

Result Analysis for the Development Cooperation between Sweden and Tanzania 1997–2000

October 2000



SWEDISH INTERNATIONAL DEVELOPMENT
COOPERATION AGENCY

Department for Africa



**Result Analysis for the Development Cooperation
between
Sweden and Tanzania
1997-2000**

October, 2000

Content

Introduction – Conclusions from the Results Analysis

Page

3	General Education
8	Energy
11	Financial sector development
16	Research cooperation
19	Rural Water and Sanitation – HESAWA
23	Humanitarian support
26	Culture and Media
31	Local Management of Natural Resources Programme
35	Human Rights and Democracy
39	National Environment Management Council
42	Public Administration and Management
47	Telecommunications
51	Tanzania Food and Nutrition Centre, TFNC
56	Private Sector Support
63	Balance of Payment
67	Technical courses
68	Non Governmental Organisations
69	Draft Executive Summary of Fighting Poverty Strategically?
	From the independent evaluation of Swedish/Tanzanian Development Cooperation 1997-2000, by Overseas Development Institute

Conclusions from the Results Analysis

The environment for development cooperation in Tanzania has substantially improved the last five years. Tanzania has, together with the development cooperation partners, tried to rectify the problem of parallel, stand-alone and fragmented donor programs and there have been several initiatives to rationalise coordination. These began with the Nordic/Tanzania partnership agreement in 1996, which was then widened to include most of the major partner countries and institutions. Sweden has had a very active role in the development of this new partnership, an effort that is in line with the Country Strategy 1997-2001.

Tanzania continues to be one of Sweden's most important partner country in the development cooperation. Between 1997-1999 a total sum of SEK 1 232 million was disbursed.

During the period great efforts have been made to mainstream the cross-cutting issues of gender, democracy and environment. They have also been the main focus of some programmes.

The land management programme, LAMP, is a good example of how gender, environment and democracy aspects are integrated to create empowerment on a local level. Capacity building has been an integral part of the majority of the programmes.

The support to public administration has improved the transparency and accountability of the public financial management system, which is strategically important for improved service delivery and Democratic Governance. Corruption is, however, still a serious problem in Tanzania. After the 1996 Warioba Report measures have been taken to counter corruption, but they have so far had little impact. Therefore the Swedish Embassy in Dar es Salaam has formulated an anti-corruption strategy for Swedish support to Tanzania and since then fewer irregularities have been found in the programmes, and it has been possible to take quicker action when irregularities have occurred.

Swedish Development Assistance to Tanzania

Contribution/Activity SEK 000'	1997	1998	1999	Total
Human Rights / Democratic Governance	18 848	36 622	40 107	95 577
Social sectors	112 386	98 509	103 804	314 699
Infrastructure, private sector, urban development	102 454	159 170	95 371	356 995
Natural resource use	46 432	34 240	39 764	120 436
Economic reforms	27 500	91 400	0	118 900
Research cooperation	30 810	29 883	38 459	99 152
Humanitarian assistance	498	2 883	24 877	28 258
NGO's	33 952	26 379	20 844	81 175
Information, recruitment	550	18	194	762
Others	0	18 332	1 992	20 324
TOTAL	373 429	493 437	365 411	1 232 277

SOURCE, SIDAS ÅRSREDOVISNING 1999

Programmes that have been phased out during the Strategy period 1997-2000 are support to:

- The Tanzania Food and Nutrition Centre (TFNC). The objectives with the programme have been fulfilled and a historically long support has been ended.
- The National Bureau of Statistics. NBS used to be a Government Department but has now been transformed to a business entity although still with strong links to the Civil Service.

Programmes that are in the process of being phased out are:

- Telecommunications. An expansion of basic services, particularly in urban areas, has been achieved and commercialisation has changed the structure of telecommunications.
- Investments in large-scale power plants. The role of the state in financing large-scale power projects has been radically altered as a consequence of the privatisation and commercialisation of the energy sector.
- The Health through Sanitation and Water project, HESAWA. It is considered to be too much of a stand-alone project, working parallel to rather than with the local authorities.

Relevance to poverty reduction

The different programmes' relevance to poverty reduction covers a span from direct influence to indirect. The box below gives an indication of how the programmes have contributed to poverty reduction using the categories established in Sida's poverty reduction policy. It is important to note that the categories are inter-linked and the classification can not be seen as clear-cut.

Classification of contributions as proposed in the Poverty Action Programme

Direct relevance	Poor included	Policy/institutions	Indirect relevance
HESAWA	Education	Economic reforms;	Energy; power stations.
LAMP	Tanzania Food &	policy dialogue	Telecom; investments.
Energy; Sema-Ki	Nutrition Centre	Public Administration	Financial sector
Humanitarian support		HR and democracy	development.
NGO-support		Culture and media	Private sector
		Research	development.
		NEMC	Economic reforms;
		Energy policy	financial support
		Telecom; institutional	
		development	

The land management programme, **LAMP** and **HESAWA** are directly oriented to the poor rural population. LAMP aims at raising production, which will increase income for the households and, through local taxation, for the community. Environmental sustainability is another important aspect of poverty reduction efforts in LAMP as is Democratic Governance. Within a short period of implementation, positive indications have already been observed in LAMP, particularly in areas of land security and community empowerment. One problem with this programme is that its components have tended to develop in isolation from each other.

Humanitarian assistance has been given through the UN-system and the Red Cross. It has been targeted to refugees from Burundi and Democratic Republic of Congo (DRC) and to victims of floods and droughts.

A substantial support has been given through **Swedish NGO's** with the objective of promoting a vigorous civil society in Tanzania and to strengthen the local partner organisations. Most organisations that cooperate with Swedish NGO's work directly with poor communities with a focus on education, agriculture, health and water and sanitation. Capacity building is an integral part of the programmes.

Swedish support to **education** has been concentrated to quality improvements at classroom level, in particular educational materials and teacher training. The textbook project is directed to all Tanzanian children, including the poorest. There needs to be further improvement of the distribution system and of teachers' use of the books if there is to be a more substantial poverty reduction effect. Sweden is very active in the dialogue between Government and donors on a future Education Sector Development Programme and some progress has been made. There are still many problems, financial and managerial as well as substantive, that need to be solved before a programme can be put in place.

Support to **economic reforms** and **public administration** reforms has facilitated the Government's own efforts to make an impact on poverty by increasing its possibilities to provide basic services, both social services and physical, for example transport, communications, water and electricity supply.

Sweden has given a substantial support to economic reforms through the Matching Funds System and through the Multilateral Debt Fund. The latter has proven very successful as a platform of several bilateral donors for dialogue and for its link to social sectors. Support to economic reforms was not given in 1999 due to the financial budget ceiling Sida faced, but was restarted in 2000.

Support has been given to the Government accounts development project (GADP), which has assisted the Government to improve the overall expenditure control, the public debt management and it has significantly limited the growth of the government fiscal deficit. Delivery can now be made daily on accurate and consistent accounting and reporting for domestically financed recurrent and development expenditure for almost all ministries and departments. Sweden has also supported the development of Tanzania Revenue Authority (TRA), to improve Tanzania's revenue collection. With Swedish support, the Gender Unit of the Civil Service Department has made good progress towards gender mainstreaming in the Civil Service. In two years, the Unit has been enabled to develop a conducive environment for gender mainstreaming in the sector ministries. Support has also been given to Gender Budgeting.

The support to **Democratic Governance** has increased substantially, both in financial terms and as a cross-cutting issue. The support to **media and culture** is an important part of the efforts to assist in establishing a democratic culture in Tanzania. There is a well-established support to public service and public financial management, but support to other aspects of Democratic Governance is fragmented and therefore a new strategy for this support is being developed. Efforts have been taken to focus the support to NGO's to those working with democracy, human rights, environment or with cultural projects. The Culture Trust Fund has proven to be an innovative and efficient instrument for local ownership of cultural activities and for the cohesion of what used to be an ad hoc set of projects.

The support to **research** enabled the University to improve the provision of academic services of good quality to the wider society, which is of vital importance for economic and democratic development. The University reform programme has now reached a level where the Tanzanian Government is more willing to take on costs, even though funding to research is still a major bottle-neck. Other problems at the universities are weak governance, lack of trained staff at the University and ineffective dissemination of research results. Efforts are therefore being made to establish links between researchers, governmental institutions and enterprises and to continue with research training.

Support has been given to the National Environment Management Council, **NEMC**, with a particular emphasis on capacity building for environmental assessments. There is an ongoing

assessment, financed by the World Bank, of Tanzania's institutional framework for environmental management.

Direct investment of Swedish funds in **energy and telecommunications** as well as **financial and private sector development** has aimed at contributing to economic growth, which is a basis for poverty reduction.

Through the support to infrastructure Sweden has contributed to increase Tanzania's access to power. Electricity cuts and load shedding have been reduced. The restructuring of the telephone network has improved Tanzania's access to telecommunications, which is essential for further economic growth. Sida is also looking into possibilities to support rural electrification and alternative energy sources as a means of making more impact on the lives of the poor.

Within the Energy-programme Sida has supported **Sema-Ki**, a Socio-Economic mitigation and monitoring component of the Kihansi hydro-electric power station project, and this has been an important factor in the amelioration of the negative effects of the power station on the area and community. Sema-ki is directly poverty-oriented.

The support to **private sector development** and **financial sector development** has increased over the last years. The strength of this support is that it is strategic and targets important processes that are conducive for growth. Sweden has contributed to increase the provision of financial services and to build capacity for handling the privatisation of the industrial parastatal sector. Support has also been provided to build up a strong private sector representation all over the country, through a collaboration with the chambers of commerce. Increased collaboration and joint financing with other donors have been promoted during the period, and this is expected to have an impact on the programme during the coming Strategy period.

Evaluations

Overseas Development Institute, ODI, performed an evaluation in 2000 with a focus on the country strategy 1997-2000, its operationalisation, relevance and coherence. It did not assess programme impact. According to ODI the Country Strategy did not function as intended as the steering instrument for the programme as a whole. ODI points at historically specific reasons for this, but also identifies generic problems. The strongest recommendation at programme level is that Sida should pay more deliberate attention to the low productivity of small-holder agriculture in Tanzania and other natural-resource-based activities. ODI also emphasises the importance of engaging more in discussions on policy level, especially in energy and telecommunications, something that Sida has already initiated. ODI states that the Swedish-Tanzanian cooperation has contributed significantly to the emergence of the new partnership agenda and establishes that Sweden is almost alone among bilateral donors in reporting in full both budgeted and actual disbursements for the whole of its country programme.

The ODI evaluation took place while the 2001-2005 Strategy was developed and it has fed in to the process. The Strategy has been developed with ODI's recommendations in mind, specially concerning poverty reduction in general and small-holder agriculture in particular. However, the Strategy takes a wider approach to the problem of small-holder agriculture and tries to focus on the macro-micro dilemma which emerges in the country analysis not only for agriculture but also for the social sectors and infrastructure.

Other Development Cooperation Partners

Aid dependency in Tanzania remains very high, both from a financial and a mental point of view, as does the number of partner countries and agencies working with Tanzania.

Much has been done to improve Tanzania's ownership of the development cooperation and the number of development projects has drastically been reduced. Still the new partnership has succeeded above all on a macro level and much remains to be done before the new attitudes and work methods are assimilated at all levels of development programmes. During the last three years external assistance has constituted between 12 -15 per cent of GDP. The total external assistance to Tanzania amount to around USD 1 billion annually, including both grants and loans. Foreign assistance accounts for about a third of the total government budget and nearly all of the development budget

In 1998 Sweden was the third biggest bilateral donor. Norway, Netherlands, Denmark, Germany and the UK provide assistance at about the same level as Sweden, while Japan stands out as the biggest bilateral donor. Among the Multilateral agencies the World Bank, the World Food Programme, the International Monetary Fund, the African Development Bank and the European Union are the major sources of funding.

General Education

Background

Sweden has been one of the major donors to the education sector in Tanzania since the seventies. The support has gone to a number of sub sectors including adult education special education and folk development colleges. The last agreement concentrates on basic education. It covers the period 1997 - 1999 and has been extended up to 30 June 2000. The total amount is 165 MSEK and it is concentrated mainly on support to textbooks, teacher training and capacity building. The overall objective of the Swedish support to education is to improve quality and increase access to basic education.

Tanzania is experiencing a transition period including decentralisation, liberalisation and privatisation. This is evident in the education sector and has deeply influenced the Swedish support, which has been directed to policy, strategic and innovative development. It is happening at the same time as the sector is trying to reform and transform itself in the midst of a severe crisis. The education sector has for a number of years shown a negative trend: both the enrolment of school children has gone down at the same time, as the quality of education has been in question.

Provision of text books and educational material

During the 1990's more or less all textbooks produced for primary schools have been paid by Swedish funds under the Pilot Project for Publishing. Since 1996 altogether 7.341.924¹ books have been produced and distributed. Today one title per subject in each grade is available in primary schools, following the recently revised curriculum. For most titles there are teacher's guides. What is even more important for the future is that the Government of Tanzania (GoT), with Swedish support, has been able to delegate all the operational production work to private publishers. Today they are producing, marketing and distributing the books to the district level. Before the Ministry of Education and Culture carried out all the demanding logistical and operational links, from a preliminary idea to the ready made book in the classroom. This change has been possible through an ambitious capacity building programme, both within concerned ministries and with all major local publishers. A sustainable text book provision programme is well on its way taking for granted that support is directed to the

¹ Summary of 3-year Central Procurement of Textbooks 31.12.99, Ministry of Education and Culture, Book Management UNit

demand side in the future. The schools need financial support to be able to buy the books and the parents can not afford to pay the books.

The objective of the support to text books has been to improve quality and to establish a sustainable qualitative system for the future. The GoT took a very important step in this direction when it launched a new multi-text book system. It has not yet found its forms, but it shows the Government's strategy to create a system where individuals and companies can creatively develop books out of certain given frames. In this way the Ministry of Education and Culture is moving from an operational role to becoming a guarantor, responsible for core issues like curriculum development, quality of textbooks etc. Through the improved capacity, increased competition and clarification of roles between different actors a good base has been established for a sustainable cost effective schoolbook system.

Parallel to the textbook provision programme big efforts have been made to decentralise the procurement of educational material, including textbooks, to district level. A substantial amount of Swedish funds (SEK 36,170MSEK) has been budgeted to districts for this purpose. This has been a process starting with piloting on a rather basic scale, continuing with bigger amounts and wider frames for districts to make own priorities. When devolving funds to district level it is essential to earmark the funds for educational purposes. District education officers have met annually and the reporting system has been very careful. The main subject for district procurement has been exercise books but also other items have been locally procured like chalk sticks, supplementary readers, dictionaries, slates etc. One intention with the Swedish support has been to move from support to the supply side (ministries and publishers) to the demand side (districts, schools and end users). Procurement made at district level creates good possibilities to continue the support in a decentralised direction. The need for monitoring and capacity building at district level is however continuously very big. The experiences from decentralised procurement with Sida funds will be evaluated 2000.

A special project for improving physical school facilities has successfully developed new, appropriate designs of school desks. A model called MTD (Modified Tanzanian Desk) has been developed. Local material and participatory methods for implementation have been used. Altogether 202 classrooms have so far been furnished with desks of adobe and concrete. 946 desks of other materials (softwood, hardwood and steel) have been produced.

Teacher education

Improvement of the quality of education is directly connected to the competence of teachers. A severe problem in Tanzania is the big number of unqualified teachers. The Swedish support has therefore concentrated on strategical components to up-grade unqualified teachers and to improve teacher education. Of special strategic importance for the future is the in service of college tutors. A special unit has been established at Morogoro Teacher's Training College, under the supervision of Stockholm Institute of

Education (SIE), to carry out this training. Specially assigned local college tutors have gradually reduced the back up from SIE. This programme has had a very big impact in changing attitudes of tutors, as well as developing their teaching methods into a more student-oriented pedagogy. This programme will play a key-role to assist the Government to create a modern primary education for the future. To up-grade unqualified teachers by distance education have shown to be cost effective and appropriate for many teachers in remote areas. The Swedish support has included developing course material, training staff and developing a distance education organisation in two zones of the country. An evaluation of the Swedish support to Teacher education will be carried out during year 2000.

Education Sector Development Programme (Ed-SDP)

Sweden has been very active in the dialogue between the GoT and its international partners about an Education Sector Development Programme (Ed-SDP). Sweden has supported different initiatives to realise such a programme. It is very difficult to measure the results of this on-going process. There are still steps to be taken before an Ed-SDP can be realised. However some clear achievements have been made; a partnership agreement has been signed which stresses the necessity of Tanzanian ownership; an appraisal has been carried out with massive participation from both GoT and international partners and GoT has endorsed a strategy document and reprioritised its goals which have resulted in revised plans within the framework of the Public Expenditure Review.

The sector needs reform thinking, it needs more resources and it needs to rebuild its credibility among parents and children. The development of Ed-SDP has been seen by the Government and the donor community as the way to revitalise and fund the system. The possibility of pooling resources without earmarking support in the future could result in better use of scarce resources and minimise the risks of gaps in the education sector. The Ed-SDP is based on a close partnership between different actors resulting in a better and a more strategic dialogue with Tanzania.

Vocational Training

Already in 1994, after more than twenty years, it was decided to phase out the Swedish support to vocational training. The parliament and VETA, Vocational Education passed a new vocational training act and a Training Authority was established. A vocational training levy was implemented as the main local source of income.

The VETA strategic action plan (SAP) became the ground for the last phase of the Swedish support. Three regions (Mwanza, Kilimanjaro and Tanga) were identified to create a regional, decentralised organisation for a demand-driven, flexibel vocational training. Morogoro Vocational Teacher's Training College and mainstreaming of gender issues also became components for Swedish support.

Although the decentralisation efforts created lots of tension and tug-of-war between the centre and the regions slowly regional organisations were established. An infrastructure was implemented with Swedish support to facilitate flexible training on demand from local employers. The Gender component was well motivated and succeeded to carry out planned activities, courses for the regional directors e.g. but met resistance from the organisation in main streaming the activities. When course fees were introduced the number of girls attending VETA-courses decreased. In Morogoro a department for producing teaching/learning material and a library were established.

VETA is facing, partly because of the withdrawal of Swedish funds, severe financial problems. Another major reason is the inability to collect the vocational training levy from the employers to a satisfactory level. VETA still struggles and have different internal views about what role to play and it will take time before one really adapt its role as a supporter of vocational training with a flexible and demand driven offer of vocational education.

Overall assessment

The lack of a strong and genuine ownership within the Ministry of Education and Culture is the biggest problem for the future, as a Sector Development Programme implies strong ownership. For the sustainability of the education reform programme ownership is one of the key factors. The need for capacity building is continuously big. During the process the balance between internal leadership and ownership and external initiatives from donors has been difficult and errors have been made by all involved parties. However, it is important to stress the achievements made within the process towards a sector wide approach. Some examples are the partnership agreement, the appraisal that has taken place and the strategy document endorsed by GoT. It is important to acknowledge the need for more time to implement a complex reform programme of this character. The education system is in deep crisis, characterised by low enrolment, low quality, many unqualified teachers etc. These problems affect the poorest most. For Sweden the best way to assist in breaking this negative trend is to be a supportive partner and insist in reforming the education system into a child oriented, appropriate primary education. In this way primary education can be an important tool in combating poverty.

Lessons learnt

Tanzania will not get a child centred primary school based on values of respect for the individual with democratic rights and with promotion of creativity and critical thinking, until the teacher training has been radically changed and influenced in the same direction. It is crucial that the Teacher Education Master Plan, which is now being drafted, is heading in this direction.

The Swedish support has been directed to policy, strategic and innovative development and it has resulted in some qualitative improvement on programme level. However, it has not managed to arrest the general deterioration in the sector, since the difficulties the sector is facing are results

from the financial crisis in the 80s. Today the sector needs more resources than it generates. Swedish financial support only constitute a very small part of the overall financing of the sector, which is a major reason why the Swedish support has not managed to impact more positively on the sector as a whole.

To implement a sector wide approach is a very complex process and every country has its own specific prerequisites. In Tanzania the many reform processes, the big number of ministries and the variety of donors (partners) are factors, which need to be taken into consideration. The major obstacles so far have been; weak ownership, inefficient management and a top-bottom approach with too few stakeholders involved in the process.

Sources:

- MoEC/BMU (sep 1998), "Annual Progress Report 1997/98"
- MoEC/PMO (sep 1998), "Annual Progress Report July 1997-June 1998"
- Palme & Höjlund, SIE (nov 1998), "Textbook Usability study Aug-Nov 1998"
- MoEC/DTE (aug 1998), "TED – Annual Progress Report July 1997-June 1998"
- VETA (apr 1999), "Progressive assessment of the implementation of SAP" - VETA
- VETA (jul 1999), "1998/99 Annual Report for swedish support to Vocational Training"
- Graphium & Opifer/MoEC, D. Mbilinyi & B. Omari (mar 1998), "A study on the Existance of Gender Imbalance and Sex Role Stereotyping in Tanzania Textbooks"

Ranals2

+	Overall sector objectives	Project goals	Achieved effects, positive or negative	Planned outputs	Achieved results	Cost outcome and period	Comments
SPECIFIC AGREEMENT ON SUPPORT TO BASIC EDUCATION 1997-99. Decision GD10/97. Period: 9701-9912, extended up to 0006. Total amount: 165 MSEK	-To improve the quality of education -To increase enrolment and to reduce the drop out rate -To increase capacity at Ministry- and district levels					115,774 MSEK total disbursement up to 15 November 1999	Initial delay in recruiting consultants resulted in delay in implementation of programmes. Initiatives from other donors delayed the print-runs of PPP4. As a consequence the agreement was extended by six months up to 30 June 2000.
		1A: a sustainable text book provision programme		9,144,840 books produced and distributed to districts Local publishers responsible for marketing, production and distribution	6,649,504 books produced and distributed to districts (72,7%). Multi text book system launched. Publishers shouldered responsibility for marketing, production and distribution. Competence developed within editorial, design, illustration and layout.	59,232 MSEK total disbursement up to 15 November 1999	The enhanced text book provision has not resulted in obtaining the set goal 1:3 ratio, measures have been taken to achieve this goal by 2000. Emphasis on the supply-side (publishers & book-sellers) and less on the demand side (districts and schools)
		1B: a well implemented decentralised procurement system		36,170 MSEK approved for devolution to 113 districts for local procurement of educational materials, exercise books, supplementary readers, dictionaries etc	2,295,240,024 MTAS, approximately 24 MSEK devolved to districts for procurement of educational materials	38,156 MSEK total disbursement up to 15 November 1999	Districts needed more time for procurement, distribution and reporting than planned. Today about 80% of the districts capable to carry out the services within 4 months which makes it possible to have three disbursements annually to districts.
	2: academic and professional qualified primary school teachers			a) Teacher Education by Distance Education (TED)	20 persons were trained as course writers. 80 out of planned 90 units (booklets) produced by March 1999 in five subject areas. Five editors trained, one per subject, 19 tutors have been trained in the two zones (Lake and Eastern)	13,656 MSEK total disbursement up to 15 November for teacher education	The back bone of this project is the self-instructional material. It is working well and has attracted other parts of the country. Problems exist with lack of manpower at the Ministry and with the distribution of the material.

				b) Residence in-service courses in key subjects (mathematics, English, science)	Three-month courses: target 4180 student-teachers, achieved result 1878(947 f and 931 m). Agriculture course: target 210, achieved result 134 (50 f and 84 m). Period July 1997-June 1998		While the provision of the in-service courses is healthy the impact of the in-service courses as hardly been monitored and evaluated. Problems exist with low attendance at courses.
				c) In-service of college tutors	Out of the group of 875 tutors 120 (check!) have been trained by the end of 1999. Original plans were too ambitious. Ten Trainers of Tutors have undergone 3-months training course, 6 have so far qualified.		The target group is 875 college tutors. Low utilisation of Teacher Training Colleges using only 60-70% of capacity remains a problem.
				d) Sponsorships of university students	sifror kommer		
			3. Improved physical facilities at selected primary schools	Design a school desk type appropriate for Tanzania Furnish 244 number of classrooms with desks of adobe and concrete. Produce 1150 desks of different material like softwood, hardwood, steel	MTD (Modified Tanzania Desk designed) 202 classrooms furnished with desks of adobe and concrete 946 desks produced		
			4. Improved monitoring and planning capacity at Ministry level (Planning reserve)	Capacity building of key units in Ministry of Education Seminars for district education officers, studies and seminars on request by the Ministry of Education	Annual seminars for DEOs Financing of the SDP-appraisal (partly) Financing of study: Cross-cutting financing for Education Development	2,174 MSEK total disbursement up to 15 November 1999	
			5. Children's book project. To boost the production & distribution of reading materials for primary school children. To increase, encourage and support indigenous authorship, publishing, book design and printing.	Increase purchase of new titles. Support thematic training to the target stake holders. Pursue readerships campaign.	Purchased 5000 titles & market 200 new copies in the region and districts. Several workshops in marketing, editing, publishing, book design, book sellers, reading promotion conducted. Readership campaign in the region.	2,420 MSEK total disbursement up to 15 November 1999	Evaluation on going.

Energy

Background

Sweden has supported the energy sector in Tanzania since the 1970's. Sweden has been involved in financing:

- Hydropower stations at Kidatu, Mtera and Pangani
- Phase 1 and 2 of the rehabilitation of Kidatu
- Installation of voltage stabilising equipment and two gas turbines in Dar es Salaam
- A number of studies by Stockholm Environment Institute and the World Bank
- A feasibility study of potential sites for future hydropower stations.

At present Sweden is participating in the financing of the Lower Kihansi hydropower station, the rehabilitation of Kidatu, back-up service to the gas turbines at Ubungo and the elaboration of a new energy policy and support to the reform work in the energy sector.

Assessment

The support to the energy sector during the strategy period with the objective of providing sufficient and reliable least cost power production has contributed to reduce the electricity cuts and load shedding which crippled the Tanzanian economy a few years ago and thus has facilitated economic growth.

The review and reformulation of a New National Energy Policy has assisted Tanzania in a very timely introduction of an appropriate framework of macro-economic policies and structural changes into the energy sector.

Results

Since the energy support is still on-going it is premature to assess long term effects. However, some positive trends are already visible.

Through the hydropower support considerable additional hydropower power production capacity has been obtained (in recent years Pangani, 66 MW and Kihansi, 180 MW), which reduces the emissions of carbon based gases and thus lessens the environmental impact of power generation and reduces Tanzania's dependence on imported petroleum products and the drain on foreign currency. Important environmental and socio-cultural lessons learnt have been transferred to successive hydropower projects.

The operation and maintenance support to the Ubungo gas turbines has assured the availability of peaking capacity within the power production system

thus preventing wide spread power cuts and load shedding at peak consumption times.

The feasibility study has made it possible to start concrete negotiations regarding the next hydropower stations to match the required lead time to its completion and thus preventing power shortages and/or unnecessarily expensive power production.

The energy policy review and the support provided to an energy regulatory study tour and subsequent workshop have assisted the move towards a major institutional reform, which will shift the role of the government from that of a direct provider of goods and services to being a facilitator for the private sector.

Generally, the planned results have been achieved or are likely to be achieved before the Project is completed.

Lessons learnt

The Sida supported socio-cultural Sema-Ki component of the Kihansi project, which provides certain building materials with villagers providing the labour, has received recognition by the World Bank and others. It has been recognised that even though people living adjacent large infrastructure projects such as hydropower stations may not be physically affected by the constructions, e.g. not having to be displaced because of a new water reservoir or other similar impediments, they are nevertheless likely to be affected in various ways. Thus such projects should include appropriate socio-economic mitigation measures.

The Ubungo gas turbine project was conceived at a time when lack of funds for maintenance and mismanagement of power production units had escalated to a degree where Sida found it necessary to take immediate action to avoid shortfalls of power. It was obvious that expatriates had to be recruited to run the turbines, but the aim was to train and eventually hand over the responsibility to Tanesco. In order to stimulate good performance an innovative management contract was designed, with complete responsibility for operation and maintenance of the turbines vested in a management company. If the availability of the turbines exceeded 91% a bonus was paid for each percent above 91%, and likewise if the availability was less than 91% a penalty was paid for each percent below 91%. This assured a very high degree of availability of the turbines. During the project the number of expatriates gradually decreased until Tanesco is now able to sustain the operation with a minimum of support.

The slow start of the Kidatu rehabilitation and the subsequent discovery of additional rehabilitation needs, highlight the need to quickly implement a rehabilitation once the needs have been established in order to prevent cost over-runs. Prolonged procrastination undoubtedly results in additional rehabilitation needs being discovered during the implementation.

Recent events, especially the IPTL affair, (an unsound contract signed with a Malaysia-led consortium for a thermal generating plant with capital costs, commercial arrangements and security package resulting in a cost of procured energy to Tanesco significantly above its own selling price) have shown that in spite of support to least cost discrete infrastructure projects like Kihansi and Kidatu, the total cost structure for power production can be jeopardised by uninformed Government-private sector deals outside the agreed least cost project frame.

The support to a new energy policy has had the effect of strengthening the Ministry of Energy and Mines to such an extent that it recently managed to limit the PSRC/World Bank steered "Power Policy" proposal to Cabinet to a "Privatisation of Tanesco"-concept and thus allowing the new Energy Policy to appropriately also encompass "Power Policy".

Significant Conclusions

The successful implementation of the physical components of the programme, although facilitated by the clear definition of roles and responsibilities prevailing in the construction industry today, is ultimately due to a successful selection of knowledgeable and experienced actors.

The IPTL contract and the energy policy review have highlighted the need for a proper regulatory regime, anchored in legislation, to ensure competition on fair and equitable conditions among independent economic actors to make the market in the energy sector work, i.e. to develop a sustainable energy sector which will ensure security of supply, and the availability and affordability of energy services, while sustaining the diversity of energy sources and energy systems.

Sources:

- Agreed Minutes and Minutes from Meetings, 1996-1999.
- Consultancy Reports (SwedPower, 1996-1999; Birka Teknik & Miljö, Agne Gustaffson, 1998-1999; ÅF-SMG 1999; Sten Lööf, 1997)
- Project Appraisal Document on a Credit, Tanzania, Power VI Project, World Bank, 1993.
- Evaluation of the Swedish Support to Tanzania's Power Sector, Elon Dahlström, Melinda Cuellar and Hans Peterson, 3 March 1997.

Financial sector development

Background

Sweden has been involved in the financial sector in Tanzania since the early 70s. The support has gradually evolved from the provision of financial resources through banks and financial institutions to also include the promotion of efficient financial markets and a sound policy environment. The range of co-operating partners has also expanded over the years as a consequence of the increased importance of the private sector in the economy.

The overall objective of Sida's financial sector support is to contribute to the provision of efficient, sustainable and competitive financial services to the benefit of Government, enterprises, households and individuals.

Relevance and Results

The areas identified for Swedish assistance has been based on a holistic approach to financial sector development. During the period under review, support has been provided to develop the institutional framework and to promote the establishment and growth of a variety of providers of financial services. The projects in the current portfolio address different areas in need of assistance but are also mutually supportive of each other.

Tanzania Venture Capital Fund (TVCF)

TVCF was set up to improve the access of small and medium scale (SME) companies to equity capital for their formation and growth. The mandate of the Fund is to make equity and equity oriented investments of USD 50,000 to USD 500,000 in high risk/high reward SMEs owned and managed by Tanzanians.

TVCF made its first investment in May 1994. As of March 1999 it had invested USD 6,1 million in 20 ventures. All of the investees have significant indigenous Tanzanian ownership, and in all but one an indigenous Tanzanian holds a controlling interest. The investments are spread over the country, but the bulk (50%) is found in Dar es Salaam. TVCF's high-risk investments make up 70% of the portfolio. Two investments have been made in companies already listed on the Dar es Salaam Stock Exchange, in order to support the Exchange in building the Tanzanian private enterprise climate but also as a future source of exit for the TVCF fund management.²

² End of Project Report of First Capital Partners, T.F. Miller, August 1999

TVCF is today fully invested. It is well managed by the fund manager, First Capital Partners (FCP), and has largely achieved the purposes for which it was set up. However, the financial performance of the fund is not likely to live up to the original expectations of the investors (Sida/Swedfund, CDC, TDFL, etc). This experience is reflected in the more risk-averse approach to venture capital taken by FCP and the investors in the new venture capital fund, Fedha.³

Fedha Fund

The Fedha Fund, too, was established to improve the access of SMEs to equity capital for their formation and growth. Fedha undertakes equity and quasi-equity investments in larger (USD 200,000 to USD 1 million) and less risky ventures that are not necessarily owned in significant parts by Tanzanians.

Fedha's first investment was made in September 1998. To date, a total investment of USD 2,4 million in six companies have been made.⁴ One of the investments is a start-up venture. Although a safer fund for the investors, it is possible that Fedha's less-risk oriented investment policy might prove to impede the investment volume for the fund.⁵

Tanzania Development Finance Company Ltd

The support to TDFL was made in order to contribute to an increase in the number of financial institutions on the market by facilitating TDFL's investment in such institutions.

During the course of the support, TDFL has drawn on the credit facility provided by Sida only once. The facility was used to refinance the investment in a local bank, majority owned by Tanzanians, the Akiba Bank. The investment in Akiba has developed unfavourably, because of a recent fraud in the Bank. Akiba is however still operating, and new money has been put into it by some of the owners.

The Sida credit facility to TDFL is provided on the basis of a risk- and profit sharing formula, according to which Sida will take 2/3 of a possible loss but also 2/3 of a possible gain resulting from the investment. This formula is probably not perceived to be attractive enough by TDFL, which explains the limited use of the facility.

First Adili Bancorp Ltd

First Adili is a private, indigenous commercial bank. The overall objective of Sida's support to the bank is to contribute to the development and

³ Ibid.

⁴ First Capital Partners, November 1999

⁵ End of Project Report of First Capital Partners, T.F. Miller, August 1999

strengthening of the Tanzanian capital market. The project purpose is to assist in developing First Adili into a competent and well-reputed actor on the Tanzanian market.

During the course of the Sida support, a retail banking function has been established. A full banking license was obtained in mid 1999⁶. The total value of loans and advances amounted to some TSh 7,6 billion (about SEK 76 million) in September 1999. By the end of 1998, profits had increased from Tsh 477 million as compared to TSh 289 million in 1997. No real investment banking function has been established.⁷

Despite good performance in some areas, the prospects for the bank, in its present state, is somewhat gloomy. The market's confidence in smaller banks has considerably diminished in the past couple of years, due to a number of "scandals" in the financial sector, including the closure of smaller banks like Greenland Bank, Trust Bank etc. The trend is towards increased concentration on the market, where the larger banks increase their volumes at the expense of small banks' businesses. This is the pattern also internationally.

Capital Markets and Securities Authority (CMSA)

The objective of Sida's support to CMSA is to promote the development of a reliable, efficient and just securities market. To this end, support is provided to strengthen CMSA, but also to enable the Authority to establish an efficient and reliable stock exchange.

CMSA has so far utilised the Swedish assistance mainly to set up the Dar es Salaam Stock Exchange (DSE). DSE is now in operation, and three companies are listed on the stock exchange; two newly privatised ventures (Tanzania Oxygen and Tanzania Breweries) and one private firm, Tanzania Tea Packers Ltd, which was established through support from TVCF. (This also shows the links between the Sida-supported projects.)

The number of companies traded on the Stock Exchange is somewhat lower than expected. This is in part due to a limited awareness within both the Government and the general public about the functions of a Stock Exchange, but also because of a limited use of the DSE as a vehicle to further delute the Government ownership in privatised companies.

Effects

⁶ Information from Swedfund

⁷ First Adili Balance Sheet and P/L Account, September 1999

An End of Project Review of the support to TVCF and Fedha Fund⁸ was made on behalf of Sida and DFID in 1999.⁹ As Fedha has recently started to make investments, it is too early to assess the development impact of this fund. However, some fairly firm conclusions can be drawn in terms of TVCF and its impact.

According to the Review, the most visible development outcome is the number of ventures assisted by TVCF: more than USD 6 million has been invested in 20 companies during roughly five and a half years. Out of the 20 ventures assisted, 13 were start-ups. The Review suggests that these companies would not have started, and the development results from them would not have been achieved, without investments from the fund and non-financial assistance from the fund management.

TVCF investees employed 865 people as of the end of 1998. All but 70 of these jobs are in ventures in which the fund made start-up investments. Thus, about 800 jobs that now exist would not likely have been created without TVCF's work. In addition, the review notes that most of the investments are still fairly young, and employment creation is therefore not yet at its peak – additional jobs are hence to be expected.

TVCF investees have also succeeded in securing other financing than that received from the fund. The financial leverage from TVCF's investment is calculated at 3,2:1 (i.e. for every USD 1 of TVCF investment an additional USD 3,2 was raised). The review further concludes that the existence of TVCF has added to the awareness and credibility of entrepreneurship and venture capital and its techniques in Tanzania.

The financial performance of TVCF does not, however, match the initial expectations of the investors. Under optimistic assumptions, investors could receive their investment back with a small gain. Under pessimistic assumptions, the loss would be around 40%. The Review however argues that the likely scenario lies somewhere in between these two extremes, and thus, that the development impact referred to above might eventually prove to be achieved at a very low, or possibly zero, cost to the fund investors (not including cost of money or inflationary effects on fund investments).

External evaluators have not reviewed the effects relating to the other financial sector activities supported by Sida. However, it is probably fair to claim that both the support to First Adili and the refinancing of TDFL's investment in Akiba Bank have contributed to increase competition and supply of financial services on the market.

⁸ The review also included an analyses of a third fund, the Lazer Fund, which Sida has not been involved in, but which is managed by the same Fund Manager that is handling TVCF and Fedha.

⁹ End of Project Report of First Capital Partners, T.F. Miller, August 1999

It is also fair to state that the existence of the Stock Exchange provides local companies with an opportunity to access additional capital from the general public. It also provides an exit for the venture capital funds on the market, as well as for the Government in terms of selling out its (minority) shareholding in privatised companies.

Conclusions

Sida's support to financial sector development in Tanzania is too limited to alone have an impact on national figures relating to economic growth, industrial development, etc. However, the support is provided in a selected number of strategic areas – financial infrastructure, financial markets and institutions, provision of risk capital, etc - that, together with other programmes in this area and other sectors of the economy, might eventually have a positive impact on the above indicators and national efforts to reduce poverty in the country.

The financial sector in Tanzania has changed considerably during the 90s as a consequence of Governments liberalisation policies. However, a number of institutional weaknesses still exist. Hence, further support and increased focus on the promotion of a sound policy environment and development of efficient financial markets are necessary.

Sida has, together with the World Bank and some other donors, taken the initiative to carry out a comprehensive Financial Sector Review, in co-operation with the Ministry of Finance and the Bank of Tanzania. The outcome of this Review will constitute a framework for Sida's future interventions in the financial sector in Tanzania.

Sources:

- End of Project Report of First Capital Partners, T.F. Miller, August 1999
- First Capital Partners, November 1999
- First Adili Balance Sheet and P/L Account, September 1999

SWEDISH SUPPORT TO FINANCIAL SECTOR DEVELOPMENT IN TANZANIA 1995 - 1999

Support, Decision and Time Period	Overall Sector Objective	Immediate Objective	Effects, Positive or Negative	Planned Outputs	Actual Outputs	Actual Costs	Comments
Risk Capital							
Tanzania Venture Capital Fund (TVCF) SC/GD-33/93-94 USD 500.000 INEC/Kap-??/96 SEK 500.000 Total SEK 4.400.000 Project Period 1993-10 to 2008-12	To assist small and medium sized companies to access the equity capital needed for their formation and growth.	To invest in equity and quasi-equity in small and medium sized companies, owned and managed by Tanzanians.	The fund has had a crucial role in enabling new companies to get started (13 out of 20 supported are start-ups). Estimated new jobs created: 800. The fund has modestly, but visibly, contributed to quicken privatisation. Through its demonstration effect it has added to the awareness and credibility of entrepreneurship and venture capital and its techniques. On the negative side, the rate of return anticipated by the investors to be paid out upon total liquidation of the fund will not likely be achieved (best case scenario 10%, worst case scenario -43%).	Investments made in 20-25 companies during the life of the fund. Investments to range between USD 0,05-USD 0,5 million.	Investments made in 20 companies as per Nov-99 to a total value of USD 6,4 million. Average size of investment: USD 0,32 million.	4.239.312 (up to Nov -99)	The Swedish investment in TVCF has been undertaken by Swedfund. The funds required have been on lent to Swedfund by Sida. (Total overall investment in the fund: USD 7,6 million).
Fedha Fund (FF) INEC/Fin-482/99 SEK 2.250.000 Project Period 1999-06 to 2009-05	To assist small and medium sized companies to access the equity capital needed for their formation and growth.	To invest in equity and quasi-equity in small and medium sized companies, not necessarily majority owned by Tanzanians.	N/A - too early to determine. Presumably positive effects on job creation and entrepreneurship, in line with what is stated for TVCF. Rate of return to investors might be higher because of the more risk averse approach take by FF.	Investing USD 13 million in a number of small and medium scale companies operating on the Tanzanian market. Investments to range between USD 0,2-1,0 million).	Total investments USD 2,4 in 6 companies as per Oct-99. (FF started in Sept-98). Average size of investments: USD 0,5 million.	852.946 (up to Nov-99)	The Swedish investment in FF has been undertaken by Swedfund. The funds required have been on lent to Swedfund by Sida. (Total overall investment in the fund: USD 13 million).

Tanzania Development Finance Company Ltd (TDFL) NEC/Fin-815/96 SEK 8,000,000 Project Period: 1996-09 to 2000-06	To contribute to an increase in the number of institutions on the financial market in Tanzania.	To facilitate TDFL's equity investments in financial institutions in Tanzania.	Not yet evaluated. Presumably increase in financial services as a result of the investment in Akiba.	Equity investments in a variety of local financial institutions using the credit facility provided by Sida.	Refinancing of an investment in a local bank, Akiba Commercial Bank, has taken place.	1,710,897 (up to Nov-99)	Sida funding provided as a credit facility. The set-up includes profit and risk sharing on a 2/3 (Sida) and 1/3 (TDFL) basis. (This design has proven less attractive to TDFL, which might explain the limited use of the facility.
Private Banks First Adili Bancorp SC-Board, Nov 1994 SEK 5,000,000 INEC/Fin-59/98 (conversion of loan into equity) INEC/Fin-312/98 SEK 450,000 Total 5,450,000 Project Period: 1994-11 to 2007-12	To contribute to the development and strengthening of the Tanzanian capital market.	First Adili is a competent and well-reputed actor on the Tanzanian capital market.	Not evaluated. The existence of Adili however has contributed to increase competition and supply of services on the market.	Retail banking function established. Investment banking function established. Generation of profit.	Banking license received in mid-1999. Balance sheet amounting to TSh 11,7 billion in Oct-99 (about SEK 120 million). Profit by end 1998 amounts to TSh 477 million (as compared to TSh 289 million in 1997). Value of Loans and Advances TSh 7,6 billion (Sept -99).	5,192,344	Sida provided a loan to Adili, which was later converted into equity. The shares are owned by Swedfund through an agreement with Sida.
Securities Markets Capital Markets and Securities Authority (CMSA) + Dar es Salaam Stock Exchange (DSE) INEC/Fin-814/96 SEK 8,000,000 Project Period: 1997-06 to 2000-12	To promote the development of a reliable, efficient and just securities market.	To contribute to: (i) develop CMSA into an efficient and competent capital markets and securities authority enjoying public confidence. (ii) to establish an efficient and reliable stock exchange.	Not yet evaluated – too early to do so. However, the existence of the Stock Exchange supports the privatisation process and enables private companies to get access to capital for expansion and growth. Out of the three companies listed, two are privatised entities. The third one has been created through support from TVCF.	CMSA: - competent management and staff; - adequate organisation with suitable equipment; DSE: - operational organisation with competent staff, appropriate administration and equipment; - ownership of the Stock Exchange transferred to private actors; - some 10 companies listed and trading on DSE within a 3-year-period.	The main part of the support has so far been devoted by CMSA to the establishment and development of DSE. The Stock Exchange is now place. The organisation is operational and staff trained. Kenyan Stock Exchange specialist is providing advice on a long-term basis. Part of necessary equipment installed and operational. Three companies are so far listed on DSE (Nov-99).	1,807,676	The agreement is signed with CMSA, as DSE was not established by the time of signing.
TOTAL DISBURSED						12,950,278	

Research cooperation

Background

Swedish research cooperation with Tanzania dates back to 1976. During the first ten years of cooperation the research council UTAFITI was the main counterpart. When the collaboration was evaluated in 1985 it was found that the experienced researchers within the council were too few to make academically based priorities of research supported, and that the council acted as a political and bureaucratic filter. In the next phase the Swedish research cooperation was focused directly on individual researchers or research groups. This in turn led to a fragmented situation. At the beginning of the 1990's a process of concentrating cooperation to the University of Dar es Salaam started, also stimulating the reform process at the university. This process aims at setting up structures enhancing the quality of research Higher education and academic services to the Tanzanian society. In 1998 an agreement was signed emphasising the role of the UDSM management structures in making strategies and priorities for the research cooperation. A similar agreement was signed with the Muhimbili University College for the Health Sciences, MUCHS.

Assessment

Research Cooperation has contributed to produce research results of relevance to development in Tanzania. Examples are increased knowledge about electric power distribution, environmental consequences of gold mining and farming, coastal management, entrepreneurship, HIV aids and reproductive health.

Research Capacity building has contributed to the development of research/teaching staff at the UDSM and MUCHS, to the set up of structures for Research Management (Academic and financial) and building of laboratories including instalment of scientific equipment. All of them put the university in a better position to provide the Tanzanian society with academic services of good quality.

Results

Since the research cooperation in its current, institutional form was recently formed; it is premature to assess long term effects. However, some positive results are already visible and they point towards a more efficient and responsible research management at the university:

Support for the research grants programmes at Faculties has led to a revitalisation of interest for research among staff at the faculties. One indicator is that Seminar series have started at faculty level, to increase the quality of research proposals and reports. Another indicator is that Research and Publication Committees at the Faculties have built a capacity to prioritise among research proposals and administrate funds for research and publications. As a consequence, the number of research proposals has increased, and also the actual conduct of research projects.

Research results are impressive, as they cover many areas and vast amounts of information have been collected and analysed. Many of the results presented 1998-1999 could have impact on policy formulation. Some results show a great usability that is they can be implemented in practical applications after further adaptation and development. Other results are necessary stepping stones and they can be put to use in a future research. Practical implementation then lies far ahead. Most universities would show such a diverse picture of research results.

However, there is a problem with research dissemination as research results rarely reach the parties who could implement them. This critique falls on funders and the university, but also on other parties within the knowledge system in Tanzania. This is a major challenge to the research cooperation.

Many projects have arranged conferences for discussions with international scholars and in some cases with national policy makers.

Research Training has been fairly successful with 23 Trained Ph.Ds during the last five years (counting training started within previous agreements) and 165 Masters students who completed their studies.

Lessons learnt

Swedish research cooperation have received recognition, both from scholars at UDSM and MUCHS and in evaluations, especially for the mutuality in relationships between Swedish and Tanzanian researchers. Also the fact that Sweden was among the first ones to recognise the need for seed funds to the university reform has been recognised. Furthermore, Sida is the only funder who supports Faculty Grants, which put a high degree of ownership to the University.

The reform programme has now reached a level where the Tanzanian government is more willing to take on costs, which means that not all Sida funds allocated for 1999 have been requested.

The Faculty Grants programme has been succesful at UDSM and a failure at MUCHS. The reason for the failure is that funds were too small to be spread to all faculties. Instead, Sida will suggest MUCHS to concentrate the Faculty Grants Scheme to only two entities.

Research Training is taking place at most Faculties and Institutes included in the cooperation. There has been problem with recruitment particularly at the Faculty of Engineering, causing a discussion about introducing scholarships for PH.D. -students. Sida conceives that training as staff development, why no scholarships should be required. This matter must be looked at within the Universities recruitment strategies. Most research training is accomplished within the time frames set-up. However, within some projects, particularly in medicine, research results are emphasised to the extent that training plans are not elaborated. Other projects are designed with focus on the training component.

Some older projects are now in a phase where cooperation should shift to Post-doc level. This could be both as emphasising research components and as building up of local Masters and Ph.D.-training. In future programmes the balance between capacity building and capacity mobilisation must be considered.

Significant Conclusions

Steps have been taken to integrate research in the responsibilities of the management at university wide and faculty levels. Training is ongoing at an acceptable rate. Interesting research results are presented. The universities core function in relation to research has started to function well.

Problems are found in areas that so far have been outside the scope of Sida-cooperation, mainly concerning dissemination of research results and mobilisation of trained researchers. It is suggested that pilot projects in these areas should be included in the next agreement.

Sources

- Agreed Minutes and Minutes from Meetings.
- Annual and Semi-annual activity reports
- Evaluation Reports (Marine Sciences 1999, Environmental Science (forthcoming))
- Scientific reports from various faculties

Result Analysis UDSM

Contribution/project, Decision, time period of the contribution	Overall Sector Objective	Project Goals	Achieved effects, positive or negative	Planned Outputs	Achieved Results	Cost Outcome & period	Comments
RESEARCH COOPERATION							
1. UDSM 80 MSEK Sida Research Council 1997-5:3 1998-2000	Improve and increase research capacity of relevance to Tanzania	A-F see below					
		A. Implement Institutional Transition Programme at UDSM	Has engaged all Faculties and the University Corporate level in Rolling Strategic Planning, a proposal on a new University Bill submitted to Parliament containing suggestions on a more effective University structure for Research, Education and Services.	A. Studies analysing problems and suggesting solutions to enhance academic performance at UDSM B. Workshops for University Staff and Management to Discuss Reform Items C. Academic Audit D. Set-up of Directorate for Research	A. More than 30 Studies conducted since 1995/96 B. Annual Meeting held each year since 1995/98 C. Academic audit performed 1998 - approved by university Senate 1999. D. Directorate for Research has been established	2,5/3,5 MSEK	In 1999 government funding for the reform programme increased - leading to less expenditure of Sida funds than expected
		B. Training of research students	The university has raised its teaching and researching capacity with Ph.D.-trained staff and recruited new staff with M.A/Sc-degree.	Totally 321 research students have been enrolled in Sida/SAREC funded programmes since 1992. Of these at least 35 are planned to reach a Ph.D. Degree.	165 M.A/Sc. have reached their degree and 23 Ph.D-students also dissertated in the period 1995 to 1999	Difficult to calculate as it is embedded in collaborative research programmes	Figures also include students starting their studies under previous agreements
		C. Set up and implement small research grants programme	A culture of applying for competitive research grants is emerging at the University faculties.	Increase number of teachers engaged in research activities at UDSM.	Faculties and Institutes have distributed small research grants to staff. Research results reported in publications and seminars. Research Assessment procedures established. Need for training in research application and report writing discovered.	1/1 MSEK 1995/96 1/1 MSEK 1997 6/9 MSEK 1998-2000	
		D. Increase availability of Scientific Information	Library has been able to keep up basic stock of scientific journals and to approach digital channels for scientific information	A. To increase ability of selecting and subscribing for scientific journals and electronic media B. Procure equipment for library automation and services C. Training of librarians	A. From a situation where a consultant did subscriptions the University library now manages the entire process. B. Equipment for production of Union Catalogue in place and equipment for Internet services set up C. Librarians trained	3/3 MSEK 1997 6,4/9,4 MSEK 1998-2000	

Result Analysis UDSM

E. Increase Gender sensitivity and balances in Academia	Increased ability to assess gender research applications. Delay in curriculum development and gender research internal to the university	A. To conduct gender research in the Tanzanian Society B. To perform action research in connection to counselling services at UDSM C. To advice on curriculum changes from results of A and B	A. Research is well performed B. The process has not started as funds for counselling services are missing C. Cannot be performed as B is lacking	3/6 MSEK 1999-2000	Share of Faculty Grants not included in Cost outcome (see above C)
F. To produce research results of significance for the Tanzania Society in cooperation with Swedish researchers	Faculty of Arts and Social Sciences: Started planning of a major programme on "The role of the Humanities in the 21st Century" to study Culture and Development	A. To Mobilize researchers at the faculty, mainly from the Arts disciplines. B. To link with Swedish researchers in the same disciplines C. To jointly formulate research topics under an umbrella.	A. B. and C: Continuing. Research from Faculty grants resulted in knowledge about Rwandese refugees, media language in election campaigns, policy research for traditional medicine, land use planning and HIV/AIDS prevention	0,15/0,4 MSEK 1998-2000	Share of Faculty Grants not included in Cost outcome (see above C)
	Faculty of Commerce and Management: Arranged Annual International Conferences to present research results on Entrepreneurship and Small Business Development. Private sector invited but low attendance.	Knowledge produced about conditions affecting entrepreneurship in Tanzania	Policy relevant knowledge produced concerning gender differences, role of education system, training needs, regulatory frameworks for MFIs and models for evaluating ICT in SMEs	1,25/2,25 MSEK 1998-2000	Funds also include Ph.D.-training (see above B) Share of Faculty Grants not included in Cost outcome (see above C)
	Faculty of Education arranged international conference on the BERRIPA in November 1999 involving researchers and policy makers from eastern and southern Africa.	A. To set up Basic Education Renewal Research Initiative on Poverty Alleviation, BERRIPA programme B. To conduct studies on Tanzania Education within Faculty grants programme	A. Continuing preparations B. Research results on pre-schools, adult education, private primary schools and teacher training	0,75/1,55 MSEK 1998-2000	Share of Faculty Grants not included in Cost outcome (see above C)
	Faculty of Engineering Arranged International Conferences to present research results in Electrical Engineering	Knowledge to improve electric power supply and power utility in Tanzania in collaboration between UDSM and TANESCO	Research results include improved models for analysis of electric components and electrical systems	7/13 MSEK 1998-2000	Funds also include Ph.D.-training (see above B) Recruiting problems is hampering research and training. Share of Faculty Grants not included in Cost outcome (see above C)
	Faculty of Science have not reported any extension or dissemination activities within this agreement. Under previous agreement geological research on Lake Victoria goldfields has resulted in training of small scale miners	Knowledge produced in various science areas A. In collaborative research program B. Small research projects under faculty grants program including text book production C. Installment of New Electron Microscope	A. No major findings has yet resulted from collaborative programs B. Basic science research has been carried out of possible relevance in the areas of renewable energy, agriculture, mining and fisheries	10/13 MSEK 1998-2000	Funds also include Ph.D.- and M.Sc.-training (see above B) Share of Faculty Grants not included in Cost outcome (see above C)

Result Analysis UDSM

		Institute of Development Studies	A. Planning of new research programmes B. Linking with Swedish Universities	A.B. Continuing 1999 Previous research resulted in knowledge about marketing of agricultural crops, especially impact on poor women, and knowledge about deficits in environmental management	0,35/1,15 MSEK 1998-2000	Share of Faculty Grants not included in Cost outcome (see above C)
		Institute of Resource Assessment	Knowledge on land degradation and society	Land degradation stems from long-ranging processes (300-600year) while conservation measures addresses current practices. Impact of environmental degradation on society mapped. Decentralisation of management in conservation projects is essential	1,45/5 MSEK 1998-2000	
		Institute of Marine Studies	Knowledge on marine issues of importance to society and industry	Research on seaweed growing industry. Diagnosis of disease problems and advise to prospective growers on the mainland on suitable sites. Knowledge about factors that affect seaweed production. Exploration of potential for cultivating other species.	5,8/8,7MSEK 1998-2000	
		UCLAS increased teaching and consultancy capacity	Knowledge related to urban planning	No results produced yet as project started in 1999	3,2/6,5 MSEK 1998-2000	
		G. Investments in Major research Equipment	Electron Microscope installed and staff trained for maintenance and services	Electron Microscope installed, Staff on training program with Uppsala University	3,4/3,4 MSEK	
2. MUCHS	To increase capacity for health research in Tanzania					
31 MSEK 1998-2000		A. Implement Institutional Transition Programme at MUCHS				
		B. Training of research-students	1Ph.D left for work in international organisation	2 of the 14 Ph.Ds dissertated and 7 of 16 Mmeds, Research Course still not implemented	0,75/1 Msek 1998-2000 in postgraduate Scholarship Programme	12 Ph.D students funded within research projects
		C. Set up and implement small research grants programme	Research culture at MUCHS re-emerging	Seminars conducted. Grants distributed to faculties in many small portions	1,2/1,8 MSEK 1998-2000	Distribution method not adequate. Should consider College-wide competitive scheme.

Result Analysis UDSM

	D. Increase availability of Scientific Information	Availability of scientific information maintained and expanded	A. Subscribe to online/electronic databases, journals and books. B. Computerize library collections	A. Subscriptions made B. Installation done, software identified and staff on training	1,3/1,95 MSEK 1998-2000	
	F. To produce research results of significance for the Tanzania Society in cooperation with Swedish researchers					
		HIV/AIDS programme has arranged one national conference for policy makers and practitioners	Knowledge about HIV/AIDS in TANZANIA: Case studies from Kagera region, Pathology, Mother to Child transmission, Natural history of HIV infection, Microbiological and Sociodemographic studies of Acute STDs in relation to HIV, Improved laboratory diagnosis	18 presentations at conferences, 6 manuscripts prepared for publication, 1 paper published. Major findings that HIV/AIDS prevalence is decreasing in Kagera region. Successful methods to diagnose and to reduce Mother to child transmission.	12/18 MSEK 1998-2000	
		Reproductive Health programme presented results at international conferences, database on RH issues set up.	Knowledge about reproductive health: Rape and Sexual Harassment, Home deliveries study, Postpartum care, Management and quality assurance of MCH/FP	8 published papers, 20 abstracts presented at conferences and workshops. Results on pregnancy anaemia etc.	2,8/4 MSEK 1998-2000	
		Malaria programme has participated in workshop to develop context specific intervention guidelines for malaria management	Knowledge on availability and use of antimalarials in households, on perceptions about malaria case management, drug utilisation at Primary Health Care facilities	2 published papers	2,5/3,75 MSEK 1998-2000	
HIV/AIDS	G. Investments in Major research Equipment					
Reproductive Health						
Malaria						
Sum total						
Concluding remarks						

111 MSEK 1998-2000

Rural Water and Sanitation - HESAWA

Background

HESAWA is more than an integrated water and sanitation programme, that aims at improving the health of rural people in the Lake Regions of Tanzania. It is an earnest attempt to reach people and empower them to tackle their own problems.

In participatory exercises lack of access to good drinking water is often on top of the list of identified problems in rural Africa. Poor sanitation and lack of adequate excreta disposal facilities usually come much further down the priority list of problems people wish to tackle.

Since HESAWA started in 1985 an estimated one and a half million consumers have benefited from water supply facilities which have been built with financial, technical and advisory support from the Programme and technical and advisory support from the district level.

According to the present country strategy for Tanzania, 1997 - 2001, HESAWA shall be phased out in year 2002. It is the view of the Embassy and Sida that this decision is correct. The bypass structure, with consultants as the main implementers, does not correspond to the decentralisation process and partnership cooperation, which now govern the Sweden-Tanzanian collaboration.

HESAWA was evaluated 1996. The evaluation was an important exercise within the context of phasing out external assistance and making a satisfactory transition from a heavily subsidised programme to a sustainable consumer-driven programme based on self-reliance.

Results

In HESAWA sanitation interventions focus on schools, with screening of school children for common diseases related to poor sanitation. In "School Health Clubs" members of "Public Health Committees" and village health-workers, who are trained through the Programme, discuss reasons for the high prevalence of diseases. The Health Clubs comprise of pupils, teachers and parents and the aim is for them to understand causes of the problems.

Over 500 school latrine blocks, with rainwater roof catchments for hand washing, have been constructed and the demand for additional latrine blocks

far exceeds the implementation capacity of the district councils, who are the implementers of the Programme.

There are villages, where health-workers have been very successful in promoting the development of household latrines. With technical and material support, like of a bag of cement for the latrine slab, 30,000 household latrines have been constructed. However, much remains to be done in this area. Almost half of the rural households do not have any latrine.

Considerable attention has been given to capacity building in villages. 1700 Village Health Workers, 2800 Traditional Birth Attendants and 1800 Village Technicians have been trained. They participate in the implementation of the Programme and function as a resource for User Groups. Management training has focused on village level.

Recent results

The decision to phase out the programme, as well as the recommendations from the evaluation, have had a great influence on HESAWA the last four years. The change from a mainly infrastructural programme, with easy assessed physical outputs, to a technology-transfer programme, with sustainability as the main goal, is very big. Therefore it is difficult to report, with some fairness, results further back than last fiscal year in this analysis.

From a physical point of view HESAWA has achieved some impressive results. More than 2 million people have been exposed to HESAWA in one way or the other. 964 villages have received and/or are still receiving water facilities. School latrines are built with the objective of providing all primary schools in HESAWA-villages with facilities before 2002. It is expected that HESAWA will have a positive effect on women's workload, everyone's hygienic behaviour and health. A baseline study was done in 1997, which is planned to be followed up by an evaluation 2002, and an ex-post evaluation a few years later.

HESAWA is very efficient and achieves between 80 and 90 percent of its annual targets. The methods and constructions used are well tested and cost effective, when budgeted and actual costs are compared. However, the programme is still to a large extent dependent on consultants.

A gender analysis, done in 1998, recognises the positive achievements of the gender approach implemented. It includes increased awareness of gender amongst staff and beneficiaries, facilitation of public debate about inequitable gender division of labour and gradual opening up of some institutional space for women's participation on decision-making bodies. Women and children particularly benefit from the provision of improved water supplies, because of the reduction in water related work and water related diseases. It is clear; however, that the approach applied by HESAWA is more women than gender oriented. The development of the programme as initially an infrastructure one, influenced by consulting engineers, has led to a number of contradictions. They have been derived from attempting to implement a participatory, gender

approach within a closely planned and budgeted framework. The 'HESAWA model' is perceived as being generally applicable and success is judged according to the achievement of specified quantitative criteria, at least before 1998.

Final phase

During the final phase of the Programme, water supply for 700,000 additional people will be built, but the main focus will be consolidation to ensure sustainability of what has been built. A priority is a thorough feasibility study for establishing a spare parts distribution system through the private sector, engaging the pump supplier and/or merchants. High priority will be given to technical training of handpump operators and management training of User Groups. A campaign for promotion and construction of household latrines will be designed and implemented in conjunction with the continued institutional latrine programme.

Consolidation requires a revamping of the extensive training programme. Promotion and training activities need to be more integrated and a flexible approach must be adopted, for the revisit to User Groups that have been in place for some time. Streamlining the advisory and support services to Programme management will facilitate the consolidation of the Programme.

The external component of the budget is SEK 121 million with a contribution towards development from the district councils of TSH 370 million. It is difficult to put a monetary value on the input from the consumers, but it is substantial. It should be noted that the central government and district councils' fund recurrent costs for staff and office facilities to the tune of TSH 13 million and TSH 225 million respectively. All recurrent costs for operation and maintenance of facilities built are borne by the consumers.

Regular budget resources available to district councils are minimal and they will not have the capacity to maintain the logistics of HESAWA. User Groups and Village Governments will have to cope with the resources they can mobilise themselves, with minimal back-up support from Ward and District Levels. The implementation of this fourth and final phase of the HESAWA Programme will ensure that the majority of consumers now served will enjoy those services for many years to come.

Assessment

The major problem in the implementation of the present phase is the inefficiency of the District administrations. This is further enhanced by the decentralisation process, which to a large extent turns many ministries into policy-making bodies. The Ministry of Community Development, Women Affairs and Children (MCDWAC) is weak and it is not responsible for water and sanitation. Therefore, despite the fact that HESAWA is regarded as a national programme, there is not much hope that HESAWA will be sustained within the Government after 2002. This is enhanced by the fact that other ministries like

water and health, as well as agriculture, also address the problem of rural water and sanitation. However, the Rural water Policy is still in a draft stage which has left many interventions in the hands of donors and NGOs, who have their own ideas and approaches, as well as different policies on cost sharing.

The possibility to sustain the installations made by HESAWA in the villages greatly improved with the introduction of water user groups. The users no longer depend on the Village Government and take responsibility themselves for operation and maintenance of the water source. The sustainability aspect will certainly be even more enhanced when the user groups will be given legal rights to the water source. Since no new villages have been added to the programme since 1997, activities can be concentrated on the consolidation of HESAWA. The action pace is on target.

The phasing out of Sida funds is matched with a Government demand for a higher share of the costs to be paid by the beneficiaries. However, there is no coherent Government policy on the cost-sharing model to be used. Therefore, there is a risk that the beneficiaries will wait for other donors to step in with "better" offers than those of HESAWA. Such actions may jeopardise the work done so far by MCDWAC through HESAWA, to increase the cost-sharing element in providing water to local communities.

Conclusion

In the present strategy it is said that a new programme based on best practices from HESAWA and LAMP shall replace HESAWA.

To avoid the risk of beneficiaries waiting for other donors it is important that Sweden in the new programme assists the districts in building up capacity and policies to enable them to implement programmes in different sectors, which are in line with their own strategies and development plans and not directed by policies of different donors. In addition to the support to the development of such district plans, Swedish support could also go to relevant sector activities, which are prioritised in the district plan.

Sanitation and water will remain important elements in district development. From a target group point of view land and water are probably the most important factors for improved standard of living. The water that is available to the target group is the same, be it for household purposes or for agriculture. Therefore, the idea to merge LAMP and HESAWA approaches is a very solid one that should be tried in the next phase of LAMP as well.

Sources:

- MCDWAC: HESAWA Plan of Action, Phase IV, June 1998
- HESAWA: Annual Progress Report, July 1998-June 1999
- A gender Analysis of promotion and Participation in the HESAWA, F. Cleaver & B. Kaare, 1998

Insats/projekt. Beslut, insatsens tidsperiod	Övergripande, sektoriellet mål	Projektmål	Uppnådda effekter, positiva el. negativa	Planerade prestationer	Uppnådda prestationer	Kostnadsutfall	Kommentarer
Landsbyggnads Vatten & Sanitet							
HESAWA, Decision GD 61/98, 125 MSEK, 1998/99-02	Improved health and wel- fare of rural population in 15 Districts around Lake- Victoria	Management Capacity at National, District, Village and User Group level	Expected that users will themselves be committed to take over responsibilities hitherto met by the external support	Training of 2297 water user groups.	1924 user groups trained (84%)		This report covers FY 1998/99 only. It is the first year of the final and consolidation phase of HESAWA
				Training of workmen, 123 in latrine construction, 80 in traditional water sources and 33 in rain water harvesting tanks.	Output achieved		
			The entire HESAWA structure in a position to be absorbed in normal Govt structure	Training of Birth Attendants (115), Village Health Workers (238) and Village Animators (185)	With a shortfall of 6 Village Animators, the target was achieved		
			Water User groups have established systems, of their own choice, to collect funds and	Construction of 310 wells, 37 windlasses, 54 spring boxes, 106 rainwater harvesting tanks plus 42 for institutions	Except for household rainwater tanks all targets have been achieved.		
		Implementation of Water Supply Interventions, i.e shallow wells, windlasses, rain water harvest, etc	other resources for operation and maintenance of structures	Guarantee availability of spare parts	The only reliable supplier of spare parts has not been convinced to open branches in rural areas as parts regarded as slow moving items.		

Humanitarian support

Background

The refugee camps in Tanzania, close to the southeastern border of Burundi, constitute a serious threat to the security of the region. Most of the camps are located closer to the Burundian border than the internationally stipulated distance of 50 km. The incorrect positioning of the camps, and the threat to regional security that they constitute, have been discussed at length and repeatedly with regional UNHCR-representatives in Nairobi. For various reasons UNHCR has been unable to locate the camps at a proper distance from the Burundian border.

Assessment

The Swedish humanitarian assistance to Tanzania has been targeted to refugees from Burundi and Democratic Republic of Congo (DRC) and to victims of floods and droughts. Another important target group has been Tanzanians living in areas with a big influx and presence of large groups of refugees. International Humanitarian assistance to Tanzania has mainly been channelled through the UN and the Red Cross on a very large scale. The Swedish contribution has only covered a small percentage of the total humanitarian needs. A Swedish characteristic has been an attempt to also focus on the local population, in refugee areas.

The humanitarian support to Tanzania has primarily intended to alleviate acute humanitarian suffering. Some humanitarian projects have had a secondary goal to link immediate short-term assistance with possible long-term lasting developmental effects. The support through the Tanzanian Red Cross movement has resulted in strengthening of local capacity.

Results

A total of six projects, amounting to 23,200,000 SEK, were carried out. Regional contributions through OCHA have also benefited Tanzania. Assistance to refugees in Tanzania was administered through UNHCR as a regional contribution for the great lakes region. Contributions to the Tanzanian Red Cross were for 1997 and 1998 part of a regional contribution to the countries in the Great Lakes Region (total 11,000,000 SEK). Tanzanian Red Cross was given a specific contribution of 2,000,000 SEK 1999.

The dominating feature of the humanitarian assistance has been food aid, which accounts for 48%. More long-term food security assistance, seeds and tools represent 39%. The rest comprises of basic education for refugees and surrounding populations, as well as Primary Health Care support for refugees and local communities.

Final reports for 1997 – 1999 projects carried out by the UN agencies are not yet available. The information given is based on data from general reports and from field visits.

Short-term goals of support to food aid and food security activities have, generally speaking, been well achieved. The food aid has reached the target group and WFP, as well as FAO, have prepared and executed their activities well. The two implementing agencies appear to have well-functioning country offices.

Long-term effects, like reinforcement of the national food security system, have not been achieved. According to project documents Tanzania need to resupply and reorganise its national grain reserve. Despite receiving food aid in large quantities, Tanzania has not been able to resupply its national grain reserve. Tanzania will therefore remain vulnerable when the next food security crisis appears in some part of the country. It is possible that the food aid to Tanzania has contributed to delaying the implementation of sustainable food security reforms.

Reinforcements of educational and health facilities in refugee areas have benefited refugees, as well as the local population. Local capacity building has been an important feature of the assistance through the Tanzanian Red Cross. The need for assistance from international delegates has diminished gradually from 1997. There seems to be every reason to continue the support through the Tanzanian Red Cross.

Lessons learnt

The international community is facing a humanitarian dilemma in Tanzania. It may be useful to compare with the Rwandan refugee situation in Goma and Bukavu from 1994 to 1996. Then the international community unintentionally supported militia and genocide perpetrators, harbouring among a majority of legitimate refugees. A similar situation is now developing among the Burundian refugees in Tanzania. A considerable influx of militia from DRC across Lake Tanganyika into western Tanzania, after the Lusaka peace accord is further adding to the tension. This problem is well described in a recent report published by International Crises Group (ICG) 30 November 1999.

Sweden has seconded one senior police officer to UNHCR as security advisor to UNHCR and to the Tanzanian authorities. Further attention must be given to this serious security situation. Unless this is done the international community

might, through humanitarian assistance, contribute to a continued deterioration of the security situation, primarily in Burundi, but also in the region as a whole.

Culture and Media

Background

During the past ten years Sweden has supported a variety of projects in the areas of Literature, Cultural Heritage, Community Theatre, Print Media, Radio, Music and Arts & Crafts. The support has developed from being provided on a project by project basis, demand driven and fairly ad hoc, into being a comprehensive programme with substantial results, specially considering the small amounts paid out.

The goal for culture and media co-operation during 1997-99 has been to support:

- democratisation and free speech
- cultural pluralism
- popular participation in culture
- support of cultural heritage management and renewal
- capacity building and networking within the cultural sector

In the regional co-operation it has also been a goal to create conditions for joint collaboration across national borders. Specific goals of cultural exchange and institutional co-operation between Sweden and Tanzania have been to create partnership relations and through them support joint ventures based on a common interest. A methodological goal has been to find mechanisms and methods that enable an effective and efficient way to handle the co-operation in the future.¹⁰

Assessment

During the last five years Tanzania has made significant changes related to culture and media including: deregulation of media licensing, emergence of private media, the adoption of a new policy for basic education (text book materials can now be privately published) and the country's first cultural policy has been adopted.

With the political and legal changes the government and civil society have developed new roles, which has affected the context in which culture and media operate. There is a need for a competence development and improvement of institutional capacity to deal with the new situation. Yet, these changes have not affected the whole country. In this regard it is important to

¹⁰ REWA's Memo for the Country Plan for 1997-1999 (underlag till Landplan, Tanzania 1997-1999).

improve people's access to and participation in communication and social debate. Future culture and media cooperation could therefore promote diversity in communication and expression both as a right and as a creative source for innovative ideas and social debate. It is essential to acknowledge indigenous knowledge and cultural resources as assets for sustainable development. Because the support to culture and media was fairly scattered Sida has gradually and consistently worked towards identifying networks and initiatives that can be more cost efficient and effective. This has corresponded to local discussions about ways to improve the working conditions and the lack of financial continuity in the sector. This process has demanded an active role from Sida and it was made possible by a temporarily staff post for "regional culture and media co-operation" at the Embassy 1996 - 1998. The regional officer identified how the work was to be handled after the post expired and a national programme officer was trained and later took over the responsibility for the programme in 1999.

Results and effects

Overall the results of the program are sufficient in relation to the expected output and the goals defined in the program documents. The Tanzania Culture Trust Fund has been established as a first attempt towards finding a sector programme mechanism for cultural cooperation, to cater for both civic and governmental institutions, autonomous from and supplementary to government programmes. Projects have been instructed to turn to the Trust Fund, which is already able to handle far more projects than Sida in the past.

In addition, media support was levelled down to the Media Council, awaiting the democracy study and the planning for a sector oriented media programme.

Regional cooperation promoted the establishment of East African Bookweeks (EABW), Eastern African Theatre Institute (EATI) and East African Community Media Pilot Project (EACMPP- radio) presented in the matrix enclosed.

Some of the Pilot projects that were initiated with cultural support are now considered to be mainstreamed in to the government work plans for education, since the results of the projects have been acknowledged to add supplementary values to government efforts. The projects and their output relate to children as producers rather than consumers of education and have used oral tradition and theatre to improve creativity and the level of attraction in the schools. The projects are Children's Books Project, Children's Theatre and TUSEME, Theatre clubs for secondary school girls.

Tanzania Culture Trust Fund

As shown in the matrix, the expected output of the participatory establishment process of the Fund, as well as building the Fund as an institution and start its operational activities, was met during the period.

The establishment process was given a status with its own goals of identifying a sector mechanism based on criteria rather than on identified projects. This created room for a participatory approach, dialogue and negotiations, between different interest groups who rarely have sat together before to discuss their

common interest. The process created new alliances between ministry officials, private companies and independent cultural groups. This created a strong sense of local ownership. The consultations between the board (5 women and 5 men), the secretariat staff and reference groups in the cultural constituencies have continued regularly on a voluntary basis. The consultations coming out of the establishment have also strengthened the reference network of the government, in its work on a national cultural policy and action programmes.

Media Council

The goal to contribute to the development of an autonomous national regulatory body for media ethics and conduct has been fulfilled with the Tanzania Media Council. The Council was established as a reaction against state regulation. The Tanzania Media Council has met the expected output in its major endeavours to arbitrate public complaints on the media and to develop a normative policy environment for media ethics.

The success of the Media Council is founded on three grounds; the political space it manoeuvres in, the legitimacy it has attained from the industry and the public and the non-political core funding it receives from Sida. The political space was won by public campaigns, but was also accepted by the present government. Legitimacy was created by the composition of the council, including all political parties as protégés; representation of the industry (both governmental and private) and presence on the board of individual persons with acknowledged integrity. The council is an example of a new autonomous national institution with public responsibilities and activities that denies income generation for integrity and anti-corruption reasons. Local sustainability demands public or private funding. Sida's core funding has been and is still crucial since it enables continuity while other forms of future funding is investigated and explored. The council does not want government funding as long as it can be associated with a biased influence. Private and institutional funding is growing from membership fees but will not reach the level of the recurrent budget during the next strategy period.

Future funding from Sida should be considered in a 3-year agreement to create continuity. Matching of increased local funding should be explored in any new agreement. Openings for country frame funding should be incorporated in the future, if and when the government is seen to be ready to financially support the institution without restricting its autonomy. Such a situation would have to be preceded by the revision of the legislation on information and media so that it corresponds to the conventions on freedom of expression and protects independent media.

Regional cooperation

In accordance with expected output for the regional programmes Sida has promoted the establishment of new, interest based multi-stakeholders platforms in Eastern Africa for literature, theatre and community radio. The specific output includes creating forums for exchanges of experiences and knowledge, commercial joint ventures, policy production and outreach mobilisation

campaigns and productions at community level. The networking of stakeholders has been formalised in joint regional strategies and work plans.

Reports show¹¹ that what was supported in 1996, as processes of interest based and multi-stakeholders networking are now becoming civic based institutional platforms.

The strengths of these institutions are that the common interests of the stakeholders govern them. The stakeholders define priorities and common goals, which is an ongoing and creative process.

A lot of voluntary work is done by private companies, groups and individuals involved in the programs, which indicates that the stakeholders perceive the programs/institutions to be heading in the right way.

Sida has been instrumental in the processes of strengthening regional collaboration and civic networks from a regional sector perspective. The greater outlook has drawn on all major stakeholders, their resources and competence, identifying the full picture of respective sector. It has taken care of existing resources in a way that has made sector results, such as establishing the East African Book Development secretariat, possible.

The East African Theatre Institute has for the first time connected artists and groups regionally and involved Tanzanian groups in the work in neighbouring countries, working with street children on children's rights in Nairobi¹², and in plays on corruption for an audience of several thousand in Bagamoyo¹³. The theatre has created a strong response locally with an interactive dialogue with people in the communities¹⁴.

An overall analysis of the results indicate that it has been of strategic value that Sida has acknowledged the importance of the end-users to address the problems and shaping the program. The professional networks and their forums are not supported as quick "by-pass" measures to do a job faster than government bureaucracy. Instead they have acknowledged the necessity of giving civic processes experimental and consultative breathing room in order to address development issues in ways that are attractive to the those who are supposed to sustain and carry on the efforts, be they commercial, rights based or creatively exploratory or children focused.

Sida is the main partner in the programs and have stimulated the establishment of the programs from start. Other international partners are UNDP, HIVOS, FORD, The Netherlands (MOFA).

Shortcomings & deliberations for the future

Very little has been done to replace the services of the large number of retrenched cultural officers at district levels. There are no public funds for culture and yet there is a cultural policy in accordance with international conventions on cultural and human rights and the right of the child. Dialogue on

¹¹ Annual result reports, mid-term reviews and external monitoring of the programs

¹² Regional symposium 1997

¹³ Bagamoyo Festival 1997

¹⁴ The indigenous satire (MA thesis, Juma Bakari 1998).

prioritised public spending is therefore important in the future. The low rates of local funding of the Trust Fund, even though it is new, should be tackled and tax incentives for private promotion of culture looked into.

Delays within the radio sector, due to lack of supply of equipment, seem to come to an end. When the broadcasting licence is granted Tanzania Sida should consider an institutional cooperation with Swedish media to boost capacity. Institutional links to Sweden should be explored for all the regional institutions in order to stimulate professional competence and networking. Even though the mushrooming of private media has produced up to fifty newspapers in circulation, at peaks, distribution of newspapers hardly reach outside urban areas and private broadcasting stops 25 km outside the city centres. The last three years media cooperation has changed from being focused on normative work and training to include institutional support to independent media, to the media council and to the pilot on community radio. In order to reach the greater public with information and to assist the national radio to take on its new modern professional role we ought to consider a preparation process like the one for the Trust Fund, for a national Public Service Media Programme.

Sources:

- Community Based Rehabilitation in Zanzibar StoneTown, by The Aga Khan Trust for Culture, Semi - Annual Reports No. 1 July - December 1998 and Report No. 2. January 1st - June 30th 1999.
- Community Media Programme, 1998 Activity Report, by ECO News Africa. Community Media Programme Annual Report 1997- 1998, by ECO News Africa. Semi- Annual Report of East African Media Pilot Project, January to September 1999 by ECO News Africa.
- Report on the 1998 East African BookWeeks (Kenya, Uganda and Tanzania) by the East African Book Development Association.
- Semi Annual Reports by the Media Council ; June - December 1998; January to July 1999. Tanzania.
- Semi -Annual Reports - January to July 1999, by The Tanzania Culture Trust Fund.

Contribution/project. Decision, time period of contribution	Overall sector objectives	Project goals	Achieved effects, positive or negative	Planned outputs	Achieved results	Cost outcome and period	Comments
Tanzania Culture Trust and DESO-0676/98. 98-2001. SEK ,000,000.	A democratic culture, cultural pluralism and a infrastructure for cultural practices	1. Establishing the Tanzania Culture Trust Fund, the procedures & routines for promotion of cultural activities through provision of grants and awards.	The first sector wide mechanism for the promotion of culture has been established. The participatory process has facilitated joint efforts and better relations between government officials and cultural practitioners.	To formulate working guidelines and a legal deed for the fund, elect a board of trustees and hire staff	Guide-lines and deed done, fund registered, gender balanced Board democratically elected, staff hired in place. regulations in place.	SEK 3,428,049. (on going)	The Board of Trustees have had enormous task. In meantime they have been reviewing the guide-lines of the Trust. Have done commendable work.
Tanzania Culture Trust and		2. Capacity building & competence development and networking of leading cultural institutions and organisations, public & private.	Information on the fund and its four areas of support have been widely distributed in the media, attracting 171 project proposals in first round 1999. 25 projects, including all regions, were granted MSEK 2.5	A Tanzanian Traditional Music Archive; Rehabilitation of el Nino effects on museum sites; Archeological conservation plan for Olduvai; Creating Rural museum in Ruvuma, establishing Tanzania Book Council, Training of pre primary school art teachers,	Screening and selection of grants were effectively carried out. Results of the distributed grants will be reported in 2000		The fund has been able to assess and support a much greater number than Sida would in a year with previous projects support which indicate the effectiveness of the fund so far.
Tanzania Culture Trust and		3. Promotion of culture production among groups, organisations and companies.	Information on the fund and its four areas of support have been widely distributed in the media, attracting 171 project proposals in first round 1999. 25 projects, including all regions, were granted MSEK 2.5	Culture & nature films for children, Documentary films on crafts; dances; traditional rulers; photo documentation on Zanzibar, craft industry; production of leather; cloth; tradit. Instruments; regional art promotion	Screening and selection of grants were effectively carried out. Results of the distributed grants will be reported in 2000		The grants for exchange and awards for best practise will be initiated in 2000. Local private fundraising started in 1999 (yet only 1t). Norad joined in 1999 (15%) . Report: Plan and Budget 1999-2000, Semi-annual report December 1998-June 1999
Tanzania Media Council 397-1999: Decision ESO 888/96, 74/97, AFRA 219/98, 7/99 SEK1,600,000. FRA 247/99 800,000	Democracy, freedom of expression and accountability of the media	1. Establishing a media council of Tanzania 2. Independent regulation of codes of conduct and ethics for the media industry. 3. Support to arbitration on voluntary basis on public complaints on media conduct.	The permanent existence of the independent council have prevented the government from imposing state regulation of the media industry as in Kenya and Uganda and the media consuming public is informed of defamation, libel and arbitration.	Finalising codes of ethics for photographers, news agency journalists, broadcasters, advertisers, public relations officers, media owners and publishers; carry out committee hearings on public complaints, promotion and networking	All Codes have been drafted (expected to be launched later 1999). Around ten processes of public complaints a year have been resolved. The Council have become member of the world association of media councils.	Total MSEK 1,600,000 (ongoing)	Reports: Media council of Tanzania (January-June 1999). Results have been delayed due to the dependency on us and we have postponed the preparation of D/HR delaying a long term agreement with the council.

Project: SWE_TAN Production in dance SO 972/97 (MSEK 1) Production on Swedish national Concerts: 66/95 Production on Tanzanian musical heritage.	1. International co-production in dance (Siluetti) on the theme "mutual dependency". 2. Digital documentation & CD Production of the Tanzanian musical heritage.	1. Siluetti has introduced auditioning & showed that Tanzania holds world class if given the chance. A national tour in Sweden to be financed by the budget from the Royal Opera. 2. Tanzania's heritage is brought out internationally.	1. The production staged in Swe. and Tan., training the fifty involved, mobilizing media and conduct school tours. 2. Digital Documentation of traditional and contemp. Music of TAN. Internat. promotion and donation of CDs to TAN.	1. Audience of fifteen thousand in Swed. media recognition and national prizes, training & school tours done, Africa tour prepared, world tour in planning. 2. CD series produced and distributed internationally. First 3 000 distributed to Tan.	Total 1 MSEK	Sida's financing have made it possible. Self-financing have taken it further. The same is planned for the Africa and World tour. Report ?
East African Book Project DESO 559/98. 198-2000, MSEK 4,15 East African Pilot Programme For Community Radio DESO 56/98(1998-2000. 3. East African Theatre Institute DESO-22/99 (1999-2015) MSEK1,600,00	1. Increased local book production, good quality at affordable prices, reading promotion & an enabling environment - policies and modes for operation - for the book industry in East Africa.	The value of working with the book chain as a whole has led to an increased participation by regional interest holders in the Book Weeks.	Regional planning of Book Weeks, Book Markets, Seminars on barriers to publishing, outreach readership promotion outside capitals,	90 comp., state inst. and NGOs implemented; More than 50 book seminars & fairs brought together 200 000 people (60% children), 150 companies in 30 cities. E.A. Book Develop. Ass. has been established.	SEK 2,597,300. (Ongoing project)	The project is running on track. Tanzania was initially much behind Uganda and Kenya but has picked up and is progressing both in planning and implementation.
East African Pilot Programme For Community Radio	2. To set up community radio stations and establish community controlled information and communication structures.	The project have made communities part of new means for grass roots communication and regional networking. The resource centers are permanent points for social debate. A community hand book from this pilot is in the process.	Social and technical surveys, training of producers, production of codes of ethics and management, purchasing and installing the studios, regional seminars.	The survey are done, training have been done in TAN, Namibia & South Africa, codes are done, programme production has started, installation is done in Uganda and ongoing in Tanzania and planned for Kenya in 2000	SEK 3,531,641. (on going project)	This is a pilot that have been delayed with one year out of three. Main reason is delay from partners, suppliers.
East African Theatre Institute	To establish national chapters with focus on youths and a regional theatre institute and to promote community theatre productions with a focus on children and & "social burning issues" for communities.	To create a process for regional cooperation, training, production and dissemination through workshops and regional production symposiums aiming at a first East African Institute 1998	Four regional events, representing 30 theatre group, covering seminars, regional exposure of national productions and the formulation of the statutes of East African Institute carried out.	The process was delayed with one year since the parties needed the time to work out modes for operation and criteria's for national chapters. Reports:	SEK 548,097. (on going project)	The process was delayed with one year since the parties needed the time to work out modes for operation and criteria's for national chapters. Reports:
Children's Theatre Project. DESO 511/96. 196-1998 SEK 680,000.	To integrate drama at primary school level as an interactive education tool, to train primary school teachers skills to facilitate children's theatre groups.	Acknowledgement among participating schools of children's need to be creative in their education and the importance of drama and stories.	Training of primary schools teachers in 40 schools in DSM. Facilitation of children's theatre groups in schools. Facilitation of annual children's drama festival, research & documentation	Festivals of 10 000 children annually. 40 schools in DSM took part producing dances, drama, plays, painting competition, exhibition. 50 teachers trained. Research done and documented.	SEK 680,000. Pilot phase completed.	Phase 2 planned and discussion are on going between the Ministry of Education & Culture and the Embassy of Sweden for mainstreaming the project into education.

Education through democracy- TUSEME.DESO 511/96. 1996-1998. SEK 620,000.		Empower secondary schools girls to improve their education by defining, sensitizing and acting on obstacles through drama.	The 4000 school girls in the programme have created a position of respect in their schools. Sexual harassments have dropped and standard of teaching up. Girls influence on school management.	Training the girls in 7 pilot schools in drama sensitization, data collecting and research, theatre production and post analysis. Establishment of Tuseme clubs. Annual Festivals.	Expected output achieved. 50-80% of entire schools participating and a TUSEME newsletter launched. Initial resistance from management and teachers is replaced by their moral support.	SEK 620,000. completed 1998. pilot phase completed.	Phase 2 planned and discussion are on going between the Ministry of Education & Culture and the Embassy of Sweden for mainstreaming the project into education.
Community based rehabilitation in Zanzibar Stone Town, INEC 1995/98. 1998-2000. SEK 700,000.		To develop interdisciplinary methods for conservation with local participation, to train brigades in indigenous knowledge and appropriate techniques in restoration.	Increased awareness and debate among stone town inhabitants and politicians of the cultural assets, problems, solutions, roles and responsibilities of stone town conservation.	Build a resource of traditional building skills in the community offer opportunities of employment & small enterprise. Rehabilitation of buildings. Development of interdisciplinary approach to conservation.	A Conservation Building Brigade have been trained in traditional and new appropriate techniques. 19 Students trained at Karume College. Kiponda House rehabilitated. The public awareness -Television series done.	SEK 2, 42,000. (on going)	The project implementation is very good and at the right phase.

Local Management of Natural Resources Programme

Background

Tanzania decided to deepen economic reforms by signing agreements with the IMF and World Bank in August 1986. Through this process the development emphasis came to focus more on the productive potential of rural areas and in particular that pertaining to natural resources. Swedish support to natural resource management in Tanzania from the late 80's shall be seen in this context. Initially a major part of the support was directed towards expansion and exploitation of industrial forest plantations. However, in the 1990s the cooperation shifted from industrial forest support towards community forestry, land management, soil conservation and environmental issues centred on local communities and district administration.

In 1989 support was initiated through LAMP to Babati District, Arusha Region, with emphasis on communal resource management and to Arusha and Arumeru Districts through SCAPA, focusing on smallholder adoption of improved land husbandry practices. Local forest management in Mgori Division in Singida Rural District commenced in 1991 within the framework of support to the Forestry and Beekeeping Division in the Ministry of Natural Resources and Tourism.

The Tanzanian government's wish to set natural resource based production on a sound footing, combined with Swedish support to locally based natural resource management led to the design of proposed new support for the period 1997-2000. Under this agreement, the support was extended to include Kiteto and Simanjiro districts. The co-operating partners under the current agreement, are the Local Government Authorities under the co-ordination of the Ministry of Regional Administration and Local Government.

On the basis of its design, LAMP is aimed at specifically benefiting households that are ready to utilise the productive potential of land by adopting improved land management techniques; counteract disadvantages experienced by rural women in relation to land security and village level decision making. The programme is located in areas with poor infrastructure predominately inhabited by low-income livestock keepers, the Maasai.

Assessment

Local Management of Natural Resources Programme is a very diversified and process oriented programme aiming at increased productivity and sustainable use of natural resources. A strategic goal of the programme is that increased productivity will lead to increased tax revenue that will eventually improve social services in the districts. Strategic means to achieve this goal is through: empowerment of both men and women as individuals and communities through support to increased self-management of common resources; assistance to smallholder families to improve their proficiency in remunerative conservation farming; and to strengthen the democratic and managerial mechanisms at the district and village levels. There is already positive progress emerging from some components (see evidences below) which collectively indicate that in the long term the envisaged/planned output of LMNRP will be achieved.

Results

Within a short period of implementation, positive indications have already been observed particularly in the areas of land security and community empowerment such as:

- Village boundary and inter-district boarder disputes have been substantially reduced as a consequence of the activities indicated on the result report. Through training, villagers are now more knowledgeable about their land rights and obligations on village land.
- Community management of natural resources as it is practised in LAMP has strengthened the villagers' own control of their resources with support from the district authorities. This is a positive step towards sustainable use of natural resources. Benefits from village based forest management are slowly being realised; for example through controlled harvesting/poaching vegetation cover and wildlife number have improved.
- Creation of conditions which has enabled the villagers to look at their community, their life, environment and survival tools in the wholesome manner (perhaps this can be cited as one of the outstanding successes of the community based forest management).
- At a higher level experience from community management of natural resources has had a significant impact on the new Forestry Policy via support to Strategic Analysis and Planning Unit (SAPU) under Forestry and Beekeeping Division.

Gender is an important aspect that is integrated in the LAMP programme. Some districts have embarked on a comprehensive programme of gender mainstreaming with promising results. The programme has consciously and deliberately made a point of including women and sometimes youth in the

category of participants. In some districts, this has successfully led into formation of disadvantages experienced by rural gender sensitive forums.

Field and farm-visit services show that farmers and pastoralists are now practising better farming techniques. The main achievement within the component of farmers' extension services is the development and dissemination of dry-land farming technique. So far increased production has been verified in Babati district where the Programme implementation started five years earlier.

Appropriate land husbandry techniques and methodologies through SCAPA pilot project have been successfully implemented within Arusha and Arumeru districts. In these districts about 80% of the households have up to now adopted improved production methods. Having achieved SCAPA objectives as a pilot project, it is now time to draw upon experiences gained. Thus, the project will be phased out in the end of year 2000. Ministry of Agriculture is now working on plans to feed SCAPA experience into the national extension services, this gives good prospects for the sustainability of the "concept."

Lessons learnt

Although support to the Strategic Analysis and Planning Unit (SAPU) has played a major role in the development of the new forestry policy, its future role in the restructured Forestry and Beekeeping Division is not clearly stipulated. It is most likely that SAPU will not be able to sustain its operations when Sida funding stops end of year 2000.

Since support delivered through SAPU had mainly dealt with forestry, other areas within community management of natural resources have been neglected. Therefore, it is important that other types of natural resources such as wildlife, grazing land etc. are also integrated in the community management of natural resources.

The activities of verification of large farm boundaries in Simanjiro will strengthen the land rights for small scale farmers and pastoralists and also resolve on-going land conflicts. The timely implementation of the new Land Act will effect registration of the village certificates and consequently resolve the remaining village and district border disputes such as the one facing Kiteto district.

Conclusions

In the course of programme development the four LAMP components have tended to develop in isolation from each other, not generating the potential benefits to the overall programme. The recent formative evaluation has shown the LAMP programme to have achieved unevenly as regards its multiple objectives. The most promising achievements can be judged in view of developments related to the LAMP component Community Empowerment and in particular the community based forestry management in the districts Babati, Singida and Kiteto.

The essence of the achievement related to community based forest management is the process of mobilisation and empowerment that has taken place at village level through constructive interaction among villagers enhancing trust and the creation of social capital. The LAMP programme has in important ways assisted this process, helping to consolidate and expand it into new villages and areas. The assistance has been of particular importance for the formulation and procedures related to village by-laws. Although examples to the contrary also exist (Singida). Participatory land use planning has not been developed in many villages, but where it has progressed it has proven as well to be an instrument for community empowerment through increased land security.

Generally speaking, the current socio-economic and political changes taking place in Tanzania have a significant impact on the current LAMP concept and modus operandi. Major policy changes that took place immediately after the programme was initiated in Tanzania e.g. the new Land Act and the Local Government Reform Act, have slowed down the pace and also created uncertainties to the communities. Thus, there is a need to situate the next phase of the programme in line with the current changes.

Sources:

- Annual work plans and reports August, 1998
- Project document of 1996 and 1998
- LAMP Impact Study, March 1999
- Social-economic Impact Study of SCAPA, August, 1998
- Internal Monitoring Report, February 1998
- The Evolution of Community-Based Forest Management in Tanzania, Liz Alden Wily - May 1999

Contribution/project. Decision, time period of the contribution	Overall sector objectives	Project goals	Achieved effects, positive or negative	Planned outputs	Achieved results	Cost outcome and period	Comments
Local Management of Natural Resources, Decision GD196/96, 130MSEK 1997-2000 (of which 105.6 MSEK has been utilized until Oct.99)	Increased productivity in the use of natural resources in a sustainable way	1. Land Management Programmes, LAMP(Babati, Singida, Kiteto and Simanjiro districts)				105,554 MSEK total disbursement until October, 1999	The report only covers a period from Jan. 1997 - October 1999
		1. 1 Land Security (this is a district-specific goal aimed at secure land use rights)	About 116 Village Legal Workers permanently educating villagers on land rights	Registration of Village title deeds, village maps with clarified boundaries produced; villagers trained on land rights; registration and verification of large scale farms	93 out of 163 title deeds registered, 44 out of 55 planned villages surveyed; 30 out of 63 villages trained; 54 large scale farms verified out of the planned 48		Implementation affected by changes in land Act.; some of the data can not be well reflected in the reports; there are variations among districts; Village Legal Workers in Simanjiro district only
				village by-laws prepared	60 villages out of 193 registered by-laws;		a number of applications have village approvals but awaiting to be approved at district level
		1.2. Community Empowerment (District dependent also with component- specific goals)		Land use management plans;	29 (out of 23 planned) simple village land use management plans made		closely connected to village by- laws
				Integrated Multi-disciplinary Dev. Activities, (IMDA) Agreements signed between villagers and the district; Village based proposals for priority projects	About 50 IMDA Agreements signed basically for water requirements; Water committees established in over half of project villages; IMDA guidelines developed		Some NGOs are also involved in establishment of Water committees in collaboration with LAMP
			Experiences from the communities has strongly influenced the new Forestry Policy of 1998; also regeneration of forest in village-managed areas has lead to productive forest use by villagers	Village based natural resource management	In total 134,000 ha. of village forest (out of 90,000 ha. planned) is under the management of 26 villages; 3 committees for communal management of wildlife established; some communal grazing areas also established.		National manual for Community based Forest Management in final stages of preparation; 18 villages have established village by-laws for the management of natural resource management

Ranahs2

			Gender Manual established and translated; Gender Officer appointed in each district	Train villagers on empowerment and gender awareness	Over 1,000 (out of planned 1,436) villagers trained on empowerment and gender awareness		
	1.3. Farmers extension services		Yield of major crops up over 50%; Rain water utilization efficiency by plants increased by 50% through dryland farming technique an increase of 25% of major crop yield is directly attributed to LAMP; house hold food security improved.	Improved farming techniques; women trained in business support	492 out of 770 farmers trained in farming techniques and beekeeping; village tree nurseries established with 730,000 seedlings; training on business support done		Most of the figures or achievement refer to Babati based on a longer term effect; there are also pockets in other districts where technology has spread; Dry land farming developed by LAMP has gained huge interest at national level
	1.4. District and Village Capacity Building (District-specific goal aimed at improved District and Village Capacity		Inputs by active participation and through experience from LAMP districts into national legislative process of Local Government Act.	Ward and village leaders trained in revenue collection; increased revenue collection; revenue by-laws established; ongoing financial management training at district level	slight increase of revenue collection in two Districts; 178(out of 284 planned) ward and village leader trained; Revenue by-laws prepared. Financial management training performed		most of district plans are dependent on the implementation of the Local Government Reform Act. Total sum from own tax collection up to 59%
	2. Soil Conservation and Agroforestry Programme in Arusha - SCAPA (Aimed at improved land husbandry practices adopted by small scale farmers)		80% of households in high and medium potential areas have adopted environmentally sustainable production methods; changed participation between women and men in productive tasks	Improved soil and water conservation; small scale enterprises promoted; extension services developed; innovative land management approaches promoted, gender awareness	13,608 out of the targeted 10,425 have been reached in extension activities; 4717 out of 4970 people trained in land management and environmental protection; 297 out of planned 180 farmers trained in gender issues		Training include farmer study tours and training to teachers and pupils

Ranahs2

		3. Strategic Analysis and Planning Unit - SAPU - Forest and Beekeeping Division (Aimed at sustainable management and development of forestry resources, conservation of biodiversity and enhanced social economic environment)	The new Forestry Bill has drawn much experience from Community Management of natural Resources.	Revised policies and legislation; developed long term strategies for the implementation of the forestry policy	New Forestry Policy approved in 1998 and translation in Kiswahili is going on; New Forestry Legislation and Beekeeping Act in draft stage		SAPU has played an important role in the establishment of forestry management plans and inventory ; and in preparation for privatization of the SAO Hill industrial plantation
		4. District Support Programme Project - Ministry of Agriculture (Aimed at increased small holder productivity through organisation and dissemination of information among projects, and institutions on land husbandry techniques and extension methodologies					This project has not performed as expected since its start, hence it was collectively agreed to stop it.
Total						105,554 MSEK	This is total disbursement up to October, 1999
Overall assessment							

Human Rights and Democracy

Background

Sida has supported Human Rights and the democratisation process in Tanzania for many years. Between 1997 and 1999 a total of 17 organisations within the civil society received support. All of them are Non-Governmental Organisations, except the Evangelical Lutheran Church (ELCT) and the Faculty of Law.

The organisations and activities which has received support during this period focus on Conflict Management, promotion of national and international peace, understanding and solidarity through the respect of Human Rights and fundamental freedoms. This includes work with gender from different perspectives, such as women's caucus in Parliament and the Council of Women. The latter organisation has been at logger heads with the Government over freedom of association and has taken the Government to court to cancel its de-registration directive. Tanzania Women Lawyers' Association and Media Women Association deal with popularising gender causes through the media and lobbying public opinion for change of attitudes and perceptions. Legal Aid Scheme for Women works with rights and service delivery and legal reforms.

Reports initiated by Sida are the State of Democracy, Human Rights and Peace in Tanzania¹⁵ and a specific result analysis of Sida support to Human Rights and Democracy 1997-1999¹⁶. The result analysis of Sida support to Human Rights and Democracy 1997-1999 is the base document for this paper.

In the result report six partners have been selected, Parliamentary Political Parties Committee (PPPC), Arusha Peace Negotiations, United Nations Association of Tanzania, AWEPA European Parliamentarians for Africa, Zanzibar Legal Service Centre and NGO Policy Formulation.

PPPC is a joint initiative of five political parties represented in the union parliament. PPPC's aim is to reduce tensions among political parties represented in parliament, empower party leaders, educate people on their rights etc.

Arusha Peace Negotiations focus on peace negotiations between fighting parties in the Burundi conflict. Nelson Mandela is the present facilitator. He took over from the late Mr Julius Nyerere.

¹⁵ Lång, Ulrika & Nilsson, Torsten. The State of Democracy, Human Rights and Peace in Tanzania. Nov. 1998

¹⁶ Rwebangira.M.K. An evaluation report for the Embassy of Sweden in Tanzania on result analysis of Sida support to Human Rights and Democracy 1997-1999.

United Nations Association of Tanzania works with problems arising from ignorance and disrespect for human rights. The organisation aims at promoting human rights and educating the public about principles and activities of the United Nations.

AWEPA, European Parliamentarians for Africa, addresses problems related to a weak technical base among parliamentarians in Tanzania, which is hindering them from executing their duties. The office in Tanzania works with capacity building for the National Assembly in Tanzania.

Zanzibar Legal Service Centre is a non-governmental, voluntary, independent and non-profit organisation. It addresses human rights abuses caused by lack of human rights and legal education, law enforcement agencies as well as political intolerance.

NGO Policy Formulation aims at establishing a new partnership between the public and civil society and they support the formulation and adoption of a democratic and liberal NGO policy.

Relevance

The activities that have been supported during this period fall within Sida's priority areas. The first critical question is to determinate whether the objectives are formulated in such a way that can facilitate a systematic manner to measure achievements. Most of the support agreements with Sida did not reflect the objectives stated by the recipient NGOs in their application. In such a situation, it has not always been clear whether the contracts and decisions had been made on the basis of particular objectives stated in the request or, as a result of subsequent negotiation between the two contracting organisations. There are no information explaining the basis for the variation of objectives in the agreements. To have measurable results there should be a meeting of minds, that is to say Sida and the NGO should be clear on what is expected to be achieved and the means of measuring that achievement. An organisation, which presents itself in a solid manner, should get institutional development support. Such an organisation would have a sizeable constituency, be able to reach a wide range of the population as its target, have well formulated visions and/or missions and have transparent mechanism of accountability.

Results and Lessons learnt

Sida support to Human Rights, Democracy and Peace in Tanzania has been in line with both Sweden and Tanzania policy guidelines. If anything it has yet to reach a whole range of priority areas such as the rights of the child, persons with disabilities, trade unions, indigenous peoples and discriminated minorities. A possible explanation for this is that there have not been requests in these areas.

Whether these objectives have been formulated in such a way that they can facilitate a systematic manner to measure achievements is difficult to say for two reasons.

Firstly, Sida's funding has been in cooperation with other development partners in Tanzania through "basket" funding in most cases. In these circumstances Sida support for an activity or institutional capacity building cannot be isolated. Where Sida was the sole donor for particular activities and programmes the objectives of the organisation were either not clearly stated or not available for evaluations. Secondly, in some programme/causes in which Sida has supported an activity, there may be actors working on the same issue and sometimes supported by other partners in or outside Tanzania. In such a situation, the measure of achievements might be again, to qualitatively link the supported activity or institutional support to the overall achievement result. That is to take as a point of departure a hypothetical approach of: What would have happened if the input had not been there. Perhaps it is to avoid this sort of abstraction that Sida's support to this sector has mostly been workshops, publications and training where results can quantitatively measured. Yet even this approach does not fully measure the impact of that training or publication unless an impact study is carried out among beneficiaries or more elaborate procedures are agreed upon on routine monitoring and reporting.

Conclusion

The present approach should continue with improvement on achievement measurement. Sida can support and encourage NGO coalitions on significant public/national interest issues as was done in the lobby for Land Bills and the NGO Policy. Such coalitions do not only broaden the stage for civil society actors; it gives visibility to the issues involved. Furthermore, such cooperation presents a unified voice of the civil society to the target population and the government. All of which help to bring legitimacy to causes/issues and promotes democracy not only within the civil society but also permeates to all spheres, apart from providing an opportunity to share available resources and skills in a complementary manner.

It would be helpful and cost effective to have a comprehensive approach in four tiers.

1. Education on civic, legal and human rights principles and mechanisms.
2. Delivery of services in case of violation.
3. Lobbying and advocacy skills to effect policy and legal changes democratically and effectively especially but not limited to women's NGOs, which represents major agents of changes.
4. A fair balance of geographical spread of activities.
5. Capacity building of NGOs to develop competence in human rights and democracy.

State institutions, the Judiciary, Parliament and the Executive are in an integral part of a functioning democracy. Although the Tanzania State has a better record compares to its neighbours, the legacy of a one party state has left remnants of intolerance for dissenting opinion, political challenge and

competition. Sida can have as one of its objectives to support activities targeting state institutions for human rights training by civil society and/or in-house training with the participation of the civil society.

Sources:

- Lång, Ulrika & Nilsson, Torsten. The State of Democracy, Human Rights and Peace in Tanzania. Nov. 1998
- Rwebangira.M.K. An evaluation report for the Embassy of Sweden in Tanzania on result analysis of Sida support to Human Rights and Democracy 1997-1999.

Ranals2

Contribution/project. Decision, time period of the contribution	Overall sector objectives	Project goals	Achieved effects, positive or negative	Planned outputs	Achieved results	Cost outcome and period	Comments
Parliamentary Political Parties Committee. Dec. 197/97, AFMR98/TZA, AFMR99/TZA	To promote national unity and build a culture of political tolerance.	To empower party leaders at lower levels in democratic governance, to promote human rights by making party leaders aware of their duties	has contributed to political tolerance between the opposition and the ruling party. The Zanzibar conference contributed to the diffusion of political tensions between CUF and CCM.	Support to the capacity building of political parties through training programs. Study tour to the nordic countries and South Africa.	A total of 2000 political leader at grassroot level have been trained, and this is continuing. The study tour were a great success.	1997-1999 SEK 2.700.000	This program has been very successful in reaching the district level political leaders, as many dissemination efforts usually only reach the regional levels.
Arusha Peace Negotiations DN 153/98,(AFRA 5/99)	Signing of Protocols by the parties to the Burundi conflicts providing a framework for durable peace and economic reconstruction in Burundi. Permanent cessation of hostilities and guarantees in place for monitoring and implementation of the Arusha protocol	Agree on the nature of the conflict, democracy and good Governance, Peace, Security and Economic Reconstruction and Development.	So far the peace negotiations have not been successful due to the differing ideas. The demise of Mwalimu Nyerere on 14th Oct 1999, calls for a new facilitator to carry on the talks.	Peace negotiations in Arusha.	Several rounds of talks have been held and more a planned.	1998-1999 SEK 5.800.000	The talks have been supported by a group of donors and will resume when a suitable facilitator is found.
United Nations Association of Tanzania Dec. 197/97, AFMR98/TZA	To promote public awareness and understanding of the activities of the UN and its agencies.	contribute recommendations on the status, role, functions, powers and composition of an effective human rights commission in Tanzania.	The Government of Tanzania is in the process of formulating a Human Rights Commission and contributions from the NGO's are welcomed.	Workshops for gathering of views/opinions,Publicizing and debate these views at regional level.	recommendations submitted to the government for the discussion on the setting up of a Human Rights Commission.	1997-1998 SEK 330.000	The discussions for the Human Rights Commission are on- going and the UNATz has been very fruitful.
AWPEA European Parliamentarians for Africa. DESO 0487/98	To build the human capacity of the members of parliament and staff members as an institution.	To strengthen the technical and managerial capacity so as to enable the parliament to function effectively and efficiently	The current support has not been able to strengthen the capacity of the Parliamentary committees to enable them to perform their duties.	Organised Seminars and exposure visits for Parliamentarians and parliamentary staff.	Successful delivery of planned output.	1998-1999 SEK 2.000.000	Demand for this sort of activities is still high
Zanzibar Legal Service Centre. Dec. 197/97, AFMR98/TZA, AFMR99/TZA	To provide legal services to the poor, women, children, disabled and other disadvantaged sections of the society.	To build up the capacity of the centre to carry out its mission.	The capacity of the centre has been substantially increased, a volunteer legal officer from Britain joined the centre and has helped increase the legal counselling skills.	legal counselling, legal literacy through; Radio programmes, TV programmes, Legal aid Camps. Para-legal Training, Litigation in Public Interest Cases, Workshops on Human Rights issues.	Most of the objectives were achieved.	1998-1999 SEK 300.000	Legal literacy is still an area that needs more input. Human Rights workshops should be necessary for decision makers on Zanzibar.
NGO Policy Formulation Dec. 197/97, AFMR98/TZA	To establish a new partnership between the public and civic societies	To support the formulation and adoption of a democratic and liberal NGO Policy	Two national and one zonal consultative workshops arranged to scrutinise various versions of the Draft Policy	The Third National Workshop will be arranged late 1999 after which the Policy is expected to be adopted by the Cabinet	The process has become more consultative and the draft Policy more liberal and democratic than when the process started in 1996	1997-1998 SEK 1.100.000	The Embassy has been involved in an intensive policy dialogue which will be analysed and reported when the Policy is adopted.

National Environment Management Council, NEMC

Background

The responsibility for environmental issues in Tanzania is divided among many actors. The main responsibility for the overall management and co-ordination of environmental matters lies with the Vice President's Office, VPO. Under the VPO is the National Environment Management Council, NEMC, which is the Government's technical advisory body for environment.

Sida has been the main collaborating partner with NEMC since 1986 and has through this support covered the main parts of the Council's budget for development activities. The annual Swedish contribution has been approximately 5 million SEK. The purpose of the support has been to assist in building up NEMC's professional and administrative capacity, through general institutional support and international technical advisors.

Assessment

Since there are so many public and private sector institutions involved in environmental management in the country, the roles and mandates of different actors have become unclear or duplicative. There is little or no collaboration between actors and there is a continuous competition for limited human and financial resources.

In order to streamline the institutional framework on environmental management, the government of Tanzania has commissioned a national study. This study on Institutional Framework for Environmental Management in Tanzania, ILFEMP, was launched by the Vice President's Office in 1998 and the outcome of the work will influence on NEMC's future.

Due to the continuous uncertainties of NEMC's role and mandates in relation to other institutions, as well as in its internal organisation and ability to perform results, the Swedish collaboration with NEMC came to a temporarily halt 1 January 1998. Although it is somewhat unclear what NEMC's role will be in the future, it is obvious that NEMC has developed into a major actor in Tanzania with regard to Environmental Impact Assessments, Pollution Control and Prevention, and, to some extent, Environmental legislation. Without a continuation of Swedish support while waiting for the outcome of the institutional study, NEMC would very likely lose large parts of its competence

that has been built up with Swedish support during the last decade. Therefore, In February 1999 a new agreement was signed for a two year bridging period while waiting for the results from the ongoing study on Institutional Framework for Environmental Management.

In January 2000 the VPO presented several options for the institutional set-up on the environment which will be reviewed by the parliament and a decision will be made on which option to adopt and how to go to define legal mandates and responsibilities. It is likely that this process will take most of year 2000.

Results

NEMC's work has been primarily project oriented and a large number of projects have been implemented by the five directorates. The results from the different projects have been presented in various progress reports. In November 1999 an evaluation was made on the overall results of the Swedish support to NEMC and of the different activities performed, how NEMC functions as an institution and its role in the society.

Sida's support to capacity development within NEMC has had a significant and positive impact on the ability of NEMC to fulfil its mandate. The support has to a large extent helped the different departments within NEMC to develop and complete a large number of activities. The demand for NEMC's services in the society has increased over time as the organisation has grown and raised awareness of the environment. Several important stakeholders regularly request technical assistance from NEMC, particularly for Environmental Impact Assessments. NEMC has created measurable impact in many other organisations. Several policies, programmes and activities have been modified because of NEMC's activities. Environmental education has had a national impact, through ongoing media campaigns and the introduction of environment into primary, secondary and some tertiary curricula.

According to the above-mentioned evaluation the support to NEMC has been successful in many aspects. NEMC has built up extensive knowledge and capacity for managing environmental issues in Tanzania and has made it known in the society as a focal point regarding environmental matters. Considering the complexity of the environmental situation and its management in Tanzania there will be a need for continuous external support to strategic functions like law formulation and enforcement, control of pollution and destructive activities and environmental education. The different functions and the highly qualified staff in the different departments within NEMC will be very valuable assets in the formation of a new national management structure on the environment. It is possible that NEMC will remain intact as an organisation and work more or less as it functions today. It is also possible that the different functions within the organisation are divided to form sector specific institutions. In any case Sweden, in the meantime, should continue to give limited support to NEMC in order for the organisation not to lose its competence and staff.

In addition Sweden should continue to support the process to restructure the environmental management in Tanzania. The decision on how the future Swedish support should be designed and towards which organisations it should be directed highly depends on the Government's decision on the institutional arrangements.

Source:

- Evaluation of Swedish Support to the National Environment Management Council, Tanzania 1986-1999, Draft, December 1999, G. Milne.

Public Administration and Management

Background

During the agreement period 1997-2000 support to Public Administration and Management focuses on the implementation of the Tanzanian Civil Service Reform Programme (CSRP) in areas of gender equality and public financial management (tax administration, budget, government accounting and statistics). The overall objective of the CRSP is to create a small, affordable, efficient and effective Civil Service and to improve service delivery to the public.

Government accounts development project (GADP)

GADP has enabled the Government to substantially improve the capacity of the Accountant General's Department, line ministries/departments and agencies to manage scarce public resources. Accountant's General Department has developed a generic model for integration of Financial Management and Accounting processes across the entire government sector, an Integrated Financial Management System (IFMS). The implementation of IFMS, which by July 2000 will cover all the central ministries and departments, has assisted the Government of Tanzania to substantially improve the overall expenditure control, financial transparency and accountability. It has also improved the public debt management and significantly limited the growth of the government fiscal deficit.

IFMS has also made it technically possible to effectively operate the government's Cash Budgeting System. It requires reliable information on a monthly basis on government revenue and expenditure so unauthorised or excess spending can be minimised. No expenditure can be processed without being recorded in the tables of the database, thus eliminating unrecognised and unrecorded spending and reducing possibilities for fraud.

Today the IFMS can deliver daily accurate and consistent accounting and reporting for domestically financed recurrent and development expenditure for all ministries and departments, except state house, vice presidents office, minister of defence and the police. However, even these organisations have now accepted, after pressures from IMF during their mission in November 1999, to implement the system within their organisations. Public debt transactions are also captured accurately in IFMS and reliable foreign and domestic debt statistics is published monthly which has increased the efficiency of the management of the public debt.

An indicator of the IFMS-success is that even executive agencies, like National Bureau of Statistics (NBS) and Tanzania Revenue Authority (TRA) have adopted IFMS for their expenditure accounting, within the ongoing Sida projects. The system is also under implementation at the regional (sub-treasury and TRA) and district levels (28 local authorities). The revenue (tax) collected is not yet accounted for using IFMS but the Ministry of Finance and TRA are planning to expand the system to cover tax collection.

One of the strengths of the IFMS is that a Tanzanian IT-consultant was contracted to design the system modules and train the Systems Development Unit Staff and the Accounting Cadre. This means that there is a competent local consultant who can support the maintenance, development and further expansion of the IFMS. The consultant can also support the training of system analysts and the Government Accounting Cadre and hereby contribute to the sustainability of the system. However, the fact that there is only one supplier (Softtech) constitutes a risk and makes the Ministry of Finance and the IFMS vulnerable to the consultant's availability to deliver. Therefore alternative supply sources should be developed in the future.

Another serious risk for the present and future sustainability of IFMS is the low salary level in the Tanzanian Civil Service and the unpredictable government funding to operate and develop the system. At present the GOT has difficulties to provide the necessary funding. The question of the financial sustainability should be addressed and increased GOT funding should be made available, when future support to this sector is discussed with the Tanzanian Government.

Finally, it should be mentioned that International Transparency still rates Tanzania as one of the most corrupt countries in the world. It is difficult to assess the impact of GADP on reducing the rate of corruption in the government sector in general. For example, IFMS does not yet include government procurement, but it is planned to do so. However, the possibilities of IFMS to minimise misuse of public funds depend very much on the political will of the government, private sector and the donor community to take adequate measures. It also depends on the professional acceptance in the government administration to comply with set financial regulations and code of ethics. It is somewhat surprising that the Controller and Auditor General's Office has not been part of the project team to design and develop IFMS to guarantee that the security features of the system meet the required standards for audit purposes and to build up its own capacity to audit the new computerised system. At present the OCAG auditors are under training.

Interim Budget Development Project

The Budget Development project started in 1998. A new performance budget model and budget guidelines have been developed and all 23 ministries have prepared their budget request 1999/2000 according to the performance budget model. The new IFMS provides a technical base for improvements in the budget system. Performance budgeting in the government introduces a major change in the planning approach; budget preparation as planning of required

resource inputs and activities is transformed to defining results in terms of service delivery to the public.

It requires overall change in the mentality of the Civil Service, realising that the Civil Service is not an end itself. It is only a means to deliver quality services in core areas to the citizens in line with politically agreed priorities as expressed in the government policies and the budget. So far 100 budget staff of the ministries have been trained. The Ministry of Health has on a pilot basis developed budget performance indicators for the health sector.

However, it will probably take some years for the different sector ministries to build up the required competence and capacity to formulate well defined objectives and performance indicators based on the real conditions in Tanzania and to measure the performance of the public sector in terms of service delivery. Skills and methods for analysis are still very thin in the different ministries and the data required for monitoring is scarce and often not reliable. The planners in the Ministry of Finance and the sector ministries and districts need to move from mechanical to analytical and result oriented thinking in their planning where they actively seek and generate information of the developments in their sector. One positive development is that the Ministry of Finance has carried out some preparatory workshops to analyse and initiate the mainstreaming of gender aspects in the budget for 2000/2001. Sida is also supporting this exercise through a local gender consultant team.

The performance budgeting was introduced recently and only one budget process (1999/2000) has been carried out applying the new planning approach. Gender budgeting is also a new dimension in the government planning. In addition, the annual budget process has been linked to the three-year government-planning framework, Medium Term Expenditure Framework (MTEF). It is a long-term exercise to build up sustainable competence and capacity within the Ministry of Finance, the sector ministries and local authorities and future donor support is needed to carry out this task.

Takwimu/Statistics Sweden Project (TSSP)

The Swedish support was based on the CSRP's proposal to create an autonomous statistics bureau, National Bureau of Statistics (NBS).

The overall objective of the project is to improve the performance of National Bureau of Statistics (previously Takwimu). The most strategic way to achieve this project goal is to assist NBS (Takwimu) to become an Executive Agency. This gives NBS the independence to operate on commercial basis and thereby raising its own income and possibilities to make necessary investments.

In March 1999 NBS was launched as one of the four first Executive Agencies in Tanzania and it was renamed from Takwimu to National Bureau of Statistics. The transformation process from a Government Department, under a line Ministry without any financial and personnel administration of its own, to a business entity has now to a large extent been completed. The NBS internal

organisation is working and the implementation of the new accounting system (Platinum) is well under way.

So far the major achievement is the positive result from the commissioned work from sources outside the Government. Several contracts are under negotiation with various organisations, including the commissioning of NBS to conduct the Household Budget Survey. Great efforts are being made to encourage the Government funding for the next fiscal year to enable NBS to fulfil all its objectives. The major remaining goal is to make the regional organisation more effective.

Gender Unit

The main objective of the support is to mainstream gender equality aspects into the management and operations of the Civil Service. The implementing unit has been the Gender Unit within the Civil Service Department.

The Gender Unit had made good progress towards gender mainstreaming in the Civil Service. Gender equality work is now recognised as part of the mission of the Civil Service. The two years the project has operated has made the Gender Unit visible and has prepared a conducive environment for acceptance of gender mainstreaming in the ministries.

Currently the work of the Gender Unit cannot be sustained without donor funding. But the Gender section itself is part of the organisation of the Civil Service Department (CSD), strategically located in the Policy Division where it can influence the formulation of policies carried out by the CSD. The Head of Section has been given a status of an Assistant Director. With support from the Gender Unit the National Bureau of Statistics and Tax Revenue Authority have developed an equal opportunity plan. CSD has also given Gender Unit the task to formulate an equal opportunity policy for the civil servants.

The project objectives defined in the project document does not allow any focused measurement of the results and the reporting has been done on output and activity level.

Tax Revenue Authority

The Swedish support has been based on the Government's proposal to create an autonomous revenue authority, Tanzania Revenue Authority (TRA) which was launched in June 1996.

During the period 1997-1999 a number of consultancies and workshops were carried out to support the establishment of the new agency and to prepare the long term Swedish support to TRA. Swedish support was given to initiate, with the support of Accountant General Department's GADP-project team, the first phase of the implementation of IFMS in TRA, aiming at improving the expenditure accounting. The purpose was to take advantage of the reduced cost of parallel implementation in both institutions.

The TRA Human Resources Development (HRD) project preparations were finalised early 1999 and the project implementation was initiated in June 1999. The total funding during the project period 1999-2002 is 43 MSEK. TRA HRD-project is linked to the broader Tax Administration Project (TAP) with main funding coming from the World Bank. The objectives of TAP are:

- to broaden the tax base;
- to improve revenue collection;
- to strengthen voluntary compliance;
- to improve control over tax evasion and
- to strengthen the organisation and management of TRA.

The objective of the TRA HRD-project is to put in place an efficient, effective and fully functional tax administration system by 2002 in line with the TAP overall goals. This will be achieved by implementing an extensive and focused training programme coupled with a relatively good remuneration system, well equipped working environment and a gender equality promotion plan to motivate the staff to perform according to the high standards and strict ethical code of conduct set by the management of TRA and the Ministry of Finance. The TRA training institute, Institute of Tax Administration, will be strengthened to improve its capacity to meet TRA's training needs. As regards systems development the implementation of the new expenditure accounting system (IFMS) will be finalised and a new computerised system for registration of motor vehicles and drivers licences will be developed and implemented. So far the activities have been carried out according to the plans but it is too early to report on any final project results.

TRA is considered to be a relatively efficient organisation where reported cases of corruption are often addressed seriously and where the employees are made responsible for not complying with the code of ethics. The pressure on TRA from Ministry of Finance and international financial institutions (IMF, World Bank) to meet the ambitious tax collection targets is very high. During 1999 TRA have not managed to meet the set targets and according to some analysts and even some TRA officials they were perhaps somewhat unrealistic. Partly due to these demands TRA tax officials sometimes are using methods that are perceived by the private sector as harassment.

Sources:

- Draft Results Analysis 1997-1999, Government Accounts Development Project, Accountant General's Department, November 1999
- Annual progress report 1999, Interim Budget Development Programme. Mainstreaming gender in the Government budget, Plan of Operation Dec 1999- June 2000.
- Draft Results Analysis 1997-1999, Takwimu/Statistics Sweden Project (TSSP), National Bureau of Statistics.
- Midterm Review of the Swedish support of Gender mainstreaming activities in Civil Service Reform Programme, University of Dar es Salaam. February 2000.
- TRA Human Resources Development project document June 1999-December 2002, June 1999.

Ranalsys2

Contribution/project. Decision, time period of the contribution	Overall sector objectives	Project goals	Achieved effects, positive or negative	Planned outputs	Achieved results	Cost outcome and period	Comments
Government Accounts Development Project 9704-0006	Strengthened performance to allocate and manage the government's resources	Improved budget execution and expenditure control <u>Strengthened financial</u> transparency and accountability of the government.	Unauthorised excess expenditure by the ministries/departments has been eliminated through the introduction of a cash budget system supported by the new Integrated Financial Management System.	Improved capacity of the Accountant General's Department to develop and manage the government accounting system through introduction of a new financial system, trained personnel, new organisation and staffing structure and revised legislation.	Integrated Financial Management System (IFMS) implemented and initial IT infrastructure provided in all government ministries/ departments. New building incl computer centre constructed in AG's Dept.	39,1MSEK 9704-9912	Implementation ongoing in project, gov't agencies and local authorities funded by other donors. IFMS will include all government org in central, regional and local level and even donors are ...?who?
			Improved financial discipline in government's resource allocation due to that funds may only be spent against approved warrant allocations. The security controls in the system inhibit fraude and require transparency.		Accountant General's Department reorganised, right-sized and restaffed, including a Systems Development Unit (SDU) to implement and manage the IFMS. Strategic Manpower Plan 1998-2003 for Accounting Cadre submitted to the Civil Service Dept for approval.		The Plan includes proposals for new scheme of service and a new organisational structure. Failure to implement the proposed changes in the Strategic Manpower Plan will undermine the sustainability of IFMS.
			Daily accurate accounting and reporting for all ministries and departments for domestically financed recurrent/development expenditure available.		20 SDU staff, 50 AG's staff and 200 accounting staff from line ministries trained in IFMS application and competent to operate the IFMS in their home organisations.		
					New legislative framework, Public Financial Act, to support improved budget execution and expenditure control formulated and submitted to the cabinet for approval.		The proposal contains strengthened powers for Accountant General to approve and control that the government expenditure is in line with the authorized budget limits.

				Public debt transactions are captured accurately and timely in MIS and in CS Debt Recurring Management System (DRMS) and reliable domestic and foreign debt statistics are published monthly.	Create up to date statistical and accounting system for public debt transactions.	CS DRMS implemented and capacity developed in AG's Dept to operate and utilise the system. Co-ordination improved between AG's Dept and Bank of Tanzania in managing the public debt.		
Interim Budget Development project DESO 0445/98 9806-9912 (0006)		Development and implementation of a performance budgeting system for the government sector.			New performance budgeting model developed by December 1998 and budget officers trained in Budget Dept and line ministries. Pilot implementation in 7 ministries for FY 1999/2000.	Performance budgeting model developed by October 1998 and 20 budget officers trained in Budget Dept and 60 officers in the ministries. Pilot implementation budget preparation for 1999/2000 in 23 ministries.	4,5 MSEK 9806-0006	
		Reclassification and integration of the Recurrent and Development budgets using the IMF-GFS System carried out.		Implementation of new classification in all ministries planned in March 2000, implementation delayed due to capacity constraints and resistance to adopt the new system.	New classification and integration model developed, and budget officers and ministry staff trained (Feb 1999).	Classification system finalised, budgets reclassified, 20 budget officers in Budget Dept trained in Oct 1999. 80 ministry budget staff trained. Integrated budget system developed in Nov 1999.		
Total								

Telecommunications

Background

Sida is co-financing the World Bank led Telecommunication Restructuring Project (TRP) together with a number of other donors¹⁷. The total TRP project cost is estimated to 250 MUSD, of which Sida has contributed 15%. From the time of the break up of the East Africa cooperation to the introduction of the TRP, Tanzania Posts and Telecommunication Corporation (TPTC) was a wholly state owned company. As part of the TRP, TPTC was divided in January 1994 into:

- Tanzania Telecommunication Company Limited, TTCL
- Tanzania Posts Corporation, TPC
- Tanzania Communications Commission, TCC.

The Sida telecom support refers to TTCL and support to TCC. Sida has not provided any support to TPC.

Assessment

At the time of the start of TRP the telephone density in Tanzania was a third of the density in Kenya, a tenth of the SADC average and 3% of the world average. The TRP Project with its modernising, expanding, rehabilitating and replacing of exchanges, transmission and external plant in many areas of Tanzania has increased Tanzania's access to telecommunications, which is important for growth possibilities.

The TRP encouragement of private sector participation and competition in the expansion of telecommunications has been in line with the new framework of macro-economic policies and structural changes being pursued by Tanzania.

¹⁷ AfDB, EU, JICA, CIDA, DANIDA and KFAED

Results

According to the World Bank, the Institution Development of TTCL's corporate functions, engineering, customer services, operation and maintenance, manpower development and training have resulted in significant efficiency gains in the operation and maintenance of the network, management and staff performance as well as financial performance. Thus the Call Completion Rate has increased for national trunk lines from 36% in 1995 to 79% (June 1999) and for (incoming) international calls from 25% to 45%. The exchange connections have increased by about 75% from 1995 to date and are envisaged to reach 145,000 by end of December, 1999. In 1998 TTCL recorded a profit for the first time since its creation in 1994.

The Project Supervision Support has been implemented by an International Consultant, which has assured contractors and suppliers of fair treatment and thus reduced risk factors built into their bid prices meaning lower overall prices. Transfer of knowledge and on-the-job training to seconded staff has improved operation and maintenance of the equipment.

Investments in the "Dar Telecom Project 2" have replaced outdated telecom network and provided new equipment in certain places in the Northern and Southern outskirts of Dar es Salaam. A total of 220,000 line exchange capacity will be reached by the end of December 1999. It was 90,000 in 1994.

The Review of the Telecom Regulatory Function at the end of 1998 and beginning of 1999 reviewed the past 3 years of regulatory activity by TCC. It identified strong points and weaknesses. Its findings and recommendations for long-term strengthening of the Telecom Regulatory function is used by Sida and the World Bank in discussing future support in this area.

Generally it can be concluded that the objective of expansion of basic services has been achieved. Additionally, TRP has basically achieved facilitation of commercialisation and corporatisation of TTCL. (In fact, as a consequence of TTCL's improved performance, the need to privatise a profitable and more efficient TTCL has been questioned.) Although a market oriented regulatory framework has been established, the WB feels that at present regulatory problems represent the biggest constraint to the development of telecommunications in Tanzania.

Lessons learnt

During the preparation for the TRP, two main alternatives were discussed. The immediate privatisation and sale of TTCL was rejected by the Tanzanian Government. Instead Tanzania managed to receive donor support for a 5-year rehabilitation and reconstruction support prior to commercialisation and privatisation. As the privatisation process is not yet completed it is premature to state this categorically, but it seems far from certain that this support will actually be reflected in a correspondingly increased sales value of TTCL. However, it is possible that it will be instrumental in actually securing serious bids. TTCL might correctly have been judged to be in too bad state to be sold in 1994.

The immediate beneficiaries of the Swedish support have been in geographically rather limited areas adjacent to large population centres, where investments in improved telecommunications infrastructure can be expected to realise speedy economical development. This was conventional wisdom until just recently. However, recent World Bank studies have shown that fully commercial telecommunications services can be supported in many rural areas, at least 40,000 in sub-district communities in Tanzania, and that additional lines, may require strong prorural regulatory intervention, subsidy, or investment costs less than those assumed.

In order to ensure that a multi-operator telecommunications environment is fair and grows quickly and healthily, it is paramount that the regulator, TCC establishes a clear policy on tariffs, and a workable, transparent and enforceable mandatory interconnect regime. Fair and transparent revenue sharing and settlement, taking incoming and outgoing calls (including international) into account, must also be included.

Tanzania is poorly prepared to participate in the ongoing "Information Revolution" which is starting to have such a profound effect on the world economy, globalisation and generally on development. There is a need for Tanzania to address the strategic ICT area (Information and Communication Technologies) in order to be able to maximise the benefits of the recent innovations.

Significant Conclusions

The TRP has successfully addressed the important issues facing Tanzania in "conventional telecommunications" when TRP was conceived in 1994 and Tanzania is therefore well posed to sustain these systems.

However, the development and technical advances in the information and telecommunications field generally are very fast and Tanzania has not been able to keep up with recent global trends. In particular concentrated efforts are required in the areas of transparent regulatory regime, rural telecommunications and ICT. There are now several mechanisms devised to address the rural telecom imbalance during the privatisation or liberalisation

process which could provide an opportunity to ensure that rural areas enjoy the benefits of sector reform. To date Tanzania has not opted for any.

Sources:

- Agreed Minutes and Minutes from Meetings (1998, 1997, 1996)
- Final Report, Investment Planning and technical Assistance Co-ordination at the Program Monitorin Unit, TRP, TTCL, 4 December, 1997
- End of Contract Report, Post TAN-TRP-032, A.F.Moon, 31 March 1996
TRP Mid-Term Review July 25, 1997
- Aid to telecom in Southern Africa-What has it achieved, Swedish Development consulting partners ab, September 1997
- IDC Project, TTCL, Annual Report, BT Telconsult, July 1997
- The Midterm review of third telecommunications Project CR 2486 Credit, TCC, 25th July, 1997
- Status Audit of TTCL and PSTN, Omnitele, 18 August 1997
- Evaluation of the Institutional Development Component (IDC), Nordic Consulting Group, July 1997
- Review of the regulatory Function in the telecommunications Sector in Tanzania, Omnitele, February 1999
- Project Appraisal Document on a Credit, Tanzania, TRP, World Bank (1993)
- Semi-annual Aide Memoirs from the \$World Bank (1999, 1998, 1997, 1996)

Result Analysis Telecom

Contribution/project, Decision, time period of the contribution	Overall Sector Objective	Project Goals	Achieved effects, positive or negative	Planned Outputs	Achieved Results	Cost Outcome & period	Comments
TELECOMMUNICATIONS							
1. TELECOMMUNICATION RESTRUCTURING PROGRAMME (TRP) 240 MSEK 1993-1999 REWA 63/93	Improved sector efficiency through better defined institutional framework. Business and customer oriented sector enterprises. Network capacity developed	Establish a market oriented regulatory & policy framework. Strengthening of the institutional framework & commercialization of Tanzania Telecommunication Company Limited, TTCL. Expand basic services.					The investments have been successful, 70% of the new capacity is already taken by subscribers. However, regulatory problems are a constraint to the development of telecommunications.
A. Project Management, PMU 10 MSEK REWA 63/93 1995-1996		Ensure that all parts of the telecommunication Restructuring Programme, TRP are implemented in accordance with plans and that the overall objective is achieved.	Coordinated technical assistance and donor reporting has facilitated project implementation.	Support to TTCL Management in project coordination and monitoring	Initially two consultant and later one consultants assisted in the Project Monitoring during the period 1994-1997.	4/10 MSEK	The monitoring was undertaken in a shared office with TTCL, who late in 1997 took over and has since continued the PMU functions without assistance.
B. Institution development 43.5 MSEK REWA 63/93 1995-1999		Create a customer oriented and modern telecom service provider.	Significant efficiency gains in the operation and maintenance of the network, management and staff performance as well as financial performance.	Development of corporate functions, engineering, customer service, operation and maintenance, manpower development and training.	Outputs partly achieved, with TTCL adopting methods of target oriented leadership, and other principles.	37/44 MSEK	This project component was only partly implemented as the consultancy contract was terminated already in December 1998.
C. Project Supervision 33 MSEK Decision: GD 157/98 1994-1999		Secure and safe implementation of the telecom network projects included in the TRP.	Objectives obtained for the parts of the TRP program presently implemented (ca 97%)	Procurement and supervision of TRP supply contracts by a consultant in close co- operation with TTCL. Transfer of knowledge and on-the-job training to seconded staff.	Supervision carried out through a total of 241 expatriate and 143 local staff man-months. Transfer of knowledge mainly through on the job training and close co- operation with TTCL staff.	30/33 MSEK	The supervision contract will be extended to the completion (May 2000) of the delayed Arusha/Morogoro WLL project. This delay is thus outside the control of the Swedish contribution.
D. Investments (Dar Telecom Project 2) 132 MSEK REWA 63/3 1995-1999		Satisfy existing needs for telecommunications services in the Northern and Southern outskirts of Dar es Salaam.	Cost effective networks installed in the greater Dar es Salaam area.	Replace outdated telecom network and provide new in certain places in the Northern and Southern outskirts of Dar es Salaam with totally 22000 new lines	The whole network has been completed as planned.	130/132 MSEK	Minor outstanding items presently dealt with by Contractor (Ericsson).
2. REVIEW OF REGULATORY FUNCTIONS 1.5 MSEK TZA 240/98 1999	Optimum results in terms of market development, investment, customer choice, regulatory certainty and credibility, inserted into the Tanzania telecoms environment.	Review how Tanzania Communications Commission, CC is administering all aspects of regulatory policy, including regulation of radio spectrum, within guidelines laid down by GoT.	The WB feels that at present the regulatory problems represent the biggest constraint to the development of telecommunications in TZA and has proposed a total re think.	Review past 3 years of regulatory activity by TCC. Identification of strong points and weakness. Recommendations for long- term strengthening of TCC. Draft ToR for implementation of proposed actions.	Planned outputs achieved.	1.5/1.5 MSEK	The WB has identified an urgent TA need to TCC on regulatory issues in particular with interconnection and licencing. Decision pending whether Sida will finance this or not.
Sum total							

Tanzania Food and Nutrition Centre, TFNC

Background

Sweden has supported the Tanzania Food and Nutrition Centre since its establishment in 1973. Most of the funds have gone to research, training, personnel and project work dealing with the large range of nutrition problems that the population suffers from. The current five-year period involved a phasing out and a cessation of this support. Thirteen different projects were supported; a large number, yet less than Sida supported previously.

Relevance

Malnutrition, including specific nutrient deficiencies, is a serious obstacle to achievement of a number of development objectives in the country. The active learning capacity of school children and the physical work output of adults are reduced. Women are at particular risk due their combined productive and reproductive roles. This is an area in which gender aspects play a crucial role, particularly the status of mothers and the work burden that competes with their ability to feed and care for their children.

As in other African countries, local capacity regarding the complex set of skills and knowledge required to tackle these problems was initially low in Tanzania. With no strong institution to attract good staff, there is always a risk that the existing expertise is never mobilised adequately to make much impact on these problems.

An evaluation indicated that "In conclusion, the support to TFNC constitutes one of the few programmes in the Swedish portfolio in Tanzania with a poverty reduction orientation".^{18 19}

Malnutrition is often considered to be an indicator of poverty and at the same time part of the cause of poverty. Indeed it is treated this way in the draft World Development Report which is about poverty and now available for comment online. Richer people do not suffer much from malnutrition. Thus any effort, which succeeds in reducing malnutrition, will reach the poor directly and assist in poverty eradication.

¹⁸ Working with Nutrition, page 20.

¹⁹ Partnership in Development . Sweden and Tanzania (1998). Swedish Embassy, Dar es Salaam.

Results

The Swedish support has resulted in the attainment of advanced degrees by TFNC staff in a wide range of fields, relevant to developing a public health approach towards tackling nutrition problems in Tanzania. TFNC can independently conduct and analyse surveys, produce teaching materials, develop and implement training programs, and utilise the mass media for spreading information to the public. They have played a key role in advocacy and planning, but do not have the mandate or staff to implement most national nutrition programs themselves. The pattern of staffing and decision-making at TFNC was rather gender balanced until recent years, when more men came in to decision-making positions. Nevertheless TFNC is probably more gender balanced than most workplaces in Tanzania.

TFNC used to strive to develop capacity to assist all regions of the country in incorporating nutrition into development efforts. However, this approach appears to have weakened in recent years.

TFNC is widely regarded as the strongest institution of its kind in Africa. UN and other agencies widely make use of TFNC staff as consultants to other countries in the region.²⁰

According to a document written by Ted Greiner in 1989, Sida has learnt important lessons from previous efforts to build nutrition institutions in Ethiopia and Zambia, leading to a more successful support to Tanzania (and Zimbabwe). Now even the World Bank and UNICEF emphasise that long-term capacity building must be a part of any effort to improve nutrition in a country.

Regarding general impact on malnutrition in Tanzania TFNC has evidence only in the case of Iodine Deficiency Disorders.²¹ The kind of studies needed that can show impact on general health are very expensive, they take long time and they are seldom integrated in development cooperation projects. Being such a poor country means there is a lack of capacity and funds for such research. Not even Sida undertakes such studies, at least not in the field of nutrition, except for a study regarding a Worldview International Foundation project in Bangladesh.

The short-term capsule-based Iodine Deficiency Program, in which TFNC played a key role, had a proven positive impact on the high levels of iodine deficiency disorders in many parts of the country. In addition, TFNC has done what it can to assist with the long-term salt iodization component, but it has not had the power, finance or mandate to monitor the program or solve the many problems that still exist.

Programs that have had a particularly beneficial effect on women include Iodine Deficiency Disorders (which affects women more than men), breastfeeding

²⁰ Bistånd Utvärderat. Nr 2/92. Page 4.

²¹ Bistånd Utvärderat. Nr 2/92. Page 12.

promotion (an evaluation report mentions Tanzania and Zimbabwe as the strongest countries in the region) and the National Anemia Programme. Studies suggest that exclusive breastfeeding patterns are improving. It is plausible that training, advocacy and public awareness efforts of TFNC have contributed to this.

In other areas, TFNC-led plans and programs have so far not been pilot tested or funded at levels necessary to expect any national impact.

On the other hand, United Nations data suggest that Tanzania is one of the African countries where nutritional status, in relation to how the economy has performed, has suffered the least in recent decades.

However, with the withdrawal of Sida support, further development can only be expected in areas that receive other external support. It is highly unlikely that the Tanzanian government will provide more than basic support to salaries and maintenance of facilities. Representatives from concerned ministries have participated in various meetings between TFNC and Sida during the years, to discuss sustainability. However, no specific efforts have been made to bring up the issue of sustainability with the Government.

Lessons learned

Both Swedish and Tanzanian ambitions have been high regarding what TFNC could achieve, with long-term support from Sida. Perhaps what has prevented many of these ambitions from being achieved is the shifting political and ideological climate, and a generally negative economic trend in the country. The results of TFNC's work is successful in a narrow sense and at a lower level of ambition, except for sustainability which is a problem, though the final word is not in since TFNC may find a way to maintain itself. Sida has supported an institution, which is an important component of any national malnutrition alleviation program, but nevertheless only one component. Much more would have been needed to really make impact on malnutrition in Tanzania. Even UNICEF's much larger investments do not appear to have had much impact at national level.

The patient, flexible and long-lasting support provided by Sida has allowed Tanzania, in spite of all these difficulties, to build up a relatively strong and institutionalised capacity in nutrition, particularly when one compares it to the situation in other low-income African countries. Sida has provided a rather low level of external expertise, which has had the effect of allowing TFNC to develop in its own ways.

On the other hand, in hindsight the level of support to management was inadequate to meet the needs of such a large and complex parastatal. Management capacity has varied greatly from time to time and had a large impact on the effectiveness of the institution, irrespective of its technical strengths.

This way of providing assistance may in a sense have resulted in TFNC becoming too big for Tanzania to be able to afford. It is dependent on external support. It remains to be seen whether the current staff can find creative ways to obtain continued external support from other sources in order to maintain and further build on their successes.

Significant Conclusions

Without the Sida support Tanzania would probably have the same low, sometimes virtually non-existent, level of nutrition capacity and programming as most of its neighbouring countries. For all its limitations, this support has led at the very least to thousands, probably hundreds of thousands of Tanzanians with much better nutritional status than they would otherwise have had. This may sound like a small number given the magnitude of the malnutrition problems in Tanzania, but what has been unusual and special about the Swedish support was not its magnitude, but its patient pursuit of the goal of institution-building. The problem is that the general poverty reduction has not materialised. Per capita income is not much better today, than what it was when TFNC started. A strong institution cannot alone make much impact without other resources.

Another way of looking at impact is to consider how successful TFNC has been in influencing national policy and legislation. Tanzania is one of few countries in Africa with a strong and rooted nutrition policy. Specific examples of policies that TFNC has successfully lobbied for include a strong code of marketing breastmilk substitutes and another is a law on universal salt iodization.

One can only hope that TFNC will find some way to survive. There are three possible ways for TFNC to find the funds required for it to continue as a strong institution and even have an impact on malnutrition in the country if the economy in Tanzania improves markedly and TFNC succeeds in its current efforts to find private sector partners who will build on its property and pay rent that TFNC can use for its purposes and if UNICEF and the World Bank locate and utilise large amounts of funds in the current plans to combat malnutrition in Tanzania in ways that provide adequate support to TFNC.

Sida and other donors interested in achieving social and health-related goals in Tanzania and even in other African countries, would be wise to make use of TFNC's capacity while it still exists. This might also help to encourage the best staff to remain and maintain the wide and deep institutional knowledge TFNC still possesses.

Sources:

- Sida Evaluation 99/10, Working with Nutrition, A comparative study of the Tanzania Food and Nutrition Centre and the National Nutrition Unit of Zimbabwe, Jeker Carlsson et al.
- Partnership in Development . Sweden and Tanzania (1998). Swedish Embassy, Dar es Salaam.
- Draft World Development Report 2000. The World Bank.
- Bistånd Utvärderat. Nr 2/92. Tanzanias livsmedels- och nutritionscentrum.
- UNITED NATIONS ADMINISTRATIVE COMMITTEE ON COORDINATION- SUBCOMMITTEE ON NUTRITION, SCN 90 Insts A. The Building of Nutrition Institutions: A Search for Guiding Principles Based on SIDA Experience in Africa. Ted Greiner.

PRIVATE SECTOR DEVELOPMENT

1. Background

Sweden has provided support to the development of Trade and Industry in Tanzania since the early 70s. The nature and focus of the support have changed over the years, following the shift in emphasise from public sector led to private sector led development. As a consequence of this, the traditional development co-operation through Government has been complemented by a direct relationship also with the private sector, including non-governmental organisations (NGOs).

The overall objective of the Sida support is to promote Tanzania's integration into the world economy and contribute to the creation of a conducive business environment in which viable companies provide quality goods and services to the benefit of households, individuals and society at large.

2. Assessment

2.1 Relevance and Results

During the period under review, support has been provided to institutional development of public and private sector organisations of importance for the establishment of an enabling trade and industry environment. In addition, a programme promoting commercial relationships between Tanzanian and Swedish companies has been supported. Assistance has also been provided in the area of micro finance in order to facilitate sustainable access to financial services by the poor.

Ministry of Industry and Commerce (MIC)

The support to the MIC was provided to enable the ministry to efficiently carry out its role and functions under the parastatal sector reform programme; notably to privatise and/or restructure a large number of Government owned companies in the trade and industry sector.

During the course of the Swedish support (late 1995 to mid 1999), the number of privatisations and divestitures handled by MIC have considerably increased. In 1997-1998, an average of eighteen sales agreements was completed as compared to an average of less than five in 1992-1993. A total number of 65 Sales Agreements and MoU have been signed during the period 1996 – early 1999, and the divestiture process has been initiated for another 28 companies.²²

In comparison with other ministries, the MIC also appears to be more effective. In early 1999, the MIC had signed Sales Agreements or MoUs for 66% of the

²² PMRU Capacity Building Project, Project Completion Report, SDA, June 1999

companies within their sphere of responsibility, compared to 39% for Ministry of Agriculture, and some 40% for other ministries²³.

Tanzania Chambers of Commerce, Industry and Agriculture (TCCIA)

The overall objective of the support to TCCIA is to strengthen the infrastructure of private sector representation and support in Tanzania. To this end, the project sets out to support the creation of a sustainable and member-driven Chamber network, able to provide appropriate services and authorities to the Tanzanian business community, evidenced i.a. by an increase in income from membership and services fees, the level of Chamber participation on policy-making bodies, and by an appropriate organisational set-up of the network.

In the 10 Regional Chambers that have participated in the project since start-up in early 1996 (Group A Chambers), the membership has increased from 2.081 in January 1997 to 3.412 in June 1999. The sources of non-dues income have been diversified through the possibility of providing access to internet and e-mail using facilities supplied under the project.²⁴

In all regions, the Chamber is today involved in policy-making activities on bodies such as Municipal Councils and Regional Development Committees. At the National level, the Chamber is currently represented on several policy-making bodies, such as the task force on taxation, the customs advisory council and the trade development committee²⁵. The Chamber is thus actively interacting and dialoguing with the Government on issues of importance to the private sector and for business development in the country.

However, despite good performance in some areas, the Chamber is still a fairly weak organisation, and far away from reaching sustainability. The increase in membership related above is also somewhat illusory, as *paid-up* membership for the 10 Group A Chambers only stands at 1.937 (June 1999)²⁶ – and paid-up membership is what counts for an organisation that aims at eventually achieving financial sustainability. In addition, there is still no common management programme, budgeting and accounting system in place that would increasingly promote accountability, facilitate follow-up and enable performance measurement between the Chambers.

²³ Ibid. and PSRC Divestiture Report, February 1999

²⁴ Chamber Development Project, Phase II – Performance Report according to LFA-Matrix, November 1999

²⁵ Ibid.

²⁶ Chamber Development Project, Phase II – Performance Report according to LFA-Matrix, November 1999

Tanzania Bureau of Standards (TBS)

The support to TBS was provided to promote increased use of existing quality infrastructure facilities in Tanzania. To this end, a market-oriented, incentive-based support was designed, which would also assist in developing TBS into a sustainable and customer-oriented standardisation organisation with a gradually decreasing reliance on Government support.

During the course of the project (April 1995 to March 1997), TBS internally generated income (defined as actual paid-in income with deduction for all extraordinary items and adjusted for devaluation) rose by more than 240% from a total of TSh 155 million for the period April 1993 - March 1995 to a total of TSh 375 million during the Sida support.²⁷ The increase in internally generated revenue has continued after the termination of the Sida support, and totalled about TSh 513 million (some SEK 5,2 million) for the period April 1997 – March 1999.²⁸

The upward trend in income generation evidences increased use of Tanzania's quality infrastructure, which is due partly to the promotional efforts undertaken by TBS under the Swedish support, but also to the liberalisation of the market, whereby quality control and quality products have become competitive tools for companies and a means for Government to avoid an inflow of sub-standard products on the domestic market. This, in turn, suggests a good timing of the support.

Bank of Tanzania (BOT) – Micro Finance Policy

In January 1999, Sida supported a seminar for Parliamentarians, organised by the Bank of Tanzania and aimed at creating awareness and commitment amongst policy makers to the development of sustainable institutions for effective rural and micro financial services, and to promote a consensus on a National Policy.

A total of 149 members of Parliament participated in the seminar, together with 21 management staff from BOT and 9 staff from the newly created National Microfinance Bank²⁹. The National Policy has since been finalised and is now with Cabinet for approval.

Pride Tanzania

Support has been provided to the micro finance programme Pride Tanzania in order to evaluate the possibilities for transforming the programme into a

²⁷ Promotional Programme Performance Report, TBS, April 1997

²⁸ Income Revenue Report to Sida, TBS, October 1999

²⁹ Seminar Participants List, BOT, Spring 1999

commercially-oriented micro finance institutions which will offer savings and other basic banking services to existing and new (poor) clients. The overriding objective of interventions of this type is to contribute to increase sustainable access to financial services for those unable to access formal sector financing.

As a result of the support, a Feasibility Study outlining the perspectives in respect of the transformation has been elaborated³⁰. This work, however, turned out to be the first step in a long, and fairly complicated (both legally and structurally) process, that is likely to continue for still some time. The question is whether Pride Tanzania's performance will be good enough to attract funding from commercial investors or development finance institutions. In addition, the establishment of the National Microfinance Bank might drastically reduce the scope for another actor on the market.

Enterprise Development Programme (EDP)

The EDP was established to encourage and facilitate the growth of sustainable Tanzanian enterprises, e.g. through the establishment of commercial relationships between Swedish and Tanzanian companies. The programme started in November 1995 and runs up to May 2000.

A great number of contacts have been taken with companies both in Sweden and in Tanzania during the course of the project. To date, a total of 39 letters of intent have been signed, whereof 19 are continuing according to plan. Agreement on joint ventures or other forms of co-operation has so far been achieved in 14 cases. A total of 112 participants have taken part in training activities under the EDP.³¹

Most of the alliances have been established between trading companies, where the goods exported from Tanzania mainly include traditional products such as coffee, sugar, gem stones, textiles and handicraft. Yet another group of alliances have been established in the service and tourism sectors. In some cases, the collaboration is or will be implemented under a joint venture type-agreement (i.a. sisal carpets production and plastic bottle production).³²

The promotion of business relationships between small and medium scale companies in Tanzania and Sweden is a daunting task, and considerable efforts have been put into this work by the consultancy firm responsible for the programme. The fact that the bulk of the relationships have been established in the trading sector probably gives a fair picture of the current status of the enterprise sector in Tanzania and of the business climate in the country. Direct investments in industrial ventures are often perceived to be too risky by

³⁰ PrideBank Feasibility Study, TDFL, January 1998

³¹ EDP-T Progress Report, November 1999

³² Enterprise Development Programme Tanzania, Swedfund, November 1999

Swedish companies, and the profitability too low. Financing of such ventures is also scares and, if available, rather expensive.

The trading alliances are perceived to have a potentially high development value. In fact, any long-term business relationship normally starts with trading. However, a challenge in respect of exports from Tanzania is the quality of the products and the difficulties in getting enough quantity to justify export activities to far away markets. Moreover, the purchasing power in Tanzania is low, which makes the market of limited interest to Swedish exporters.³³

The value of the trade flow or of the investments made has not yet been evaluated in relationship to the costs of the programme. However, if costs are calculated only on the number of commercially viable partnerships in force at the end of the project, these are likely to be perceived as high. On the other hand, if calculated on the total number of companies that have been involved in the programme and have participated in training activities etc, the cost relationship becomes more reasonable.

An analysis of business improvements in participating Tanzanian companies will be made as part of the end-of project report.

2.2 Effects

An assessment of the impact of the privatisation programme in the industry and trade sector as of 1996 was made in January 1998, on specific request by the Tanzanian Parliament. Since the assessment came very early in the process, the analysis can however only point to the direction of the effects.

So far, the measurable impact has been overall positive. Sales have grown in the privatised companies, productivity has improved, and the inflow of capital has increased due to an increase in exports. In addition, Government's income has increased through tax revenues, dividends and actual sales proceeds. On average, all companies studied have experienced modest growth in employment. However, as a result of the closure or liquidation of several companies, there is an overall loss of employment in the short-term perspective.³⁴

The effects relating to the other activities supported by Sida during the period under review are potential and/or have not been confirmed by any external evaluations.

A possible long-term effect of TCCIA's activities, as noted in review of the support undertaken last year, might be the development of a new national

³³ Enterprise Development Programme Tanzania, Swedfund, November 1999

³⁴ Tanzania: Parastatal Sector Reform Programme Impact Assessment Study in Industry and Trade Sector – Measurable Effects of Privatisation, SDcp, January 1998

culture of initiative, good business management, individual responsibility, self-discipline and thrift.³⁵

Positive effects resulting from the TBS support include good public image and increased awareness about the importance of quality, both within the

Government and within the private sector, notably in areas such as consumer protection and international competitiveness. On the negative side, the good performance shown by TBS might make the politicians somewhat reluctant to consider changes in the set-up; changes that might prove to be necessary to ensure compliance with international best practices in this area.

The National Micro Finance Policy, in turn, is likely to have a positive impact on the development of sustainable micro finance in Tanzania, as it builds on best practices and experiences from other countries with a more mature and dynamic micro finance sector. Although not formally approved, the Policy has already been referred to in respect of a project that was perceived to create distortions on the market.

A potential effect following from a possible establishment of a PrideBank is that it would facilitate access to commercial financing and thereby contribute in creating links between the micro finance institutions and the formal financial system.

3. Conclusions

Sida's support to private sector development in Tanzania is too limited to alone have an impact on national figures relating to economic growth, industrial development, increased exports, etc. However, the support is provided in a selected number of strategic areas – institutional development, reforms, financial sector deepening, etc – that, together with other programmes in this area and other sectors of the economy, might eventually have a positive impact on the above indicators.

The conditions for private sector development have improved during the period under review. This is due to a reasonable stability of the economy and continued commitment by the Government to implement market-oriented reforms. However, the institutional framework for private sector development is still fairly weak.

Hence, increased focus on policy issues, including support to improve the institutional framework, is needed. Initiatives to this effect have been taken during the period under review. Important areas in which support has been agreed, or is being negotiated, include support to the formulation of a National Trade Policy (agreed) and support to the implementation of the Competition Law and Policy (under negotiation).

³⁵ Sida Support to the TCCIA. Mid-Term Review. Final Report. ÅF-SMG, December 1998

SWEDISH SUPPORT TO PRIVATE SECTOR DEVELOPMENT IN TANZANIA 1995 - 1999

Support, Decision and Time Period	Overall Sector Objective	Immediate Objective	Effects: Positive or Negative	Planned Outputs	Actual Outputs	Actual Costs	Comments
Reforms							
1. Ministry of Industry and Commerce (MIC)	To restructure, incl. to privatise, parastatals in the trade and industry sector.	(i) to establish PMRU as an efficient and competent agency in the restructuring and privatisation process, incl. post-privatisation monitoring; (ii) to reform the ISOs (7 organisations, viz. TISCO, TEMDO, SIDO, BET, TBS, CAMARTECH and TIRDO).	Positive: growth of sales and increase in productivity and inflow of capital in individual companies. Increase in Govt income from tax revenues, dividends and actual sales. Negative: overall loss of employment due to closure or liquidation of companies as a result of the privatisation programme.	(i) PMRU: a) no of companies restructured/privatised b) consolidation of systems for restructuring c) efficiency of PMRU in timely discharge of its responsibilities d) computer systems in place e) staff adequately trained f) capacity to advise on policy matters related to parastatal sector reform. (ii) ISO Reform Reform process launched and critical issues dealt with (ISO Acts reviewed/ altered, alternative ownership structures proposed, Profile of Boards and Management revisited, strategies for retrenchment and disposal of assets elaborated).	(i) PMRU: 65 companies privatised and process initiated for another 28 between 1996 – mid 1999. Systems for restructuring fixed – PMRU's capacity to meet the demands of same improved through staff training and provision of adequate equipment. Efficiency of PMRU and capacity to advise on policy matters increased for same reasons. System for post-privatisation monitoring established. (ii) ISO Reform Work on-going but process is slow. One ISO privatised. Decision made to retain 4 under Government umbrella.	7.130.798 SC-59/94-95 3.300.000 När-94/5/96 3.500.000 När-030/99 320.000	The PMRU is the main Project – ISO reform is a sub-component of the overall project, which received increase attention during the course of the Capacity Building Project. A new decision was raised in December 1997 to accommodate the increased focus on this sub-component, and a separate LFA-matrix was hence elaborated.
Institutional framework							
Tanzania Chambers of Commerce, Industry and Agriculture (TCCIA) – Chamber Development Programme INEC/När-123/95 SEK 2.400.000 INEC/När-260/96 SEK 400.000 INEC/När-373/97 SEK 10.500.000	To strengthen the infrastructure of private sector representation and support.	To create a sustainable and member-driven Chamber network, able to provide appropriate services and authorities to the Tanzanian business community.	Potentially: creation of national culture of initiative, good business management, individual responsibility, self discipline and thrift.	Membership and income of Chambers increased. Broad cross-sector participation in Chamber activities and on policy-making bodies. Chamber organisation promoting efficiency and financial sustainability of Chamber network. (Chambers involved in the promotion of business-to-business)	Chamber membership income increased from 2.081 (1997-01) to 3.412 (1999-06) in Group A branches. Paid-up membership increased from 889 to 1937 during the same period. Diversification of sources of non-dues income. Improved member participation in Chamber activities.	Appr 9.600.000 as per early Nov 1999	Decisions INEC/När-123/95 and 260/96 relate to the Pilot Program that was run for appr 1 year.

Total: SEK 13.300.000 Project Period: 1996-04 to 2000-06				contacts between Sweden and Tanzania.)	Increased participation on policy-making bodies. Amendment of constitutions to give branch offices autonomous status. A total of 233 Chamber staff trained. (Contacts established with the EDP Programme.)	1.968.000 (exchange rate differences explains the additional 18.000 required)	The increase in internally generated revenue has continued after the termination of the Sida support. During the period Apr 97 – March 99 TBS income totalled appr 513 m TSh.
Tanzania Bureau of Standards – Promotional programme SC/Afrika-47/94-95 SEK 1.950.000 Project Period: 1995-02 to 1997-07	To promote increased use of existing quality infrastructure facilities in Tanzania.	To develop TBS into a sustainable and customer oriented standardisation organisation with a gradually decreasing reliance on Government support.	Positive: Increased awareness of standardisation and quality issues amongst policy makers and the general public, particularly in the areas of consumer protection and internal competitiveness. Negative: good performance by TBS makes the organisation and politicians reluctant to implement changes that might be necessary to ensure the development of a modern system for quality infrastructure in compliance with international best practices.	Increase in internally generated income, defined as actual paid-in income with deduction for all extraordinary items.	Income generation from internal sources (as defined in the previous box and adjusted for devaluation) increased by more than 240% during the promotional programme (income Apr 95 – March 97 totalled about 375 m TSh as compared to the period Apr 93 – March 95 which totalled about 155 m TSh).		
Micro Finance Bank of Tanzania (BoT) Rural and Micro Financial Services Project. INEC/När-007/99 SEK 450.000 Project Period: 1999-01 to 1999-03	To improve access by small savers and micro entrepreneurs to a sound and competitive financial system.	To create awareness and commitment of Parliamentarians and other high level policy makers in the Central Bank to the development of sustainable institutions for effective rural and micro-finance policy, and to facilitate the development of a consensus on a National Policy.	Potentially: dynamic micro finance sector with strong and viable micro finance institutions that offer different types of services and are linked to the formal financial system.	Workshop organised and policy makers (275 mbrs of Parliament and 6 BoT management staff) exposed to best-practice micro-finance principles and experience. Political support, understanding and commitment created to facilitate approval of the National Policy.	149 mbrs of Parliament (whereof 9 ministers), 21 BoT management staff and 9 staff from the National Micro Finance Bank participated in the Workshop together with the WB, resource persons and Sida/Embassy staff. National Policy submitted to Cabinet for approval.	224.380	The Swedish support forms part of and complements the work done by the BoT and the WB in this area.

Pride Tanzania – feasibility study regarding the establishment of a PrideBank INEC/När-527/97 INEC/När-365/98 SEK 495.000 Project Period: 1997-07 to 1998-05	To increase sustainable access to financial services for those unable to access formal sector financing.	To evaluate the feasibility of transforming the Pride micro credit programme in Tanzania into a commercially oriented micro-finance institution which will offer savings and other basic banking services to existing and new Pride clients.	Potentially: Facilitate access to commercial financing for micro finance institutions, and thereby also creating links between the micro finance institutions and the formal financial system.	Feasibility Study, incl. analysis of key issues for the commercialisation and transformation into a PrideBank, elaborated.	Study submitted. Options for establishing a new financial institution explored, incl. examination of legal and regulatory requirements.	492.046 När-527/97 430.000 När-365/98 65.000	The work to commercialise the Pride Group of micro finance programmes is on-going and Sida is partly financing this exercise through a support to Pride's HQ in Kenya.
Business-to-business co-operation Enterprise Development Programme (EDP) INEC/När-100/95-96 SEK 22.000.000, whereof SEK 3.000.000 a credit component. Project Period: 1995-11 to 2000-05	To encourage growth of sustainable Tanzanian enterprises.	Business improvements made in 75% of supported companies, based on indicators of growth, gathered and analysed for each Tanzanian company.	Not yet analysed.	At least 25 enterprises supported of which at least 15 twinning relations established.	As per early Nov 1999, a total of 39 letters of intent have been signed, whereof 19 are continuing as planned. Agreement on joint ventures or other forms of Cupertino have so far been achieved in 14 cases. A total of 112 participants have taken part in training activities provided under the Programme.	16.800.000 paid by March 1999	Invoices for April-Oct delayed but received mid Nov 99. Total expenditures up to early Nov 1999 appr. 17.500.000.
TOTAL DISBURSED							36.215.224

Sources:

- Promotional Programme Performance Report April 1995 – March 1997 TBS, April 1997
- PrideBank Feasibility Study, TDFL, January 1998
- Tanzania: Parastatal Sector Reform Programme Impact Assessment Study in Industry and Trade Sector – Measurable Effects of Privatisation, SDcp, January 1998
- Sida Support to the TCCIA. Mid-Term Review. Final Report. AF-SMG, December 1998
- SRC Divestiture Report, February 1999
- Seminar Participants List, BOT, Spring 1999
- MRU Capacity Building Project, Project Completion Report, SDA, June 1999
- Income Revenue Report to Sida, TBS, October 1999
- Chamber Development Project, Phase II – Performance Report according to LFA- Matrix, November 1999
- EDP-T Progress Report, November 1999
- Enterprise Development Programme Tanzania, Swedfund, November 1999

Results analysis Balance of Payments Support

The BoP support is a general budget support which is not directed towards a specific sector or project. It is an important complement to the usual project support since it encourages Tanzania to continue structural reforms and work towards macroeconomic stability (a prerequisite for successful implementation of development programmes in the sectors). It also gives Sweden an increased weight in discussions with the the Government of Tanzania (GoT) on budget issues and macroeconomic stability. Even though there is a link to the social sectors in the Multilateral Debt Fund, Swedish BoP funds cannot be directly traced to these sectors, due to fungibility of money. However, the GoT has made a commitments to protect expenditures in a number of priority sectors.

1) The Matching Funds System (MF)

The MF is a simple, incentive-based system, purely based on GoT's performance in revenue collection and not linked to Tanzania being on track in any IMF programme (as is usually the case with BoP support). The budget support given under the MF has provided free resources to Tanzania to be used in accordance with the GoT budget, resources which were additional to the revenue collected by Tanzania. The system did not impose any additional conditionalities on the GoT except to collect revenue according to its own plans. This increased the country's ownership of balance of payments support by giving Tanzania increased influence over the disbursement rate. The support was given in a time of great need for extra-budgetary resources due to adverse weather conditions during 1997 and early 1998, and contributed to the GoT's ability to meet the extra demands on government financial resources. As the GoT did not receive 100 percent of the planned support (cf results reports table), its interest for the system declined somewhat after the pilot period, since other forms of BoP support would provide the GoT with the full amount planned for.

Initially, a lot of work had to be done both by the Embassy and of the Ministry of Finance to collect the necessary information and put the system into place. Occasionally delays in disbursements occurred as the Ministry of Finance failed to produce the required revenue reports in time. On the whole, however, the MF worked as intended.

On the negative side, it should be mentioned that the MF did not take into account what kind of revenue would be matched or how the revenue was raised. It would thus be possible for the GoT to raise present tax levels instead of broadening the tax base through necessary reforms, or to tax some part or group in the economy discriminately in order to come up with the revenue. Many business people in Tanzania have complained about being unfairly treated by the Tanzania Revenue Authority (although it cannot be assumed that the treatment had any direct link to the incentive system under the Swedish

support). The GoT has now made attempts to broaden the tax base by introducing Value-Added Tax (VAT), replacing the old sales tax.

Another potentially negative aspect is that the MF is pro-cyclical, implying that it could aggravate the effects on revenue collection of external shocks such as adverse weather conditions leading to problems to collect the expected taxes. In such cases, the MF support would also decline, thereby aggravating the effects of the external shock.

Although some other donors showed interest in the MF system (including Netherlands and Finland), no one actually decided to join it. One reason for this could be the development of the MDF, which took place at the same time as the MF was piloted.

2) The Multilateral Debt Fund (MDF)

The MDF was established in July, 1998, after close cooperation between the GoT and a number of interested bilateral donors, including Sweden, Denmark, Norway, Netherlands, UK, Finland and Ireland. The BoP support from the various donors is pooled into the MDF account with the Bank of Tanzania, from where funds are drawn to service multilateral debt to the IMF, the World Bank and the African Development Bank. The savings in the GoT budget are used to protect and if possible increase budgetary expenditures on education, health, water and roads, as pursued through the ongoing Public Expenditure Review process and sector programmes.

Internal and external audit reports from the Bank of Tanzania have shown that the MDF account has by and large been properly managed. The savings from the MDF have been absorbed in the GoT budget, and the social sectors have received more than 100 percent of what was budgeted in the beginning of the financial year.

In addition, the MDF has proved a very useful tool for donor coordination regarding macroeconomic development and BoP support. Now most bilateral donors have come together in one system, which makes it easier for Tanzania to carry out programme discussions and make relevant reports. The bilateral donors have a joint dialogue on macroeconomic issues with the GoT, without having to rely on the Bretton Woods institutions for information and occasion to have discussions. The MDF has a natural link to the Public Expenditure Review process which is one of the main instruments in the budget process in Tanzania, and of course the HIPC process. Tanzania reached its decision point under the HIPC process in April, 2000. The final debt relief will be more than USD 2 billion in net present value terms, nearly half of the current external debt. The interim debt relief during the first year will amount to USD 50-60 million per year. There was a joint GoT/donor review of the MDF in April, 2000. There was a consensus that to preserve the positive budgetary impact of the HIPC relief, balance of payments support would have to continue. It was decided that the MDF would be transformed into the Poverty Reduction Budget Support Facility

(PRBS), which would keep the main mechanisms from the MDF, except for the link to Tanzania's multilateral debt service.

3) MF or MD

One of the most interesting aspects of the MF system is the incentive imbedded in the system to increase government revenue. The revenue/GDP-ratio is still quite low, around 12-13 percent of GDP, which is far below other countries in the region. Clearly, efforts in raising total revenue have to continue. Some would question, however, if the MF system is the most effective instrument for this. There is an in-built incentive in the present cash budget policy operating in Tanzania, because expenditures cannot increase faster than collected revenue, inclusive of foreign aid. The MF is therefore not critical for increased revenues. An attractive feature of the MF system is that it is an ex-post system, rewarding good performance. The MDF on the other hand, is an ex-ante system, where the support is given beforehand, conditioned upon various performance indicators.

The most attractive features of the MDF system is the link to the social sectors, and thereby indirectly to poverty reduction, and that it has proved to be such a useful tool for donor coordination in the area of BoP support.

The main conclusion is that it would be most useful both for Tanzania and for Sweden to channel the future BoP support through the common mechanism which has been established, that is the MDF/PRBS.

In March, 2000, the Swedish Government decided on a three-year BoP support to Tanzania amounting to a total of SEK 320 million. Half of this amount will be disbursed in 2000, and SEK 80 million in 2001 and 2002 respectively. The first disbursement in June, 2000 was made to the MDF, but it is envisaged that the rest of the funds will be channelled through the PRBS.

Sources:

- Correspondence between Embassy and the Ministry of Finance Sep, 1997-May, 1998
- Counting the Donors' Blessings - Programme Aid to Tanzania, Jan Kees van Donge and Howard White, Sida Evaluation Report 1999.
- Embassy decisions on release of matching funds 1997-1998.
- Quarterly MDF Reports 1998-1999.
- Agreement between the Government of Sweden and the Government of the United Republic of Tanzania on budget support 1997-1998
- Grant agreement for Multilateral Debt Relief Fund between the Government of Sweden and The Government of the United Republic of Tanzania dated the 8 of September, 1998.
- Technical Note on the Poverty Reduction Budget Support (PRBS) Facility, Ministry of Finance, Tanzania, June 2000

Balance of Payments/Budget Support

Contribution/project. Decision, time period of the contribution	Overall sector objectives	Project goals	Achieved effects, positive or negative	Planned outputs	Achieved outputs	Cost outcome and period	Comments
	Assist Tanzania in achieving macro-economic stability as a precondition for economic and social development.		Swedish support was absorbed in the GoT budget, thereby increasing possibilities for the GoT to fulfill its expenditure obligations.	Match Tanzania's revenue collection by monthly releases of BoP support amounting to 1.42 percent of GoT's own revenue collection.	Funds paid out in accordance with formula, but with delays for some months due to late reporting by GoT.	MSEK 53.9/60.0	GoT's revenue collection during the period was 90 percent of planned collection, hence 90 percent of the Swedish funds were paid out.
1) Matching funds system, Nov 1997-March, 1998		Increase government revenue.	Government revenue increased implying additional resources for public expenditures.	GoT to use savings from the MDF to protect and if possible increase budgetary expenditures on social sectors (ed, he, water and roads)	GoT expenditures on the social sectors 1998/99 107 percent of what was planned in the initial budget.	MSEK 65/65	Improved coordination between the GoT and bilateral donors with regard to macroeconomic development and BoP support.
2) Multilateral Debt Fund, Sep-Dec 1998		Increased financial resources to GoT budget for planned expenditures in the social sectors.	Discussions on debt, budget expenditures and development assistance successfully integrated.			MSEK 118.9/125.0	
Total							
Sources:							
Correspondence between Embassy and the Ministry of Finance Sep, 1997-May, 1998							
Embassy decisions on release of matching funds 1997-1998.							
Quarterly MDF Reports 1998-1999.							
Agreement between the Government of Sweden and the Government of the United Republic of Tanzania on budget support 1997-1998							
Grant agreement for Multilateral Debt Relief Fund between the Government of Sweden and the Government of the United Republic of Tanzania dated the 8 of September, 1998.							

Technical courses

1997

A Total of 58 Tanzanians participated in Sida's International Training Programmes, out of whom 14 were women. The Participation was in the following areas: Administration/Management (17 persons), Finance (3 persons), Energy (7 persons), Environmental Protection (13 Persons), Health Care (4 persons), Industry (8 persons), Social Sciences (5 persons) and Transport (1 person).

1998

A Total of 65 Tanzanians participated in Sida's International Training Programmes, out of whom 28 were women. The participation was in the following areas: Administration / Management (12 persons), Agriculture (3), Energy (6), Environmental Protection (20), Health Care (6), Industry (13), Social Science (4) and Transport (1). The three most popular courses with more than 15 applicants were : 'Project Management', 'Small and Medium Enterprise Management Development' and 'Occupational Safety and Health in Practice'.

1999

A total of 66 Tanzanians participated in Sida's International Training Programmes, out of whom 29 were women. The participation was in the following areas: Administration / Management (15 persons), Agriculture (4), Energy (4), Environmental Protection (23), Health Care (6), Industry (6), Social Science (3) Telecommunication (2) and Transport (1). The three most popular courses with more than 15 applicants were : 'Sexual and Reproductive Health and Rights(for Adolescents)', 'Small and Medium Enterprise Management Development', and 'Watershed Management' Cost per course range between SEK 45,000 to 90,000.

TILL RESULTATANALYS TANZANIA

2.7.5 Enskilda organisationer.

Utanför landramen ges ett relativt omfattande stöd till svenska enskilda organisationer för utvecklingssamarbete i Tanzania. Utbetalningarna för insatser i Tanzania uppgick 1999 till 22,6 MSEK och 1998 till drygt 26 MSEK. Totalt för perioden 1995/96 – 1999 uppgick utbetalningarna till drygt 105 MSEK.

Målet för Sidas stöd till enskilda organisationers utvecklingssamarbete är att främja utveckling av ett livskraftigt och demokratiskt civilt samhälle och stärka de lokala samarbetsorganisationerna. I Sidas riktlinjer för bidrag till enskilda organisationer betonas kunskapsuppbyggnad och lokal kompetensutveckling samt organisationsstärkande insatser. Sidas bidrag uppgår till högst 80% av kostnaden för respektive insats. Resterande andel, minst 20%, skall finansieras av den svenska samarbetsorganisationen, vilket utgör den så kallade egeninsatsen. Det är respektive organisation som gör den geografiska och sektoriella prioriteringen.

Sida har samarbetsavtal med tretton s k ramorganisationer. Dessa granskar inkommande ansökningar på Sidas uppdrag och förmedlar bidrag till sökande organisationer efter Sidas beslut. I flera fall består ramorganisationerna av svenska medlemsorganisationer, vilka söker bidrag från Sida via "sin" ramorganisation och också får beslutat bidrag förmedlat via denna.

Följande åtta ramorganisationer förmedlar f n bidrag för utvecklingsarbete i Tanzania (utbetalning 1999 i MSEK inom parentes):

Forum Syd	(8,3)
Pingstmissionens U-landsförening	(7,3)
Svenska Kyrkans Mission	(3,7)
Svenska Missionsrådets Biståndsnämnd	(1,8)
Handikapporganisationernas Biståndsförening	(1,0)
LO/TCOs Biståndsnämnd	(0,5)

De sektorer som huvudsakligen berörs av de svenskstödda insatserna är undervisning, naturbruk, hälsovård, och vatten och sanitet. En viss ökning noteras vad gäller stöd till demokrati och mänskliga rättigheter, där det samlade stödet 1999 uppgick till 1,3 MSEK. Stor betoning läggs genomgående vid kunskapsuppbyggnad och kompetensutveckling hos berörda samarbetsorganisationer.

Forum Syd förmedlar bidrag från Sida till 8 svenska enskilda organisationer med sammanlagt 18 olika projekt. PMU stödjer sammanlagt 63 projekt, samtliga i samarbete med The Pentacostal Churches Association in Tanzania, PCAT. Svenska Kyrkans Mission/Evangeliska Fosterlands-

stiftelsen/Lutherhjälpen samarbetar med The Evangelical Lutheran Church in Tanzania, ELCT, samt med 7 lokala stift och Kilimanjaro Christian Medical Centre. Huvuddelen av SMRs Sida-bidrag kanaliseras via Nybygget Kristen Samverkan och Caraitas med sammanlagt 14 projekt. Handikapporganisationernas Biståndsförening, SHIA, stödjer via sina medlemsförbund åtta insatser, huvudsakligen utbildningsinsatser inklusive yrkesutbildning och organisationsstöd.

De svenska organisationerna redovisar inga särskilda svårigheter vad gäller samarbete med berörda organisationer eller kontakter med myndigheter i Tanzania med undantag för LO/TCOs Biståndsnämnd. Det problem som Biståndsnämnden redovisat till Sida är, att de fackliga organisationer som bildades 1995 ännu inte är registrerade, med undantag för lärarförbundet. Övriga 11 nybildade förbund accepteras därmed inte av arbetsgivarsidan och kan inte heller få in medlemsavgifter. Tanzania har inte ratificerat ILOs konvention om föreningsfrihet och skydd för organisationsrätten, vilket uppenbart är ett problem vad gäller den nödvändiga registreringen.

Ingen samlad utvärdering av resultatet av organisationernas verksamhet har gjorts, vilket skulle vara mycket svårt givet den varierande karaktären på deras arbete. Frånsett vissa normala förseningar rapporterar organisationerna emellertid genomgående en hög grad av överensstämmelse mellan uppsatta mål och uppnådda resultat.

Fighting Poverty Strategically?

Draft Executive Summary

Introduction

This external evaluation of Swedish Tanzanian development cooperation is focused on the Country Strategy cycle beginning in 1996 and ending in the second quarter of 2000. It was commissioned as a case study on the effectiveness of Country Strategy processes in steering Sida country programmes, and also to provide practical recommendations for improving Swedish Tanzanian cooperation in the next Strategy period.

The scope of the evaluation is limited to consideration of the relationships of coherence and relevance between the steering instruments and the country programme and its implementation. Relevance to poverty reduction and other Swedish and Tanzanian objectives is assessed, and this involves comparison with feasible alternative options. Evaluation of impact is specifically excluded. A major topic is the operationalisation of the new partnership principles that were a strong theme in the 1996 Country Strategy.

This is the first major evaluation of Sida's Tanzania programme since the SASDA report of 1994. Conditions for development cooperation in Tanzania have changed significantly in the intervening years. This report covers some of the same ground as the EGD study *The Sustainability Enigma*, but is more concerned to identify shortcomings in the current system of strategic management of aid, with the practical purpose of improving it.

The evaluation was conducted in two main parts. A Stockholm-based team undertook documentary analysis and interviews to establish how well the 1996 Country Strategy worked, when compared with the then current Sida guidelines. A larger group, including six Tanzanian residents, then explored the operationalisation of the country programme, using a combination of documentary sources, semi-structured and conversational interviews with a variety of stakeholders, and field visits. Standard checklists and matrices were employed as a guide, but the questions posed by the Terms of Reference called for the exercise of judgement on the basis of available information from different sources.

The assessment of relevance at different levels posed substantial challenges. Relevance to Sweden's overarching goal of poverty reduction is especially difficult, because there are both direct and indirect ways of addressing the needs of poor people, and there is a general lack of conclusive evidence on many of the crucial linkages. Nevertheless, we know some fundamental things about poverty in Tanzania – it is overwhelmingly rural and female, and faster agricultural growth would be the most effective way of reducing it.

Reasonable questions to ask about a country programme and its components are, therefore: Is there, *prima facie*, a different pattern of activity that would be expected to be more efficient or in reducing poverty? And was the design of the activity based on an explicit consideration of alternative means of tackling the problem?

Steering the country programme

Section 1 of the report summarises and discusses the findings on the way the 1996-2000 country programme was steered. It was found that a generally good Country Analysis was poorly reflected in the content of the Country Strategy. The Results Analysis, on the other hand, drew too sparingly on critical analysis of results' data to provide a guarantee that decisions were evidence-based. The CS was in broad terms a relevant document, given Swedish objectives and the country conditions in 1996. But it lacked qualities of clarity, justification and monitorability that are essential in a steering instrument, and in a number of senses the notion that a CS "steers" a country programme is unrealistic.

The Tanzania country programme did develop in the ways indicated in the 1996 Strategy, but to a large extent the Strategy document was a "showcase", reflecting decisions taken earlier, often in sector departments. Neither the big-disbursing programmes that inevitably continued to dominate the country programme for most of the period, nor the shifts in emphasis that were implemented, were the subject of explicit argument in the CS or anywhere else about comparative effectiveness in meeting poverty-reduction and other policy objectives.

A partial exception is the case made for cutting back on project support to create space for sector programmes, and for the adoption of a new-partnership approach generally. A particularly pertinent instance of failure to think strategically about poverty-reduction priorities is the handling of the central institutional problems of small-holder agriculture in Tanzania. The 1996 CS did not explain either why the Country Analysis was wrong to emphasise these problems, nor why it was not appropriate for Sweden to expand its already significant support to local natural-resource management to cover these wider issues.

The report tries to distinguish between the numerous contingent factors that affected the application of the Country-Strategy guidelines in 1996, and problems of a more generic sort. On the latter basis, the following steps are recommended:

- *Early conclusion of the work to prepare a Country Strategy Handbook.* This should contain uniform instructions from the Swedish Ministry of Foreign Affairs and Sida on the purpose of preparing a Country Strategy, and the approach and methods to be followed.
- Adoption as a major theme of the Handbook of the principle that Swedish cooperation at the country level is not to be supply-driven, but *designed*

strategically on the basis of evidence-based arguments about ways of being maximally effective in meeting objectives.

- *Agreement on some practical rules* which ensure at least some measure of sequential working from the Country Analysis and Results Analysis to the Country Strategy, and from the Country Strategy to all subsequent decisions about the make-up of the country programme.
- Adoption of a *Logical Framework exercise as a mandatory component* of the Country Strategy process. It should be recognised that it is inconsistent to recommend logframes for projects but not for country programmes. The Indicators and Assumptions/Risks columns should be given particularly close attention.
- Supplementation of this general guidance, and that provided in the Poverty Action Programme, with *further instructions on a stepwise approach to prioritising interventions and selecting forms of Sida support*. This might be based on the general ideas set out in the DAC Poverty Reduction Guidelines and outlined in the report.
- *A review of the scale of the results-oriented work currently undertaken on Sida projects and programmes* (project appraisals and reviews, process monitoring arrangements, in-house and independent evaluations). The purpose would be to determine whether or not these provide a sufficient basis for a genuinely analytical Results Analysis as a required component of every CS process.

Operationalising the country programme

Sections 3 and 4 of the report are concerned with two aspects of the operationalisation of the country programme during 1997 to early 2000. These are the content of the aid-funded activities implemented, and the cooperation methods employed, especially the application of the partnership principles.

Section 3 looks in turn at ten major programme areas, recognising the risk that cross-cutting programme objectives such as gender and human rights will be neglected. The questions posed in the Terms of Reference are covered as far as possible in relation to each area, under the headings of implementation experience, relevance to poverty reduction and issues of prioritisation and coordination. The section covers high-disbursing areas first – starting with infrastructure, basic education and natural resources. It then deals with programmes that have disbursed less but have been strong focuses of effort measured in other ways – ending with support to civil society and democratic governance.

There are five thematic conclusions, not counting the issue already raised in Section 2 about the neglect of general agricultural problems. These draw on the findings from at least one and sometimes several of the programme areas reviewed, including both positive and negative experiences.

Major support has been given by Sweden to electric power and telecommunications investments, and ownership reforms. The report questions whether these commitments, now concluded, were sufficiently justified in poverty-reduction terms. But a positive message is that Sida should build on the strong position it has acquired by remaining actively involved in sector-policy work. The focus should be on pro-poor regulation and on enabling the Tanzanian authorities to become strong partners of the private sector and other major actors such as the World Bank. The theme that sector-policy work is becoming more relevant than contributing to specific investments is supported, also, by the trends in Sida's support to private-sector and financial-sector development in Tanzania.

The examination of implementation experience and relevance issues in the support to basic education throws up some serious questions for Sida and the Government of Tanzania. One concerns whether the risks of primary-school textbooks' being produced, but not delivered free to the ultimate beneficiaries as intended, have been taken sufficiently seriously. The other concerns whether continued substantial project funding through the Ministry of Education and Culture is, on balance, favourable or unfavourable to the completion of the tough-minded sector development programme that is needed to effect real improvements in educational outcomes for poor people.

This "links in the chain" dilemma is characteristic of development cooperation generally, but that does not mean it is always handled well. It also affects the area of Sida activity in Tanzania where new forms of flexible budget support are complemented by a set of projects improving accountability in public administration. Here, a number of things seem to be coming together, but close coordination between the responsible officers is the subject of one of the recommendations made.

The evaluation was not able to consider impact, and not much impact evaluation was available to draw on. In the case of the LAMP and HESAWA programmes in particular, this is a pity, as important things could be learned from these experiences, and there are many unanswered questions. Only in the case of LAMP is a long-term, poverty-sensitive impact evaluation already under way. HESAWA and the textbook project are candidates for more evaluation attention.

The Swedish support to research managed by SAREC is found to be one area where intra-agency learning and synergies may not be as fully developed as they might be.

Support to both cultural activities and the area of democracy and human rights is complicated to manage, as it involves support to many small organisations, whose likely performance is hard to assess, even for the most active resident programme officer. Partly for this reason, the support to democratic governance in Tanzania has been slow to develop, and characterised by a number of biases – towards accountability in public administration as against parliament and civil society, and towards democratic participation during national election periods as opposed to the times in between. Although human rights, and children's rights in particular, are picked up in other parts of the country programme, legal aspects of human rights might be given more support.

A difference between the culture and democracy areas is that the former has a functioning model, in the Tanzania Culture Trust Fund, for disbursing support cost-effectively to many small projects. It is suggested that this might be examined closely as a possible model in finalising the much-delayed comprehensive programme for democracy and human rights in Tanzania.

The recommendations flowing from these conclusions are:

- In the context of a more strategic approach to country programme design, Sida should pay more comprehensive attention to a key issue identified in successive Country Analyses for Tanzania: that of the low productivity of small-holder agriculture and other natural-resource-based activities. If reasons exist for not giving further priority to this fundamental poverty issue, including its gender dimensions, these should be explicitly stated and open to critical inspection.
- Sida should remain actively engaged in policy discussions in the energy and telecommunications sectors. Continued dialogue, and related support, could usefully focus on: 1) ensuring that privatisation is done in a transparent and commercial manner; 2) finding instruments that will spread the benefits of the reforms and investments to rural areas and poorer households; 3) the design of the future regulatory body (TURA); and 4) helping the respective ministries to become strong partners in dealings with the private sector and the World Bank.
- In project design generally and in educational support in particular, institutional risk factors should be clearly specified, linked to conditions for continued disbursement and then monitored closely with a view to ensuring that project aid does not contribute to further deterioration in the institutional conditions for efficient, pro-poor sector management.
- Sida management of its budget support and aid to reform of the budget and accountability arrangements in public administration should be closely coordinated, in view of the complementarities and risks of poor sequencing in this area.
- HESAWA should be considered a candidate for an independent long-term impact evaluation on the scale of the one being applied to LAMP. Poverty targeting issues should be covered, along with the most rigorous form of impact analysis that is feasible with available baseline data.
- Sida should initiate an internal examination of possible ways of improving the linkages between Swedish-supported research in Tanzania and the development of the country programme. A related task would be to strengthen linkages between research and sectoral programmes and projects.
- The comprehensive programme for democracy and human rights should be finalised and implemented, with close attention to the range of democratic processes needing support. The possible application of the trust-fund type of

approach in this area should be actively considered, as a means of delivering substantial support cost-effectively to an area characterised by a multiplicity of small organisations.

Partnership and cooperation principles

Section 4 of the report evaluates the operationalisation of the country programme in terms of the cooperation guidelines in the Country Strategy. These were strongly influenced by the then recent Nordic-Tanzanian agreement on development partnership and the broader discussions around the Helleiner report. A key requirement is Tanzanian "ownership of and responsibility for" Swedish-supported programmes and projects.

The evaluation findings indicate uneven progress in implementing the new-partnership agenda, mostly reflecting the inherent difficulties of the task. Significant progress has been made in restoring to Tanzanians the leadership of macro-economic and public expenditure management. The handling of the negotiations about Tanzania's Poverty Reduction Strategy Paper (PRSP) and Tanzania Assistance Strategy (TAS) will provide a further test.

Sweden's record in accounting for aid expenditure to the Tanzanian authorities is exemplary, but steady progress needs to be made towards restoring the situation where funding is not just reported but disbursed through the Ministry of Finance. This depends on other things, but a "road map" is needed to define a route to the abolition of so-called D-funds, stating how and under what conditions progress will be made.

Outside the sphere of public finance management, examples of structural change in which Tanzanians sit in the driving seat are harder to find. This is not surprising in view of what the research literature tells us about the absence of authoritative institutions, the ubiquitous role of patronage relationships, and the effects of loan- and grant-funded project aid in weakening national interest in planning. A few examples of changing relationships between particular ministries and groups of donors were found. However, traditional projects seem to reproduce traditional relationships.

Outside government-to-government relations, the new-partnership agenda has less obvious relevance. However, a few examples were found of the good practice of extending Swedish funding to genuine non-governmental initiatives (notably, at the University). Recognising this type of initiative, as well as providing appropriate support to effective sector ministries, calls for the kind of close attention that is most likely to be provided by staff who are resident in the country. In this respect, substantial benefits are to be expected from the current experiment in Embassy decentralisation in Tanzania.

The following steps are recommended:

- Continuation of active Swedish support for the implementation of the letter and spirit of the Nordic and Helleiner agreements, and the implementation of the TAS and PRSP processes in this sense.

- Consideration by Sida of medium-term perspectives for advancing the new-partnership agenda, including a) influence on other donors to come up to Swedish standards of donor-to-recipient accountability, and b) the definition of a "road map" for phasing out D-funds.
- Full endorsement of the decision to decentralise Sida staffing to the country Embassy level, as one of the practical preconditions for wider country ownership of Swedish-Tanzanian cooperation.

Some further implications

Section 5 returns to questions posed in the Introduction about the potential for a better application of strategic-management principles. A related set of questions from the final section of the Terms of Reference are also picked up.

Does this evaluation suggest there is scope for improving the relevance of development cooperation to poverty reduction, and giving it a "design-driven" (as opposed to "supply-driven") character? It certainly shows that the 1996 Tanzania Strategy could have been more evidence-based and attentive to strategic choices than it was. Moreover, some of the problems were generic, and these can be addressed in feasible ways. It follows that the potential for doing better, within the same basic framework of aid management, have not been exhausted by any means.

How important is it to have coherent documents? The evaluation shows that quite a lot can be achieved operationally even with significant flaws in the formal "steering" process. But this does not mean that the latter are unimportant.

The questions that have been raised about the relevance of certain programmes, and about the basis of the decisions reflected in the 1996 CS, are not negligible. The failure to look strategically at the number one task facing poverty-reduction efforts in Tanzania, that of restoring growth in small-holder agriculture, is quite serious. The kind of hard thinking that such issues require can only be done, within a large organisation, by putting issues on paper and having them actively discussed. The need for documents that are internally coherent, and logically related to each other, follows from this.

Section 5 has conclusions and recommendations on two remaining issues to do with documentation. First, the conclusion about the general importance of coherent documents does not imply that *all* the documentation currently required by Sida is necessary. Supplementing the recommendation from Section 2 that the inputs to Results' Analyses be reviewed, an additional recommendation is that this could reasonably lead to a reduced form of RA.

Second, the evaluation has highlighted another kind of problem with Sida documentation. Increasingly, as projects are scaled down and policy dialogue becomes the main concern of Programme Officers and other embassy staff, the most important activities and achievements are not documented, or documented only in perishable electronic forms.

This was a problem for the evaluation, and we recommend that future ToRs pay attention to the pitfalls involved. At the same time, it needs to be recognised as a substantial policy issue for Sida.



SWEDISH INTERNATIONAL DEVELOPMENT COOPERATION AGENCY
S-105 25 Stockholm, Sweden
Tel: +46 (0)8-698 50 00. Fax: +46 (0)8-20 88 64
Homepage: <http://www.sida.se>