

TANZANIA DEVELOPMENT VISION 2025

**BIG
RESULTS
NOW!**

2013/2014
ANNUAL REPORT



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What is BRN?

Big Results Now! (BRN) is a delivery methodology focused on delivering specific goals within a stipulated timeline. It was adopted by the Government in 2012 in order to accelerate the implementation of national priority projects and facilitate the realisation of the Tanzania Development Vision 2025 (TDV 2005). The methodology is based on transforming the way the Government works by implementing some catalytic initiatives at critical points in a system so that it can deliver more effectively and efficiently.

The BRN foundations comprise: (i) prioritisation with clear performance targets, (ii) rigorous implementation supported by detailed monitoring of performance data by dedicated delivery staff, and (iii) transparent performance management.

The methodology comprises a highly adaptable set of tools for proactive tracking, monitoring and problem solving across the implementation structure. BRN implementation started in July 2013 with six National Key Result Areas (NKRAs): Agriculture, Education, Energy, Resource Mobilisation, Transport and Water. This Annual Report covers the results from implementing the BRN programme during the financial year that started on 1st July 2013 and ended on 30th June 2014.

BRN Delivery Structure

Implementation of BRN priority projects is aided by a delivery structure consisting of strong institutions at the NKRA Ministry and Central Government Levels. The structure comprises of the following:

BRN Lab

A BRN Lab comprises a team of experts and stakeholders that are jointly required to find solutions to a complex problem based on clear and rigorous analysis and prioritisation to develop detailed implementation plans with measurable Key Performance Indicators (KPI). Labs are a prerequisite for every NKRA initiated.

Transformation and Delivery Council

The Transformation and Delivery Council (TDC) provides strategic direction to the BRN programme, and ensures the contribution of all relevant institutions and individuals for achieving the developmental objectives of the BRN initiatives. Chaired by the President, the TDC approves NKRA implementation plans, KPIs and budgets, and is the ultimate source of problem solving action for the programme as a whole.

President's Delivery Bureau (PDB)

This is an independent unit within the Office of the President mandated to support the President in overseeing the implementation of BRN projects and initiatives.

The PDB's primary functions are: (i) assisting the Government in identifying NKRA's and developing implementation programmes for quick and impactful results, (ii) supporting Ministries in finding solutions to NKRA implementation challenges, and (iii) monitoring implementation of approved programmes and reporting on the results.

Steering Committees

Each NKRA has a Steering Committee (SC) comprising key stakeholders for delivering the NKRA's KPIs and is chaired by the respective Minister. The main role of these Steering Committees is the facilitation of problem solving within the NKRA's. Any issues that cannot be resolved at the Committee's once-a-month meetings are escalated to the TDC.

Ministerial Delivery Units

Ministerial Delivery Units (MDUs) are established in each NKRA Ministry responsible for delivering the KPIs and report directly to the respective Ministers. They support the NKRA Ministry by overseeing implementation, proactively seeking resolution of potential bottlenecks and preparing implementation reports for the PDB on a weekly basis. The MDUs work closely with the project owners in implementing agencies and with the PDB in problem solving and reporting of progress.

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The development aspirations of the people of Tanzania are well articulated in the Tanzania Development Vision 2025. The Vision, adopted in 2000 following broad consultations, aims at having a society that is characterised by: (i) quality livelihood, (ii) peace, stability and harmony, (iii) good governance and the rule of law, (iv) an educated and learning society, and (v) a vibrant and competitive economy come the year 2025. We have since come to abbreviate the characteristics imbued in the Vision as "Middle Income Status".

The primary objective of my Government is to galvanise the national effort towards realising this Vision. It is from my Government's appreciation of this responsibility that we undertook a review in 2010 of progress towards the Vision. The results of that review clearly showed the need for concerted effort, particularly through greater precision in planning and prioritisation and stronger execution of the plans. And so enter the Big Results Now! programme (BRN).

BRN is a delivery methodology that enables the country to more effectively implement catalytic interventions drawn from consecutive Five Year Development Plans. It is a tool through which those of us entrusted with positions of leadership commit to deliver on that trust and make sure the Tanzanian vision is realised.

In selecting National Key Result Areas (NKRAs), we chose investment in infrastructure (Transport and Energy) in order to increase the national capacity to create wealth. We also prioritised Agriculture because of its importance for employment and food security, both of

which are critical for our development vision. In addition, the first wave of NKRAs includes Primary and Secondary Education and Rural Water Supply as essentials for improving the quality of life of our people, and setting the foundation for increased productivity. To have the financial resources needed for the investment, we also prioritised Resource Mobilisation in this first wave of NKRAs.

I am pleased to present this first Annual Report of the BRN programme. I am also very much encouraged by the results achieved. I commend and thank the people of Tanzania for their support throughout this process and year. I also thank the Ministers and their teams for quickly embracing the methodology and transforming how they carried out their functions. I commend the leadership and staff of the President's Delivery Bureau for guiding the delivery system even as they were growing as an institution. We are grateful too to our development partners, especially Bill and Melinda Gates Foundation (BMGF), Department for International Development (DFID), United Nations Development Programme (UNDP), United States Agency for International Development (USAID) and the World Bank, for their support to the delivery structure and NKRA projects.

In the most profound and humble way, I thank the Independent Review Panellists for accepting my request for them to serve on the panel, and allocating time to review our efforts and provide very useful comments.

The first year leaves us with invaluable experience on which we will build our approach to the tasks in the second and coming years.



Message from The President

His Excellency Dr. Jakaya Mrisho Kikwete
President of the United Republic of Tanzania

The first year of BRN presented both great rewards and challenges for all involved in delivering the BRN programme. All of us in the PDB, MDUs, implementing agencies within NKRA Ministries, as well as Regional and Local Government leaderships have had to learn new ways of working more efficiently, effectively and transparently. We sought to think and work not out of boxes but without any box at all!

In the course of the year, we have built the institutions necessary for the delivery of the programme and at the same time ensured effective delivery of the planned projects. This would not have been possible without the unwavering support of the national leadership, PEMANDU and the exemplary staff commitment. I am grateful to all of them for their support.

Though a source of strong encouragement, the reported results for the first year fall short of the targets in some areas. This is mostly due to the misalignment of the budgets for implementing the initiatives because the plans were finalised in the Labs after the Government budget for the year had been tabled in Parliament. To the extent possible, Ministries and implementing agencies realigned their budgets to redress this, but gaps remained. The concurrency of implementation and institution building also contributed to this. Both these challenges will be addressed in subsequent years.

Availability and reliability of data is a critical factor in the efficacy of any monitoring and evaluation system. As BRN delivery requires rigorous monitoring of both execution of

plans and the results, we had to build the data systems in the areas covered, many from scratch. I am delighted that the results being reported here have been confirmed through an independent audit as indicated in the Audit Report forming part of this Annual Report. We shall continue strengthening the reporting systems, including opening channels in the coming months for beneficiary communities to report on the status of projects implemented in their areas. This will not only strengthen our monitoring systems but also bring accountability to new levels and therefore embolden the push for delivery.

Even within its first year, the BRN programme has expanded from the first six NKRA to 12 by adding another six to improve the Business Environment. These are: (i) Access to Land & Security of Tenure, (ii) Contract Enforcement, Law & Order, (iii) Curbing Corruption, (iv) Labour Laws & Skillset, (v) Aligning Regulations & Institutions, and (vi) Taxation, Multiplicity of Levies, Fees, and Charges. The BRN Labs for these NKRA were undertaken in February / March 2014 and implementation of agreed initiatives commenced in 2014/15. The private sector participated fully in the development of the initiatives under each of these NKRA and remains engaged in the monitoring of their implementation. In addition, we have decided to strengthen the BRN delivery system by establishing Regional Delivery Units.

Finally, with the national leadership, PDB staff, delivery institutions and public strongly behind us, I am confident that we will be able to deliver more in the coming years.

Foreword from The CEO

Omari Issa
Chief Executive Officer, President's Delivery Bureau





EXECUTIVE SUMMARY

During the fiscal year starting 1st July 2013 and ending 30th June 2014, all six (6) NKRA's delivered demonstrable progress towards the 2015/16 goals using the BRN delivery methodology adopted by the Government. The overall Key Performance Indicator (KPI) achievement recorded in the first year stands at an average of 72%.

The BRN methodology has a new, rigorous approach to monitoring and problem-solving. Weekly progress reports are collated and circulated by the President's Delivery Bureau, each NKRA has a weekly problem solving meeting, and issues are escalated to Steering Committees chaired by the Minister, or the Transformation and Delivery Council chaired by the President.

Targets set in year one could not be fully realised due to misalignment of the budgets as the plans were finalised in the Labs after the Government budget for the year had been introduced in Parliament. While ministries and agencies made efforts to realign approved funds to ensure implementation of initiatives within BRN could be incorporated, the gaps remained and affected implementation of capital intensive initiatives such as construction, rehabilitation and infrastructure related works.

HIGHLIGHTS FROM THE SIX NKRA's IMPLEMENTED IN 2013/14



AGRICULTURE NKRA

83,601 hectares of previously underutilised land was converted into commercial farm land and operations of maize warehouses were improved through rehabilitation work and professional management. The regions implementing BRN initiatives saw maize and rice production increase by 500,000 MT and 166,000 MT, respectively.



EDUCATION NKRA

The Ministry of Education and Vocational Training published a nationwide official school ranking for the first time based on the 2013 Primary School Leaving Examination and Certificate of Secondary Education Examination results. Based on the school ranking, 3,044 of the best performing and most improved schools in Tanzania were recognised and rewarded via Tanzania's first Education Week in May 2014. Direct access to education statistics and results has given a wider ethos in transparency among parents, teachers and the community, enabling greater accountability and ensuring corrective action is taken promptly.



ENERGY NKRA

Energy consumption per capita 2013/14 reached 105.8 kWh, surpassing the 2012/13 energy consumption per capita of 97 kWh. This was complemented by a reduced loss of energy during transmission and distribution process down to 19% from 21% the previous year. We also provided access to electricity to an additional 193,420 households.

The NKRA chapters provide further details on implementation progress and how the BRN Delivery Methodology has changed the way the Government works.



PHOTO Big Results Now! Open Day, 25 May 2013 at the Tanzania National Museum

In resolving this, ministries and agencies prioritised their projects and reviewed their processes to enable optimum utilisation of the limited resources available for the period, enabling high impact results to be delivered within the given time frame.

The NKRA ministries are working closely with the Ministry of Finance and Prime Minister's Office to organise a coordinated approach in seeking alternative project financing through Public-Private Partnerships (PPPs), equity investors and financial institutions from both Tanzania and overseas.



RESOURCE MOBILISATION NKRA

The Government reduced the annual budget deficit to TZS 6.7 trillion from TZS 6.9 trillion, representing a significant achievement in reversing a five-year trend of increasing deficits. In addition, the expenditure growth rate was reduced to 18.4% from 23.9%. On revenues, the Government collected incremental revenues of TZS 455 billion through tax initiatives and TZS 31.69 billion from non-tax initiatives.



TRANSPORT NKRA

Throughput capacity at Dar es Salaam Port recorded 14.26 million tonnes in 2013/14, surpassing its target of 13 million tonnes in the first year. A significant milestone was achieved under Rail with the successful remanufacturing of three locomotives, leading to an increase in freight capacity in the fourth quarter of 2013/14. Additionally, one of the road initiatives saw a total of 127 km of missing links upgraded to bituminous standard in 2013/14, surpassing the 42 km target set for the first year.



WATER NKRA

The Ministry of Water's strategic and prioritised approach to water infrastructure projects provided more people with access to water in one year than ever before. The provision of 9,452 additional water points resulted in 2.36 million people in over 240 villages gaining access to water. This performance is significant compared to the previous achievement of reaching an additional 300,000 to 500,000 people on average per year.

NKRA's Scorecards

The NKRA's Scorecard assesses the performance under 3 categories:

The Qualitative Assessment is designed to measure transformative behaviour reflected by the NKRA ministry in adopting the BRN Methodology; proactive involvement of the senior leadership; strong stakeholder engagement; ability to problem solve and communicate, amongst others.

The top line and NKRA KPIs both reflect the quantitative assessment of the NKRA's actual performance, measuring actual results against targets signed off by

the Minister at the start of the BRN programme in July 2013.

The top line KPI is the three-year outcome resulting from implementation of the initiatives outlined under the NKRA. The NKRA KPIs are a set of pre-identified indicators to measure milestone and implementation progress of each initiative within the NKRA, over a specific delivery timeframe.

Here is a summary of the overall NKRA achievement in the first year:

NKRA Final Scores					
AGRICULTURE 77%	EDUCATION 81%	ENERGY 79%	RESOURCE MOBILISATION 54%	TRANSPORT 64%	WATER 80%
Overall Score					72%

Other Initiatives in 2013/14

Recognising the need to have effective delivery systems at the Regional, District and Local Government levels, in September 2013 a review of the delivery structures was initiated at these levels. Significant progress has been made since then and the set-up of Regional Delivery Units will start in the financial year 2014/15.

In February 2014, a second wave of labs was held, focusing on critical areas of improving the business environment in Tanzania. The lab addressed

immediate issues to be resolved under six new NKRA's, namely Curbing Corruption; Access to Land & Security of Tenure; Contract Enforcement, Law & Order; Labour Law & Skillset; Realigning Regulations & Institution and Taxation, Multiplicity of Levies, Fees & Charges. A Roadmap comprising details of the three-year recommendations and measures to improve the business environment will be published, and implementation will begin in 2014/15.



AGRICULTURE NKRA



Hon. Eng. Christopher Chiza (MP)
Minister for Agriculture, Food Security
and Cooperatives

Foreword from

The Minister

The Government decided that agriculture should be one of the first priority areas for Big Results Now! in recognition of the crucial role it plays in the development of our economy and the future prosperity of our people. In the lab held in 2013 we developed a clear action plan focusing on three crops – rice, sugar and maize – with two initiatives: firstly, to rejuvenate commercial farming in Tanzania; and secondly, to realise the potential of smallholder farming through irrigation systems and collective warehouse marketing schemes.

One year on, I am pleased to report that an additional 83,601 hectares of previously underutilised land has been secured with titles, ready for investment. During the 2014 bumper harvest, the regions implementing BRN initiatives saw maize production increase by 500,000 MT, while rice production increased by 166,000 MT, due to better productivity from farmers exceeding our set targets but also introducing marketing challenges which were not foreseen. We have adopted a different way of doing business, and I am confident in our ability to move forward with even greater momentum in the next fiscal year in order to achieve our 2015/16 targets.

EXECUTIVE SUMMARY

The Agriculture NKRA seeks to unlock the sector's potential as the backbone to the country's GDP growth. With this in mind, special focus has been placed on improving agricultural productivity, creating greater market efficiencies, and enhancing analytics and accountability to strengthen capacity within the agricultural sector and its enabling environment.

Tanzania's agriculture sector is well positioned to deliver real transformation. The sector employs 75% of the country's workforce and accounts for 25% of the national GDP. With almost 30 million hectares of underutilised arable land, there is huge capacity for greater yields, improved quality and efficient output.

By 2015/16, the Agriculture NKRA initiatives are expected to involve 400,000 smallholder farmers, and cover 330,000 hectares of land for smallholder farming. In addition, the NKRA aims to prepare 350,000 hectares of land for large-scale farming. Through BRN initiatives, the Ministry of Agriculture, Food Security and Cooperatives (MAFC) will work with the private sector to increase the production of rice by 290,000 MT; of maize by 100,000 MT; and of sugar by 150,000 MT.

The focus in year one has been on refining the project implementation processes, for example in relation to issuance of title deeds or soil health assessments, thereby establishing a more efficient pipeline for action in future years.

As a result, in the first year of implementation, the Agriculture NKRA turned 83,601 hectares of previously underutilised land into commercial farm land and improved the operations of maize warehouses through rehabilitation and professional management.

The Agriculture NKRA's main initiatives are summarised in *Figure 1*.

Focus Area	Initiatives	
Commercial farming		Commercial farming deals for paddy and sugarcane
Smallholder Aggregation		Professionally managed collective rice irrigation and marketing schemes
		Collective Warehouse-Based Marketing Schemes "COWABAMA"

FIGURE 1 Overview of Agriculture NKRA

Problem-solving capabilities within the Ministry have been strengthened and proved effective in addressing challenges as they arise. For example, land identification for farming activities previously required intensive ad hoc coordination among multiple ministries, departments and agencies (MDAs), which was time consuming and inefficient. To address this and expedite the readiness of both large and smallholder farming sites, a multi-departmental Inter-Ministerial Task Force on Land and Infrastructure chaired by the Prime Minister's Office (PMO) has been established. Key achievements include securing two land title deeds for commercial farming, with other sites proceeding well through the process.

Communities and the private sector have also been effectively engaged in the BRN efforts. Community pre-engagement training was completed for all seven sites under the commercial farming initiative to ensure neighbouring communities and farmers were informed of the intended outcome and the benefits of the associated out grower scheme. Private sector providers have been contracted to manage a number of the rice irrigation and Collective Warehouse-Based Marketing (COWABAMA) schemes.

In the second year of implementation, the Agriculture NKRA will continue to work closely with the private sector and build on lessons learnt in the first year, to bring more of the initiatives to fruition.



PHOTO Maize Crop

NKRA INITIATIVES

Commercial Farming

Commercial Farming Deals for Paddy and Sugarcane

The objective of this initiative is to mobilise the commercial farming industry in Tanzania by establishing a more symbiotic relationship between commercial farmers and smallholders, giving smallholders better access to inputs, improved farming practices and markets.

For 2013/14, this initiative targeted seven sites, aiming to complete the community pre-engagement training, as well as securing the land titles for all. Five out of these sites were targeted to be completed with access roads, power lines and bridges (where applicable) with successful investments secured through an open tender process.

In order to ensure greater focus in establishing the 25 commercial farming deals targeted for completion by 2015/16, the decision was taken in January 2014 to consolidate the five waves envisioned in the original plan into three waves corresponding to the fiscal years.

Seven sites were scheduled for the first wave in 2013/14, eight for the second wave in 2014/15¹, and ten for the third and final wave, in 2015/16. The second and third wave sites will only be confirmed once a reconnaissance survey on all farms is completed by the end of September 2014.

The process of converting village land into general land consists of six steps preceding issuance of a land title and involves a comprehensive community and stakeholder

consultation. The community pre-engagement training for all seven sites was successfully completed this year.

In the first year, land titles for two commercial sites were secured. Lessons learnt about the process will be applied in 2014/15 to ensure titles are secured for the remaining five sites, in addition to the eight sites targeted for the second wave in 2014/15.

Coordination between the Ministry of Land, Ministry of Water, Ministry of Works, Ministry of Energy and the Ministry of Transport has been strengthened to address challenges in equipping the sites with access roads and power lines in 2013/14, and it is expected that this will enable acceleration in these infrastructure projects next year.

The Bagamoyo Eco Energy (BEE) site secured an investor and held a soft launch in May 2014. Six farms on the Mkulazi site have started a competitive bidding process to identify potential investors and this is expected to conclude early next year.

Going forward, the Agriculture NKRA will prioritise concerted efforts together with the Ministry of Land to streamline the process of obtaining the required land titles to secure more investors for these commercial farms for 2014/15.



PHOTO Paddy in farm

1. Rufiji Delta, Kiberege, Ruipa, Kisaki, Misegese, Kasulu, Mruha and Kumsenga

Discipline of action at the Ministry of Agriculture

Dr. Kissa Kajigili knows that a good plan is nothing without good implementation and monitoring. Working in the Ministerial Delivery Unit (MDU) at the Ministry of Agriculture, Food Security and Cooperatives, she makes sure all agricultural activities under BRN are carried out, and supervises extension officers who train local farmers and technicians.

To reach as many beneficiaries as possible, Dr. Kajigili and her colleagues use a “train the trainer” method. A total of 84 extension officers and irrigation technicians have been trained on good agricultural practice. The extension officers worked with village leaders to select 415 lead farmers for training, and each lead farmer can train about 25 other farmers.

Inputs such as training are critical to BRN implementation. The Ministry has purchased agricultural inputs for farmers, focusing on Iringa district where in 11 irrigation schemes 55 farmers are supported. To prepare these farmers for the June harvest, extension officers provided training on post-harvest losses and marketing. Supervision and monitoring followed the harvest, and for each farmer there was an increase in production from 4 tonnes of paddy per hectare before the training, to 6-8 tonnes per hectare after training.

Dr Kissa Kajigili

Ministerial Delivery Unit (MDU), Dar es Salaam

Smallholder Aggregation

Smallholder Rice Irrigation and Marketing Schemes

The objective of this initiative is to recruit and place professional managers at a total of 78 Irrigators Organisations (IOs) in eight selected pilot districts to expand services to smallholder farmers. These managers will train the IO representatives and smallholder farmers in agronomy, marketing, irrigation and management of their organisation.

The initiative aims at issuing Certificates of Customary Right of Occupancy (CCROs) to 52,500 smallholder farmers in the rice irrigation and marketing schemes; constructing irrigation infrastructure for 39 schemes; training 480 extension officers and irrigation technicians, and 195 farmers; and identifying and engaging seed companies to produce 3,000 MT of improved rice seeds.

The pilot site locations in the eight districts were identified during the lab, and then in April – June 2014 a baseline survey of these was conducted to finalise the work plan for ensuring the smallholder schemes are operational. On average, 35% of the work needed to make the schemes operational was completed.

By the end of year one, private sector providers were in place in three districts, to provide professional management of 30 Irrigation Organisations and eight irrigation schemes have been rehabilitated.

While processing the Certificates of Customary Right of Occupancy (CCROs), the team discovered that the process was more involved and lengthy than originally anticipated. There was some progress, where 1,915 CCROs were completed but not delivered to the farmers by the end of the financial year.

Next year, better progress is expected as a result of the efforts of the newly created Inter-Ministerial Task Force on Land and Infrastructure which will help determine how many CCROs are needed and will coordinate the changes necessary among the stakeholders to make the process of securing land more efficient.

In the area of capacity building, a total of 84 irrigation technicians and extension officers attached to the IOs have been re-trained by the MAFC Extension Department. Moreover, 260 farmers who will serve as trainers have undergone training, exceeding the target of 195.

Engagement with seed companies to encourage the provision of improved seeds for farmers was another achievement, as year one saw the production of 1,500 MT against the goal of 3,000 MT from the seed companies who were engaged.

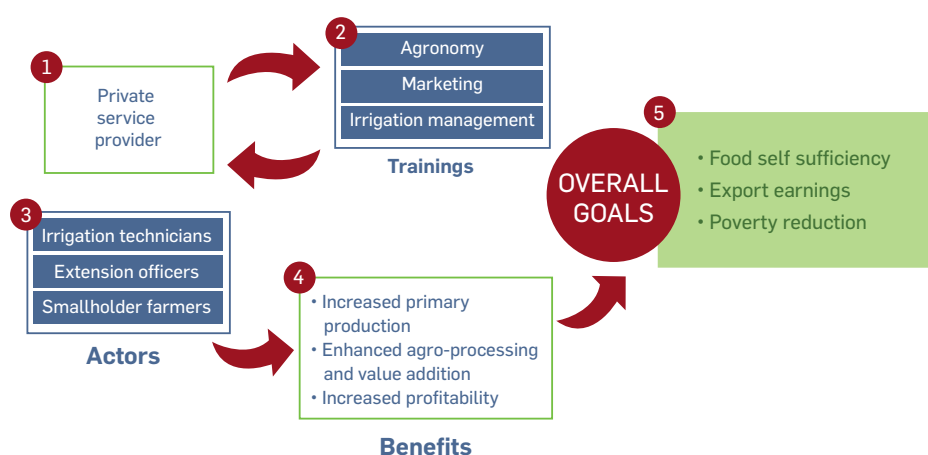


FIGURE 3 Capacity building efforts through the Irrigation Model



PHOTO Farmer drying rice

Irrigation Scheme in Mbeya Highlights the Power of Collaboration Amongst the Nation's Farmers

Shukuru Fungo is the Secretary of the BRN Ipatagwa Irrigation Scheme in Mbeya, and as a farmer himself, has seen agriculture grow in the region. Mr. Fungo coordinates the scheme's members, and he says that enhanced awareness about modern farming methods has bolstered participation of the local farmers. There are signs of motivation amongst community members who take advantage of new opportunities, says Mr. Fungo, such as financing from loan institutions to gain access to farming inputs.

Farmers with knowledge of BRN have been receptive to its initiatives, he says. A few farmers have had fears about privatisation and corruption, especially when asked to contribute fees to agriculture schemes. This uncertainty is being addressed by raising awareness.

Meanwhile, the Ipatagwa rice farmers have had a good paddy harvest this year. Under BRN, more collectives are forming, and this is a good sign, as it will lead to shared opportunities. Mr. Fungo believes in the ability of education to empower farmers, and even more so when learning in a group, where the potential for impact can be further enhanced.

Shukuru Fungo
Secretary of the Irrigation Scheme, Mbeya

“

Pawaga Can Once Again Supply Food for its People

“Pawaga feeds the district,” says Nasson Mwaulesi, the Divisional Officer of Pawaga. He believes that “Pawaga Rice” will be widely known in the near future, with the local community taking ownership of all steps in the production process, from farming to packaging.

Under activities ushered in by BRN, Pawaga now has electricity, a passable main road, seven machines for husking rice and a warehouse on the way to completion. With these activities comes an urgent need for training in modern farming methods such as using improved seeds, planting crops in row formation, and joining the collective warehouse marketing schemes.

Nasson Mwaulesi
Divisional Officer, Pawaga, Iringa

”

Collective Warehouse-Based Marketing Schemes (COWABAMA)

Maize producers lack adequate access to warehousing to store their harvest until market conditions are favourable. To cut post-harvest losses, they end up selling their crops quickly, but at low prices. COWABAMA schemes will increase the overall market by linking smallholder farmers to sources of structured demand to enable smallholder farmers to strengthen their bargaining power through bulk and seasonal sales. The objective of this initiative is to identify and profile 275 sites for COWABAMA and to make sure that 30 are in operation by the end of 2013/14.

The assessment of 275 warehouses has been completed, and eight collective warehouse based marketing schemes have started operating. Since March, a private service provider has been contracted to manage 30 warehouses. The costs for warehouse rehabilitation are higher than projected, so the model will be revisited in an effort to identify avenues for optimising costs.



PHOTO Ihanda Warehouse exterior finishing in progress

The First Steps to Farmer Empowerment in Mbeya

As District Executive Director of Mbarali, Mbeya, Adam Mgoyi has high hopes for farmers in the area. Much of these hopes lie in Mbarali's main crop, rice paddy, of which 300,000 tons is produced every year.

Projects under the Agriculture NKRA have been implemented at the village level. As BRN advances from laying foundations to pursuing implementation, there is much potential to overcome challenges faced by smallholders in Mbarali, such as lack of storage and effective access to market. Mr. Mgoyi says that farmers often have to leave their harvest in the sun, which leads to sacks bursting.

"The quality of the paddy goes down," he says, "and this lowers prices."

Prices are also affected by the lack of a market centre. Farmers are forced to sell their paddy to agents who come directly to the farms to buy crops. Prices are therefore set by farmers individually rather than as a collective, reducing bargaining power and potential income.

There has been an effort to educate smallholders about the benefits of farmer associations, and Mr. Mgoyi hopes that the future will see more groups and joint storage facilities.

While results have not yet reached their full potential, Mr. Mgoyi hopes the initiatives under BRN will empower the farmers in Mbarali. He believes that the future of profitable farming lies in enabling farmers across the whole value chain. In addition to addressing issues of storage and marketing, there is a need for improved irrigation, increased availability of farming inputs, training on how to better harvest paddy, and more machines for husking.

Adam Mgoyi

District Executive Director, Mbarali, Mbeya

Summary of NKRA Agriculture Scorecard

Qualitative Criteria (25%) 20%	Topline KPIs (50%) 42%	NKRA KPIs (25%) 15%
Final Score		77%



EDUCATION NKRA



Hon. Shukuru Jumanne Kawambwa (MP)
Minister of Education and Vocational Training

Foreword from

The Minister

In July 2013 we embarked on our ambition to improve the education sector through BRN. One year later, I am pleased to report notable achievements in our focus areas. We published school rankings for the first time and provided awards to 3,044 of our best performing and most improved schools at the first-ever Education Week in the country. The School Improvement Toolkit was used to train around 3,000 secondary head teachers to enhance their school management skills.

In 2014/15, we will continue these efforts and take forward the initiatives that could not be completed in the first year due to lack of financial resources. Our work has just begun, and with the impressive commitment from staff in my Ministry, teachers across the country, and support from all stakeholders (including parents and students), I am confident we will sustain the positive trend we have set in our first year in pass rates for the Primary School Leaving Examination (PSLE) and the Certificate of Secondary Education Examination (CSEE).

EXECUTIVE SUMMARY

The Education NKRA has prioritised high-impact initiatives for three years, with a focus on improving the quality of education in four focus areas: creating performance transparency; motivating through incentives; providing support where needed the most; and improving teacher conditions with the goal of achieving a pass rate of 80% for both Primary and Secondary levels by 2015/16.

The nine initiatives within these four focus areas are presented in *Figure 1*.

STEP CHANGE IN THE QUALITY OF BASIC EDUCATION PSLE & CSEE pass rates of 60% (2013) 70% (2014) & 80% (2015)

TRANSPARENCY

Official School Ranking

Rank 100% of all schools in the annual official school ranking starting with the 2012 PSLE and CSEE results

Conduct the first random sample based national 3R assessment (Reading, Writing & Arithmetic) in Standard II in October 2013

3R Assessment & 3R Teacher Training

Train 12,300 Standard I and II teachers in 3R teaching skills

INCENTIVES

School Incentive Schemes

Reward 4,000 most improved schools every year with monetary & non-monetary incentives and recognise top 200 performers, starting with 2013 results

SUPPORT

School Improvement Toolkit

Distribute School Improvement Toolkit and train 19,000 school heads

STEP (Student Teacher Enrichment Programme)

Train 17,000 primary and 8,000 secondary teachers to support low performing students ("STEP") in the first year of implementation

Basic Facilities Construction

Construct basic facilities in 1,200 secondary schools

Capitation Grants

Ensure 100% timely delivery of books and materials to all students

TEACHERS' CONDITIONS

TEACHER MOTIVATION

Recognise teachers through non-monetary incentives, ensure 0 outstanding claims by June 2014, and 0 unresolved claims > 3 months

FIGURE 1 Overview of Education NKRA

As a result of the official school ranking system, the Ministry is operationalising a wider ethos of transparency by giving parents, teachers and the community direct access to education statistics and results via newspapers and websites. Greater visibility in this regard will enable corrective action to be executed where necessary. This key achievement was followed up with the policy dialogue workshop in regards to the National Baseline Assessment for the 3R (Reading, Writing, and Arithmetic). The gathering of an extensive group of stakeholders to engage in thoughtful discussions about the current status of student achievement was insightful in the planning of a path forward.

The school ranking system also enabled the successful implementation of the School Incentive Scheme during the Education Week held in Dodoma in May 2014, which brought together people involved in education from across the country to galvanise them to deliver the transformation needed in the education sector.

Some project-based initiatives were hampered by limited resources. An example is the STEP Primary and 3R Teacher Training which has remained at a standstill due to a lack of funds.

All Key Performance Indicators (KPIs) that were not achieved in FY 2013/14 will be carried forward to FY 2014/15. Priorities will be given to KPIs relating to capitation grants, STEP Primary and 3R Teacher Training. Moving forward, the already institutionalised reporting mechanisms will continue to be improved and serve as a platform to problem-solve issues faced at implementation level.

NKRA INITIATIVES

Transparency

Official School Ranking

The official school ranking scheme is designed to ensure that information about the performance of schools is readily accessible to students, parents, teachers and all stakeholders. School-based transparency is an integral part of building an effective education system, providing space for community engagement, external support, healthy competition, accountability, incentives and feedback. Through this ranking scheme problematic schools can easily be identified enabling the Government to take appropriate remedial measures.

In 2013/14, the official school rankings were compiled for the first time by school, district and region. The rankings were then published online and in print media. There was a vibrant debate about the findings and how to achieve improvements, demonstrating the effectiveness of school ranking in terms of providing pupils, parents and communities with the information with which to hold schools and the school system accountable for results.

The rankings are based on two primary sets of data: the school pass rates for the national examinations conducted by the National Examination Council of Tanzania (NECTA); and the student performance improvement compared to the previous year. Schools were divided into 10 subgroups according to their performance and improvement, and classified into bands of High, Medium and Low performing schools.

3R Assessment & 3R Teacher Training

Education research has stressed the importance of reading, writing and arithmetic. The 3R Assessment Framework initiative aims to provide a mechanism for annual monitoring of Standard II student learning in these key areas. This is complemented by the initiative on 3R teacher training, which will equip teachers with the skills to identify struggling students and provide remedial support.

In 2013/14, the Government assessed a nationally representative sample of public school Standard II students in their 3R skills using a 3R baseline assessment developed by the Ministry to take account of both student performance and the school-level conditions and practices that may be linked to that performance.

The results were made public in February 2014, and the findings have been essential in the creation of relevant training materials for the 3R Teacher Training initiative.

The results were also used at local and national level to inform discussions on how to improve 3R skill levels, including at a Dialogue Workshop organised by the Ministry to identify potential intervention programmes to support the development of 3R skills.

In 2014/15, the 3R assessment will be expanded to all 140 councils in mainland Tanzania. It is anticipated that this will include the training of Council School Inspectors who will conduct the 3R assessment on an annual basis.

Since most initiatives started after the 2013/14 budget cycle, less traction was evident on those that required financial resources for their execution. In 2014/15 the Ministry will prioritise initiatives that had limited progress due to lack of financial resources in the first year.

Assessment findings on Standard II 3R Skills

The findings revealed that Standard II students' Kiswahili reading skills exceed English reading skills. Additionally, the findings suggest a high percentage of students who lack basic reading comprehension skills; this trend in early grade learning may be linked to low student performance in all subjects at higher levels.

The study also demonstrated that Standard II students across Tanzania have achieved a basic understanding of procedural mathematics tasks. However, they perform less well on more advanced functions in application mathematics, as represented in *Figure 2*.



* p < 0.05, ** p 0.01, *** p < 0.001

FIGURE 2 Sample of EGMA results

Incentives

School Incentive Scheme

The School Incentive Scheme initiative provides both monetary and non-monetary incentives to schools identified as high performing through the Official School Ranking. To ensure equity across regions, there is a ceiling on the amount of rewards per region. For 2013/14, the aim was to ensure a pre-determined number of primary and secondary schools received the award within two months of the ranking announcement.

The Government delivered on this promise during the successful Education Week in Dodoma in May 2014, which was the first of its kind. 3,044 schools were recognised

and rewarded in the course of the week, which received considerable media coverage and public interest.

Next year, the Government aims to allocate more funds to host the Education Week event and ensure rewards are received within two months of the official school rankings. The initiative has also attracted interest from the private sector in relation to sponsoring non-monetary incentives, which will be explored as well as establishing a robust feedback system to monitor and evaluate the impact of this initiative.

Nyiwa Nursery and Primary School Strives to Improve Quality Education in Tanzania

As a new school, Nyiwa Nursery and Primary School worked hard to provide quality education to its students. This effort was recognised at the inaugural Education Week, when the school was named one of the best performing schools in the School Incentive category.

"The whole school community was overjoyed," said Mr. Kennedy Okinyi, Headmaster of Nyiwa Nursery and Primary School. "The strategies we had painstakingly put in place to improve the quality of education produced results that received recognition at the national level! This recognition has motivated teachers and learners so much that the school is a hive of activity in pursuance of our ideal to be in the highest category of best performing schools by end of 2014."

Asked what it takes to achieve such results, Mr Okinyi answered, "There is no secret except a highly motivated community willing to put in extra hours, providing remedial education, preparing appropriate teaching and learning materials, and recognising good performance."

Mr. Okinyi noted the importance of the BRN School Incentive Scheme, saying, "Before this recognition and award, our biggest challenge was to elicit appropriate support from the community. The school is new and small and the community did not believe we could deliver better education or even match the bigger, older and more established schools. Thanks to the BRN School Incentive Scheme, this has all changed! The community is now fully behind us in our aspirations to be the best in coming years."

Mr Kennedy Okinyi

Headmaster Nyiwa Nursery and Primary School, Kinyerezi, Dar es Salaam

Support

School Improvement Toolkit

The initiative was to create a "School Improvement Toolkit" that complements the existing guidelines. This serves as a comprehensive orientation programme and evaluation mechanism to ensure that Heads of School and administrators have the knowledge and tools they require to improve the quality of their schools. In 2013/14, the Government aimed to ensure 15,525 primary head teachers and 3,510 secondary heads of school were trained in the use of the toolkit.

A "School Improvement Toolkit" was successfully created to support all head teachers and school administrators in driving improvements in the quality of their schools, and published online. Several districts have embarked on printing the toolkit on their own initiative to ensure the

toolkit is disseminated in their areas. In 2014/15, 100% head of schools will receive hard copies of the toolkit.

Whilst challenges have been faced in training primary school teachers due to funding (which will be resolved in 2014/15), 2,982 secondary heads of schools have been trained in leadership skills, and a "train a trainer" model is envisaged to ensure rapid training.

Training for the head teachers for primary school will be rolled out next year, while the remaining 528 heads of secondary schools will be trained by end of October 2014.

Student-Teacher Enrichment Programme (STEP) Primary and Secondary

This initiative is designed to provide primary and secondary school teachers with the skills and knowledge to identify low-performing students and bring them to the expected competency levels.

In 2013/14, the Government aimed to provide training to 18,501 primary school teachers and 4,000 secondary school teachers, with the goal of enabling 6,167 primary

schools and 1,000 secondary schools to identify low performing students and provide afterschool enrichment classes, in accordance with the new methodology. It is anticipated that the decreased pupil-to-teacher ratio in this after-school setting will better enable teachers to engage in meaningful, individualised coaching.

STEP Approach

The STEP approach, as illustrated in the infographic below, is meant to address the current undesirable situation in schools characterised by the limited number of competent teachers equipped with excellent basic teaching skills and tools, resulting in teachers failing to properly attend to the learning needs of low performing students.

WHAT IS DIFFERENT ABOUT OUR STEP APPROACH ?

FROM...	TO...
Limited number of competent teachers across all regions.	Competent teachers emerge as trainers, role models and subject experts to train teachers on how to conduct enrichment classes.
Teachers lack basic teachings skills and tools.	Capacitated teachers who know how to conduct enrichment classes.
Teachers lack basic skills on addressing low performing students' learning needs.	Capacitated teachers identifying low performing students and conducting an item analysis of test exams to provide them with optimum enrichment classes.
Classrooms are overcrowded and beyond desired pupil to classroom and teacher ratios thus teachers cannot address low performing students' needs.	Low performing students will have access to additional enrichment classes to address their learning needs with a smaller pupil to classroom ratio.
Unmotivated teachers being absent in classrooms seeking supplementary forms of work outside teaching.	Teachers will be compensated extra for conducting enrichment classes outside normal school hours.

The STEP Secondary programme has successfully implemented the first round of training programmes. 4,103 teachers have received training in STEP methodology, with the remaining teachers expected to complete their training early next financial year. 1,325 secondary schools have conducted STEP classes for

low-performing students. Moreover, Form IV students nationwide have completed the STEP examination, which enables secondary school teachers to identify low performing students and subsequently provide appropriate instruction before students sit for the CSEE.

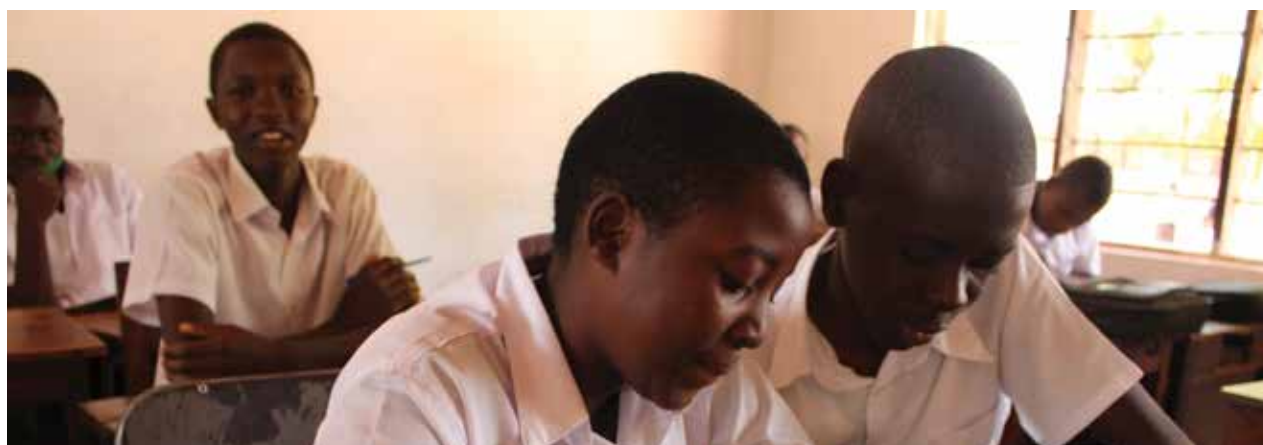


PHOTO Students during a tuition session

Basic Facility Construction

Under this initiative, a systemic restructuring of the Secondary Education Development Programme (SEDP), the Government will expedite the construction of new facilities at 1,200 schools. The target for 2013/14 was to provide 264 secondary schools with basic facilities (Phase I) and to award 528 contracts for the facilities construction (Phase II).

As a result of efforts under BRN to develop the required detailed implementation plans for facility construction, the existing SEDP funds were unlocked and basic facilities construction was completed in 47 out of 264 secondary

schools in 2013/14. Additionally, the construction of 151 schools is still in progress while construction in seven schools has just begun. All 217 Phase I projects that are not completed will rollover to 2014/15.

The 528 contracts for facilities construction under Phase II were not awarded due to delays in the completion of the conditional survey but next year's targets will be adjusted to address the gap. 745 secondary schools with basic facilities will be constructed and 936 contracts for the construction of school facilities will be awarded in 2014/15.



Availability of Basic Facilities is Vital to Effective Teaching and Learning

The number of secondary schools more than tripled in the past decade and so too has the need for additional facilities to support increases in student enrolment. Constructed in 2011, Kazamoyo Secondary School is one of many new schools set up under the Secondary School Development Programme to serve underserved communities.

Under the BRN Basic Facility Construction initiative, the Government has recently completed the construction of additional facilities at the school, including a teacher house, student toilets and most importantly, a science laboratory.

"We needed this laboratory in order to demonstrate the scientific theories to the students, and bring the subject to life," said Mr. Saidi, Biology and Chemistry teacher at the school. "It enables me to be a better teacher when I can take my students to view and participate in the practical aspects of the science subjects."

Kazamoyo teachers also praised the new toilet facilities. According to Headmaster Muhoji, "Students can now remain on school grounds as opposed to leaving in search of such facilities." Additionally, the new teacher house constructed within the school compound has enabled Mr. Muhoji to spend more time with his students.

"This has had a big impact on my life and the life of the school," he says, "and I will make the most of this investment by ensuring I always give 100% to the students and teachers of my school."

Mr. Muhoji - Headmaster

Mr Saidi - Science Teacher

Kazamoyo Secondary School, Coast Region



Capitation Grants

This initiative aims to address the fact that annual capitation grants are budgeted for, but the agreed amounts do not reach schools in time, meaning schools do not have the funds required to purchase textbooks and other education materials.

The 2013/14 NKRA targets prioritised revising the capitation grant system to ensure timely release of funds to the Local Government Authorities (LGAs), and subsequently, to primary and secondary schools.

Some progress was made in relation to the release of capitation grants, although the disbursement was not consistent and primary and secondary schools still experienced partial fund release (42% and 48% for primary and secondary schools respectively in 2013/14).

Through the BRN system, direct disbursements of funds to schools was identified and subsequently agreed to by the Ministry of Finance, Ministry of Education and Vocational Training and the Prime Minister's Office – Regional and Local Government through the NKRA Education Steering Committee. This represents a significant reform to the existing flow of funds, and once implemented in 2014/15 will provide greater transparency and accountability as well as improved performance.

Teachers' Conditions

Teacher Motivation

Surveys show only 27-39% of teachers are satisfied and committed to the profession¹. Delayed claims payment was found to be one of the main causes. A total of over TZS 5.7 billion was reported to be the outstanding amount owed to teachers. The Government is committed to addressing this by ensuring all teachers receive payment for their approved outstanding claims older than three months, and that future claims are handled promptly.

Summary of NKRA Education Scorecard

Qualitative Criteria (25%) 20%	Topline KPIs (50%) 45%	NKRA KPIs (25%) 16%
Final Score		81%

1. HakiElimu, "Are our teachers motivated and qualified to teach?", 2011



ENERGY NKRA



Hon. Prof. Sospeter M. Muhongo (MP)
Minister of Energy and Minerals

Foreword from

The Minister

As we begin this journey of socio-economic transformation through BRN, my Ministry is committed to accelerating transformation in the energy sector, and to increasing per capita consumption of electricity to 102 kWh (up from 97 kWh) for the first year, and to 236 kWh by July 2016. This will be achieved through the implementation of 29 energy projects under the BRN initiative.

I am proud to report that in the first year of implementation we surpassed that target by achieving 105.8 kWh. We were also able to provide access to electricity to an additional 193,420 households. In addition, as we continue to strive toward our national vision, I am confident in the delivery of other projects including the soon to be completed Mtwara-Lindi-Dar es Salaam gas pipeline.

The Ministry of Energy and Minerals is committed to collaborate with key stakeholders especially the private sector to unlock the full potential of Tanzania's energy sector. Following the successful approval of the Electricity Supply Industry (ESI) Reform Strategy and Roadmap in June 2014. The willingness to conduct business in unusual methods in order to fulfil the country's future needs of electricity supply will continue to prevail.

EXECUTIVE SUMMARY

The Energy NKRA set out to achieve results in three focus areas that aim to double the base capacity and energy delivery by 2015. The three focus areas are: maximising the potential of existing assets; prioritising project implementation to ensure timely completion of new infrastructure; and transforming sector operations for financial viability and efficiency.

**Increase annual energy delivery from 97kWh
to 236kWh/capita by 2015/16**

Maximise potential of existing assets

- Mtwara-Dar es Salaam Pipeline
- Improve water and dam management
- Upgrade transmission and distribution systems
- Introduce demand-management initiatives
- Optimise IPP and EPP dispatch and fuel supply

Prioritise project implementation to ensure timely completion of new energy infrastructure

- Prioritise feasible and high-impact projects
- Improve monitoring through a new governance model
- Reduce Government financing
- Streamline critical processes to expedite delivery

Power sector reforms - Executing power sector reforms

FIGURE 1 Overview of Energy NKRA

The first year target was surpassed by achieving per capita energy consumption of 105.8 kWh in 2013/14, from per capita energy consumption of 97 kWh in 2012/13.

One of the notable achievements this year is the Mtwara-Lindi-Dar es Salaam gas pipeline construction project. The ministries, departments and agencies' (MDAs') strong discipline of action during the first year of implementation has ensured that the project is on schedule and on track for completion.

Reduction of energy loss during the transmission and distribution process was on target with losses down to 19% from 21% the previous year. This was achieved by upgrading and rehabilitating old substations with new equipment to boost efficiency, the construction of new substations, provision of additional transformers and installation of voltage compensation equipment.

TANESCO's focus on improving its financial viability and becoming a more performance-driven organisation is reflected in the decisions made in the first year to prioritise initiatives according to the available resources and efforts delivering the biggest impact on the ground.

Moving forward, the Energy NKRA will focus its efforts on seeking alternative funding sources in order to address the funding problems that have hampered project implementation in the first year. The Government is therefore encouraging more private sector involvement in commercially viable projects, while streamlining critical operational processes to expedite delivery of energy projects in the long run.

NKRA INITIATIVES

Maximise Potential of Existing Assets

Mtwara-Lindi-Dar es Salaam Pipeline

The Mtwara-Lindi-Dar pipeline project involves construction of a 504 km pipeline from the gas fields at Mnazi Bay and Songosongo to Lindi and then on to Dar, and construction of a new gas processing facility at Madimba in Mtwara. The main aim of the pipeline project is to ensure sufficient gas is supplied to the power plants to generate more electricity for households and commercial use. Currently, gas plants' utilisation rate is at 67%, therefore target utilisation of 90% cannot be achieved due to insufficient gas supply¹.

The pipeline will have a capacity of 784mmscfd of gas, for the generation of more than 3,000 MW of electricity. As gas-fired power plants are currently the second cheapest source of electricity after hydro, running them at 90% utilisation will greatly reduce reliance on Emergency Power Producers (EPPs).

As at June 2014, construction of the Mtwara-Lindi-Dar es Salaam gas pipeline has progressed well with 436 km out of the planned 504 km pipeline. 100% (25.67 km) of the seabed preparation and offshore pipe laying is complete. Tanzania Petroleum Development Corporation (TPDC) has maintained exemplary discipline of action ensuring the implementation of this project is on track for completion.

Improve Water and Dam Management

This initiative aims to optimise dam operations, monitor upstream and downstream water usage and create public awareness, to ensure that it is operating at its optimum capacity and capability.

As water management is a cross-cutting issue that involves action by multiple MDAs, an inter-agency Task Force was established to address challenges in water management and in-dams operations. The members of this Task Force comprise the Ministry of Energy and Minerals (MEM); Ministry of Water (MoW); Ministry of Agriculture, Food and Cooperatives (MAFC); Prime Minister's Office – Regional Authorities and Local Government (PMO-RALG); Rufiji Basin Water Board (RBWB); Pangani Basin Water Board (PBWB); and TANESCO.

The taskforce is expected to forge better collaboration among the various MDAs who have a part in ensuring that the issues identified are resolved before the second year of implementation.

1. This is due to the fact that the existing gas processing plant at SongoSongo and pipeline infrastructure are running at full capacity – 26 mmscf/d more are needed for 90% utilisation.

Upgrade Transmission and Distribution Systems to Reduce the Percentage of Energy Lost

Poorly maintained transmission and distribution systems contribute to an annual loss of 21% of total power generated. This in turn translates to lost revenue for TANESCO and contributes to its growing dependence on EPP-generated power. In 2013/14, energy lost during transmission and distribution was reduced from 21% to 19%. This was achieved by rehabilitating, upgrading and building a total of 26 substations throughout Tanzania.

Other key projects have been identified to reduce losses in the transmission and distribution system, including installing voltage compensation equipment, re-establishing live line maintenance, expanding the Energy Management System across the grid, building capacity to operate optimally, rehabilitating 33 kV, 11 kV and 400 V lines and primary substations, rolling out pre-paid meters and introducing Automatic Meter Reader (AMR) to three-phase customers.

Constant Power Supply Grows Roses in Kilimanjaro

Roses are the ultimate symbol of love and romance, and account for a big share of the global floral business. To get the best scent and petal colours, roses need to be grown and stored upon harvest in a cool environment which, in the tropical highlands of Africa, require refrigeration.

Kiliflora have been growing flowers in Arusha, northern Tanzania for the past 20 years, largely for export to Europe where competition for the best cuts is unforgiving. The farm needs a constant supply of 150 KW, which the Tanzania Electric Supply Company (TANESCO) was unable to provide.

Kiliflora could simply not call off their operations. Jobs and export commitments were at stake. To continue with business, the farm resorted to expensive diesel generator power.

Kiliflora Management decided to build its own hydroelectric plant to generate 250 KW, which will be commissioned in January, 2015. The General Manager, Mr Bimal Chorpade, says the excess electricity will be sold to nearby villagers or fed into the National Grid.

When Kiliflora went for their own power generation, TANESCO built a Power Substation at the Kilimanjaro International Airport that boosted electric supply to Arusha and Moshi. "Now, even the TANESCO District Manager can also enjoy his sleep," said Mr. Chorpade

Mr Bimal Chorpade

General Manager, Kiliflora, Kilimanjaro Region



PHOTO Power plant in Kinyerezi

Introduce Demand Management Initiatives

A spike in demand during peak hours (7 pm to 10 pm) is forcing TANESCO to seek additional capacity from Emergency Power Producers (EPPs). The initiative aims at encouraging users, both retail and industrial, to reduce power usage at those times. Among the measures planned to be introduced are the replacements of 3.2 million incandescent light bulbs with more energy efficient Compact Fluorescent Light (CFL), conducting large-scale public awareness campaigns, and introducing efficiency standards for electrical appliances. Implementation of these and other measures will lead

to reduction in peak demand and reduce expenditure required to cover the peak demand, reducing the reliance on EPP usage.

Replacing incandescent bulbs with more energy efficient CFL bulbs did not begin in the first year due to funding issues. TANESCO conducted a roundtable discussion with Large Power Users to identify ways to improve Demand Side Management (DSM), Energy Efficiency, load management, power factor correction and "time-of-use" Tariff. Work is ongoing to develop these programmes.

Optimise EPP and IPP Dispatch and Fuel Supply by Phasing out Requirement for Energy Generated by EPPs

Two EPP power plants in Dodoma and Arusha were decommissioned in June 2014. This resulted in 105 MW reduction in electricity produced from the EPPs. However, the goal of reducing EPP power generation to 520 GWh (from 617 GWh) in year one was not met, due to increased demand.

This proactive move to reduce the use of expensive power generation sources is in line with TANESCO's drive towards improving its financial viability.

The Government will press on with phasing out the usage of EPPs. Implementation of the natural gas pipeline and Kinyerezi I will boost the use of existing gas power plants² and further reduce need for power generated from EPPs.

Prioritising Project Implementation to Ensure Timely Completion of New Energy Infrastructure

Prioritisation of Feasible Projects

Three categories of projects are being pursued: (1) New Power Generation Projects; (2) New Transmission Line Projects; and (3) New Power Distribution Projects. These are aimed at delivering over 1,300 MW of new capacity to nearly 5 million more Tanzanians by 2015/16.

Category 1: Seven New Power Generation Projects

Seven new power generation projects have been prioritised for construction by 2015/16. The combined output will add over 1,300MW.

Mwanza 60 MW Heavy Fuel Oil power plant was completed, tested, and commissioned in October 2013. This has increased generation capacity to over 1,478 MW. Kinyerezi I power plant was scheduled to be commissioned by October 2014 but delays have meant that the plant will be commissioned in May 2015. Work on the Kinyerezi II, III and IV power plants has not yet started. With regards to the Kinyerezi II, the Energy NKRA will work towards confirming the 15% Government contribution to the cost of the project. Kinyerezi III and IV will be subjected to alternative PPP funding in collaboration with the Resource Mobilisation NKRA.



PHOTO Storage towers at the power plant in Kinyerezi

2. Ubungo II – 105 MW and Tegeta – 45 MW

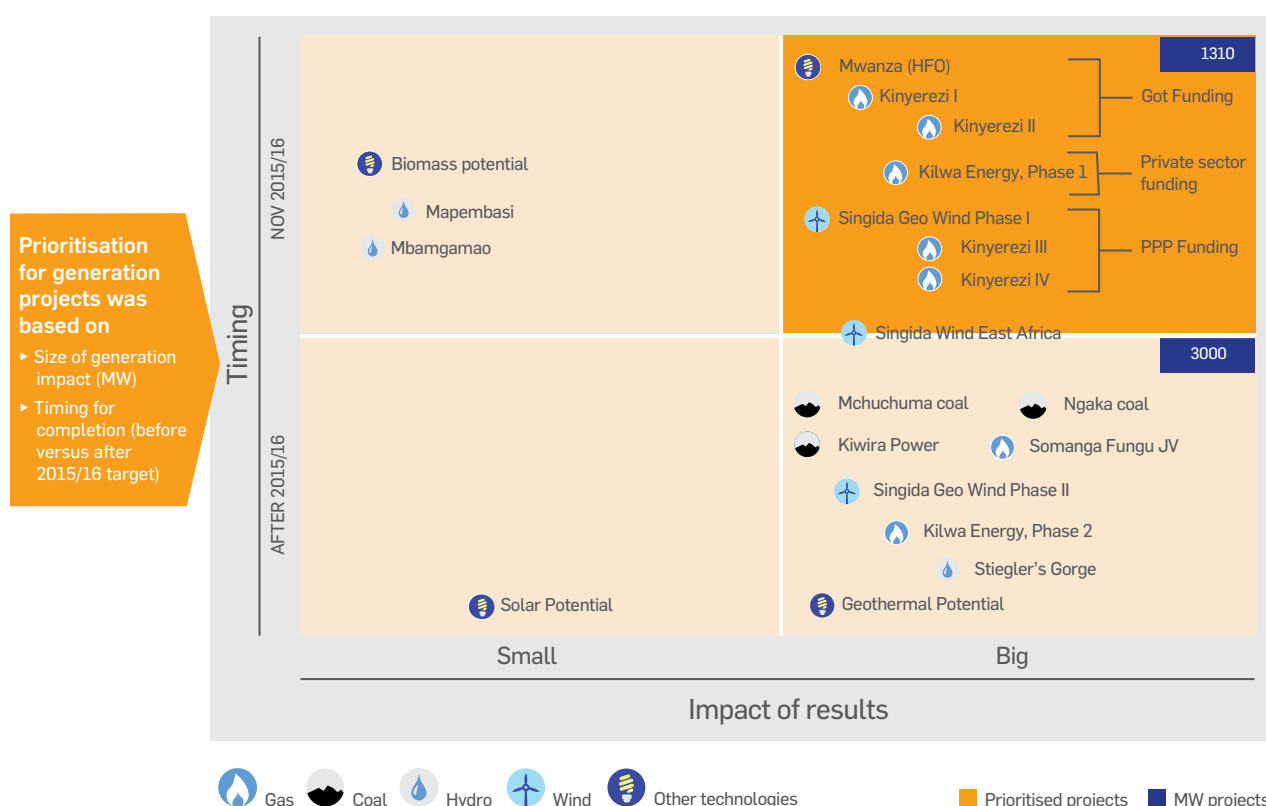


FIGURE 2 Generation projects to deliver 1,300 MW in the next 3 years

Category 2: Seven New Power Transmission Projects

Seven transmission projects have also been prioritised for completion by financial year 2015/16.

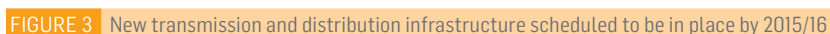
- **Iringa-Shinyanga Backbone Transmission Project**
Government has resolved the outstanding litigation issues including out-of-court settlement that caused delays to the start of this project. Overall the project progress is 32% factoring in the preconstruction activities.

The remaining six transmission projects are in various stages of procurement and financial closure and have yet to commence. The Government remains committed to ensure these projects go ahead as planned on:

- » **Dar-Chalinze-Tanga-Arusha Project** - The documents for financing arrangement are under final review.
- » **Singida-Arusha-Namanga Project** - The survey work and demarcation of boundaries along Arusha to Singida (300 km) has been completed but implementation of the project

was delayed due to the time taken by lenders to review the project documents.

- » **Somanga-Kinyerezi Project** - National Social Security Fund (NSSF) will finance the project and a Memorandum of Understanding (MoU) has been signed between TANESCO and NSSF.
- » **Chalinze-Morogoro-Dodoma Project** - The procurement process for recruiting a consultant to conduct a feasibility study for the project has started.
- » **Makambako Songea Project** - Delays in the release of counterpart funds for this project led to the delay at the start of this project.
- » **North West Grid Phase 1** - Work is progressing on surveying and demarcation which is almost complete. Negotiations with financing institutions continue to secure funding for the project.



The tender package for the Rural Electrification Project under Turnkey Phase II was organised in 25 lots. The initial procurement exercise managed to secure contractors for 15 lots. Considering the capacity of local

There were delays in the implementation of the rural electrification projects due to late disbursements, which the Ministry has and will continue to follow up with the Ministry of Finance in 2014/15 to ensure the NKRA targets are met.

“

New Hai Substation Assures Customers Stable Power Supply

For James Chinula, the Tanzania Electric Supply Company Limited (TANESCO) District Manager in Hai, Kilimanjaro Region, life used to be marked by frequent power blackouts.

The problem was caused by high demand for electricity from commercial and domestic clients. This northern district is home to the Kilimanjaro International Airport (KIA), and Mr Chinula is also in charge of electric supply to the Mererani Tanzanite Mining Centre in nearby Simanjaro district, making him responsible for two important economic sites.

The district has two sources of power, and the switching gear is located at KIA, so if one power source went out, Mr. Chinula had to rush to the airport and switch to the other one. “But sometimes they were both overloaded, and I had nothing else to do except to sit and wait,” he said.

Some customers decided to do without TANESCO electricity altogether, but KIA could not afford that luxury. The airport has four standby generators, which sometimes had to work for as long as 24 hours. Blackouts tended to endanger the safety of aircrafts and passengers.

The problem was solved this year when TANESCO built another substation at KIA that stabilised power supply and recaptured customer confidence in the company's ability to deliver.

Instead of concentrating on emergency responses, Mr. Chinula's maintenance team is now busy connecting new customers to the network, which has subsequently increased revenue for the company. For the customers, life has changed for the better. “Instead of distress calls, I now get messages to congratulate us,” Mr. Chinula said.

James Chinula

TANESCO District Manager, Hai district, Kilimanjaro region

”

Reduce Government's Financing

To accelerate key energy infrastructure projects, greater involvement from the private sector is required. Currently, under the Energy NKRA, four projects have been earmarked for development by the private sector. These include:

- Kilwa energy – 210 MW
- Singida Geo Wind – 50 MW
- Kinyerezi III – 300 MW
- Kinyerezi IV – 330 MW

Key implementation steps have been taken this year, including completion of a feasibility study for Kinyerezi III power plant project. Kinyerezi III and IV, which were negotiated directly under the PPP framework, have faced delays due to issues related to terms and conditions. In the financial year 2014/15, the MDU work closely with the MDAs to ensure that negotiations are finalised.

Streamlining Critical Processes

To further expedite the delivery of energy projects, timelines for critical processes will be proactively revisited, especially in areas where bottlenecks are likely to occur. The new model will impose new timelines that will be strictly enforced. On page 37 is a table showing the critical processes with the proposed timelines against the current timelines.



PHOTO Gas pipeline well in Mnazi Bay

In 2013/14, SHANGTAN, a joint venture company, was established between TANESCO and Shanghai Electric Power Cooperation of China, to implement the Kinyerezi III power plant project. Environmental & Social Impact Assessment (EIA) certificates were provided within 16 weeks, and the Power Purchase Agreement between Kilwa Energy and TANESCO was signed in less than

10 weeks. Despite delays, work on the Gas Supply Agreement between TPDC and TANESCO continues.

In 2014/15, the MDU team will continue to ensure timeliness of implementation via weekly project reviews. Any roadblocks will be escalated to ministry Steering Committee meetings and to the Transformation and Delivery Committee (TDC) if needed.

Streaming critical processes where bottlenecks are likely to occur is a proactive method to reduce delays		Current timeline	Proposed timeline to be enforced
	Environmental & Social Impact Assessment	35 Weeks	16 Weeks
	Transmission Line Agreement and Gas Supply Agreement	24 Weeks	5 Weeks
	Power Purchase Agreement	22 Weeks	10 Weeks
	Land Title Deed	46 Weeks	25 Weeks
	Project Financing - Loan Agreement	60 Weeks	25 Weeks
	Transport and Communication	15 Weeks	7 Weeks
	Tariff Approval Process	26 Weeks	10 Weeks
	Initial Public Offer (IPO)	15 Months	6 Months
	Public Private Partnership (PPP)	3 Years	2 Years

FIGURE 4 Critical processes and timelines

Power Sector Reforms

Executing Power Sector Reforms

Reforming the Electricity Supply Industry (ESI) and its policies is fundamental to improving energy sector performance. The reforms are expected to create better accountability and more defined roles between the sector players in the overall management of the sector. The strategy addresses four critical components: (1) the desired market structure, (2) private sector participation, (3) TANESCO turn-around and balance sheet clean-up, and (4) the importance of an appropriate primary energy resource mix.

The ESI Strategy and Roadmap was approved by the Government and published in June 2014. The long-term goal of the strategy is the creation of a competitive market geared at sustainably meeting the growing needs of customers through improvements in sector efficiency,

improvements in service quality, and greater stakeholder satisfaction.

TANESCO's debt level was reduced from USD 344 million to USD 269 million by May 2014, falling slightly short of the target figure of USD 230 million. However, TANESCO's revenue collection has increased from over TZS 60 billion to TZS 122.88 billion per month by June 2014.

In preparation for 2014/15, there will be a separation (ring fencing) of the accounting systems and management accountability for generation, transmission and distribution businesses. Furthermore, the Electricity Act, 2008 will be amended to allow effective participation of the private sector in the ESI market, knowing that the success of the ESI reform requires the engagement of all key stakeholders.

Stable Power Ensures Sparkling Gems at Mining Venture

The sparkle of gemstones has dazzled mankind for ages, but for the men at a Tanzanite mine in northern Tanzania, it was a battle against power woes.

Wilfred Mushi, manager of the Tanzanite Africa Limited (TAL) Mine, says electricity is needed throughout the mining and processing stages to give Tanzanite, an extremely rare gemstone found only in Tanzania, its highly coveted glitter. However, TAL never had enough power because TANESCO could not meet their basic demand.

Power cuts and interruptions were the order of the day. As a result, management decided to use the more expensive diesel generators to power their operations, costing the company TZS 31.6 million a month in fuel costs. Digging for Tanzanite could only be done at a painful cost.

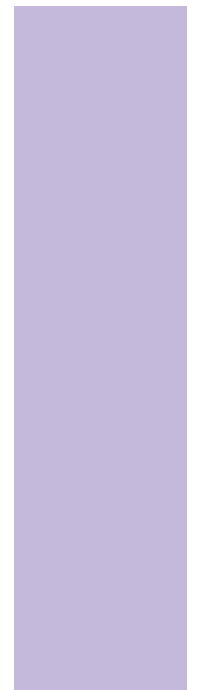
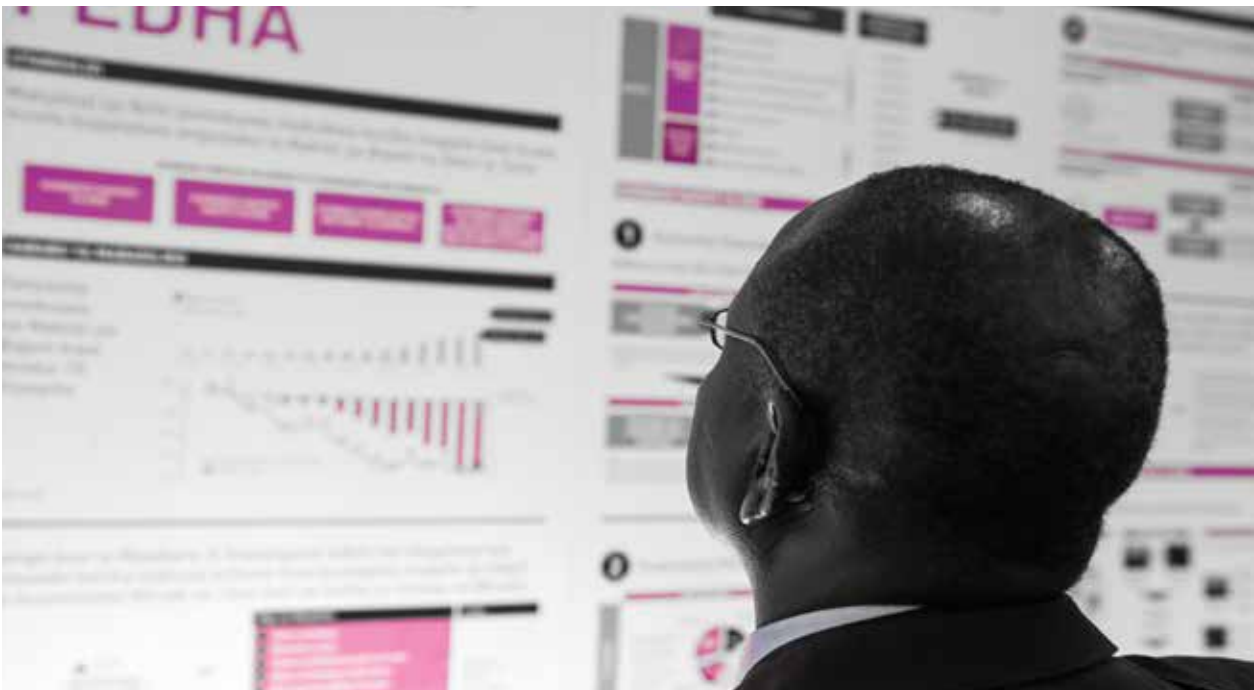
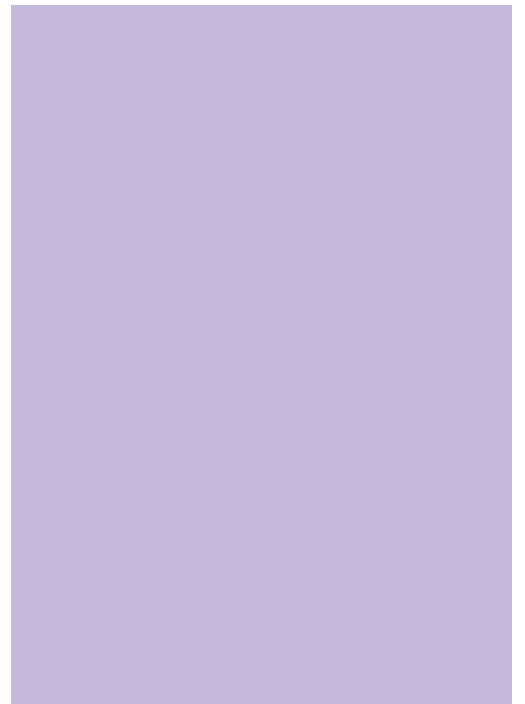
The situation changed this year, when TANESCO commissioned a new Power Substation at the Kilimanjaro International Airport, supplying electricity to the Mererani area. The mine's power woes have ended, and the savings are massive. The company's monthly electricity charges have gone down from TZS 31.6 million to TZS 11 million.

Wilfred Mushi

Tanzanite Africa Ltd (TAL) Mine Manager, Mererani area, Kilimanjaro region

Summary of NKRA Energy Scorecard

Qualitative Criteria (25%) 10%	Topline KPIs (50%) 50%	NKRA KPIs (25%) 19%
Final Score		79%





Hon. Saada Mkuya Salum (MP)
Minister for Finance

Foreword from The Minister

I am proud to report that the BRN strategies to secure additional resources have started showing results. To attract foreign capital, the Government amended the Foreign Exchange Regulations and liberalised Tanzania's capital markets. The trend of increasing budget deficits has been broken. Property tax revenue in Dar es Salaam has doubled from TZS 5 billion to TZS 10 billion, with indications of continued increases ahead.

Furthermore, substantial revenue has been secured through new measures including the fuel levy, the petroleum levy and the education investment levy. These measures have enabled the Government to contribute more funds towards national development projects. As I reflect on the achievements and challenges of our inaugural year, I remain confident that we are making headway toward our goals laid out in the Roadmap. I must stress, however, that our work at the Ministry of Finance (MoF) must operate in tandem with the efforts of our colleagues across the public and private sectors. With continued cooperation from all stakeholders, I believe we will move closer to the realisation of the Tanzania Development Vision 2025.

EXECUTIVE SUMMARY

The Resource Mobilisation NKRA aims to strengthen Tanzania's financial position through prioritised initiatives that will bolster the country's current growth momentum.

By 2015/16, the Resource Mobilisation NKRA initiatives are expected to achieve: (1) implementation of TZS 6 trillion worth of BRN projects via private project funding; (2) keeping Tanzania's public debt-to-GDP ratio (in present value terms) below the East African Monetary Union's target of 50%¹; (3) reducing the budget deficit (before grants) to TZS 4 trillion; and (4) raising cumulative incremental revenues from Resource Mobilisation NKRA initiatives of TZS 3.9 trillion.

Contributing to this are the three main initiatives summarised in *Figure 1*.



FIGURE 1 Overview of Resource Mobilisation NKRA

1. Previous target capture in Roadmap reads "Cap non-BRN expenditure budget for 2014/15 and 2015/16 to TZS 17.7 trillion" – refer to Pg. 39 for full explanation on this change.

By adopting measures such as cost management in the first year of implementation, the Government successfully reduced the annual budget deficit to TZS 6.7 trillion from TZS 6.9 trillion, with expenditure growth rate reduced to 18.4% from 23.9%. These represent significant achievements in reversing a five-year trend of increasing deficits.

Through tax initiatives, the Government collected incremental revenue of TZS 455 billion through several initiatives, including placing an excise duty on luxury goods; refining the tax exemption regime; increasing the fuel levy; and enacting the new petroleum levy targeted at funding rural electrification. For non-tax initiatives, incremental revenue of TZS 31.69 billion was collected, mainly from parastatal contributions and mass valuation of property tax and land rent.

The Government will explore and closely monitor alternative sources of funding, including the issuance of a sovereign bond for Tanzania; the establishment of trust funds; the continued capital liberalisation of the country; and efforts to unlock resources from the private sector via PPPs, equity financing, and other project financing instruments.

Finally, in place of the three-year target to cap non-BRN expenditure budget for 2014/15 and 2015/16 to TZS 17.7 trillion top line KPI, the Resource Mobilisation NKRA will instead track Tanzania's public debt-to-GDP ratio to remain below the East African Monetary Union's target of 50%.



NKRA INITIATIVES

Improving Cash-flow via Private Project Funding

This initiative aims to generate the capital requirements to finance the projects planned under the five other NKRA's, to ensure that the TZS 15.7 trillion budget requirement is met by tapping into private project funding, sharing the costs and benefits of national development between the public and private sectors. The initiative will catalyse the adoption of measures including the liberalisation of capital markets, the promotion of PPPs, and the establishment of trust funds.

The Ministry of Finance has made significant progress in opening Tanzania's capital account, which will have a positive impact on capital flow into and out of the country. As of May 2014, amendments to Foreign Exchange Regulations to liberalise Tanzania's capital markets to East African Community (EAC) investors have been gazetted. Following these amendments, investors from the EAC can now purchase up to 40% of Government securities – an area that was previously closed to them.

In addition, EAC investors previously had a 60% limit in listed securities, which has been increased to 100%

ownership in both listed and unlisted securities. For Tanzanian residents, it is now possible to deal in all other EAC securities freely, participate in foreign direct investment and trade in real estate and other assets beyond EAC, in accordance with set regulations.

The goal of leveraging private capital to co-develop Tanzania will be intensified in 2014/15. The enactment of the Amendment to the PPP Act is scheduled for November 2014, and will result in the streamlining and fast tracking of the PPP approval process.

This process will be reinforced through local and international Investor Roadshows aimed at sensitising investors to the changing investor climate and to investment and partnership opportunities in Tanzania. Additionally, the Ministry has developed an Information Memorandum to ensure that ready-to-implement projects can tap into resources from the private sector, both local and global.

Managing Government Expenditure Better

The focus for this initiative is to enhance cost management measures. Following the inaugural year, the priority will shift from a focus on addressing the national deficit to a focus on managing expenditure. To this end, the Ministry will emphasise alignment of expenditure with available funding.

Over the past five years, revenue has grown at an average annual rate of 18.4% while expenditure has grown at an average annual rate of 23.9%, resulting in a projected deficit of TZS 9.3 trillion in 2013/14. As a

result of measures put in place to manage Government expenditure and control budget deficit, the actual deficit was less than TZS 6.712 trillion in 2013/14.

This initiative has therefore been vital in stopping the five-year trend of increasing deficits.

Other initiatives in coming years will include exploring opportunities on the Government's debt prices and debt servicing cost as well as effective cash management in order to identify strategies for improvement.

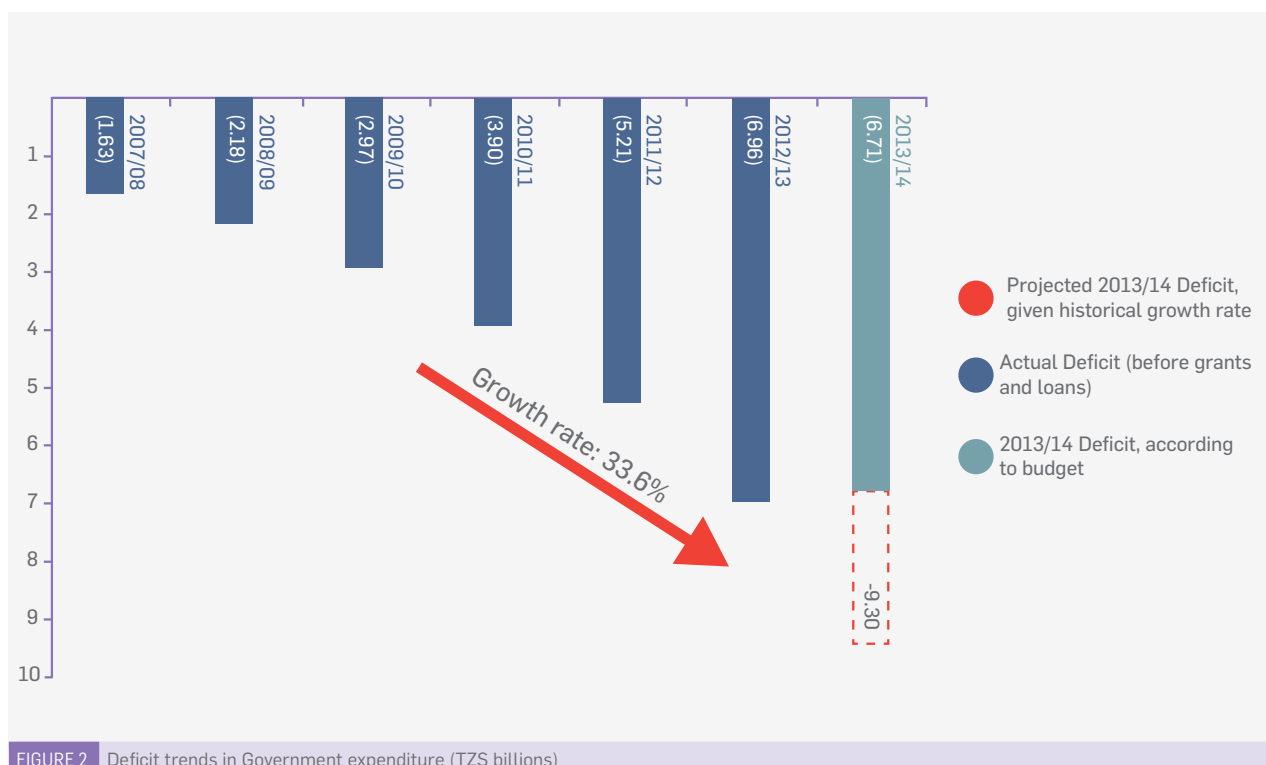


FIGURE 2 Deficit trends in Government expenditure (TZS billions)

Revenue Leakages and New Revenue Sources

The Ministry aims to increase cumulative revenue by TZS 3.9 trillion over a three-year period, commencing in 2013/14. Nine sub-initiatives have therefore been identified to address sources of revenue leakages and to explore and deploy alternative revenue sources.

Ensuring parastatal compliance to dividend payment obligations

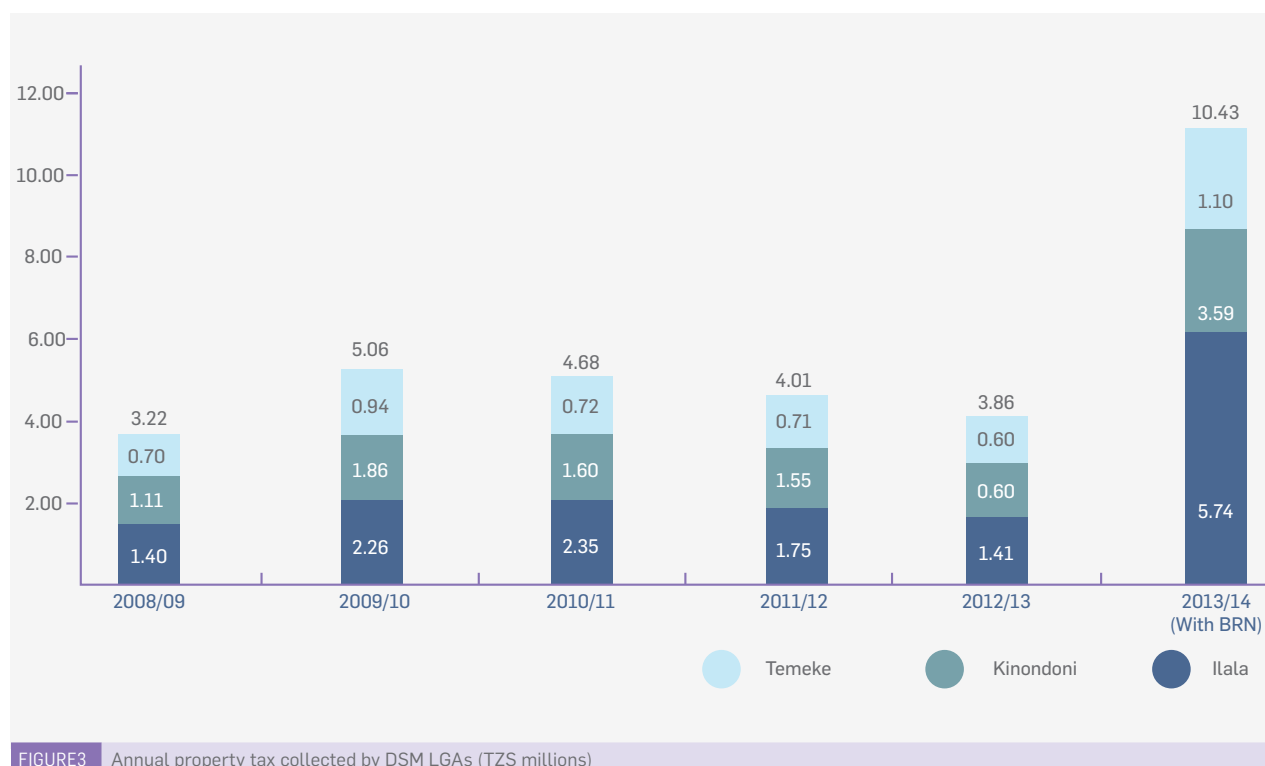
As of June 2014, TZS 25.3 billion was collected from 10 parastatals whose contribution to the Government's Consolidated Fund was pegged at 10% of their gross revenues.

Auctioning of licenses for harvesting of forest lots

Open market auction of licenses for harvesting of forest lots could not be implemented by the Ministry of Natural Resources and Tourism due to existing long-term harvest contracts.

Adopting a mass valuation method for property tax and land rent

Adopting a mass valuation method for property tax and land rent was a resounding success in the three Dar es Salaam LGAs (Temeke, Kinondoni and Ilala), resulting in property tax collection of above TZS 10 billion for 2013/14. These collections doubled the record of over TZS 5.018 billion set by Dar es Salaam in 2009/10, as illustrated in Figure 3. Incremental revenue of this initiative was TZS 6.4 billion, calculated from a historical baseline. This achievement is more than the target of TZS 2.9 billion. This success demonstrates the potential of mass valuation in future years as a growing source of revenue for the Government.



Following the successful adoption of the mass valuation method for property tax and land rent in the Dar es Salaam LGAs, this sub-initiative will be scaled up to all 168 LGAs in the country. This will lessen the burden of transfer funds from Central Government to the LGAs.

Additionally, the LGAs will work to improve the implementation of mass valuation, enhancing planning, efficiency and public awareness for this initiative. The Ministry of Finance will work with the Ministry of Lands, Housing and Human Settlements Development and LGAs to ensure timely remittance of 30% of land rent collections. Furthermore, the amendment of Urban Rating Act and Land Management Act will be pursued in 2014/15.

Reforming the structure of excise duty

For year 2013/14, the Government increased excise duty on beer, spirits, cigarettes and soft drinks, and imposed excise duty on luxury goods. This has led to incremental inflows of TZS 60.313 billion. The planned ad valorem

system for excise duty, however, was not approved by the Parliamentary Budget Committee due to a potential loss of revenue that could be caused by undervaluation of excisable value, and the current specific excise duty regime has been maintained. As a result, the target of TZS 75.3 billion was not met in 2013/14.

Reducing the stock and flow of tax exemptions

The Ministry imposed new restrictions on the tax exemptions regime, reducing exemptions of deemed capital goods from 90% to 75%. Additionally, a list of goods (such as stationery and furniture) that cannot be exempt as deemed capital goods have also been established. For 2013/14, an incremental TZS 13.305 billion has been collected as a result of these measures.

However, the target of TZS 40.3 billion was not achieved. Two initiatives planned for 2013/14 were not implemented. The first, staying 90% import duty remission on industrial sugar, was rejected by the EAC over concerns that it may make Tanzanian products

uncompetitive. Additionally, the proposal to remove VAT exemption for tourism services was rejected by Parliament as it may negatively impact the industry.

Several items will be explored for 2014/15 including mining exemptions and exemptions on expansion and rehabilitation projects. Additionally, the Ministry of Finance will publish the names, beneficiaries, and the amount of tax exemptions granted quarterly to ensure transparency in processes.

The minimum investment threshold of foreign "Strategic Investor" status will be increased from USD 20 million to USD 50 million and the negative list of deemed capital goods that will not be granted any tax exemptions will be expanded to include cement, steel, and iron sheets. Furthermore, the Ministry of Finance and Tanzania Revenue Authority (TRA) will continue work on a tax expenditure framework and the passing of the new VAT Act to further control exemptions.

Improving customs valuation practices

The Customs Department of the TRA has implemented the Import-Export Commodity Database (IECDB) as the sole commodity valuation database, fully operational since December 2013. The IECDB is a robust system recommended by the World Customs Organisation and is designed to prevent undervaluation and misclassification of goods, manage risk, and prevent corrupt practices.

In 2013/14, an incremental TZS 5.640 billion of the anticipated TZS 36.1 billion has been collected. The challenge of IECDB thus far has been the unavailability of export transactions data from countries (such as China, United Arab Emirates, and South Africa) from which Tanzania imports. The Government is currently liaising with Customs authorities of these countries through the Ministry of Foreign Affairs and International Relations to obtain agreements to share export transaction data.

Introducing an educational investment levy

The educational investment levy of 2.5% resulted in an incremental TZS 59.030 billion in revenue in 2013/14. The achievement is higher than the initial target of TZS 45.5 billion. This levy was established in the form of an increase in excise duty on electronic communication services from 12% to 14.5%, as opposed to a stand alone levy, to avoid a double burden on the same tax base.

Introducing a withholding income tax

Instead of a withholding tax on commercial imports initiative, the Ministry implemented a 5% withholding income tax on services initiative to avoid refund complications as well as the unintended penalization of compliant importers. This resulted in an increment of over TZS 53.557 billion in revenue – a significant increase from the anticipated TZS 33 billion.

Adjusting fuel levy by the rate of inflation

In place of the planned increase in the fuel levy alone, the Ministry raised the fuel levy by TZS 63 per litre, increased the excise duty of illuminating kerosene by TZS 25 per litre and introduced a new petroleum levy of TZS 50 per litre. As result, TZS 263.797 billion has been collected in 2013/14, slightly short of the TZS 292 billion target.

Moving forward, there are a number of key issues that will be addressed in year 2014/15. In regards to parastatal compliance to dividend payment obligations, the Ministry will prioritise the appointment of a permanent Treasury Registrar (TR) – there is currently an acting TR – and the passing of the TR Powers and Functions Act. The list of 10 parastatals contributing 10% of their gross revenues to Consolidated Fund will be expanded, and more measures will be taken to further enhance the efficiency of parastatals contributions collections.

	Action Item	(TZS Billion)
Non-Tax Revenue	Improving parastatal contribution	25.3
	Auctioning of hunting blocks and forest lots	0
	Implementing mass valuation for property tax and land rent	6.4
Tax Revenue	Reforming structure of excise duty	60.3
	Reducing the stock and flow of tax exemptions	13.3
	Improving customs valuation practices	5.6
	Introducing an educational investment levy	59.0
	Introducing a withholding tax on imports	53.6
	Adjusting fuel levy	263.8
Total Incremental Revenue		487.3

FIGURE 4 Incremental revenue from all 9 initiatives for 2013/14

Summary of NKRA Resource Mobilisation Scorecard		
Qualitative Criteria (25%) 10%	Topline KPIs (50%) 25%	NKRA KPIs (25%) 18%
Final Score		54%



TRANSPORT NKRA



Hon. Dr. Harrison G. Mwakyembe (MP)
Minister of Transport

Foreword from The Minister

As we review progress in 2013/14, I am encouraged by our achievements. Few would have believed last year that a 24/7 Dar es Salaam port would be possible. But that is where we stand now. The new Standard Operating Procedures for enhanced efficiency at the port have resulted in the Port achieving a throughput capacity of 14.26 million tonnes, surpassing the 2013/14 target of 13 million tonnes. I am especially proud that one of the remanufactured locomotives was used to transport passenger coaches after the service became unreliable for a very long time.

These achievements serve to demonstrate that we can achieve what we set out to do, that the BRN targets may be bold, but they are also realistic and necessary. So we must apply the lessons we have learnt in the first year about what works to the areas where progress was not as strong. I remain committed to achieving our 2015/16 targets and as such, I urge us all to continue to collaborate with one another, and leverage the power of transport to transform our great nation. Improved inter-ministerial collaboration with the Ministry of Works, the Ministry of Finance, and the Ministry of Home Affairs is better than ever before and will remain crucial for the success of BRN going forward.

We must and we will learn from both our successes and setbacks to accelerate the journey towards our goals: an efficient, professional and profitable transport sector.

EXECUTIVE SUMMARY

The initiatives under the Transport NKRA aim to deliver increased capacity and efficiency of the port, rail and road transportation along the Central Corridor. As a key route between the Dar es Salaam port and neighbouring landlocked countries, multiplying the cargo carrying capacity of the Central Corridor will undoubtedly impact Tanzania's regional trade potential. The outcomes are measured against the following set of top line targets set for 2015/16:

- (i) Port: Increase cargo throughput to 18 million tonnes
- (ii) Rail: Increase freight hauling capacity of Tanzania Railways Limited to 3.0 million tonnes
- (iii) Road: Reduce travel time for trucks from Dar es Salaam to Mwanza, Rusumo and Kabanga to 60 hours

The Transport NKRA is complex as each initiative involves multiple stakeholders to execute. This is where successful execution of the initiatives hinges on the critical factor of seamless coordination and collaboration between the key players.

For example, the 24-hour, 7-days a week port operations initiative includes establishing a Port Community System that seamlessly coordinates all port stakeholders via automation of documentation and payment processes. Similarly, the Tanzania Revenue Authority (TRA) and the Railway Assets Holding Company (RAHCO) are currently working together on the Cargo Management System to ensure cohesiveness across the two institutions' systems, among others.

While these are still work in progress, the NKRA Steering Committee has played an important role as the main platform for engagement and coordination of inter-ministerial and inter-agency cooperation.

Figure 1 summarises the port, railway and road initiatives.

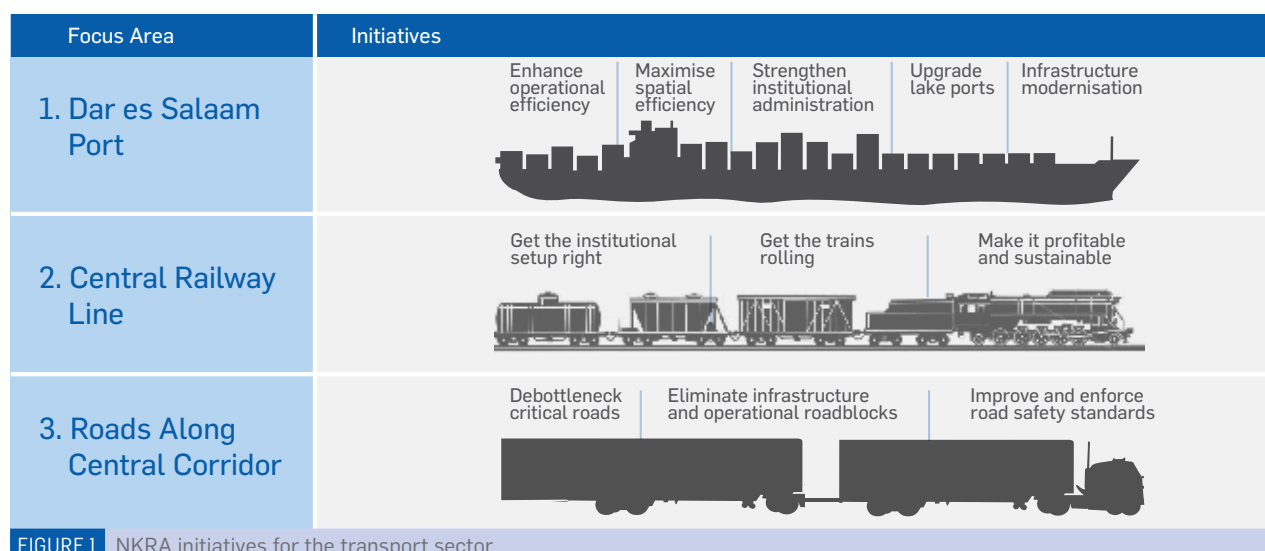


FIGURE 1 NKRA initiatives for the transport sector

In 2013/14 the throughput capacity at Dar es Salaam Port was increased to 14.26 million tonnes¹, surpassing the target of 13 million tonnes. Aside from these successes, the Transport NKRA saw minimal advancement in improving the average travel time of trucks from Dar es Salaam Port to Mwanza, Rusumo and Kabanga this year.

Although the KPI targets for rail and road were not met, progress was still made in the initiatives under these areas. Due to funding constraints, the Ministry of Transport prioritised funds for the improvement of rolling stock over other infrastructure projects within the NKRA. Although the KPI targets for rail and roads were not met, progress was still made in the initiatives under the prioritised areas. A progressive milestone was

achieved with the successful re-manufacturing of three locomotives, leading to an increased freight capacity in the fourth quarter of 2013/14. This trend will pave the way for future increases in capacity. Additionally, one of the road initiatives saw a total of 127 km of missing links upgraded to bituminous standard in 2013/14, surpassing the 42 km target set for the first year.

The initiatives under the Transport NKRA involve a number of major refurbishment, construction and rehabilitation projects which are capital intensive. Both the Ministry of Transport and the Ministry of Works are, therefore, actively exploring alternative sources of funding to reduce dependency on Government funds and to mitigate future delays in implementation.

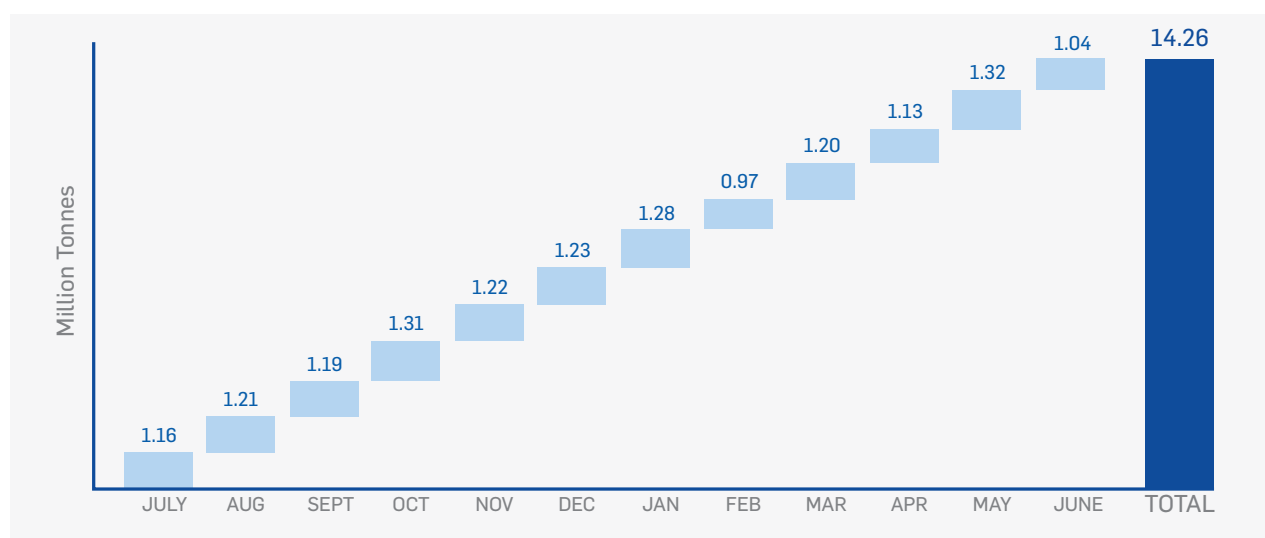


FIGURE 2 Throughput at DSM port in 2013/14 (Million Tonnes)

1. Throughput capacity here refers to the quantity of cargo that can pass through Dar es Salaam port on a yearly basis. This achievement is a testament to the effectiveness of the port initiatives, which are detailed further in the body of this chapter.

NKRA INITIATIVES

PORT

Enhancing Operational Efficiency

The Dar es Salaam Port (DSM Port) aims to improve its operational efficiency by revamping its port operational processes towards becoming a more performance-oriented organisation. This includes institutionalising 24/7 operations within the port and a harmonised Port Community System that seamlessly coordinates all port stakeholders via automation of documentation and payment processes. Additionally, the Tanzania Ports Authority is introducing a new Standard Operating Procedure (SOP), which includes a review of KPIs and tariffs for cargo management; measures that are expected to instil a performance-based culture and expedite cargo clearance processes.

This initiative is expected to reduce average cargo dwell time for containerised cargo from nine days to five days and reduce the average ship turnaround time from seven to three days.

After extensive syndication with the relevant port stakeholders on the new standard operating procedure and institutionalising the 24/7 port operating hours, all

port key players signed a Memorandum of Understanding on 10th February 2014 in support of the way forward.

Following this agreement, the Ministry and the Tanzania Ports Authority will continue to work with the relevant stakeholders within the port environment to ensure that all sub-processes are modified and aligned accordingly to fully operationalise the 24/7 port system. For example, Tanzania Revenue Authority and Bank of Tanzania are currently working towards enabling the tax collection facilities and processes to eventually operate at night as well as on weekends and public holidays. In addition, under the new agreed SOP, TPA will begin establishing the KPI monitoring system among the port players to continuously improve port efficiency.

An additional component of enhancing operational efficiency of the port is the phased roll-out of the Single Window System, a customised port community system which began operating on 25th April 2014. The system's User Acceptance Test is expected to begin in December 2014.



PHOTO Cargo ship at the Dar es salaam Port

A Long March to Efficiency for Dar es Salaam Port

"Efficiency is the business soul of any port," says 36-year veteran of operations at the Dar es Salaam port, Ashraf Khan. Mr Khan, who is now the General Manager of the Azam Inland Container Depot in the city, adds: "The notion that geographical position gives a port automatic locational advantage no longer applies in the world of maritime business."

"Exporters and importers will opt for a given port if it offers clear business advantages and not just because it is the nearer outlet to high seas," he stresses. Dar es Salaam port is uniquely positioned in the East and Central African region but he laments that it is beset by a number of logistical and operational challenges that have resulted in performance well below its potential and capacity.

Under the BRN, several 'quick win' key initiatives which require minimal implementation budget were identified towards realising the full potential of the port.

It is now one year into implementation since the inception of BRN. While the new 24/7 operating hours has been formalised under the Memorandum of Understanding signed in February 2014, there are players within the Port ecosystem yet to fully revise their operations to accommodate these new operating hours. Similarly, there is significant delay in fully implementing the new procedure for cargo collection/delivery throughout the clearance process, resulting in minimal improvement to cargo dwell time.

"Every player within the port community needs to do their part and work together as a team in order to see these initiatives through in a disciplined and timely manner. There is much for all to gain when the port is operating at its full potential," said Mr. Khan.

He added, "BRN is about getting things done on time and on target. If there are real obstacles in completing these quick wins, let's be proactive and find an avenue to resolve this as a community. We cannot afford to be complacent, not in the BRN era."

"BRN is an excellent concept but will require very drastic measures for the initiatives to bear results", he concluded. Mr. Khan's views were supported by the more youthful Elitunu Mallamia, Executive Secretary of the Tanzania Shipping Agents Association, who said realising the "quick wins" alone would have resulted in very big gains in the port's operations and efficiency.

Ashraf Khan

General Manager, Azam Inland Container Depot

Maximising Spatial Efficiency

Dar es Salaam Port is carrying out a redesign exercise of its layout in order to address the current shortage of space and boost efficiency in cargo movements within the port. The redesign also takes into account the slow cargo handling processes resultant from the suboptimum roads and railways services.

To this end, TPA are looking at targeted measures to specifically address overall port movement efficiency which includes improving port layout, reallocation of space, improving road access and traffic flow within the port, as well as upgrading rail access and handling infrastructure.

Strengthening Institutional Administration

In addition to the physical redesign, DSM Port needs a comprehensive 'soft' redesign. TPA is concurrently looking at elevating the level of professionalism, conduct, information transparency and client engagement services. The measures include extensive recruitment to ensure the port is well staffed, capacity building for existing workforce, and the establishment of a Customer Service Charter. Simultaneously, Public Private Partnership (PPP) capacity and coordination will be strengthened within TPA to ensure effective application of future PPP projects.

The first draft of the proposed TPA Customer Service Charter is currently undergoing review and syndication with the relevant stakeholders.

Between October 2013 and April 2014, TPA embarked on a recruitment programme for marine pilots and engineers. Following this, TPA signed a MoU with Raffles Shipping Company of Singapore to send marine pilots

and engineers for sea-time attachment. Six Marine Pilots and four Marine Engineers went to Singapore in February 2014 to participate in the one year sea-time attachment programme (upgrading programme to fill the gap, TPA has finalised plans to hire five Principal Marine Pilots to replace those who went for training in Singapore).

Port of Singapore Authority (PSA) also agreed to assist TPA in training of marine staff. PSA experts have been on ground at DSM port periodically to assess the specific requirements. In addition, the Governments of Belgium and Japan have also expressed interest in supporting TPA in the training of marine staff.

In strengthening the PPP capacity and coordination at the port, a PPP unit has been established under the Director General of TPA. With this set-up, TPA is working closely with the PDB and Tanzania Investment Bank to identify potential PPP projects within the port.

Upgrading Lake Ports Capacity

The lake ports in Kigoma and Mwanza South are crucial for the onward journey of transit cargo destined to the landlocked Great Lakes Region. The handling capacity of these ports must, therefore, grow in tandem with the expected increment of demand. Equipment at the two ports must be upgraded to enable the handling of greater transit cargo capacity hauled by railway on the Central Corridor.

Concurrently, State-owned Marine Services Company Limited (MSCL) vessels will require extensive repair work in view of the long-term goal for private sector-led operations.

Implementation in the first year was focused on procuring contractors to execute the upgrade work. Funds required for the rehabilitation and major repair works for vessels were not available, which contributed to a lack of progress on the ground.

In order to ensure smoother implementation in year two, the Ministry of Transport has allocated a budget in the fiscal year of 2014/15 for repairs to Lake Victoria vessels, namely: MV Umoja, which is a wagon ferry, tug MT Ukerewe and fuel tanker MT Sangara.



PHOTO The MV Umoja at Mwanza South Port

Infrastructure Modernisation

The complete overhaul of Dar es Salaam Port's infrastructure will require long term planning. However, short-term results can be realised through the implementation of priority projects. This initiative includes a key short term measure that looks at upgrading the port infrastructure to increase handling capacity. This will involve construction of a new Roll-in, Roll-out (RoRo) terminal and upgrading the current grain silo capacity.

In the long run, TPA is looking at modernising the Dar es Salaam Port to set the stage for future growth and development of the Port. This includes dredging work to widen the Dar es Salaam Port channel to allow large vessels to access the harbour and expansion of the current container terminals to handle bigger volumes of cargo.

RAIL

Get the Institutional Setup Right

This initiative focuses on establishing a rationalised and functional institutional setup with clear delineation of responsibilities among the players operating within the national railway system.

This will be done in two phases. Phase One (2013 – 2015) will focus on stabilising the rail systems and operations under TRL; Phase Two (2016 onwards) will explore the potential in opening the rail network operations to private operators.

Get the Trains Rolling

TRL and RAHCO aim to upgrade the railway network, raising its cargo haulage capacity to three million tonnes by the end of 2015 and increasing reliability to meet future growth demands.

TRL is working to increase the availability of rolling stock including reparation of wagons and remanufacturing of locomotives. Railway infrastructure and inner-model handling facilities are also being rehabilitated by RAHCO.

These measures will lead to an increase in the availability of rolling stock and establish a maintenance regime for the physical assets, thereby transforming Tanzania into a logistics hub for its mostly landlocked neighbouring countries.

89 kilometres of tracks were completely relayed with 80 lb of railway, while three railway bridges were completed and rendered fully operational. This initiative depends heavily on funding and, even with limited resources, the Ministry managed to push for the completion. The latest railway bridge with a 25-axle ton load was completed in February 2014 between Bahi and Kintinku stations on the Central Railway Line.

Due to funding constraints in the first year, the Ministry decided to prioritise funds for the improvement of rolling stock over other infrastructure projects within the NKRA. The Ministry had identified that the remanufacturing of locomotives will bring the biggest impact in terms

of ensuring that the rail service is able to maintain the minimum freight capacity transported, setting a good foundation for increase in capacity in the coming years.

61 wagons were rehabilitated and three locomotives were added to the fleet after they were fully rehabilitated at the Morogoro Workshop. Eight more locomotives are expected to be delivered at an average of one engine per month.

There was an improved tonnage of cargo hauled by TRL and reduction in wagon turnaround time in May and June 2014 as a result of just the three additional remanufactured locomotives. Previously, the highest recorded wagon turnaround time was in December 2013 with an average of 81.2 days. In May 2014, the ratio improved drastically to 38 days, doubling the efficiency of using railway wagons.

In addition, the passenger service that was discontinued previously due to unreliable locomotives is now operational again.

Additionally, the Ministry, RAHCO and TRL are working together with PDB to attract more private entities to invest in locomotives and infrastructure. TRL intends to attract major railway investors in rolling stocks in order to ease the pressure on Government funding for capital-intensive initiatives.



PHOTO Additional remanufactured locomotives



PHOTO The control panel of the remanufactured locomotives



PHOTO New tamping machine

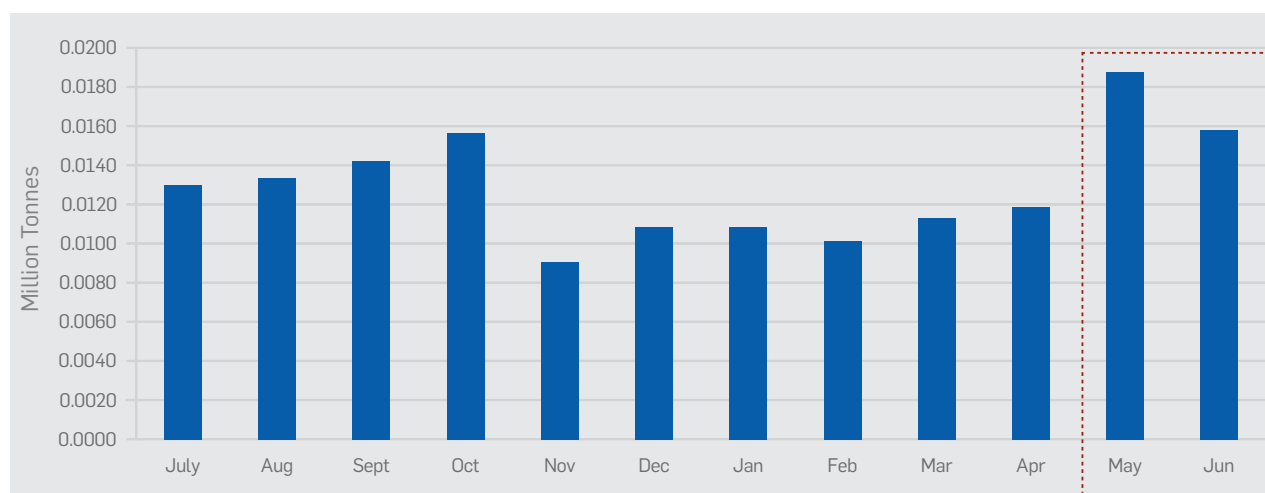


FIGURE 3 Monthly cargo transported by Tanzania Railways 2013/14. Total tonnage transported by TRL was highest in May-June (red box) due to the commissioning of the newly remanufactured locomotives.

“

Dodoma Station Master: The Confidence is Back

For years, the people of Dodoma have been asking Mr. Zakaria Kilombe, the Dodoma Station Master, when they would get their train. “The wait is over”, says Mr. Kilombe, as the central railway line train is back with a new spirit of punctuality and reliability.

Businesses are slowly picking up again at the station, and life is bustling again at the central corridor railway line. Speaking in his tiny office a few minutes before receiving the train from Tabora, Mr. Kilombe said that without the train, businesses had come to a complete halt. But thanks to the BRN and the locally remanufactured locomotives, traders and passengers have had their confidence restored.

“If you visit our stores you will be surprised, there are piles of goods! This is because businessmen have started to use our services to transport their goods. They have faith due to lower costs and the better reliability of our train. We have more passengers now than available wagon space. In short, the demand is already higher than the supply,” he said.

Before the remanufactured locomotives restored the central corridor train, he said, “life was tough here. Everything had come to a standstill. It was boring to report to your work station as there was nothing there to do. Today, we again see the power of our transportation sector, and feel pride in the work that we do to connect people and goods in Tanzania and throughout the region.”

Zakaria Kilombe
Station Master, Dodoma

”

Establish a Profitable and Sustainable Rail Business

TRL is working towards revamping its business model to turn the national rail operator into a more profitable, functional and efficient entity.

A new organisational set-up is being adapted to clearly delineate roles and responsibilities between TRL and RAHCO. RAHCO will assume responsibilities such as routine maintenance of the track, bridges and other infrastructure, while TRL will focus on roles such as positioning the company to implement the Transformation Business Strategy and preparing for the increase in cargo that TRL is expected to handle.

To improve maintenance of rolling stock, TRL intended to rehabilitate workshop machinery to increase quality output of wagons and locomotives, review maintenance procedures, define the work timetable and scheduling of activities. Finally, the initiative is aimed to enforce quality control and supervision, leading to the revision of maintenance procedures and identification of needed improvements by 2015/16.

A three year (2013 – 2015) Transformative Business Strategy for TRL was prepared and is currently pending endorsement from the Ministry. The Business Strategy is aligned with the BRN targets.

RAHCO is developing a Cargo Management System that is expected to offer real-time tracking. This system is expected to be activated in August 2014. The successful execution of this initiative is dependent on a seamless inter-agency collaboration to ensure improved coordination and collaboration among the players towards a collective efficiency in managing cargo systems in the rail sector. Currently, TRA and RAHCO is working together to ensure both Cargo Management Systems are working together to ensure cohesiveness in its systems.

The transfer of rail assets between TRL and RAHCO is continuing, pending approval from the Treasury Registrar. It will be presented to the Inter-Ministerial Technical Committee (IMTC) before it is taken to the Transformation Delivery Council (TDC) for the President's final approval.

“

Mama Majaliwa: Without the Train, I Stopped Travelling

Leaning against the window of the train from Tabora to Dar es Salaam, Mama Majaliwa, a businesswoman in Tabora, shared her story. Mama Majaliwa's life reflects the way that reliable transportation can transform the lives of ordinary, hard-working Tanzanians.

“When the train stopped offering services in the central line, it was like my life had stopped,” she said. “I was wary of using road transport because of many accidents,” she added.

“I thank the Government that the train is back now. The train is reliable and safe. When the train came to a halt I had to spend some TZS 60,000 if I wanted to travel to Dar es Salaam. But you can see here I have just paid TZS 22,000.” she said.

Mama Majaliwa
Businesswoman, Tabora

”

“

Kigoma Resident: The Train Has Helped Me Feed My Family

The economy of Kigoma, like many other regions along the central railway line, suffered greatly after train services stopped. Businesses died, and passengers had to use alternative, and often costly, means of transport.

But one year into the BRN targets of delivering locomotives and wagons, Zacharia Emily shares a story of sorrow and happiness. He represents many of the young men whose lives were very much affected. He spent money maintaining his business between Kigoma, Dar es Salaam and other regions.

“I was spending a lot when the train services came to a halt,” he says. “Life had become harder. For bus transport to Dar es Salaam from Kigoma I had to spend TZS 60,000. But with the restored BRN train I can save as much as TZS 40,000.”

Mr. Emily tells the story behind the numbers: “The TZS 40,000 I save now by using the train means a lot to me – it’s my month-long budget for food.”

Zakaria Emily
Businessman, Kigoma

”

Debottleneck Critical Roads

This initiative aims to improve the port and border facilities towards greater efficiency to accelerate processing time. This includes upgrading infrastructures on critical roads leading in and out of DSM Port. This will increase the road capacity and ensure faster and smoother travel time. Aside from the critical roads, Tanzania National Roads Agency (TANROADS) will upgrade the ‘missing links’ on several upcountry roads to bituminous standard.

In addition, to ensure smooth traffic flow at the DSM port, TANROADS has plans to build more parking bays at ports and border posts for a more organised and increased waiting capacity for trucks. TANROADS will also build a “weigh-in-motion” weighbridge near the Dar es Salaam Port and introduce a One Stop Border services at Kabanga and the Mutukula Border post with Uganda,

in line with the objectives of the East African Community Common Market Protocol.

A total of 134 km out of 214 km of missing links were upgraded to bituminous standard in 2013/14, surpassing the 42 km target.

Construction of the One Stop Inspection Station and installation of the smart weigh-in-motion Weigh Bridge at Vigwaza is ongoing, and is expected to be completed by December, 2014.

Progress on infrastructure enhancement on the critical roads was hindered by lack of funds. The Ministry of Works is now pursuing alternative sources of funding, including Public Private Partnerships, to bolster implementation capabilities in the future.



PHOTO Road project in process

Eliminate Infrastructure and Operational Roadblocks

This initiative aims to improve the efficiency of the monitoring and checking mechanisms along the roads by streamlining infrastructural and operational roadblocks that contributed to increased travel time. This includes linking the police online query system to TRA Electronic Cargo Tracking System (ECTS) and to introduce smart weighing in motion weighing scales.

Additionally, TANROADS aims to rehabilitate 194 km of roads to prevent damage to vehicles. This will clear the entire road maintenance backlog by 2015.

During the year under review, police roadblocks were reduced from 14 to six along Central Corridor. Places

where they were removed included Uhasibu, Misugusugu, Dumila, Pandambili, Misigiri, Nzega and Ushirimbo. Moving forward, MoW will co-develop a plan with the Traffic Police to further reduce existing road blocks to three.

In addition, the TRA's ECTS is currently being tested. Once the ECTS is fully operational, it will eliminate the TRA checkpoints. In line with streamlining processes, the ECTS will be conducted at the three One Stop Inspection Stations of Vigwaza, Manyoni and Nyakanazi. Executing the linkage between the ECTS and the Police Online Query System is currently being tested under TRA Management.

Safety & Security

The safety and security of road cargo haulage in Tanzania is rendered especially risky by the use of non-roadworthy vehicles and unskilled drivers, who tend to cause frequent accidents and road congestion. There is, therefore, a need to put in place additional road safety and traffic measures that will have to be adhered to by trucks operating on Tanzania's roads. Part of the initiative would involve a traffic management system that would limit the number of vehicles on roads depending on the time of the day, introducing quick towing services and enacting the Road Safety Act.

The Road Safety Act is progressing more slowly than had been anticipated, due, in large part, to lengthy stakeholder engagement. There are 29 different stakeholders involved and decision-making is difficult because the Road Safety Act will have direct impact on several existing Acts. The Cabinet has directed that the roles and responsibilities of the various stakeholders should be looked at afresh, ensuring clear boundaries of accountability and ownership of projects.

Summary of NKRA Transport Scorecard

Qualitative Criteria (25%) 15%	Topline KPIs (50%) 30%	NKRA KPIs (25%) 19%
Final Score		64%



WATER NKRA



Hon. Prof. Jumanne Maghembe (MP)
Minister of Water

Foreword from The Minister

I am pleased to report that we have had a productive first year in the implementation of the Water National Key Result Area initiatives. Achievements in the rural water sector are changing the lives of Tanzanians, with over 2.36 million people gaining access to clean water last year. This was made possible by strengthening and refining the existing rural water component of the National Water Sector Development Programme (NWSDP), which was put in place to improve the state of Tanzania's water supply and sanitation.

In the inaugural year, the BRN delivery system has catalysed the creation of a culture that values problem-solving, a prerequisite for success. New methodologies have enabled all parties to focus on the most immediate issues, and to make decisions quickly and efficiently, informed by the latest data collected using new streamlined reporting processes. As we saw from the results of year 2013/14, a lot can be achieved and our commitment to you is that a lot more will be achieved by 2015/16.

EXECUTIVE SUMMARY

The Water NKRA aims to provide 30.6 million rural Tanzanians with access to clean water by 2015/16, reaching an overall coverage of 67% of the rural population from a baseline of only 40%. The goal for 2013/14 was to reach 54% coverage.

Figure 1 provides a summary of the Water NKRA initiatives.

67% WATER COVERAGE

1. PROJECTS

- Extend Coverage of Existing Infrastructure**
Connect villages to underutilised dams and tee-offs from Lake Victoria
- Rehabilitate Degrading Infrastructure**
Rehabilitate or replace obsolete, leaking and dysfunctional pipes and water pumps
- New Infrastructure Projects**
Completion of NWSDP Phase 1 projects and other new water schemes

2. OPERATIONS & MAINTAINANCE

- Finance Programme**
Mitigate the problem of insufficient funding
- Technical Programme**
Create district Centres of Excellence to improve technical aspects of rural water delivery
- Capabilities Programme**
Address shortage of resources with technical skills
- Process Programme**
Enforce the establishment of COWSOs to resolve problems associated O&M

3. ENABLERS

Streamlined and Integrated
Data Management

Improved and Optimised
Procurement

Performance Management
and Improved Delivery

Improved Delivery
Capability

FIGURE 1 Overview of Water NKRA

In the first year of BRN, the introduction of a more strategic, prioritised approach to water infrastructure projects provided more people with access to water in one year than ever before. The operationalisation of 9,452 additional water points meant that 2.36 million people in over 240 villages could now easily access water instead of having to walk for hours to the nearest functional water point. This represents a significant step change in performance compared to the previous annual achievement of reaching an additional 300,000 to 500,000 people on average. As a result, over half the rural population now has access to water compared to four out of 10 previously.

This was made possible by a number of systemic changes, including the accelerated procurement process put in place under BRN which has resulted in more contracts with larger impact being signed within 97 days, compared to 210 days previously.

A more efficient automated reporting mechanism has been established for tracking water points, which has

clarified targets, instilled ownership and provided a mechanism for accountability. It has also enabled the Ministry to adopt a more strategic approach to prioritising water infrastructure projects based on more sound data such as cost, impact and state of readiness, when fund disbursement did not fully meet needs.

Frequent problem solving sessions in the Ministry have been established to identify project implementation issues as they arise and take action, for example sending experienced engineers from the Ministry to the site immediately to help district engineers address design issues and to ensure the punctuality and quality of delivery.

In the coming year, the Ministry will build on the momentum established to ensure that by July 2015 the Water NKRA will have expanded water coverage to 71% of the rural population, equivalent to 29.3 million people and ensure sustainability by reaching 75% of total expenditure covered by tariff collections.



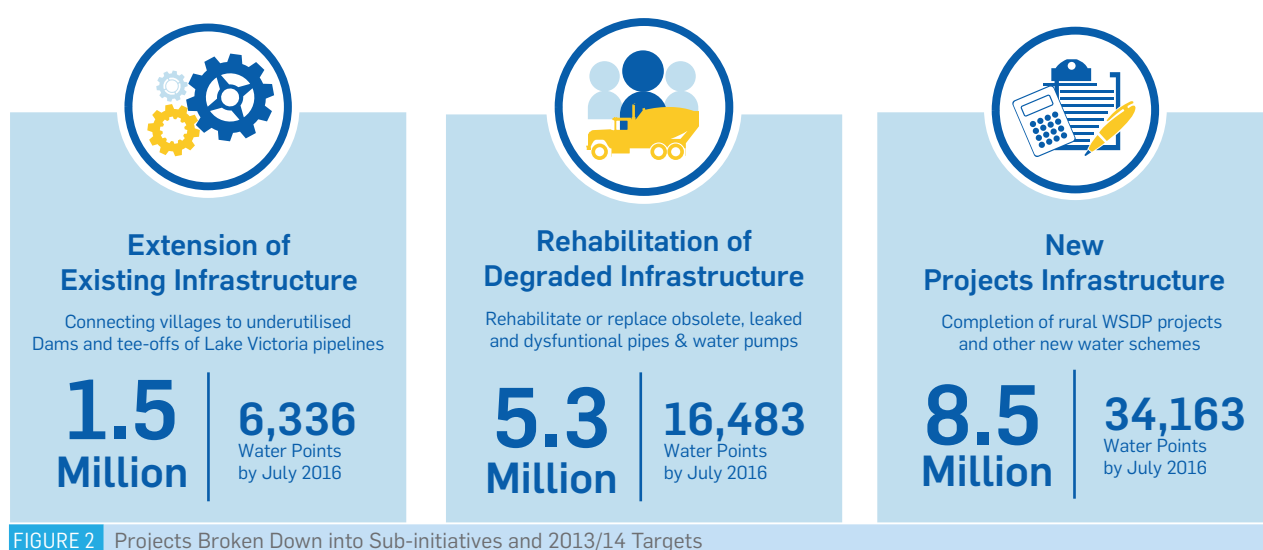
PHOTO Water project in Morogoro

NKRA INITIATIVES

Projects

This initiative aims to leverage the strength of existing high-impact projects, including 1,810 water projects nationwide that had already commenced in the first phase of the Water Supply Development Programme (such as the KASHWASA pipeline expansion and the 10-Village Programme).

In 2013/14, this initiative aimed to extend existing infrastructure to provide 759 Water Points¹, rehabilitate 6,017 dysfunctional Water Points, and complete new infrastructure projects to create 19,949 Water Points².



New infrastructure projects under the 10-Village Programme produced the most impact. In the first year, 8,458 new water points were installed, 974 non-functioning water point infrastructures were successfully rehabilitated, and activities to extend existing water infrastructure projects delivered 20 water points.

These projects resulted in access to clean water for an additional 2.36 million people during the first year, a significant increase over the previous average annual increase of 300,000 - 500,000 people.

The key to this progress was the Ministry's close monitoring of project implementation and mechanisms, in order to rapidly address issues as they arose. An improved weekly reporting mechanism was introduced at central and local government level, and the Ministry then held problem-solving sessions to address issues and take necessary action.

Furthermore, an accelerated procurement process was put in place in the first year, expediting turnaround time

by 70%. More contracts with larger impact were signed within 97 days, compared to the previous 210 days.

While progress has been significant, reduced funding has held back some of the intended 2013/14 construction projects. The Ministry of Water analysed the costs and benefits of the water projects affected, enabling it to strategically manage contract payments. Contracts close to completion and with larger community impact were given priority over those with limited impact. Prioritising water points near completion ensured that nearly 40% of the 2013/14 targets have been achieved.

This will be strengthened in 2014/15, with LGAs required to submit a prioritised list of projects based on criteria provided by the Ministry. The Water NKRA will also seek Public Private Partnership opportunities in addition to the current basket funding, which will decrease dependency on donors and bolster the long term sustainability of such projects.

1. MoW define KPI based on BRN 28 capped porehole projects and 12 underutilised dams projects awarded

2. MoW define KPI based on BRN 18 Kashiwasa, 7 national water projects (1 MAKONDE & 6 NWP2), 3 solar pump projects awarded



FIGURE 3 Prioritisation based on state of readiness

Enablers

Strong systems are required to ensure operations run effectively. The objective of the Enablers initiative is to drive and facilitate BRN project execution, and thus support both the Projects and the Operations and Maintenance initiatives. The 12 strategic Enabler sub-initiatives aim to cut down inefficiencies in the water sector by establishing processes that ensure a project can maximise data and resources, and adapt to challenges.

These sub-initiatives are divided into four categories: Streamlining and Integrating Data Management; Improving and Optimising Procurement; Performance Management and Improving Delivery; and Improving Delivery Capability.

In 2013/14, this initiative aimed to establish Integration Analysis by December 2013, ensure that 80% of projects were procured within the timeline, and establish the KPI system by September 2013.

The setup of the Integration Analysis was completed and has since improved management systems and water point mapping systems.

The target for projects procured within the timeline was nearly met, with 68% of water projects construction works procured within 97 days, compared the previous duration of 210 days.

There has been a marked increase in the function and efficiency of the procurement processes and reporting has been standardised for both consultants and contractors.

The KPI system was successfully established in the first year, complemented by the institutionalisation of monthly and weekly problem-solving meetings, which also monitor performance of on-going projects and thus instil accountability. By the end of 2013/14, these meetings were focused on prioritised issues, enabling faster decision-making.

Next year, the Water NKRA will enhance online reporting systems relevant to the Rural Water Sector, align relevant enabler programs with development partners, and continually improve the reporting processes to ensure consistent, accurate and updated reports on a weekly basis. The MDU will also ensure close follow-up on action items emerging from Steering Committee and problem-solving meetings.

Engineers Can Help to Deliver Water

"No country develops without engineers," says Eng. Goyagoya Mbenna, who since 2011 has been Principal Water Engineer at the Ministry in the Department of Rural Water Supply. He has spent much of his time reviewing and advising on water projects across the country. As part of the Ministry's efforts to increase efficiency, Eng. Mbenna has been reworking much of the project design that preceded him, from identifying technical faults to renegotiating contracts with consultants.

Under the Water NKRA, Eng. Mbenna has experienced positive change in work processes and in the attitude of the engineers. "There is an understanding that we need to move fast. There is a sense of patriotism emerging," he says. Their commitment and discipline are what he finds encouraging despite challenges in the sector. Working with regional and district engineers, he has observed a level of practical experience, and has been looking for new engineers who are genuinely dedicated to the profession.

"They have to be tough," says Eng. Mbenna. Working on the ground can involve going to rough and remote areas to find water sources and do surveys. He encourages young engineers not to focus on material things and good times, but to strive to become true specialists, learn all aspects of engineering, and do practical work.

Eng. Mbenna believes not only in the need to "transfer practical knowledge" to engineers, but also to continue urgent review of water projects. He is confident that the Water NKRA has accomplished what it has for this reason. Looking ahead, he cautions that in order to maintain progress made and also move the sector forward, the focus must be on quick action, value for money and quality of work, principles that are key to BRN.

Eng. Goyagoya Mbenna

Principal Water Engineer, Ministry of Water-Department of Rural Water supply

Operations & Maintenance (O&M)

This initiative ensures maintenance systems are in place to prevent functional water points and new water points from falling into disrepair. The repair or installation of equipment will be accompanied by capacity-building of local technicians. Community level activities under this initiative are to be managed by Community Owned Water Supply Organisations (COWSOs).

In 2013/14, the O&M initiative aimed to: ensure 50% of expenditure was covered by proper tariff collections; ensure 2,728 villages have operational COWSOs and notice boards; ensure the establishment of 36 operational Centres of Excellence (COEs); and recruit, train and deploy 144 additional technicians to service the infrastructure and prevent breakdowns.

Finance Programme Provide funds and financial management capabilities for the O&M sector	Aims to improve finance through efficient enforcement and collection of tariffs. In addition, this initiative also puts in place a system to ensure transparency in how the tariff income is spent.
Technical Programme Provide hardware and materials for O&M service in a timely manner	Aims to deploy caravans with maintenance equipment and technical expertise that travels from village to village for technical support. Aims to set up water centres for excellence in districts to help centralise the technical aspects of operations and maintenance of rural water delivery.
Capabilities Programme Provide skills and manpower of O&M	Aims to implement a programme that improves community capability by providing training. The goal of training across the country is to help these communities become self-sufficient, as local technicians develop the skills to support the management of water supply.
Process Programme Provide the efficient processes to get procedures done	COWSOs to be set up to address the issues faced by the rural water sector of non-existent spare parts procurement process and lack of monitoring and evaluation

FIGURE 4 Water NKRA — sub-initiatives of operations and maintenance

Finance Programme

Overall, achievements under the O&M initiative include a modest increase in relation to tariff collections, with 42% of expenditure covered by tariffs in comparison to 38% before BRN. This positive change is a result of the introduction of an average tariff of 20 TZS per 20 litres of water by high performing COWSOs. Contributing to this was the drive by LGA and MoW to train COWSO leaders in tariff collection, supported by efforts to increase awareness of the importance of consuming clean water so that more villagers realise the need to spend money on water. NGOs made an important contribution to the training of COWSO leaders in tariff collection and community organization financial management.

Capabilities Programme

To date, 235 COWSOs were established with the Ministry of Water to manage the respective community's water supply. The increase of COWSOs resulted in greater community empowerment. The Ministry took the first step of encouraging communities to register their COWSOs by training potential leaders on the process. However, the sustainability of this method of ensuring perpetual water supply in the community is highly dependent on the involvement of the communities in the management and maintenance of local infrastructure.

As a result of lack of funds allocated for this KPI, the COWSOs were not sufficiently trained in key operations (including financial management and basic technology

maintenance), so only about 40% are functioning properly.

Technical and Process Programme

Water Centres of Excellence to help centralise the technical aspects of operations and maintenance of rural water delivery have yet to be established, as there is a lack of (a) funds to procure spare parts, and (b) skilled local engineers and technicians to provide technical support. This issue was identified early in the project implementation timeline, and the decision was taken that the initiative should be taken up by a private entity as a more sustainable alternative to Government/Development Partner funding. The plan to privatise COEs will be a top focus in 2014/15.

The Water NKRA has worked hard to fill skill gaps in the maintenance and operation of water projects in order to improve delivery capacity. A plan for over 400 LGA hires (mostly District Engineers) has been approved, as well as capacity-building programs for existing officers, engineers and technicians at the district level.

In terms of training local engineers, 64 technicians were trained and deployed in year one to provide technical expertise in rural areas. However, this was not sufficient coverage for the rural area. To address the issue, the Ministry has been given the approval to hire 264 engineers, of which 127 will be dedicated to backfilling the skills shortage in rural areas next year.



COWSOs Bring Water and New Opportunities to the Kibaha Community

As chairperson of a new Community-Owned Water Supply Organisation (COWSO) in Kibaha district, Mwanaidi Nundu has been learning about what it means to be a part of the solution. Responsible for monitoring and overseeing water distribution, Ms. Nundu works with 14 other COWSO members, and says she is motivated by a sense of service to the community.

The COWSO has had some early successes, including the ability to pay for a guard and fuel for a local water point. But Ms. Nundu's work has come with challenges, as well. It has taken some time to help villagers adjust to changes in management of the water supply, changes that have come with costs to people accessing the water. However, Ms. Nundu and her peers have engaged in discussions with members of the community to help them understand the importance of their contribution to the operation and maintenance of water points. Other general challenges have included managing community relations in the event of technical breakdowns such as burst pipes, which can result in two or three days without water.

With 14 people involved in decision-making, it has not always been easy to come to agreements. Initial training has helped, and Ms. Nundu hopes to see more of this in the future, especially surrounding awareness and communication. She believes that the outlook is positive in Kibaha, and that skills in these two areas will ensure the COWSO's future success.

Mwanaidi Nundu
Chairperson COWOSO, Kibaha District





Transformation in Water Administration is Changing People's Lives

Gertrude Mapunda Kihunrwa, a Social Development Adviser with the U.K.'s Department for International Development (DFID), sees a transformation underway in Tanzania's water sector as well as the vast amount of work still needed to deliver water to rural population.

The Water NKRA, she says, has built on activities that were already being carried out under the WSDP. What BRN has done is drive the progress forward from several angles. Stakeholders have had to review the design of the programme, re-prioritise activities and improve on the work culture and processes.

"There has been a lot of unblocking," she says, noting the need to tackle the challenges that result in delays. In the area of procurement, there has been ongoing effort to review existing contracts and speed up recruitment of suitable experts. When it comes to accountability, performance management has been a key focus in transforming the work culture.

The changes thus far have been encouraging. "I see improvement every day," she says. "People for the most part are committed to making change. They are enthusiastic, working and delivering," she adds.

Ms. Kihunrwa has no rose-coloured view of the work still ahead. "We are still at the early stages," she says, adding that a recurrent budget and a mechanism to monitor performance are paramount. However, she sees real potential for change. Where Water NKRA activities have been successful, the results are inspiring.

"The places we go where water has become available... you see vibrancy. Small towns emerge from rural villages," she says. The effects of a reliable water supply are far-reaching – clean, safe water helps in poverty reduction, hygiene and sanitation, and therefore public health. On the whole, she says, "People's lives change."

Gertrude Mapunda Kihunrwa
Social Development Advisor, DFID, Dar es Salaam



Summary of NKRA Water Scorecard

Qualitative Criteria (25%) 20%	Topline KPIs (50%) 38%	NKRA KPIs (25%) 22%
Final Score		80%

THIRD PARTY VALIDATION REPORTS

THIRD PARTY VALIDATION REPORTS

The BRN Delivery Methodology calls for the discipline to independently review both qualitative and quantitative implementation results achieved every year. This third party review evaluates the institutionalisation of the delivery system and ensures results reported are accurate for continuous performance improvement in delivering the set objectives. On the quantitative aspect, PricewaterhouseCoopers was engaged to conduct a series of Agreed-Upon Procedures (AuP) and specific tests to review reported results for the KPIs. On the qualitative aspect, the Independent Review Panel comprising individuals with distinguished backgrounds and expertise were convened by the President. The Panel was tasked to provide an objective, external perspective on BRN's methodology, strategic direction and implementation progress for the year in report.

SUMMARY OF RESULTS ON KEY PERFORMANCE INDICATORS (KPIs) AND QUALITATIVE IMPACT ASSESSMENT OF THE BIG RESULTS NOW! (BRN) PROGRAMME FOR THE YEAR ENDED 30 JUNE 2014



By PricewaterhouseCoopers

Verification of achievements/results for the National Key Result Areas (NKRAs) for the financial year ended 30 June 2014

A core tenet of the President's Delivery Bureau (PDB) under the BRN Initiative responsibility is and continues to be transparency and accountability and this is reflected in the release of its Annual Report.

In this report, 2013/14 results against annual Key Performance Indicators (KPIs) in each National Key Results Area (NKRA) Initiative are reported in full. PDB endeavoured to ensure the collection and tabulation system is transparent and stringent. Extensive rigour has been put into confirming the collection of data, tabulations of statistics and that results are accurate.

To this end, PDB engaged PricewaterhouseCoopers Tanzania (PwC), an independent professional services firm, to conduct a series of Agreed-Upon Procedures (AuP), specific tests and procedures to review reported results for the KPIs announced. These procedures were applied to a sample taken from the KPIs of each NKRA for the financial year ended 30 June 2014. The respective calculations were also checked against guidelines and formulae originally developed in the NKRA labs, and prescribed by PDB.

Over the course of this exercise, PwC's findings highlighted exceptions on the sample selected, which were subsequently addressed and reflected in this Annual Report. PwC confirms that the results reported in the Annual Report have been validated according to the Agreed-Upon Procedures.

Qualitative impact assessment of the BRN programme for the year ended 30 June 2014

The aim of this qualitative assessment of the institutional changes is to address the overall question: What signs are there that the BRN initiative is successfully changing 'business as usual'?

We recognise that the BRN initiative requires a significant shift in mindset which will create the platform from which the desired change can be attained. Coordinated planning and related budget alignment to meet the financial requirements of the initiative will enhance its progress by creating a shared vision and thus embed accountability at all levels of government. Such a cultural change takes time to build the critical mass towards the goal of normalisation of behaviour consistently.

Based on our review, we have noted challenges in the first year of implementation of the BRN initiative which include: Time-lag in the institutional set-up of the President's Delivery Bureau and the Ministerial Delivery Units including related staffing; Lack of sufficient financing to fund operational objectives; Monitoring and reporting (including data collection) challenges by the related responsible arms of government; and progressive absorption of the desired shared vision. These have had a slowdown effect on qualitative and quantitative elements of the initiative.

Based on our findings and conclusions there are a number of signs that the BRN initiative over its first year of implementation is successfully changing 'business as usual'.

For example:

- Enhanced understanding and clarity across different levels of government as to (i) priority sectors and (ii) results targeted within these key resource areas;
- Increase in focus for obtaining human and financial resources for the BRN framework and BRN projects across the Government and within the Ministries;
- Increased focus on monitoring of results information, improved mechanisms for collecting, relaying and collating data, and information analysis and use of this to improve delivery performance;
- Facilitation in resolving some of the bottlenecks in the implementation of BRN projects;
- Enhanced accountability within Ministries and with local government/regions with improved focus on delivery of results; and
- High level oversight particularly through the

Transformation and Delivery Council (TDC), and the National Key Results Area (NKRA) Steering Committees combined with the increasing strength of the President's Delivery Bureau (PDB) and the Ministerial Delivery Units (MDUs).

We have also noted successes achieved in the first twelve months of the BRN initiative which include: Increased delivery on planned projects across the six (6) NKRA's; Increased focus on coordinated planning; Progressive buy-in from the technocratic class (civil service) who are the key buyers/implementers of this initiative; continued entrenchment; and perception change of PDB's role amongst others.

Yours sincerely,

Nelson Msuya
Director

INDEPENDENT REVIEW PANEL

The BRN Independent Review Panel met in Dar es Salaam, at the Bank of Tanzania Conference Centre from 15 - 16 January 2015 to review the implementation of the BRN programme during the first year of operations.

The Panel received presentations from the CEO of the PDB, the PwC team who conducted the AuP exercise on the results of the initial year of BRN implementation and six Ministers responsible for the respective NKRA's.

Independent Review Panel Views

This report is based on the documents sent to us in advance of our arrival in Dar es Salaam, the presentations during the session, and the explanations in response to Panellists' questions following those presentations. While we could not carry out an audit of the statements so made, we believe we have understood the programme well enough to provide an opinion on its prospects to deliver what the Government is setting out to achieve.

Summary of findings

This programme represents a key effort in putting in place a best practice system for a transformational change in the way the government operates. Putting in place key objectives, backing them up by performance indicators, ensuring appropriate surveys and data, conducting rigorous follow-ups and ensuring full transparency will be key to its impact.

Reflecting on the day's discussions and the information provided on BRN, the Panel has a clear view that this

programme offers the opportunity over time to bring about fundamental improvements in the development programme in Tanzania. As the programme has only been in operation for little more than a year, the Panel recognises that a lot of start-up issues have been faced which should not be allowed to undermine continued implementation. As noted by the Independent Auditors the programme is presenting the opportunity to improve public sector reforms with greater focus on prioritisation, accountability and results.

In reviewing progress in the first year, the Panel noted that none of the sector programmes could address all the constraints faced in those programmes at this early stage. While it endorses the pragmatism of some of the programmes in focusing on "easy wins", over time the Panel thinks it would be prudent to put an appropriate focus on activities that will secure large and more sustainable gains.

The programme has made a significant commitment to transparency and the Panel supports this. In deciding new BRN priorities, listening to and responding to

Members of the IRP



H.E. Festus Mogae
Former President of the
Republic of Botswana



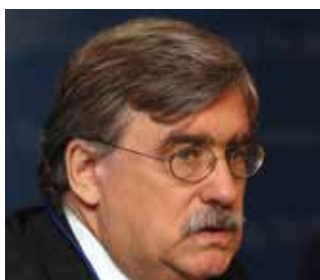
Linah Mohohlo
Governor, Bank of Botswana



Lord Peter Mandelson
Chairman, Global Counsel



Dr Nkosana Moyo
Founder, Mandela Institute for
Development Studies



James Adams
Former Vice President,
World Bank



Siphso Moyo
Executive Director, ONE Africa



Knut Kjaer
Chairman, Trident
Asset Management

civil society and all relevant stakeholders will be an important component for the programme. The Panel also feels that the present proposals for dissemination of the results of the programme are an important step forward and would underline the importance of sustaining this emphasis on transparency.

The Panel appreciated the frankness with which some of the weaknesses of the programme were discussed and hopes that the recommendations above can be helpful in addressing those weaknesses.

The Panel noted that in some areas, good data was available and it was easy to put in place concrete tests of performance. However, the Panel noted that in other areas data was not available and would recommend that a concerted effort be made to put in place systems to collect the data necessary to enable the Government and other stakeholders to monitor implementation of the programme. Using new technologies as appropriate will facilitate this task.

The Panel emphasised that sustaining the programme is critical to its full impact. In particular the Panel underlined the importance that the programme continue to be supported by future Governments. At the same time the Panel recognises that the programme is not all-inclusive and that there will be legitimate questions and concerns about high priority areas with problems and issues where attention is required.

The Government indicated that the next wave of BRN includes improving the business environment and inculcating sound principles of governance. This is indispensable if Tanzania is to secure its desired economic growth and successfully integrate into the international economy. The Panel strongly endorses these priorities and underlines the key importance of the Government's efforts to combat corruption at all levels of government and provide stronger support for private sector development.

APPENDIX

NKRA AGRICULTURE

Scorecard

KPI	Baseline	Actual Achievement	Target	Achievement	Weight
1. Assessment of Qualitative Criteria					25%
A1.1 Qualitative Assessment of NKRA	-	20	25	80%	
AVERAGE SCORE				80%	
WEIGHTED AVERAGE				20%	
2. Topline KPIs					50%
T1 Increased Yields for Rice	4	N/A	6	N/A	
T2 Increased Area of Commercial Farm Land (Cumulative)	0	83,601	100,420	83%	
AVERAGE SCORE				83%	
WEIGHTED AVERAGE				42%	
3. NKRA KPIs					25%
Initiative 1: Commercial Farming Deals				63%	
Initiative 2: Smallholder Rice Irrigation and Warehousing Schemes				57%	
Initiative 3: Collective Warehouse Based Marketing Schemes				63%	
AVERAGE SCORE				61%	
WEIGHTED AVERAGE				15%	
Final Score (100%)				77%	

NKRA EDUCATION

Scorecard

KPI	Baseline	Actual Achievement	Target	Achievement	Weight
1. Assessment of Qualitative Criteria					25%
A1.1 Qualitative Assessment of NKRA	-	20	25	80%	
AVERAGE SCORE				80%	
WEIGHTED AVERAGE				20%	
2. Topline KPIs					50%
T1 % Pass Rates in the National PSLE exam	31%	50.61%	60%	84%	
T2 % Pass Rates in the National CSEE exam	43%	58.21%	60%	97%	
AVERAGE SCORE				91%	
WEIGHTED AVERAGE				45%	
3. NKRA KPIs					25%
Initiative 1: STEP Primary				31%	
Initiative 2: STEP Secondary				66%	
Initiative 3: 3R Assessment				100%	
Initiative 4: 3R Teacher Training				N/A	
Initiative 5: Official School Ranking				100%	
Initiative 6: School Incentives Scheme				95%	
Initiative 7: School Improvement Toolkit				85%	
Initiative 8: Basic Facility Construction				17%	
Initiative 9: Capitation Grants				32%	
Initiative 10: Teacher Motivation				53%	
AVERAGE SCORE				64%	
WEIGHTED AVERAGE				16%	
Final Score (100%)				81%	

NKRA ENERGY

Scorecard

KPI	Baseline	Actual Achievement	Target	Achievement	Weight
1. Assessment of Qualitative Criteria					25%
A1.1 Qualitative Assessment of NKRA	-	10	25	40%	
AVERAGE SCORE				40%	
WEIGHTED AVERAGE				10%	
2. Topline KPIs					50%
T1 Increase Annual Energy Delivery to Tanzania (Consumption) (Annual Energy Produced - Losses) / Population of Tanzania (as per NBS)	97	105.8	102	100%	
AVERAGE SCORE				100%	
WEIGHTED AVERAGE				50%	
3. NKRA KPIs					25%
Initiative 1: Energy Delivery				91%	
Initiative 2: Project Delivery (Generation)				100%	
Initiative 3: Project Delivery (Transmission)				28%	
Initiative 4: Sector Structure				80%	
AVERAGE SCORE				75%	
WEIGHTED AVERAGE				19%	
Final Score (100%)				79%	

NKRA RESOURCE MOBILISATION

Scorecard

KPI	Baseline	Actual Achievement	Target	Achievement	Weight
1. Assessment of Qualitative Criteria					25%
A1.1 Qualitative Assessment of NKRA	-	10	25	40%	
AVERAGE SCORE				40%	
WEIGHTED AVERAGE				10%	
2. Topline KPIs					50%
AVERAGE SCORE				50%	
WEIGHTED AVERAGE				25%	
3. NKRA KPIs					25%
Initiative 1: Tax Revenue				99%	
Initiative 2: Non-Tax Revenue				33%	
Initiative 3: Project Funding				89%	
AVERAGE SCORE				74%	
WEIGHTED AVERAGE				18%	
Final Score (100%)				54%	

NKRA TRANSPORT

Scorecard

KPI	Baseline	Actual Achievement	Target	Achievement	Weight
1. Assessment of Qualitative Criteria					25%
A1.1 Qualitative Assessment of NKRA	-	15	25	60%	
AVERAGE SCORE				60%	
WEIGHTED AVERAGE				15%	
2. Topline KPIs					50%
T1 Throughput Capacity at Dar es Salaam Port	12	14.26	13	100%	
T2 Freight Capacity Transported by TRL	0.20	0.154	0.20	77%	
T3 Average Travel Time (Hours) of Trucks from Dar es Salaam Port to Mwanza, Rusumo and Kabanga	84	119	76	0%	
AVERAGE SCORE				59%	
WEIGHTED AVERAGE				30%	
3. NKRA KPIs					25%
Initiative 1: Ports				75%	
Initiative 1: Railway				92%	
Initiative 1: Roads				62%	
AVERAGE SCORE				76%	
WEIGHTED AVERAGE				19%	
Final Score (100%)				64%	

NKRA WATER

Scorecard

KPI	Baseline	Actual Achievement	Target	Achievement	Weight
1. Assessment of Qualitative Criteria					25%
A1.1 Qualitative Assessment of NKRA	-	20	25	80%	
AVERAGE SCORE				80%	
WEIGHTED AVERAGE				20%	
2. Topline KPIs					50%
T1 % of Population Covered	40%	50.7%	52%	89%	
T2 Number of People in Rural Areas Provided with Water Access (Millions)	15.20	17.563	18.4	74%	
T3 % of Expenditure Covered by Tariff Collections	38%	42%	44%	67%	
AVERAGE SCORE				77%	
WEIGHTED AVERAGE				38%	
3. NKRA KPIs					25%
Initiative 1: Project-based Initiatives				92%	
Initiative 2: Sustainability Initiatives				70%	
Initiative 3: Enablers				96%	
AVERAGE SCORE				86%	
WEIGHTED AVERAGE				22%	
Final Score (100%)				80%	

GLOSSARY

3R	Reading, Writing, and Arithmetic	KASHWASA	Kahama Shinyanga Water Supply and Sewerage Authority
AMR	Automatic Meter Reader	KIA	Kilimanjaro International Airport
ANSAF	Agricultural Non-State Actors Forum	KPI	Key Performance Indicator
BEE	Bagamoyo Eco Energy	kWh	Kilowatt hours
BMGF	Bill and Melinda Gates Foundation	LGAs	Local Government Authorities
BRN	Big Results Now!	MAFC;	Ministry of Agriculture, Food and Cooperatives
CCROs	Certificates of Customary Right of Occupancy	MDAs	Ministries, departments and agencies
CFL	Compact Fluorescent Light	MDU	Ministerial Delivery Unit
COWABAMA	Collective Warehouse-Based Marketing Schemes	MEM	Ministry of Energy and Minerals
COWSO	Community Owned Water Supply Organisation	MIT	Ministry of Industry and Trade
CSEE	Certificate of Secondary Education Examination	MLHSD	Ministry of Lands, Housing and Human Settlement Development
DFID	Department for International Development UK	MoE	Ministry of Education
DITS	Department of Irrigation Technical Services	MOF	Ministry of Finance
DLUP	Department of Land Use Planning	MoU	Memorandum of Understanding
DSM	Demand Side Management	MoW	Ministry of Water
DSMPort	Dar es Salaam Port	MT	Metric tons
EAC	East African Community	MVIWATA	Mtandao wa vikundi vya Wakulima Tanzania
ECTS	Electronic Cargo Tracking System	MW	Megawatt
EGMA	Early Grades Math Assessment	NARCO	National Ranching Company
EIA	Environmental & Social Impact Assessment	NECTA	National Examination Council of Tanzania
EPP	Emergency Power Producer	NKRA	National Key Result Area
ESI	Electricity Supply Industry	NSSF	National Social Security Fund
GDP	Gross Domestic Product	NWSDP	National Water Sector Development Programme
GWh	Gigawatt hours	O&M	Operations & Maintenance
ha	Hectares	OSIS	One Stop Inspection Station
ICB	Investors Complaints Bureau	PBWB;	Pangani Basin Water Board
IECDB	Import-Export Commodity Database	PDB	President's Delivery Bureau
IMTC	Inter-Ministerial Technical Committee	PMO	Prime Minister's Office
IO	Irrigators Organisation	PMO-RALG	Prime Minister's Office – Regional Administration and Local Government
IPP	Independent Power Producer	POPC	President's Office - Planning Commission

PPP	Public Private Partnerships	TDC	Transformation and Delivery Committee
PSLE	Primary School Leaving Examination	TDC	Transformation Delivery Council
RAHCO	Railway Assets Holding Company	TIB	Tanzania Investment Bank
RBWB;	Rufiji Basin Water Board	TIC	Tanzania Investment Centre
RUBADA	Rufiji Basin Development Authority	TPA	Tanzania Ports Authority
SAGCOT	Southern Agriculture Growth Corridor of Tanzania	TPDC	Tanzania Petroleum Development Corporation
SEDP	Secondary Education Development Programme	TR	Treasury Registrar
SOP	Standard Operating Procedure	TRA	Tanzania Revenue Authority
STEP	Student Teacher Enrichment Programme	TRL	Tanzania Railways Limited
TAHA	Tanzania Horticultural Association	TZS	Tanzanian Shilling
TAL	Tanzanite Africa Limited	UDSM	University of Dar es Salaam
TANESCO	Tanzania Electric Supply Company	UNDP	United Nations Development Programme
TANROADS	Tanzania National Roads Agency	USAID	United States Agency for International Development

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