

JAST IMPLEMENTATION

Ministry of Finance

Dar es Salaam

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1. Introduction

- Aid is an important source of development finance for Tanzania and most developing countries.
- Large number of DPs in various sectors of the economy, differing modalities of aid delivery, all present challenges:
 - ✓ Multiple procedures, missions and reporting requirements leading to high transaction cost and pressure on the GoT.
 - ✓ Inadequate Government ownership in aid management
- ✓ Need recognized for better coordination and management of aid to make it more effective on the ground

Since mid-1990s improvements made in aid relationship (Helleiner reports), leading to TAS (2002/03 – 2004/05) and then JAST (2006/07-2010/11);

Tanzania has actively taken part in international initiatives on aid effectiveness (from Marrakech to Paris to Busan)

2. Joint Assistance Strategy for Tanzania (JAST)

- JAST was a national medium-term framework (2006-2011) for managing development cooperation between URT and DPs so as to achieve national development goals as outlined in the NSGRP / ZSGRP and in line with Vision 2025 / Zanzibar Vision 2020
- -sought to consolidate progress under TAS, address remaining challenges, extend coverage to all levels of society, **incorporate internationally agreed principles of aid effectiveness** and shift accountability to the citizens
- -was developed consultatively with all stakeholders including Parliamentarians, CSOs, private sector and Development Partners
- - was **approved by the Cabinet of the RGoZ and URT in June 2006 and October 2006**, respectively
- - was officially **launched in December 2006**, and 19 DPs signed an MOU with the Govt committing their respective countries and agencies to the JAST objectives, commitments and principles in their cooperation with Tanzania

3. Objectives of JAST

- Overall objective was to make development cooperation more effective for achieving national development and poverty reduction goals and in particular contributing to achieving sustainable results under NSGRP/ZSGRP
- Intermediate objective was to build an effective development partnership in line with national and international commitments to aid effectiveness by:
 - ✓ Strengthening national ownership and Government leadership
 - ✓ Alignment of DP support to Government priorities, systems, procedures and structures
 - ✓ Harmonizing GOT and DP processes
 - ✓ Managing resources for development results
 - ✓ Ensuring mutual accountability of GOT and DPs, and
 - ✓ Strengthening domestic accountability

4. JAST implementation

- **JAST Working Group** with members from Govt and DPs; supported by JAST Secretariat
- **JAST Action Plan and Monitoring Framework** developed, with monitoring indicators for assessment/evaluation of aid effectiveness against agreed principles and commitments
- Developed the **dialogue structure** with sector classification on the Govt side and Division of Labour among DPs
- **Aid Management Platform (AMP)** was developed to capture all aid flows to the country (including to CSOs), for enhancing transparency and predictability
- Developed **ODA manual**
- **Technical Assistance Policy** formulated
- Tanzania has taken part in the **Paris Declaration (PD) monitoring surveys (2005, 2007, 2010)** assessing Govt and DPs performance against commitments (in line with JAST);
- Tz was co-chair of Cluster A on Ownership and Accountability (organised Africa sub-regional workshops on accountability to feed into preparations for Busan HLF4)

5. JAST Achievements

- **National ownership and Government leadership** has been strengthened.
- **Alignment** of DP support to the MKUKUTA and MKUZA especially by the GBS and Basket modality.
- **Harmonization** of the MKUKUTA, PER and GBS processes into a single process which has culminated into a single annual review; the Annual National Policy dialogue which has reduced transaction cost to the Government.
- In **Managing for Development Results** the Government has adopted the MKUKUTA Monitoring System and the Tanzania Statistical Master Plan which produces the MKUKUTA Annual Implementation Report, the PHDR and various household surveys.
- The **Independent Monitoring Group (IMG)** has continued to be the central element of mutual accountability, playing an important role in stimulating dialogue on development cooperation among Government, DPs and NSAs.
- **Domestic Accountability** has been enhanced through greater transparency of the Government Budget process and involvement of all domestic stakeholders in processes like the MKUKUTA I review and formulation of the MKUKUTA II.

Paris Declaration Surveys results

(Tanzania performance by indicators)

	Indicators	2005 Reference	2007	2010 Actual	2010 Target
1	Operational Development Strategies	B	B	A	B or A
2a	Reliable Public Financial Management (PFM) systems	4.5	4.0	3.5	5.0
2b	Reliable Procurement systems	Not available	B	Not available	No Target
3	Aid flows are aligned on national priorities	90%	84%	92%	95%
4	Strengthen capacity by co-ordinated support	50%	61%	26%	50%
5a	Use of country PFM systems	66%	71%	79%	77%
5b	Use of country procurement systems	61%	69%	72%	No Target
6	Strengthen capacity by avoiding Parallel PIUs	56	28	18	19
7	Aid is more predictable	70%	61%	97%	85%
8	Aid is untied	97%	97%	96%	More than 97%
9	Use of common arrangements or procedures	55%	61%	60%	66%
10a	Joint missions	17%	16%	26%	40%
10b	Joint country analytic work	38%	65%	48%	66%
11	Results-oriented frameworks	B	B	B	B or A
12	Mutual accountability	Y	Y	Y	Y

6. JAST challenges

The Independent Monitoring Group (IMG) conducted a review of the JAST in 2010 focusing on ODA and Aid Effectiveness. The 2010 IMG report outlined the following main challenges:

- Development partnership in Tanzania was considered at a low point in terms of trust and confidence between the GoT and its DPs
- Quality of dialogue is low and impacts negatively on development cooperation.
- Issues related to attitudes among government and development partners were noted.

6. JAST challenges (cont)

- Slow progress and even a reversal in trend in some areas of the aid effectiveness agenda.
- The GBS instrument surrounded by areas of concern and lack of mutual understanding, which needs to be addressed in order to sustain the current levels of ODA.
- Strengthening aid management in Tanzania should receive higher priority.

7.Way forward

7a:Roadmap to improving development cooperation.

- In response to the IMG (2010) findings and recommendations the Chief Secretary tasked the JAST Working Group to prepare a roadmap outlining key activities needed to address the main concerns raised, focusing on the following:
 - Key recommendations from the IMG report.
 - Re-assess the ToRs for the dialogue structure.
 - Areas where progress is slow but government and DP attention is high.

7a: Roadmap to improving development cooperation. (cont)

- Keeping up the JAST gains and addressing the challenges encountered
- The JAST Working Group developed a “Roadmap to Improve Development Cooperation”.

The roadmap is focused on three areas for improvement:

- i. ODA management and aid on budget.
- ii. Effectiveness of aid modalities.
- iii. Quality of dialogue, mutual trust and aid architecture.

7b. Busan Fourth High Level Forum on Aid Effectiveness (HLF-4)

- The HLF-4 reviewed progress on implementing the principles of the Paris Declaration and discussed how to maintain the relevance of the aid effectiveness agenda in the context of the evolving development cooperation landscape.
- The HLF-4 culminated in the endorsement of the “**Busan Partnership for Effective Development Co-operation**”.
- The Government of Tanzania is pleased that Busan was about development and not only aid. It welcomes the shift from **aid effectiveness** to **development effectiveness**.
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***7b. Busan Fourth High Level Forum on Aid Effectiveness
(cont)***

- Welcomes the inclusive development cooperation partnership and is committed to facilitate participation of the private sector and CSOs.
- Still finds the Paris Declaration relevant and will still work on the **unmet Paris indicators**.
- The agreed accountability framework for holding each other accountable on progress against commitments and actions is welcome.

7c: Vision for the new development cooperation framework in Tanzania

- Principles of the Paris Declaration are still relevant in Tanzania as there is still much unfinished work to do; these have to be carefully sorted
- A shift from **aid effectiveness** to **development effectiveness** with an increased focus on strengthening links between aid and investments including trade, technology and knowledge transfer and South-South and triangular cooperation.

7c: Vision for the new development cooperation framework in Tanzania (cont)

- Bringing on board non-state actors and non-traditional donors into the centre stage of development cooperation.
- Capacity development is critical for achieving clearer and more effective results, capable institutions, systems and mechanisms for capturing results ensuring transparency and accountability of all stakeholders involved.
- Need for DP headquarters to create more space, stronger political will and greater drive for country-led reforms.

7d: Timeline for the New Development Cooperation Framework for Tanzania

- Feb 2012 – Government prepares concept paper for new development cooperation framework and circulates it to MDAs, DPs and NSAs for comments.
- March 2012 – Zero draft of Development Cooperation Framework produced by the Ministry of Finance.
- April – May 2012 – Stakeholder consultations on the development cooperation framework document and finalization of the document.
- June 2012 – Endorsement of the new development cooperation document.

Thank you for your kind attention