



Country Strategy for
Development Cooperation with

TANZANIA 2014–2017

Contents

1. Executive Summary: TANZANIA	5
2. Country Analysis	6
2.1 Political, Economic and Social Development	6
2.2 Development Scenarios for the Country	7
3. Development Context	8
3.1 National Development Framework; Donor Harmonisation and Division of Labour	8
3.2 Status of Human Rights Based Approach and the Three Cross-Cutting Objectives of the Finnish Development Policy	10
4. Finnish Cooperation to Date and Lessons Learned	11
4.1 Finnish Cooperation to Date and Contribution to Country Level Results	11
4.2 Aid Effectiveness: Key Lessons and Recommendations for Finland	12
5. Objectives of the Finnish Development Cooperation with Tanzania	13
5.1 Country Development Goal	13
5.2 Country Development Results and Finland's Strategic Choices	13
5.3 Finland's Objectives	15
5.4 Human Rights Based Approach and the Three Cross-Cutting Objectives of the Finnish Development Policy as Part of the Country Strategy	19
5.5 Poverty Reduction as Part of the Country Strategy	20
6. Management of Strategy And Programme Implementation	21
6.1 Partnerships	21
6.2 Aid Modalities, Implementation and Aid Effectiveness	22
6.3 Main Fora of Political and Policy Dialogue	22
6.4 Internal Management Arrangements	23
7. Strategic Steering	24
7.1 Monitoring and Reporting of Results at Country Level, and of Finland's Performance	24
7.2 Risk Management	24
8. Tentative Financing Plan (Budget)	26

Abbreviations

AFDB	African Development Bank
BRICS	Brazil, Russia, India, China and South Africa
CC	Climate Change
CCM	Chama cha Mapinduzi (Party of the Revolution)
COSTECH	Comission of Science and Technology
CPI	Corruption Perceptions Index
CSO	Civil society organisation
DPs	Development partners
EAC	East African Community
EC	European Council
EITI	Extractive Industries Transparency Initiative
EU	European Union
FAO	Food and Agriculture Organization (UN)
FINNFUND	Finnish development finance company
FINNPARTNERSHIP	Business partnership support programme
FYDP	Five Year Development Plan
GBS	General Budget Support
GDP	Gross Domestic Product
GNU	Government of National Unity
GoT	Government of Tanzania
GWG	Governance Working Group
HOMs/HOCs	Heads of missions/Heads of cooperation
HRBA	Human rights based approach
ICI/HEI-ICI	Institutional Cooperation Instruments
ICT	Information and communications technology
IFI	International Financing Institutions
ILO	International Labour Organization
IMF	International Monetary Fund
JAST	Joint Assistance Strategy
LCF	Local Cooperation Fund
LGA	Local Government Authority
MDG	Millennium Development Goal
MFA	Ministry for Foreign Affairs
MP	Member of Parliament
MKUKUTA	National Strategy for Growth and Reduction of Poverty
MKUZA	Zanzibar Strategy for Growth and Reduction of Poverty
NAFORMA	National Forestry Resources Monitoring and Assessment
NGO	Non-governmental organisation

TANZANIA

ODA	Official development aid/assistance
OECD	Organisation for Economic Cooperation and Development
PAF	Performance Assessment Framework
PMO -RALG	Prime-Minister's Office, Regional and Local Government
REDD	Reducing Emissions from Deforestation and Forest Degradation
R&D	Research and development
UK	United Kingdom
UN	United Nations
UNDP	United Nations Development Programme
WB	World Bank

1 Executive Summary: TANZANIA

Tanzania has the potential for unforeseen economic growth in the next decades, stimulated by the extraction of newly found natural resources, especially offshore gas. According to its Development Vision, Tanzania makes use of its own resources to eradicate poverty and reduce aid dependency and to become a middle-income country by 2025. At the same time, the challenge is to provide employment for the rapidly increasing population.

This process of economic growth requires structural transformation. Tanzania's key challenges in this process are how to 1) translate economic growth into overall development; 2) safeguard sustainable use of natural resources for the benefit of all and tackle the consequences of climate change; 3) foster a democratic, equalitarian society, a vibrant civil society and private sector, and effective service delivery and local production.

Many Tanzanians still live below the poverty line. Cooperation with development partners - including Finland - in the transformation is important for Tanzania. Finland and Tanzania share a long history - Tanzania is Finland's longest-standing development partner and one of the largest recipients of Finnish development aid. Tanzania's prospects for positive economic growth provide opportunities to transit gradually from aid-based cooperation towards more broad relations, including trade, economic cooperation, research and culture.

Finland will contribute towards Tanzanian development by promoting and strengthening: 1) good governance and equitable service delivery; 2) sustainable management of natural resources; and 3) promotion of inclusive, sustainable and employment enhancing growth. This Country Strategy (CS) approaches the promotion of human rights from a broad perspective. Its overall thrust is to promote the rights and access of people to land, natural resources, food, decent livelihoods, employment as well as basic services. Equity and climate change issues are interlinked, as the poorest are also the most vulnerable to suffer from changed climate. This Strategy enhances openness in natural resources management and thus increases people's awareness and rights. It also aims to enhance the rights and status of women and youth, minorities, people with disabilities and other marginalised groups through dialogue and targeted interventions. Special attention will be paid to gender equality and the status of women. At the same time, good governance and the rule of law will be promoted and domestic revenue collection strengthened by means of political dialogue and specific interventions. Budget support will continue focusing on important sectors such as education. In addition there are interventions in the forest, agriculture and ICT-sectors that support skills enhancement, and improve the employability of project target groups.

The most important changes in the country programme for 2014-2017 are: a stronger focus on human rights, democracy, good governance and openness; and enhanced effectiveness and more sustainable results i.a. by means of reduction of fragmentation. The number of interventions will be reduced significantly by 2016, programme coherence will be increased and more strategic synergies will be created. The objective is also to create more broad-based partnerships between Finland and Tanzania.

2 Country Analysis

2.1 POLITICAL, ECONOMIC AND SOCIAL DEVELOPMENT

The past ten years have witnessed rapid political, economic and social development in Tanzania, which shows, for example, 7 percent annual **economic growth**. Measured by the Human Development Index, Tanzania is one of the world's fastest developing countries. However, it is still **among the least developed countries** in the world. 75% of Tanzanians still earn their living from small-scale subsistence agriculture and forestry, which contributes less than 25% of the GDP. Among the biggest problems of the rural poor and a key constraint for Tanzania's economic growth is insecure land tenure. Land use plans that would bring some security are largely non-existent and where they exist, they are usually not implemented. Similar lack of management plans applies to forestry - it is estimated that 85% of Tanzania's forest are under the so-called "open access"¹ regime without any management plans. This has led to a waste of resources.

Tanzania's progress in achieving the MDGs has been uneven. Tanzania is on track in attaining the MDGs related to child mortality, gender equality and access to primary education, although there are concerns about the quality of education. Tanzania is behind in other MDGs, especially reducing maternal mortality is a serious problem.

Tanzania has enjoyed considerable **political stability** with de facto one-party, CCM, dominance for the past 50 years. The country has avoided civil wars and political upheavals that have caused problems in its neighbouring countries. The last general elections (2010), however, saw increasing political competition where the leading opposition party, Chadema, emerged as a credible competitor to the CCM, especially in important urban areas.

This trend of tight political competition has continued in the subsequent by-elections and it has been coupled with increasingly active Parliament that demands for **accountability on public expenditure** on the basis of tight scrutiny of Controller Auditor General's reports. The coming years are likely to continue politically very interesting; the constitutional reform process and the 2015 general elections are important milestones in Tanzania's development in the near future. The state of the Union between mainland and Zanzibar is also all but clear. Separatist movements are gaining strong support again and although the Government of National Unity (GNU) is a stabilizing force, it also leaves room for new political/religious forces - even radical movements- to arise in the absence of proper opposition. Presence of elements of terrorism networks is unfortunately also the case of Tanzania today. The threat of terrorism acts is not that high as e.g. in Kenya, but it is a growing threat. Maintaining stable democratic development, peace and security are core priorities for Tanzania's future.

¹ Open access: specific rights are not assigned to anyone and no-one can be excluded. Most government-owned forests are open access areas as the government is de facto not able to enforce the tenure.

2.2 DEVELOPMENT SCENARIOS FOR THE COUNTRY

Tanzania's vision (Development Vision 2025) is to become a middle-income country of diversified and semi-industrialised economy with substantial industrial sector comparable to typical middle income countries and little dependence on external funding. The positive trajectory of economic growth is based on increased domestic financing and revenues from natural resources, a growing urban middle class that will finance key infrastructure investments, and the expansion of basic service delivery. Despite a positive economic outlook, domestic revenue collection remains a challenge. A better business environment is required to support the growth of private sector and to generate jobs for the rapidly growing young population.

The main challenge is how to make growth more inclusive and environmentally and socially sustainable. The key risks are interlinked and include rapid population growth affecting especially urban areas, unplanned and non-transparent exploitation of natural resources, low industrial and agricultural productivity and unequal and inefficient provision of basic services. Failure in coping with these challenges would lead to an increasing number of poor people and widening inequities.

The Tanzanian Government has committed itself to improve accountability and transparency of the governance systems, to foster socially and environmentally sustainable economic growth, to reduce poverty and the standard of living and social welfare of the Tanzanian people. The economic benefits from non-renewable natural resources, especially gas, will be huge, but they will materialize only after 10 years. The next five to ten years will be critical for Tanzania to prepare for the benefits of its natural assets. The key question, then, is whether Tanzania has the patience to prosper and avoid the resource curse and develop local content. This requires i.a. improved transparency in the natural resources sector and public financial management, avoiding social and environmental destruction and degradation in natural resource extraction, development of other sectors of the economy before the gas money will start flowing in, development of an enabling environment for private businesses to develop, and provision of employment opportunities for growing younger generation.

3 Development Context

3.1 NATIONAL DEVELOPMENT FRAMEWORK; DONOR HARMONISATION AND DIVISION OF LABOUR

Tanzania's national development plan is based on two frameworks. Firstly, the National Growth and Poverty Reduction Strategy II 2010-2015 (MKUKUTA II) and the Zanzibar Strategy for Growth and Reduction of Poverty II 2010-2015 (MKUZA II), and secondly, the Five Year Development Plan (FYDP 2011/12-2015/16). The Tanzanian government has further launched a Big Results Now -initiative (BRN) which prioritizes parts of the country development strategy for rapid action. Development partners (DPs) base their cooperation with the Government of Tanzania (GoT) on MKUKUTA II and MKUZA II. MKUKUTA II is a continuation of the previous poverty reduction strategy and functions as a basis for general budget support as well as for organisation and division of labour between the DPs. MKUKUTA is divided into three clusters I) Growth and reduction of income poverty, II) Quality of life and social well-being, and III) Good governance and accountability.

The first Five Year Development Plans aims at accelerating economic growth. The core priorities of the FYDP are:

1. Infrastructure, and in particular large investments in energy, transport, water and sanitation and ICT;
2. Agriculture, focusing on the transformation of agriculture for food self-sufficiency and export;
3. Industrial development specifically targeting industries that use locally produced raw materials;
4. Human capital and skills development, with an emphasis on science, technology and innovation; and
5. Tourism, trade and financial services.

The strategies form an important basis for cooperation and together they provide the overall framework for Tanzania's poverty reduction efforts. MKUKUTA was designed through a more consultative process than the FYDP and the Development Partners in particular played a big role in its preparation. MKUKUTA has nine broad outcomes, 16 goals, 84 operational targets and 429 cluster strategies and thus, it is less clear in prioritising than FYDP. Taking into account the complexity and scale of the development goals it may not be realistic to achieve them within the set timeframe.

In the 2000's, Tanzania has performed well in various governance and corruption indexes. It has consistently done better than Finland's other long-term partner countries and most East African countries. In 2013, its score dropped both in the Ibrahim Index of African Governance (IIAG) and in the Corruption Perception Index (CPI). In IIAG, Tanzania's score was 56,9/100, 17th best out of 52 African countries and still above East African average score. In 2014 Tanzania's score however improved to 58,2/100, which places it 15th best among the 52 countries. In CPI, Tanzania's score dropped from 25 in 2012 to 35, placing the country on the 111. place out of 177 countries. Tanzania still performed better than many neighbouring countries. The most corrupt institutions are the police and judiciary.

Tanzania aims to reduce its aid dependency. ODA/GDP ratios have dropped significantly in the past few years. In the 2012/13 budget, the share of ODA is approximately 20% of the total revenues and 8% of GDP. Tanzania's own revenue generation has increased rapidly but at 17% of GDP the revenue is still behind the desired level of 25%.

General Budget Support (GBS) has been the biggest form of aid in Tanzania, totalling about EUR 500 million in 2013. The need for GBS may decline in the next ten years as Tanzania obtains more domestic and external resources. Evaluation of Budget Support in Tanzania (2005-2012) showed that Budget Support had made significant contributions to improve education, health and financial management standards in the country.

The key donors in Tanzania have traditionally been the USA, the World Bank, Japan, AfDB, UK, EC, IMF, the Netherlands, Sweden and Norway. However, in the last five to ten years, BRICS countries have played an increasingly important role in Tanzania's development by bringing in investments and trade. This - combined with Tanzania's own increasing revenues from natural resources - means that Finland together with other "traditional" development partners will have to find new and innovative ways of cooperation with Tanzania. This could include political dialogue together with BRICS and inviting the new donors into the aid coordination structures. At the same time, there is a growing need and demand to move into new, equal and mutually valuable partnerships in economic cooperation as well in academic, scientific and cultural exchange.

Tanzania has a long history of promoting aid effectiveness and country driven development agenda. After 2005, the use of budget support and sector programmes increased rapidly. According to the OECD DAC 2011 survey, the GoT and donors have taken big steps towards the implementation of the global aid effectiveness agenda. Especially Tanzania's development strategies have improved since 2005. However, progress in alignment has been inconsistent and little headway has been made in harmonisation. In the past couple of years, there has been a move towards project-based development cooperation and many development partners, including Finland, have failed to concentrate their efforts on three sectors. Cooperation between DPs and the GoT is defined in a joint agreement on the division of labour, which follows the structure of MKUKUTA II. Currently, the cooperation framework comprises three MKUKUTA clusters and 25 sector working groups. Finland is a member in eleven groups. Tanzania has been one of the pilot countries in harmonisation. However, problems in the course of the process have sometimes resulted in frustration both in the Government and on the DP's side. The GoT and the DPs are, however, still firmly committed to harmonised development cooperation in Tanzania. A new Joint Assistance Strategy (JAST) is under preparation. The division of labour is expected to be revised in the JAST. Finland participates in the joint EU programming process in Tanzania that started in 2013.

The sector working groups convene in annual National Policy Dialogue and Budget Support review. For these meetings, each sector conducts its own review on the basis of a jointly agreed monitoring framework and defines new objectives and indicators for the next year. At the Budget Support Review level, the key objectives, policy actions and outcome indicators are included in the Performance Assessment Framework (PAF) that serves as an overarching frame for monitoring progress and for policy dialogue between the GoT and the DPs.

Finland is a chair of the budget support group in 2014. It continues to be a key donor in its priority sectors and holds chair positions in several relevant working groups.

3.2 STATUS OF HUMAN RIGHTS BASED APPROACH AND THE THREE CROSS-CUTTING OBJECTIVES OF THE FINNISH DEVELOPMENT POLICY

The biggest human rights challenges in Tanzania lie in the field of economic, **social and cultural rights**; approximately 30% of the population still live in absolute poverty. The masses' right to benefit from the exploitation of the vast natural resources is essentially a human rights issue.

As regards civil and **political rights and freedoms** in Tanzania, the main concerns are an inefficient and corrupt judicial system and extra-judicial killings and violence. Also, **the rights of vulnerable groups**, especially children and women, indigenous peoples, sexual minorities and people with disabilities, are lacking behind. A worrying trend in Tanzania is the harassment and intimidation of human rights defenders, activists and journalists. While the **media** enjoys a relatively free operating environment, the legislation allows restrictions on their operations.

Equity has been one of the main topics in the annual budget support reviews between the GoT and the DPs. However, there has been limited progress and despite prioritisation in MKUKUTA, inequities in budgetary allocations to districts have not decreased.

Gender equality is a cross-cutting issue in the national policies but it is mostly mentioned in relation to education and health. The number of women in leadership positions such as elected MPs has increased only marginally but with the quota of 31% of women MPs, Tanzania is doing fairly well in international rankings. The possibilities of women remain weak in business-related matters such as land ownership, despite strong legal provisions.

Climate Change (CC) will potentially have a high impact in Tanzania through increasing temperatures and erratic rainfall patterns. MKUKUTA has well incorporated CC-targets, unlike the FYDP and sectoral policies and programmes. Related budgets are low and Tanzania is slow in accessing international funding for adaptation and mitigation. Tanzania has CC (2012) and REDD (2013) strategies and Zanzibar has its own CC Strategy (2014). The use of fossil fuels has been limited in Tanzania while most emissions are caused by deforestation and forest degradation by charcoal making and conversion of forests to agriculture. Decentralisation of renewable natural resource (forestry, fisheries and wildlife) tenure to communities features as a Key Policy Action in the Performance Assessment Framework (PAF)-12.

4 Finnish Cooperation to Date and Lessons Learned

4.1 FINNISH COOPERATION TO DATE AND CONTRIBUTION TO COUNTRY LEVEL RESULTS

Tanzania is Finland's longest-standing development cooperation partner and one of the largest recipients of Finnish Official Development Assistance (ODA). Finnish annual ODA disbursements to Tanzania have more than tripled in the last ten years, reaching EUR 40 million in 2009. After that the annual budget frame has been at the approximate level of EUR 25-30 million.

The priorities of the country programme have remained stable during the last decade. Support to local government reform and GBS have continued and the amount of GBS has almost quadrupled, reaching EUR 15 million in 2008 (EUR 11 million in 2014). Support to forestry and sustainable use of natural resources has remained another priority component of the country programme, although the planned move from bilateral projects to a sector-wide programme failed due to weak management capacities in the responsible Tanzanian ministry. Projects have also continued in the areas where Finland has traditionally been present, such as Zanzibar and the Mtwara-Lindi regions. Support to civil society has been country-wide and substantial. The biggest changes in the country programme have been Finland's withdrawal from the education and justice sectors because of changed division of labour among donors.

According to the 2012 Evaluation of the Country Programme between Tanzania and Finland, Finland's strengths include trust, long-standing cooperation with the Government and proactive partnership within the donor community. The best results have been achieved in those programmes that are based on strong partnership and joint programming. Bilateral projects with limited sector coordination or country-level synergies have not been as successful.

According to the 2012 evaluation, the key weakness of the country programme is its fragmentation, which is mainly due to capacity constraints on the Tanzanian side (particularly in the forestry sector) and the weaknesses in the earlier Finnish programming and project identification processes. As a consequence, the country programme now consists of too many interventions. Some of them have started only recently, which makes the consolidation of the country programme challenging and time-consuming. It is too early to evaluate their impact, but some interventions are promising while others will have to be phased out.

Through GBS, Finland's contribution to poverty reduction has been targeted especially to the elimination of non-income poverty and the attainment of the MDGs.

Finnish support in the forestry sector has produced several results that are still visible. Thanks to Finland's long-term cooperation with Tanzanian forestry training and other institutions, the majority of Tanzanians working in the sector have received training supported by Finland. Finland has also contributed to the drafting of the national policies, laws and regulations on forestry-related issues. In Zanzibar, Finnish assistance has influenced the working modalities of the forest department, and contributed to the introduction of community-based forest management.

With regard to local government reform, the picture of country-level results and the Finnish contribution to them is more mixed, with some good results achieved in terms of increased allocations to local government authorities (LGAs). The LGAs' capacities are, however, still very weak and this affects the service delivery at the local level.

In addition to bilateral cooperation, Finnish NGOs, municipalities, political parties, and universities have their own cooperation programmes with Tanzanian counterparts. The Finnish NGO programmes' total ODA contribution to Tanzania in 2010 was EUR 4.4 million, on top of the Finnish bilateral programme. Support is also provided to regional cooperation partners, such as the East African Community (EAC) and the Energy and Environment Partnership Programme.

4.2 AID EFFECTIVENESS: KEY LESSONS AND RECOMMENDATIONS FOR FINLAND

During the period from 2005 to 2008, Finland made an intentional move from project modality towards sector-wide programmes and general budget support. Consequently, Finland's support to Tanzania's own programmes through aid on budget reached about 75% of the country portfolio. After 2008, the share of project-based cooperation has substantially increased and the previous achievements in aid effectiveness have been reversed. The increased number of projects led to the fragmentation of the country programme and also increased the administrative burden of the Embassy and the MFA in Finland.

Both Finland's Development Policy Programme 2012 and the country programme evaluation of 2012 highlight a number of similar key lessons and recommendations for re-directing the development cooperation programme between Finland and Tanzania. In addition to reinstating commitment to aid effectiveness, it is important to move towards more open, broad-based and versatile cooperation that is responsive to the needs and priorities of Tanzania as well as to make full use of the emerging opportunities for new partnerships.

Firstly, Tanzania is one of the largest recipients of Finnish ODA, but Finland is a relatively small donor both in terms of the size of staff and financial resources. Finland should therefore **focus its efforts on a limited number of sectors** where its support can deliver high-impact results.

Secondly, sustainable and effective development results are achieved mostly when Finland contributes to **joint programming and joint programmes** with other development partners, supporting Tanzania's own development goals and strengthening an enabling environment. Institutional and structural changes require long-term commitment and solutions that often are beyond single bilateral partnership.

Thirdly, it is important that **different parts of the country programme support each other**. The interventions should rather be linked to each other than function as separate entities working toward different ends. This country programme and its planning process should reduce fragmentation and increase synergies between the different parts of the programme, thus advancing aid effectiveness.

5 Objectives of the Finnish Development Cooperation with Tanzania

5.1 COUNTRY DEVELOPMENT GOAL

The overall national development goal of Tanzania is captured in Vision 2025 as “**Middle income country with diversified competitive economy and high quality of life through accelerated economic growth and poverty reduction**”. The main documents that describe the roadmap to Vision 2025 are the National Growth and Poverty Reduction Strategy 2010-2015 MKUKUTA II, the Zanzibar Strategy for Growth and Reduction of Poverty 2010-2015 MKUZA II, the Five Year Development Plan (FYDP) 2011/2012-2015/2016 and the BRN-initiative. These documents provide the overall framework for accelerating economic growth and fighting poverty. The objectives of the Finnish development cooperation support the achievement of the country development goal of Tanzania.

5.2 COUNTRY DEVELOPMENT RESULTS AND FINLAND’S STRATEGIC CHOICES

The main pillars of the Tanzanian development strategy are:

- ▶ accelerated economic growth, economic diversification and employment creation
- ▶ improved social well-being of the population
- ▶ good governance and accountability.

Finland is a relatively small development partner but it can contribute to some sections of these pillars through strategic interventions targeted at areas where it can

- ▶ impact the livelihoods of the poorest and vulnerable people
- ▶ influence on the reduction of inequality
- ▶ promote employment creation and sustainable management of natural resources and
- ▶ best foster human rights and good governance.

These issues are priorities in the Finnish development policy. Finland’s choice of sectors is also based on the long-term experience and cooperation with Tanzania, on the division of labour within the international community, as well as on Finland’s objective to reduce the fragmentation of its aid portfolio in Tanzania.

Finland chooses the following development results that contribute to the attainment of the overall national development goal. These development results are derived from Tanzania’s development strategy documents (MKUKUTA II, MKUZA II and FYDP) presented above:

DEVELOPMENT RESULT 1: GOOD GOVERNANCE AND EQUITABLE SERVICE DELIVERY

Taking into account the huge economic prospects that renewable and non-renewable natural resources will bring to Tanzania there is a need for ensuring the soundness of the revenue collection mechanisms and greater transparency and accountability in the planning and use of public funds and public assets. Finland will seek ways to strengthen domestic revenue collection and foster accountability and transparency of the public institutions in order to promote good governance.

Local government plays the main role in the delivery of basic services to the Tanzanian population. Improved and equitable service delivery is one of the key channels in lifting people from extreme poverty and in reducing inequality. Therefore Finland will focus in particular on flow of funds and development at the local government level.

DEVELOPMENT RESULT 2: SUSTAINABLE MANAGEMENT OF THE NATURAL RESOURCES AND ACCESS TO LAND

Harnessing natural resources in a sustainable manner is key to Tanzania's development. In the long term, land and forests will create wealth to the nation even when the non-renewable natural resources have been extracted. This necessitates the enforcement of a tenure system, be it private, public or community-based tenure, which takes into account the access of the poorest to the commons. Sustainable management of natural resources, the benefits of which are divided equally, continue to provide employment opportunities to the poor population in the rural areas. In addition, sustainable management of natural resources contributes effectively to combating the adverse effects of climate change. Given the importance of the forest sector and Finland's long experience and comparative advantage in the field, continued involvement of Finland in the forest sector is well justified also in the future.

DEVELOPMENT RESULT 3: PROMOTION OF INCLUSIVE, SUSTAINABLE AND EMPLOYMENT ENHANCING GROWTH

In order to create employment and ensure decent livelihoods to the fast growing population, Tanzania needs accelerated economic growth that is sustainable and inclusive. Tanzania's agriculture and forest sectors provide great potential for growth for the rural population. By increasing agriculture and forest sector production, as well as related employment and income generation, we can effectively reduce poverty and inequality.

The structural transformation requires also new skills and technology and, unless these are made available, the growth may not benefit the majority of Tanzanians. Technological change will help Tanzania address issues relating to poverty reduction. This change can create competitiveness and new jobs in various fields of the economy.

Finland has long experience in furthering entrepreneurship and economic value chains in the agriculture and forest sectors as well as in developing information society and ICT sector in Tanzania. Therefore the promotion of sustainable and inclusive growth in forest and agribusiness as well as innovation systems and information technology have been chosen as the third country development result for Finland to support. This cooperation also provides windows of opportunity for new partnerships in the future and, hopefully, a space for graduation from aid dependency.

5.3 FINLAND'S OBJECTIVES

Finland's general and specific objectives are presented below. The cooperation portfolio of 2012 comprised 16 interventions. By the end of 2016, the number of interventions will have dropped by half, and the average size of interventions will have increased. The CS also aims at shifting the focus from project-based support back to programme-based support (see chapter 4.1.), where this is feasible. The major part of the budget frame (see chapter 8) for Finland's bilateral aid in Tanzania has been committed to the on-going projects. Some of them will be phased out at the end of the project period, in case they do not fall under the priority areas for Finland's future development cooperation presented below (for example energy sector infrastructure project in Dar es Salaam) or in case the long-term cooperation has not provided the expected results (for example Sustainable Management of Land and Environment project in Zanzibar).

FINLAND'S OBJECTIVES UNDER COUNTRY DEVELOPMENT RESULT 1 "STRENGTHENED GOOD GOVERNANCE AND EQUITABLE SERVICE DELIVERY" ARE:

A) Improved state accountability and transparency

Tanzania's future prosperity relies on sustainable and transparent management of its vast natural resources. Strengthened good governance requires especially greater state accountability and transparency. Despite some improvements during the past years, the Tanzanian Government's administration, financial management and audit systems are still relatively weak, which make way for mismanagement and corruption. Finland considers it critical that the national accountability processes' and institutions' capacity to ensure proper use and management of public funds and assets be strengthened. On the other hand, it is also important that citizens will be empowered to participate and monitor government actions.

Tanzania has made progress towards becoming Extractive Industries Transparency Initiative compliant. This progress should be consolidated. Finland aims to include greater transparency as a key policy dialogue issue between DPs and the GoT in the planning and use of natural resources. This entails consultation and cooperation with key national stakeholders, including Parliament and its standing committees.

Finland's specific objectives are:

- ▶ Improved public financial management and audit systems
- ▶ Improved transparency in the governance of budget resources and natural resources
- ▶ Citizens' wider participation in decision-making and strengthened oversight in monitoring government actions.

B) Reduction of inequality through improved service delivery

More equal allocation of resources to ensure basic service delivery between and within districts is critical in addressing inequality and Tanzania's two key development challenges - quality of education and health services, especially maternal mortality. More equal allocation of public resources would also bring efficiency gains (more and better services with the same amount of money), the importance of which will increase taking into account the rapid population growth. GBS provides an opportunity for Finland to support and monitor jointly with other development partners the flow of funds and development efforts at the local government level.

Finland's specific objective is:

- More equitable and needs-based allocation of budgetary funds at the local government level.

Inputs, instruments and resources

Finland participates in the political and policy dialogue with the Government of Tanzania bilaterally and as an active member of the international community. Finland was elected as the Chair of the Budget Support Development Partners' Group for the period of 2014-2015. In this role, Finland promotes the EU's contract-based approach, which emphasizes good governance, human rights, reduction of inequality and democratic values. Finland will strive to push forward especially more robust financial management systems, more transparent governance systems in natural resources management at national and local levels (including EITI institutionalisation) as well as the strengthening of the domestic revenue collection. Finland joined the Public Financial Management Reform Program IV basket (PFMRP) in 2014. Participating in this program financing will provide an opportunity to support the improvement of the quality of budget planning and execution as well as tax revenue collection and development of budget oversight.

GBS and PFMRP support are important means not only to reduce poverty and inequality but also to enhance good governance and transparency. The financial support and Finland's participation in the dialogue form a package through which Finland can have more leverage on development than it could have through other bilateral channels. Within this framework, Finland will continue supporting the Uongozi Institute (Institute of African Leadership for Sustainable Development). This Institute has already gained credibility at the highest political level in Tanzania and it is therefore important to strengthen its role and technical capacity as a policy influencing institution. Moreover, Finland's direct support to the civil society aims at strengthening the roles of the civil society in overseeing government actions and as a service deliverer in the communities. Direct connections and networking with the media and parliamentarians (DEMO) will also be an important part of Finland's involvement in Tanzania in the future. To enhance stable democratic development in Tanzania Finland will provide additional support to the election process through the UN-organisations in 2014-15. Bulk of the Finnish support will be targeted to enhance women's participation in the electoral process.

FINLAND'S OBJECTIVES UNDER COUNTRY DEVELOPMENT RESULT 2 SUSTAINABLE MANAGEMENT OF NATURAL RESOURCES AND ACCESS TO LAND ARE:**A) Improved planning and implementation of policies, laws and programmes**

The rate of deforestation and forest degradation in Tanzania is alarming. It is estimated that 400 000 hectares of forests disappear annually. The demand for forest products and agricultural land increases in step with the rapid population growth. There is an urgent need for strengthening the implementation of national policies and regulations governing land, forests and environment. The rural communities, whose livelihoods largely depend on the use of renewable resources, must develop sustainable forestry and agri-business methods, and the public sector must boost investment in this development.

The implementation of guiding and regulatory frameworks requires that both the administration and citizens are well informed about and aware of the relevant laws, rights and responsibilities. The rights have to be secured through formal registration of land and forest

tenure, and issuance of certificates. Secured tenure forms the basis for sustainable management and investment in natural resources development by communities, small-scale farmers and other citizens.

Finland's specific objectives are:

- ▶ Improved capacity of the government administration to make and implement the laws, regulations and policies
- ▶ Participatory and private management of natural resources and environment, based on an understanding of the resource base
- ▶ Improved land and forest tenure rights.

B) Sustainable use of natural resources by rural communities

In the coming years the emphasis will be on the creation of *sustainable forest management, forestry- and agri-businesses* in rural areas especially for women and youth. *Management of biodiversity* is an important part of sustainability and has to be included in all natural resources programmes. Sustainable management includes also *climate resilience*, which means, for example, conservation agriculture, agro-forestry or planting of drought-resistant species and provenances. Sustainability will be ensured also by promoting more inclusive processes in institutional and organisational arrangements such as composition of natural resource management committees, private forestry associations, farmers' groups, and management by-laws.

Finland's specific objectives are:

- ▶ Sustainable methods for forest management, forestry- and agribusiness
- ▶ Improved and inclusive organisation of citizens and communities to manage the environment and value chains in forestry and agriculture.

Inputs, instruments and resources

Finland will engage in an active **dialogue** with the Government of Tanzania to promote **rights-based approaches and transparent land and natural resource tenure and management**. Finland will also cooperate with the Tanzanian **civil society** and organize training on natural resources and land issues for the citizens. The emphasis will be on the creation of transformational partnerships and networks: connecting and linking government entities, research organisations, private sector enterprises and CSOs both in Tanzania and in Finland.

Sustainable management of natural resources and environment is mainly supported through **bilateral programmes**, such as a private forestry programme, the agribusiness project in Mtwara-Lindi, and a new program which will combine and further develop the results of the national forest inventory (NAFORMA) at the district level and community-based natural resource management. In a number of programmes, support is directed to land use planning and surveying, land registration, climate-smart and sustainable forest and land management, as well as financial and business management. Citizens and community groups at local, district and national level programmes are encouraged to better manage their resources. This development has to be inclusive, while extension services (districts, private sector, NGOs) will be assisted to strengthen their capacity in service provision. Special attention must be given to the *status of women and their equal access* to land and natural resources.

FINLAND'S OBJECTIVES UNDER COUNTRY DEVELOPMENT RESULT 3 PROMOTION OF INCLUSIVE, SUSTAINABLE AND EMPLOYMENT ENHANCING GROWTH ARE :

A) Increased employment opportunities in agriculture and forestry especially for women and youth

In Tanzania agriculture and forest sectors provide the greatest potential for reducing income-poverty and for *creating employment* in rural areas. Farmers' capacity to earn a sufficient income can be improved by means of developing the whole value chain from agricultural/forestry production to value-adding, marketing and development of business skills. It is essential to create employment, training and saving opportunities for women and youth as a means to improve their livelihoods and help them to better manage their own lives. Tanzania also needs assistance in introducing green growth through low-carbon, climate-smart development in the agriculture, forestry and energy sectors, and to build the local capacity to benefit from climate funding.

Finland's specific objectives are:

- ✦ Increased production and value-chain development for agriculture and forest products
- ✦ Increased grass-root level business development at different levels.

B) Strengthened role of information technology and innovation systems for economic growth

The knowledge economy and innovations are key drivers of sustainable and inclusive growth, contributing to long-term results. Sustained economic growth and economic transformation will require an enabling environment, policies, and institutions that foster the acquisition of new skills and provide access to technology. The development of national and local innovation systems is at the core of this transformation. These systems play a critical role in creating local content and services that are required for bridging the technology and skills gap. The knowledge economy, supported by a rapid advance and availability of ICT, has created unforeseen opportunities for socio-economic transformation both in urban and rural areas. Its opportunities in employing the youth are vast. Technology and skills are also critical elements in reducing the negative effects of high economic growth on the environment.

Finland's specific objectives are

- ✦ Enabling policy environment and effective public institutions for information society and ICT sector
- ✦ Strengthened local innovation capacity and employment opportunities.

Inputs, instruments and resources

As one of Tanzania's main partners in the information society and ICT sector development, Finland will actively promote the **dialogue** with the Government concerning necessary reforms especially in the policy environment. The main instruments to support inclusive, sustainable and employment enhancing growth are **bilateral programmes**, such as a private forestry programme, the agribusiness project in the Mtwara-Lindi region, as well as the Information Society and ICT sector development project. Special attention must be given to *the status of women and their equal access to land and other productive resources*. Within these projects *the equal opportunities for youth, marginalised and other vulnerable groups* will also be actively addressed. Transformation requires innovations across all key

sectors. Finland will encourage the establishment of an innovation network across the different components of the Finland-Tanzania country programme. The Information Society and ICT sector development projects will facilitate these types of synergies between sectors and provide support both at the national and local levels. Moreover, Finnish and Tanzanian **universities, research centers, civil society and private sector entities** have created new innovative ways for **collaboration**, and this cooperation will be promoted also in the future.

Economic transition in Tanzania will provide new opportunities to broaden partnerships between the two countries.

Finland will also support Tanzania in regional economic integration for example through EAC and TMEA.

5.4 HUMAN RIGHTS BASED APPROACH AND THE THREE CROSS-CUTTING OBJECTIVES OF THE FINNISH DEVELOPMENT POLICY AS PART OF THE COUNTRY STRATEGY

In this Strategy Finland places greater focus on human rights, good governance and openness. The main goal of the various interventions is to promote the rights and equal access of Tanzanian people to land, natural resources, food, decent livelihoods, work and basic services. At the same time good governance, the rule of law and participatory development will be promoted through dialogue and through specific interventions.

The biggest human rights challenges in Tanzania lie in the field of **economic, social and cultural rights** and these are addressed in all interventions of the Strategy. The Strategy also addresses civil and political rights in many interventions and through political dialogue.

Reduction of inequality and gender equality are two of the three cross-cutting objectives in the Strategy. Various interventions of the country programme take into account especially the needs of the poorest and vulnerable groups. *Gender equality and the advancement of the status of women* are promoted through targeted interventions especially in the forestry and agribusiness sectors. These interventions address, among other things, women's empowerment as active and productive members of the communities, their rights and equal access to land and natural resources, which have traditionally been a barrier in efforts to improve women's livelihoods. *Equality* in terms of distribution of wealth is addressed through interventions that contribute to wealth creation for the poor. Equal access and right to education, health and other basic services are reflected especially in the first development result area "Good governance and equitable service delivery" through governance, democracy, local government and budget support instruments. The second development result area "Sustainable management of natural resources and access to land" aims to empower citizens to use their rights and equal access to land and natural resources as well as right to food. The third strategic choice: "Promotion of inclusive, sustainable and employment enhancing growth" promotes especially the right and equal opportunities to work.

Climate sustainability is a third cross-cutting objective of the Strategy. The programmes related to natural resources management are the most direct way to address climate change especially in the forest and agriculture sector. Equity and **climate change** issues are also interlinked as the poorest are the most vulnerable to the impacts of changing climate. Therefore various interventions aim at building resilience among the poor through awareness

raising and development of sustainable agriculture and forest production and management systems.

5.5 POVERTY REDUCTION AS PART OF THE COUNTRY STRATEGY

Finland's development cooperation programme contributes to poverty reduction in Tanzania in accordance with Tanzania's poverty reduction strategies. Promoting economic activity at local level is one of the best means to empower the people and reducing poverty. Special attention will be put to the needs of the most vulnerable groups by supporting specific actions for their integration or for social protection, as appropriate.

The majority of the Tanzanians continue to live in rural areas, depending on subsistence farming. Their standard of living is based on whether they have obtained secure tenure over land to live on. Rural poor, especially women, are most vulnerable to the erratic weather, increased competition of fertile land, water scarcity and the adverse effects of climate change. Finland's support to the forestry and agribusiness subsectors is directly targeted to improve the livelihoods of the rural poor through enhanced opportunities for income generation and employment.

In addition to employment creation, an important part of poverty reduction in Finland's Tanzania programme is the financing of basic service delivery through budget support. Finnish cooperation aims specifically to improve equity, effectiveness and the quality in service delivery.

Finnish support to the development of information society and new technologies is also an important instrument to alleviate poverty. Technology is no longer a privilege of the elites, but a tool that can improve the wellbeing of the majority and, in particular, the most vulnerable groups such as young people, people with disabilities and women. The support will contribute to access to information, innovation and better access to finance, all of which will provide rural and urban youth and women with new employment and income generation opportunities.

6 Management of Strategy And Programme Implementation

6.1 PARTNERSHIPS

The Government of Tanzania remains the key cooperation partner. **In strengthening accountability and transparency and in promoting equitable service delivery** the main partners include the Parliament of Tanzania and its relevant Committees, the Ministry of Finance, the Planning Commission, the State House, the Prime Minister's Office, and the National Audit Office. **To enhance the sustainable use of natural resources**, the main partners are the Tanzania Forest Service, the Tanzania Natural Resource Forum and other forestry cluster institutions. In private forestry, the main partner is the Council of Forest Industries SHIVIMITA. The Uongozi Institute is a very important partner in sensitizing the policy-makers and increasing awareness. **To promote the agribusiness and local production**, the main partners are private sector organisations, farmers, companies, NGOs and the Ministry of Agriculture and academia. As regards innovation eco-system **development and technological change**, the main partners are the Ministry of Science, Technology and Communication, the Tanzanian Commission of Science and Technology (COSTECH), private sector organisations and academia.

Finland has close cooperation with other development partners involved in the same sectors. The EU and its member states are among the closest partners for Finland in the main sectors of the Country Strategy. Finland participates in the joint EU programming in Tanzania started in 2013. Partnerships will also be sought with Finnish NGOs and institutions which are active in Tanzania.

Finland continues to have active cooperation with multilateral organisations and other bilateral donors in important policy areas like governance/budget support (IMF/WB, AfDB, EU, Norway and Canada), forestry (FAO), innovation (WB), and potentially with ILO regarding employment creation. The Nordic Plus group remains a key partner in post-Busan issues. Partnerships with emerging economies/unconventional donors, such as China, Brazil and India, and the North-South-South collaboration, provide additional opportunities to deepen the relations and seek innovative solutions for development.

Tanzania's rapid socio-economic reform will stress the importance of renewing development partnership from government-to-government collaboration to inclusive and broad-based partnership between Finland and Tanzania. Development cooperation can serve as a bridge between the new partnerships with civil society, public and private institutions, research organisations and private sector in Tanzania and abroad. New development instruments are needed to facilitate the transformation of new inclusive partnership where public, private, and civil society collaborate internationally and locally. Finland will actively seek opportunities to increase trade-related and R&D relations and the use of various instruments (FINNFUND, Finnpartnership, ICI- and HEI-ICI) in Tanzania.

6.2 AID MODALITIES, IMPLEMENTATION AND AID EFFECTIVENESS

In the first development result area “Strengthened good governance and equitable service delivery” Finland pursues its objectives through political and policy dialogue, key positions in GBS, PFMRP and other relevant working groups, project and program aid, direct support to civil society, and connections with the media and parliamentarians. Under the second and third development results areas “Sustainable management of the natural resources and access to land” and “Promotion of inclusive, sustainable and employment enhancing growth” the main vehicles for development cooperation are policy dialogue, bilateral programmes, direct support to civil society as well as cooperation between Finnish and Tanzanian universities, research organisations, civil society and private sector entities.

In bilateral projects, local systems are used for aid delivery in most interventions. This has required in some cases additional efforts to strengthen the local administrative and financial systems.

The Local Cooperation Fund (LCF) is the main instrument to be used in promoting the partnerships with the civil society. LCF is used to complement the efforts in other aid interventions of the Finnish cooperation programme in Tanzania.

The Finnish aid portfolio in Tanzania has been highly fragmented which is why Finland aims to significantly reduce the number of sectors and interventions of its development cooperation during the CS period. The CS also seeks to shift the focus from project-based support to programme-based support, as far as feasible.

Finland also supports Tanzania through various international organisations (UN, IFIs), regional programmes (Energy and Environment partnership, EAC and TMEA support) and Finnish non-governmental organisations. Synergies with these programmes are sought actively.

6.3 MAIN FORA OF POLITICAL AND POLICY DIALOGUE

The main fora for bilateral political and policy dialogue with the Government of Tanzania are the country consultations and high-level visits to and from Tanzania. The last country consultations took place in January 2014. The dialogue takes place also in bilateral meetings with government ministers and senior officials as well as in various programmes’ decision-making bodies.

The key fora for political and policy dialogue for the international community are joint dialogue structures in the Development Partners Group (especially the annual National Policy Dialogue and Budget Support review), the EU HOMs/HOCs and the General Budget Support and Governance groups and sectoral high-level meetings.

Finland’s participation in joint development partner groups is vital from the point of view of the implementation of the human rights based approach to development. Finland intends to maximize the benefits of its role as the chair of the Budget Support group by leading an effective dialogue on key policy issues, close interaction with key counterparts in the GoT and facilitating consensus between the DPs and the GoT for completing important reforms in the budget support. Finland is at the moment a lead partner in the natural resource management and the information society and ICT sector.

The Uongozi Institute of African Leadership for Sustainable Development in Tanzania is a strategic partner for Finland in implementing this Strategy and one of the key forums for political dialogue. Finland will cooperate with the Uongozi Institute to sensitize policy-makers and gain visibility among the general public on the key priority areas.

6.4 INTERNAL MANAGEMENT ARRANGEMENTS

The Country Strategy will be implemented by a team of civil servants both in the Ministry and in the Embassy. The Internal Management Arrangements are defined and regularly updated by the MFA (Department of Africa and the Middle East) and the Embassy of Finland in Dar es Salaam.

The expertise available in the Unit for Sectoral Policy will be systematically used to support the implementation (and updating) of the Country Strategy. Members of the team will participate in training tailored to meet their needs. The division of labour within the team (including issues of delegation) will be specified later.

7 Strategic Steering

7.1 MONITORING AND REPORTING OF RESULTS AT COUNTRY LEVEL, AND OF FINLAND'S PERFORMANCE

Tanzania's expected development results and indicators for their monitoring are established by MKUKUTA II, MKUZA II, the Five Year Development Plan and the Big Results Now initiative. The multi-annual PAF with jointly agreed multi-annual targets will be used as an overall framework for joint monitoring of the results at country level. In addition, the national surveys and international assessments - such as UNDP Human Development Report, MDG progress report, reports of the multilateral financing institutions, and sector specific assessments - provide necessary information on the stage of development in Tanzania. The monitoring mechanisms of the budget support are being revised.

Monitoring of progress in good governance and equitable service delivery will be aligned with PAF. Key indicators include EITI compliance and more transparent and accountable mechanism of financing of local authorities. Finland will also emphasise natural resources management as a key topic for policy dialogue between the GoT and the GBS partners.

MKUKUTA and MKUZA assessments will provide information about the level of achievement related to land registration and the number of women having access to land as well as on the growth of forestry and agribusiness sub-sectors. Similarly, also the number of villages and villagers participating in forest management, the reduction of forest degradation, forest resource areas under effective management, and timely provision of forest resource assessment reports will be monitored through national systems. The number of Village Land Forest Reserves, indicating the increase of community-based forest management, is followed through one of the Key Policy Actions at the annual GBS review.

Finland's performance is based on monitoring by the Embassy, which receives regular reports of different development cooperation interventions. Regular supervision of various interventions is also conducted by the steering committees and other decision-making bodies, and this monitoring is complemented by quarterly/biannual/annual reporting, and annual and mid-term reviews and evaluations as well as separate audits. Finland also participates in joint reviews and evaluations related to sector programmes and country development results-framework.

Finland intends to reduce the number of its current 16 interventions to about 7 interventions by 2016. The aim is also to increase the average size of the interventions. The average size of the annual disbursements of the interventions (the budget support excluded) is EUR 1.6 million in 2012. The average size of annual disbursements of the interventions (the budget support excluded) in 2016 is planned to be EUR 3 million.

7.2 RISK MANAGEMENT

Risks threatening to impede the implementation of the Strategy are mainly country- or programme/intervention-related. One of the main country-related risks is associated with the forthcoming structural transformation of the Tanzanian economy and its governance. If the exploitation of natural resources is not organised properly and transparently, and if

the benefits of the economic growth are not directed to poverty reduction and to the equal provision of basic services, and if the industrial and agricultural productivity remains low, it may lead to increased poverty and widening inequities in the Tanzanian society. Finland has chosen a broad-based approach to support the capacity of the Tanzanian Government in tackling these challenges. The coming years are also important in Tanzania's democratic development. In case people's concerns and expectations are not adequately dealt with or the threat of religious or other radicalism not tackled, country's peace and security may be at risk. International and regional action is needed to act against terrorism.

Other major risks are deforestation, erosion and adverse effects of climate change. Therefore one of Finland's focal areas of cooperation is support to sustainable management of natural resources and land use planning.

The programme- and intervention-related risks are often linked to the capacity and readiness of the local counterparts for reforms.

One common problem in almost all interventions is poor financial management and corruption, which hinder aid effectiveness and achievement of results. Finland and other development partners try to help Tanzania to improve its public financial management systems, state accountability and transparency. Governance and corruption issues are regularly brought up in the political dialogue with the Government and in connection with bilateral support and interventions. Civil society's role in monitoring the Government's actions and use of public funds is also strengthened.

Risk management in various programmes and interventions requires careful planning, monitoring, constant learning and timely reaction. External expertise, for example auditor's services, may also be used.

It is also important to pay attention to Finland's own human resources management and continuous competency development. Frequent staff rotation in the MFA and Embassy creates additional challenges to this problem.

8 Tentative Financing Plan (Budget)

	2014	2015	2016	2017	Total EUR million
GOOD GOVERNANCE AND EQUITABLE SERVICE DELIVERY					
Budget Support	11	12	10	10	43
PFMRP	1,2	1,2	1,2	1,2	4,8
Uongozi Institute	3	3	3	1,5	10,5
Election support/UN WOMEN	1				1
Subtotal	16,2	16,2	14,2	12,7	59,3
SUSTAINABLE MANAGEMENT OF NATURAL RESOURCES AND ACCESS TO LAND					
Private forestry programme	0,98	4,07	5	5,5	15,55
National Forest Sector Programme to be continued in 2014 and 2015 with the funds from 2013					
Land and environment management in Zanzibar (SMOLE II) to be continued in 2014 and 2015 with the funds from 2013					
Mama Misitu campaign on forest governance	0,33	0,33			0,66
Forest sector programme			1	2	3
Subtotal	1,31	4,4	6	7,5	19,21
PROMOTION OF INCLUSIVE, SUSTAINABLE AND EMPLOYMENT ENHANCING GROWTH					
TANZICT	1,8				1,8
TANZICT II phase (new intervention in the sector)		0,5	1	2	3,5
LIMAS	1	1,5			2,5
Agri-business development (new intervention in the sector)			2	2	4
Potato development project to be continued in 2014 and 2015 with the funds from 2013					
DSM Electricity	4,71	1,9			6,61
Subtotal	7,51	3,9	3	4	18,41
OTHER INTERVENTIONS					
Programme planning, GBS chairmanship	0,5	0,5	0,3	0,5	1,8
ICI GTK (new intervention in the sector)		0,2	0,2	0,2	0,6
ICI METLA (new intervention in the sector)		0,2	0,2	0,2	0,6
Subtotal	0,5	0,9	0,7	0,9	3
TOTAL	25,52	25,4	23,9	25,1	99,92
Local Cooperation Fund	0,6	0,6	0,6	0,6	2,4

*) Table includes financial decisions already taken and planned allocations. Figures marked in colour indicate planned allocations.

Previous years' funds are not seen in the budget chart.

In addition to the above-mentioned interventions, the implementation of the Strategy is supported by small-scale cooperation programmes of the Finnish NGOs, municipalities, political parties and universities that have their own contacts with Tanzanian counterparts. Support is also provided through regional cooperation programmes such as support to the East African Community, Trade Mark East Africa and Energy Environment Partnership as well as through the EU and multilateral organisations.

UNIT FOR DEVELOPMENT COMMUNICATIONS
P.O. Box 481, FI-00023 GOVERNMENT, FINLAND
formin.finland.fi/



**MINISTRY FOR FOREIGN
AFFAIRS OF FINLAND**