's call  
for a systematically and well co-ordinated partnership between the local  
authority, central government, institutions and citizens, coming together  
to share ideas, experiences, resources and commitments to prepare local-  
ly based solutions to prevent crime in their neighbourhoods. At the local  
level, the government machinery is closest to the citizenry, and therefore  
in a unique position to initiate, and actively participate in local crime  
prevention initiatives. The aim is to strengthen the capacity of local  
authorities to be able to establish linkages with key stakeholders, through

<sup>41</sup> The project includes: support an outreach component called "urban villages" whereby houses are identified for reconstruction, inhabitants helped to organise committees; rehabilitation of buildings; support to a Media Resource Centre to develop productions for TV and other outputs to promote awareness of the cultural heritage; working with tenancy issues and policy; a building technology and a conservation capacity strengthening component and; establish a conservation centre and an NGO for the support of Stone Town conservation issues.

a participatory approach, building awareness and sensitising the communities on safety and security issues. Also to create a culture of crime prevention and safety improvement and reduce crime and delinquency at city and municipal level and particularly the prevention of violence against women, children and other vulnerable groups.

### **Relevance**

Cultural heritage sites are global common goods and are important from many perspectives and once gone, they are gone. The interest in Tanzania for cultural heritage issues is increasing and getting more attention by both the government and other stakeholders (e.g. the government has increased its funding for cultural heritage activities). Safer city initiatives are important to Tanzania and affect the lives of many poor. Individual urban development projects are of relevance to the CS as far as they effectively address the overarching objectives of poverty reduction. However, urban sector development is not in itself a priority area of the CS.

The relevance of the project design, in terms of time frames and funding, for the STCDA project can be questioned. An evaluation of the project noted that the “time frame of 3 years must be considered quite short to reach such complex objectives, and the budget of 3.9 million SEK for both direct organisational support, institutional development and a wide-ranging twinning programme does not seem realistic. (Forss and Carbonetti, 2006, p 4)

### **Outcome**

In the Zanzibar project, the working cooperation between religious institution, government agencies, community and non governmental organization in dealing with tenants, reviewing and preparing of policies, capacity building and establishment of data bank for authorities is considered an achievement and a possible way forward into creating public, private and community partnership in urban governance. Seven houses were renovated with Sida funds, which significantly surpassed the project objectives. Also the technical support component and the media component achieved more than expected. The “urban villages” component integrates activities of the other components and has tangible benefits for a number of urban poor. The conservation centre component and an attempt to establish a NGO did not fully reach their objectives. (Forss et.al., 2005) Many of the activities for achieving the objectives of the STCDA project were delayed or severely delayed. It takes time to develop capacity and the impact is so far limited. The twinning component has led to links and activities between secondary school children and women groups, resulting in visits and cooperation. (Forss and Carbonetti, 2006)

The most significant achievement of the technical assistance in the Bagamoyo SUDPF project has been the formal establishment of Bagamoyo Township Authority. However, in a recent evaluation of the project it is noted that most of the stated outputs of the technical assistance was not on schedule or did not happen. A few infrastructure projects have been implemented and another contribution of the support is the active community involvement in the planning, deciding and implementing of key development activities. The system of working groups/task force committee, and implementation team has enhanced stakeholder participation though, at the same time, stakeholders and popular groups interviewed during the evaluation were concerned that the implementation of

projects lacked transparency and did not represent the priorities of the grass roots. A problem when assessing the outcome of the programme is that the programme has evolved through a “issue-based” development planning approach which implies that there is no project objectives and indicators elaborated against which achievements can be measured. (PriceWaterhouse Coopers, 2006)

The review report of the Safer Cities programme (Robertshaw and Lupala, 2004), states that achievement made included; the establishment of well trained auxiliary police services, the re-introduction of the ward tribunal system with focus of restorative justices and mediation of conflict resolution. Also, progress has been made towards the inclusion of youth in the municipal structures. There is a widespread presence of youth sungusungu (local militia) and decentralization and institutionalization of Safer cities approaches within the three municipalities in Dar es Salaam city. One can note that crime in Dar es Salaam has been declining across most categories of crime. Though it is not possible to, with certainty, attribute this effect to the Safer Cities project, it is likely the project contributed to this positive outcome. The institutional and management arrangements do not, however, allow for effective and efficient delivery and the project design lack an effective monitoring and evaluation framework.

### **Sustainability and risks**

The only component of the Stone Town conservation project that appears to be sustainable is the capacity development in building techniques. However, it is not clear whether this will lead to a sustainable development of the Stone Town itself. The project evaluation concludes that the “question of sustainable rehabilitation of commercially attractive and valuable housing for the urban poor remains a challenge, and the project has not shown how such activities can become sustainable.” (Forss et.al., 2005, p 4) The STCDA can be expected to perform at a higher level as a result of the capacity building programme. It would not though, perform at the level of expectation expressed in the mission statement and could not undertake the new and wider responsibilities suggested in the programme document. (Forss and Carbonetti, 2006) The original design of the Bagamoyo SUDPF project does not seem to be institutionally sustainable. The current integration of the project into the local government reform programme gives a better basis for sustained impact.

### **Coordination, alignment and ownership**

The Evaluation of the Stone Town project finds the coordination to have been effective. “The working relationships with authorities on Zanzibar were congenial, and there was a mutually beneficial exchange of staff and extended training components that served many stakeholders.” (Forss et.al., 2005, p 4) The coordination between STCDA staff and consultants and the twinning arrangement seem to have worked well and without destructive friction (Forss and Carbonetti, 2006). The Bagamoyo SUDPF projects did, during the first phase, develop parallel institutional structures. From 2004 efforts are made to align the project with existing Tanzanian structures and the local government reform programme (PriceWaterhouse Coopers, 2006).

### **Conclusions**

The support to urban activities has been small, fragmented and piloting. However, the rapid urbanization has widespread effects and is a major

cross sector challenge to Tanzania. The main challenge lies in ensuring increased access to socio-economic services, liveable environment, quality life and improved governance. There is an increased understanding that urban community (poor) can contribute to make urban areas sustainable, equitable and productive. During the last five years there has been a shift in Tanzania's policy landscape to include more urban development issues (Lubaale and Egnell, 2005). The GoT is working into building a framework for urban development in Tanzania, which will include an effective policy and legal framework, institutional, technical and financial basis for decentralized implementation and monitoring in the local government authorities. For any support to urban development it is important to assess what are the existing and most effective entry points and align with Tanzanian policies and structures.

## Conclusions

During the work with this outcome assessment it has become clear that the Embassy need to improve its institutional memory. With the frequent change of staff knowledge about past programmes and activities cannot depend on individual recollection. The improvement should include: a system of structured and readily available basic information on projects and programmes during, say, the last ten years and; improved archiving and accessibility of basic project documents like annual project reports, evaluations etc.

When taking stock of the last five years' of cooperation, reviewing evaluations and other project documents it is striking how frequent project implementation has been delayed. An example is the legal sector Quick Start project (see section 4.3.2). Conceived in 2000, it got off to a slow start with the official launch in January 2003, six month prior to forecasted project end-date! In retrospect, the project name seems like an unintentional joke. To be fair, not all projects and programmes are delayed, but it happens too frequent to just be accidental random events. The reasons for the delays can be grouped into two categories. First, project performance is genuinely poor.<sup>42</sup> Second, planning is poor, with too optimistic and unrealistic time frames. Poor project performance is obviously bad and need to be addressed. However, it also problematic when projects perform well but fail to meet targets owing to unrealistic planning. It creates frustration for both donors and Tanzanian counterparts, makes budgeting difficult and may make projects come out unduly tarnished in evaluations and reviews. Sida and the Embassy need to assess the reasons for the frequent failures to meet time limits in projects and programmes and work out a strategy to improve programme planning and management.<sup>43</sup>

The continued lack of concentration in the Swedish development cooperation has severely lowered the impact of Swedish development cooperation dialogue and contributed to the extremely high transactions costs of development cooperation in Tanzania. During the strategy period the country programme portfolio has to some extent been concentrated and the number of contributions decreased, but the programme has remained very broad in terms of the numbers of sectors and reform programmes Sweden supports. Sweden does not compare favourably when looking at other bilateral donors. Most donors have a more concentrated

<sup>42</sup> The reason often being low capacity in the government and high staff turnover resulting in lost capacity for project and programme implementation.

<sup>43</sup> One element of such a strategy could be to systematically introduce conditional planning based on a risks assessment. That is, make alternative time frames contingent on certain outcomes. For example, if A happens the activity is expected to be completed by date B; if C happens it will be completed by date D, etc.



programme portfolio and are involved in fewer sectors (see Appendix C for a comparison of sector proliferation).<sup>44</sup>

The draft Tanzanian Joint Assistance Strategy, as well as its preceding Concept Paper very clearly states that General Budget Support is the preferred aid modality and that a Division of Labour among Development Partners shall lead Partners to concentrate on specific areas, activities or sectors depending on their comparative advantage. The potential benefits of a shift to General Budget Support are – through reduced transaction costs, increased ownership and greater coherence in planning and resource management – substantial.

Although the three strategic focal areas in the current CS can still be considered relevant, the underlying development context has shifted during the past four years. The Poverty Reduction Budget Support Facility (PGBS) has established itself as the principal instrument for direct budget support, successfully channelling significant and growing amounts of resources to the implementation of the Poverty Reduction Strategy (PRS). The yearly public expenditure review (PER) is now led by government, and in general terms the government ownership of central processes has become more and more manifested.

Renewed efforts should be made to concentrate the country portfolio. In many sectors, Sweden has long experience in supporting projects and programmes. In most sectors and cross-cutting issues Sweden has therefore gained useful experiences, but the experiences are in general not very unique in the multi-donor context of Tanzania. However, in the Energy Sector, Research Cooperation, Primary Education, ICT and Private Sector Development Sweden has during the strategy period 2001–2005 had a prominent role. The cooperation with important Civil Society Organisations in the area of Human Rights and Democracy and with Media institutions has also played an important role. Furthermore, Swedish support to interventions for supporting stronger Public Financial Management institutions in Tanzania has been important and recognised in our partnership. This should be considered when a strategy for concentrating and focusing the Swedish support is developed. It is important to reflect on the internal incentives at Sida-HQ, the Ministry of Foreign Affairs and the Embassy, when drawing up a new strategy for how the country portfolio will change over coming years. If the organisational and personal incentives do not support the envisaged changes, the objectives will most likely not be achieved.<sup>45</sup>

Finally, the changing character of development cooperation in Tanzania requires an adjustment of the human resource profile at the Embassy. For example, with increased alignment with the government financial structure it is becoming more important that POs in all sectors are able to understand and analyse government financial reporting and the budget process. Sida and the Embassy should make an assessment of the required human resource need over the coming strategy period, the envisaged pace of change and the need for training.

<sup>44</sup> This is all the more noteworthy, considering that Sweden is not among the largest contributors. Being the 9th biggest contributor in Tanzania, the Swedish ODA in 2003/04 was USD 75 million (about 1/7 of the volume of the largest contributor, IDA). (Source: OECD, World Bank)

<sup>45</sup> In the study "Incentives for harmonisation and alignment in aid agencies" Reinzo et.al. (2005, p v-vi) found that all the aid agencies analysed (including Sweden) "have adopted some initiatives at different levels, but hardly in any case do these amount to a coherent strategy for ensuring that internal incentive systems are fully compatible with the predicaments of harmonisation." Furthermore, it is noted that "[p]ersonalities and individual characteristics are fundamental factors in the success or failure of harmonisation efforts, especially at country level. Aid agencies need to be aware of this in defining their human resource management policies."

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# Appendix A:

## Support through Swedish NGOs

As part of the preparation for the new country strategy, Swedish NGOs working with Tanzania was asked to assess their experience of the cooperation. The NGOs' response was summarised in a memo by Maria Gunnarsson (2005). The text below is selected parts of that memo.

Seven of the 13 Swedish NGOs with frame agreements with Sida have received funding from Sida for development programs aiming to strengthen the civil society in Tanzania. However, since two of these seven organisations (SMR and KoopUG) radically have decreased their support in Tanzania during the last years, they are not included in this analysis.

The total amount utilised by the five organisations below for the years 2001–2004 is 105.4 MSEK. The utilised amount is broken down as follows:

### Disbursements to NGOs 2001–2004, in SEK thousands

Organisation	2001	2002	2003	2004	Total
Forum Syd	14 923	16 564	14 159	13 830	59 476
LO/TCO Biståndsnämnd	419	561	904	782	2 666
PMU	8 536	5 042	3 178	3 490	20 246
Svenska Kyrkan	3 321	3 140	3 637	3 799	13 897
Shia	1 589	1 914	3 176	2 433	9 112
<b>Total</b>	<b>28 788</b>	<b>27 221</b>	<b>25 054</b>	<b>24 334</b>	<b>105 397</b>

The sector in Tanzania receiving the largest share of the support during the period is Education. In 2004 Education made up almost 30 percent of the total support to Tanzania. Natural Resources, Human Rights/ Democratic Governance and Health Care were also receiving rather large shares of the total support during the period. Other sectors receiving support are the Social Sectors, Hiv/Aids, Infrastructure and Income Generating Activities.

### Disbursements to Sector, 2001–2004, in SEK thousands

Sector	2001	2002	2003	2004	Total
HIV/AIDS	263	300	417	801	1 781
Health Care	4 788	4 756	3 713	3 460	16 717
Infrastructure	931	293	49	139	1 412

<b>Sector</b>	<b>2001</b>	<b>2002</b>	<b>2003</b>	<b>2004</b>	<b>Total</b>
HR and Demo	2 592	5 465	5 150	4 641	17 848
Natural Resources	7 117	8 865	5 906	7 640	29 528
Income Generating Activities/Microfinance	90	279	1 107	862	2 338
Education	9 406	7 872	8 260	5 617	31 155
Other Social Sectors	0	284	181	1 035	1 500
Other areas	5 001	1 590	1 611	1 198	9 400
<b>Total</b>	<b>30 188</b>	<b>29 704</b>	<b>26 394</b>	<b>25 393</b>	<b>111 679</b>

After a request from Sida, four of the five frame organisations mentioned above submitted reports concerning their work in Tanzania (Forum Syd is missing). The following analysis of the organisations' work is based on these reports.

## Results

The organisations have all been focusing on development of the partner organisations and their role in the civil society. Three organisations bring up the importance of a democratic structure within the partner organisations as forming a part of, and an example for, a democratic civil society. Several partner organisations are stated to have become more stable and democratic during the period. One organisation reports that one partner has been subject to embezzlement of a large amount of money, which of course weakens the entire organisation.

One organisation mentions the difficulty in measuring output and outcome within some areas. An example of outcomes of the work for disabled people is that a National Disability Policy was adopted in Tanzania in July 2004. Furthermore involvement and consideration of disability issues has been achieved on the National Poverty Reduction Strategy with regard to vocational training, education, employment, social services and disability pension. Work for advocacy of disability has taken place directly between organisations and the government.

The organisations all state that their work is strengthening the civil society in Tanzania in different ways. Education and information is brought up as central, both within the organisations and in society in large. Study circles on various topics are held by several organisations and material for this has been produced. For example, the union has provided training in professional matters, trade union rights and human rights as well as HIV/AIDS. During one year, almost 20.000 members participated of which almost 10.000 were women. Another example is one organisation that at the time of elections in Tanzania was active in voter education.

All organisations state that, in general, their partners have developed in several ways i.e. the organisational capacity and administration has improved and the level of competence within the organisation has risen. In short, most partner organisations have grown stronger during the period. One organisation reports that their partners have become more focused on work concerning HIV/AIDS in the last couple of years.

One important goal for the projects, highlighted by one organisation, is the local ownership of projects. The organisation has worked actively for this and now most projects have Tanzanian leaders. The target group has been positively affected in general and there is a good amount of local participation on the grass root level.

Three of the organisations bring forward work that has been done to empower women's position within the organisation as well as in the Tanzanian society. Several courses targeting women have been held. Reaching gender equity is however a problem stated by one organisation. This is reported to be due to various educational and cultural shortfalls and results in the women leaders' inadequacy in the decision making process, which affects the overall work.

### **Lessons learnt**

All four organisations report that the NGO support has played a role in the ongoing political process of Tanzania today. The civil society was, for example, very active in voter education at the time of elections. It is also reported that the organisational support largely contained training of members which has given a raised awareness of their situation and better tools to be included in the political process and impact their situation. Furthermore, the trade unions have played a role in relation to health and safety issues, working environment and matters concerning HIV/AIDS. One organisation has been working with the issue of the Burundian refugees in eastern Tanzania, which is, according to the organisation, not high on the political agenda in Tanzania at the moment.

It appears to be agreed upon that the civil society can play a great role in the lower level political processes. One organisation points out that the future civil society most probably will play a more important role in holding politicians accountable to their voters and constituencies.

### **Conclusions for the Future Work in Tanzania**

The opinions of what is most relevant, in relation to the strengthening of civil society in Tanzania, are varied among the organisations. One organisation states that strengthening local democratic organisations to create a democratic culture is most relevant in the long run. Information sharing and working for an open society with free media are also mentioned as central. Another organisation brings forward the importance of encouraging Tanzanian NGOs to not get dependent upon money and advice from foreign donors. Education of administrator personnel is also highlighted, as well as capacity building and better coordination and cooperation. Furthermore, the labour movement is stated to have a vital role in the democratisation process and one of the basic instruments is the collective agreement.

All the organisations report that the lessons learnt from this period will affect the future cooperation in different ways. For example, in the future, more explicit objectives and indicators for the projects will be set up in order to get better results and to put emphasis on more precise objectives for the project cooperations. One organisation reports that the focus will shift from continuous organisational support to more project specific support. In order to assure the sustainability of the projects, the phasing out of the projects will be considered from the start. Other lessons learned are to adjust the ambitions in the project cooperations to the reality of the partner organisations and to better take the local preconditions into consideration. Another organisation states that more decisions will be made by Tanzanians and the projects will run more independently in the future. Furthermore, the local partners will be supported to strengthen structures for local resource mobilisation and for lobbying to the central and local authorities to get access to funding.

Concerning phasing out support, one organisation has considered income-generating projects as well as collecting membership fees, how-

ever found these alternatives unrealistic. Fund raising therefore seems to be the only real alternative as there is little hope for government support in the immediate future. Another organisation means that even though there are limited possibilities for the Tanzanian partners to carry out all activities needed, responsibility is gradually taken over by them.

In order to create an enabling environment for the work of NGOs in Tanzania one organisation believes that it is central that Sida and the NGOs support capacity building activities. Another view is that Sida should lobby, and use its contact with the government, in order for NGOs to get part of HIPC-funds, global alliance funds etc. A further opinion is that Sida should arrange meetings with policy-makers and representatives to discuss topics found important by the NGOs.

In order for Sida and the Swedish NGOs to work for a more coherent support, sharing of experiences and information to identify areas for cooperation and coordination is mentioned as central by several organisations. The present networking among organisations in Tanzania is found important as well as a dialogue between Swedish organisations in order to avoid duplication of work. For example, this could be done through a newsletter or a discussion forum at the web. One organisation brings forward the Lake-Victoria initiative as a good example of coordination. One organisation does not see any possibility for complementary support due to that their Tanzanian partner mostly has international contacts and therefore sees no reason for focusing on a Swedish perspective.

# Appendix B:

## Tanzania Millennium Development Goals

<b>MDG – Tanzania Country Profile</b>					
	1990	1995	2001	2002	2003
<b>1 Eradicate extreme poverty and hunger</b>	<b>2015 target = halve 1990 \$1 a day poverty and malnutrition rates</b>				
Population below \$1 a day (%)					
Poverty gap at \$1 a day (%)					
Percentage share of income or consumption held by poorest 20%					
Prevalence of child malnutrition (% of children under 5)					
Population below minimum level of dietary energy consumption (%)				44.0	
<b>2 Achieve universal primary education</b>	<b>2015 target = net enrollment to 100</b>				
Net primary enrollment ratio (% of relevant age group)	49.6		54.4	68.8	
Percentage of cohort reaching grade 5 (%)	78.8		99.0	82.0	
Youth literacy rate (% ages 15–24)				78.4	
<b>3 Promote gender equality</b>	<b>2005 target = education ratio to 100</b>				
Ratio of girls to boys in primary and secondary education (%)	95.5				
Ratio of young literate females to males (% ages 15–24)				94.2	
Share of women employed in the nonagricultural sector (%)	28.5				
Proportion of seats held by women in national parliament (%)				22.0	22.0
<b>4 Reduce child mortality</b>	<b>2015 target = reduce 1990 under 5 mortality by two-thirds</b>				
Under 5 mortality rate (per 1,000)	163.0	164.0			165.0
Infant mortality rate (per 1,000 live births)	102.0	103.0			104.0
Immunization, measles (% of children under 12 months)	80.0	78.0	83.0	89.0	97.0
<b>5 Improve maternal health</b>	<b>2015 target = reduce 1990 maternal mortality by three-fourths</b>				
Maternal mortality ratio (modeled estimate, per 100,000 live births)					
Births attended by skilled health staff (% of total)					

6 Combat HIV/AIDS, malaria and other diseases		2015 target = halt, and begin to reverse, AIDS, etc.				
Prevalence of HIV, female (% ages 15–24)	8.1					
Contraceptive prevalence rate (% of women ages 15–49)						
Number of children orphaned by HIV/AIDS	790.0 thousand		980.0 thousand			
Incidence of tuberculosis (per 100,000 people)	183.5	277.2	356.5	363.8	371.2	
Tuberculosis cases detected under DOTS (%)	55.0		45.9	43.1	42.8	
7 Ensure environmental sustainability		2015 target = various (see notes)				
Forest area (% of total land area)	45.0					
Nationally protected areas (% of total land area)	29.8					
GDP per unit of energy use (PPP \$ per kg oil equivalent)	1.1	1.2	1.4	1.4		
CO2 emissions (metric tons per capita)	0.1	0.1				
Access to an improved water source (% of population)	38.0				73.0	
Access to improved sanitation (% of population)	47.0				46.0	
Access to secure tenure (% of population)						
8 Develop a Global Partnership for Development		2015 target = various (see notes)				
Youth unemployment rate (% of total labor force ages 15–24)						
Fixed line and mobile telephones (per 1,000 people)	3.1	3.3	17.1	24.1	29.5	
Personal computers (per 1,000 people)			3.6	4.2	5.7	
General indicators Million (m) Billion (b)						
Population	25.5m	29.6m	34.4m	35.2m	35.9m	
Gross national income (\$)	4.8 b	4.9 b	9.4 b	9.9 b	10.7 b	
GNI per capita (\$)	200.0	180.0	290.0	300.0	310.0	
Adult literacy rate (% of people ages 15 and over)	69.4					
Total fertility rate (births per woman)	6.3				5.0	
Life expectancy at birth (years)	50.1				43.1	
Aid (% of GNI)	28.8	17.1	13.6	12.7	16.3	
External debt (% of GNI)	158.5	144.6	72.3	75.5	73.4	
Investment (% of GDP)	26.1	19.8	17.0	19.1	18.6	
Trade (% of GDP)	50.1	59.3	41.0	41.6	45.6	

Source: World Development Indicators database, April 2004

Note: In some cases the data are for earlier or later years than those stated.

**Goal 1 targets:** Halve, between 1990 and 2015, the proportion of people whose income is less than one dollar a day. Halve, between 1990 and 2015, the proportion of people who suffer from hunger.

**Goal 2 target:** Ensure that, by 2015, children everywhere, boys and girls alike, will be able to complete a full course of primary schooling.

**Goal 3 target:** Eliminate gender disparity in primary and secondary education preferably by 2005 and to all levels of education no later than 2015.

**Goal 4 target:** Reduce by two-thirds, between 1990 and 2015, the under-five mortality rate.

**Goal 5 target:** Reduce by three-quarters, between 1990 and 2015, the maternal mortality ratio.

**Goal 6 targets:** Have halted by 2015, and begun to reverse, the spread of HIV/AIDS. Have halted by 2015, and begun to reverse, the incidence of malaria and other major diseases.

**Goal 7 targets:** Integrate the principles of sustainable development into country policies and programs and reverse the loss of environmental resources. Halve, by 2015, the proportion of people without sustainable access to safe drinking water. By 2020, to have achieved a significant improvement in the lives of at least 100 million slum dwellers.

**Goal 8 targets:** Develop further an open, rule-based, predictable, non-discriminatory trading and financial system. Address the Special Needs of the Least Developed Countries. Address the Special Needs of landlocked countries and small island developing states. Deal comprehensively with the debt problems of developing countries through national and international measures in order to make debt sustainable in the long term. In cooperation with developing countries, develop and implement strategies for decent and productive work for youth. In cooperation with pharmaceutical companies, provide access to affordable, essential drugs in developing countries. In cooperation with the private sector, make available the benefits of new technologies, especially information and communications.



# Appendix C:

## Donors' sector proliferation

Donor financial support per sector (FY 2006/07, Projects and Baskets)

	Agriculture	Development Administration	Economic Management	Education	Energy and Minerals	Governance	Health	HIV/AIDS	Humanitarian	Industry/Trade	Legal	Natural Res. and Tourism	Public Sector Reform	Private Sector Development	Roads	Rural Development	Social Development	Transport/Communication	Water	
ADF	•			•		•	•					•		•	•				•	8
BADEA	•		•	•			•								•			•	•	7
Belgium	•	•		•		•	•	•			•	•					•	•	•	11
Canada						•	•	•			•		•							4
Denmark	•		•	•			•				•	•	•	•	•					9
DfID			•			•							•	•						4
EIB																			•	1
EU	•	•	•	•	•	•									•			•	•	9
FAO	•																			1
Finland				•		•						•								3
France				•								•					•		•	4
GtZ			•	•	•		•				•	•							•	7
KfW							•					•							•	3
IDA	•			•	•	•	•	•			•	•	•		•		•		•	12
IFAD																•				1
ILO																	•			1
Ireland	•			•		•	•	•				•								6
Italy							•										•			2
Japan	•	•	•	•	•	•	•	•							•				•	10
NDF					•										•					2
Netherlands				•		•	•	•						•					•	6
Norway	•		•	•		•	•	•				•			•					8
SDC			•				•													2
Sweden			•	•	•	•		•			•	•		•		•	•			10
UNDP		•	•		•							•								4
UNFPA		•		•		•	•													4
UNHABITAT																	•			1
UNHCR		•																		1
UNICEF			•	•		•	•	•	•							•	•		•	9
UNIDO	•				•					•		•		•						5
USAID				•		•	•	•				•								5
WFP	•			•			•													3
WHO							•													1
	12	6	11	18	8	15	19	10	1	1	6	14	4	6	8	3	8	3	12	





*Halving poverty by 2015 is one of the greatest challenges of our time, requiring cooperation and sustainability. The partner countries are responsible for their own development. Sida provides resources and develops knowledge and expertise, making the world a richer place.*



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