Tanzania’s Public Expenditure Review (PER) process provides a forum where working groups comprising of representatives from the Government, development partners, academia, the private sector and civil society organizations agree on an analytical agenda, guide and finance its implementation and review all outputs. **The overall objective is to improve fiscal policy formulation and management.**

There are currently five studies underway: agricultural input subsidies; tax exemptions; public private partnership study; public operational investment manual; and LGA Fiscal Inequities and the Challenges of “Disadvantaged” LGAs. For more details please see the MoF or DPG website:

http://www.tzdpg.or.tz/index.php?id=1229

On 4th/5th October the Government of Tanzania hosted the annual PER consultative meeting. The meeting was well attended by GoT officials, Development Partners, CSOs and members of the private sector. Overleaf, there is a brief summary of the key highlights from the meeting and links to the key reports. The PER Secretariat will be developing action plans with stakeholders to take forward key recommendations from the reports.

**Upcoming Events**

| October 2013 | Fiscal Inequities Technical Work Begins |
| Late October 2013 | PER Champions’ Meeting to Select 2014 Studies |
| 19th November 2013 | GBS Annual Review Meeting |

**PER Secretariat Contact Information**

The PER Secretariat is headed by the Deputy Permanent Secretary (Ministry of Finance) and consists of 4 staff from the Government and representatives of Development Partners:

- Alice Matembele (Ministry of Finance)  allicemm@yahoo.com, amatembele@mof.go.tz, Tel. 2137792
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Please do not hesitate to contact the PER Secretariat if you have any questions or comments.
The PER Annual Meeting

PER Manual
The PER manual was circulated during the PER Annual Meeting. This sets out the key ‘rules of the game’ for the PER. Please see the following link for more details:

PER Manual

Big Results Now
The President’s Delivery Bureau delivered a presentation on the Big Results Now (BRN) Initiative. Please see the following link:


http://www.mof.go.tz

The BRN Initiative aims to establish a strong and effective system to oversee, monitor and evaluate the implementation of the Government’s development plans and programmes. The approach is based on Malaysia’s Big Fast Results approach which hinges on prioritization, detailed monitoring tools and accountability for performance. The BRN laboratories have identified key national results to be achieved by 2015. That said, a number of challenges were highlighted including budget alignment, resource mobilization, procurement, regulatory permits, legal processes and recruiting skilled staff. The BRN initiative complements the objectives of the PER process by emphasizing prioritization and ensuring that resource allocation is informed by the agreed priorities. The aim is for the PER process to inform future BRN laboratories.

Tax Exemptions in Tanzania
The consultants from CRC Sogema presented a study on tax exemptions. The report examines the tax exemptions provided in Tanzania and analyses the effectiveness and efficiency of the exemptions issued over the last decade. Empirical evidence shows that the weak investment climate cannot be offset by offering lower tax rates to corporations. The study therefore draws on international best practice to make suggestions to minimize unnecessary losses of revenue as a result of the application of tax exemptions and proposes reforms to increase tax revenue. A detailed road map is set out including recommendations for a detailed report of tax and duty exemptions every year; and a review of the VAT input credit mechanism. The full report, policy brief and presentation can be found on the DPG and MoF websites:

http://www.tzdpg.or.tz/index.php?id=1229 and www.mof.go.tz

The PER Secretariat will be working with key stakeholders, the consultants and the PER Champions Group to identify key recommendations to take forward as a result of the study.

Agricultural Subsidies
This study has been drafted by the World Bank and MAFC. It assesses the performance of the agricultural National Inputs Voucher Scheme (NAIVS) and looks at how the program has contributed to increased production, productivity and profitability of the Tanzanian farming/agriculture and the sustainability of these investments. The report concludes that NAIVS offers a positive rate of return if this reduces the purchases of expensive imported grain, especially maize. NAIVS offers little or no return based on domestic farm gate prices for grain surplus households. NAIVS has contributed to some degree to improving the adoption of improved seed and fertilizer, based on continuing purchases after graduation. The report also highlighted a number of implementation challenges including delays in printing and distributing vouchers, delays in delivery of inputs, delays in payment of suppliers and misallocation of about 1% of vouchers. The presentation and draft report can be found at:

http://www.tzdpg.or.tz/index.php?id=1229 and www.mof.go.tz

Please send any comments to be included in the final version to the PER Secretariat.