

**Statement on the Five Year Development Plan  
by H.E. Mr. Masaki OKADA, Ambassador of Japan to Tanzania,  
at the Annual National Policy Dialogue 2011  
on 27 January 2012**

Japan commends the Tanzanian Government in their ownership and initiative in finalizing the Five-Year Development Plan. What we expect now from the Government is further political will to make this Plan a reality. I would like to join the previous speakers in attaching importance to the implementation or execution of the Plan. Without concrete actions from the Government's side, it will only be nothing more than words on paper.

To avoid that, there are two important aspects we want to highlight. One is Resource Management; the other is the Role of Local Governments.

First of all, on Resource Management. Tanzania suffers from fund shortage. This is undeniable. How do we execute this ambitious Five-Year Development Plan under these difficult conditions? Wishful thinking alone cannot bring about a tangible result. I have three suggestions:

One. Drastic Prioritization is needed. You need courage to cut programs and projects which are not essential. To be specific, proper and timely allocation of human and financial resources, to most needed areas, is necessary. Hence, strong political will, political initiative and political capability for coordination, inter alia, within the government and between the ministries, are especially needed.

Two. Budget Management. Proper budget planning and execution should be the first priority. The Five-Year Development Plan should be translated and integrated into the national budget 2012/13 in a realistic manner. And then the budget execution rate should be improved. Unless the correspondence between budget and execution is secured, any good plan is of no use.

Three. Reform in Revenue Collection. It is essential to involve the private sector in mobilising financial resources. Therefore, we support the Government's initiative in promoting Public-Private Partnership. We also support the Government's move to introduce new taxation. However, we do think saving in recurrent spending should come before seeking non-concessional loans.

On my second point: Involvement of Local Government, I have to be honest and say that, to me, this Five-Year Development Plan seems to be happening only at the Central Government level. I wonder how prepared the Local Governments are in implementing this Plan. Central Government alone cannot implement all development projects listed in the Plan. They will need strong and active implementers at the grassroots level. And I think the Local Governments should be the forefront of these projects.

If this is the case, if we look at the reality now, I don't think the Local Governments are equipped with proper information, authority, funds, or capacity to play their expected role.

Therefore, it is needed now more than ever that capacity building for effective development investment is done at the Local Government level. Otherwise, the Local Governments cannot act as confident and capable implementers of the Five-Year Development Plan.

Furthermore, I want to stress that this is the time to tighten coordination and communication, vertically between the central and local level, in addition to the coordination within the central government and between its ministries. So that the Government as a whole can function as one to achieve this Plan. This Plan needs nation-wide and united action.

I expect the Government's exceptional political commitment to move this Plan forward.

Thank you. Asanteni sana.