

**CLOSING STATEMENT BY THE MINISTER FOR FINANCE,
HON.MUSTAFA HAIDI MKULO (MP), AT THE CLOSE OF
THE 2011 ANNUAL NATIONAL POLICY DIALOGUE
27TH JANUARY 2012**

**Honourable Ministers;
Honourable Members of Parliament;
Permanent Secretaries;
Regional Commissioners;
Regional Administrative Secretaries;
Excellencies Ambassadors, High Commissioners and
Other Members of the Diplomatic Corps;
Representatives of the Civil Society;
Representatives of the Private Sector;
Members of the Media;
Invited Guests;
Ladies and Gentlemen:**

It is with great pleasure that I take this opportunity to officially close the Third Annual National Policy Dialogue event. Once again, I wish to extend my gratitude to all of you for your participation and contribution. For the past two days, we have witnessed well prepared and structured, presentations, active participation of all of you, as well as skillful and frank interventions from various stakeholders including; Members of Parliament, private sector and civil society representatives, Government officials and our development partners. Thank you for making this Annual National Policy Dialogue a valuable event. Particularly, I would like to thank the Prime Minister,

Hon. Mizengo Kayanza Peter Pinda (MP) for officiating this year's Annual National Policy Dialogue.

Excellencies, Ladies and Gentlemen,

The high level commitment and collaborative efforts by all stakeholders during these two days has resulted into fruitful discussions. The meeting has indeed been very productive and successful in supporting our efforts to reshape our country's growth, development, and poverty reduction agenda. Your contributions are valuable inputs and will remain so in our development efforts as we forge ahead in the coming years. During these two days key messages have come out which the Government and everyone here will need to take steps to address them as we move forward in reshaping the implementation of our policies, strategies and programmes for growth, development and poverty reduction results. The messages include but not limited to the following:

1. The Annual National Policy Dialogue, and its consultative processes, is an important vehicle for improving the way we plan, implement, monitor and evaluate Tanzania's development efforts.
2. Progress in many areas has been attained over the past 50 years of Tanzania's independence including GDP

growth, food production, education, health, water and governance and accountability. However, many challenges remain as we go forward; specifically, the persistence of poverty among the majority of rural dwellers, and that addressing this challenge requires transformation of the rural economy and investment in agricultural sector.

3. Continued strengthening of budget and public financial management at the central and local government levels is key to delivery of high quality public services. And in this regard the Government will continue with the budget and public financial management reforms under the PFM RP IV.
4. There is urgent need to finalize the Implementation Plan, Communication Strategy and the M&E framework for MKUKUTAI/MKUZAI, including ensuring their effective linkage to the Five Year Development Plan.
5. The need to critically address the population growth issue. Whereas the apparent high rate of 2.9% per annum may imply higher social expenditures, in the short- and medium-terms but, if managed properly, represents an opportunity in terms of human capital stock and internal market.

6. The need to sustain country's recent gains in the Human Development ranking particularly by addressing the low score areas in the multi-dimensional poverty indicators.
7. Tanzania has operationalised many of the Paris Declaration principles on aid effectiveness and there is a need to complete the remaining components including frameworks for increased aid predictability, division of labour and technical assistance policy.
8. Two fundamental challenges need to be addressed if the country's vision 2025 targets are to be attained. First, how to unlock the economic potential of the rural areas and unleash the local market. Second, building the human capital stock required for exploiting the country's potentials.
9. The dialogue process among Tanzania's development stakeholders continues to gain strength as evidenced by the 2011 GBS Annual Review and the 2011 ANPD which are the best for many years. It is, therefore, important to continue strengthening the dialogue with a view to improving delivery for development results.
10. Communicate MKUKUTA II properly at all levels to ensure common understanding.

11. There is a need to give as much weight to trade and investment partnerships as we accord to aid-related partnerships.
12. Tanzania should tap the carbon market more effectively and strategically to supplement her resource mobilisation efforts.
13. Special attention needs to be given to further strengthen ownership, accountability, improvement in the quality and use of country systems, reducing aid dependency in terms of share of budget and in people's mindset, and support to capacity building of private sector and civil society so they can effectively participate in development cooperation.

Excellencies, Ladies and Gentlemen,

I am quite confident that this year's Annual National Policy Dialogue has been productive in that it has allowed open, constructive and honest dialogue between all parties; and has facilitated examination of critical issues in achieving the national growth, development and poverty reduction goals. The Government will continue to strengthen the quality of the dialogue at all levels across the society, so as to allow more participation of the citizens on national issues.

Excellencies, Ladies and Gentlemen,

I now have the pleasure and honour to declare that the 2011 Annual National Policy Dialogue is officially closed.

I thank you for your kind attention.