

Honorable Ministers and Regional Commissioners, Permanent Secretaries and Members of Parliament, Representatives from Government Institutions, the Private Sector, Civil Society Organisations and Development Partners, Ladies and Gentlemen,

Good afternoon. My name is Gisela Habel, I am the Head of development Cooperation at the German Embassy and co-chairing the Development Partners Group.

It is a great honour for me to be invited to speak on behalf of the development partners group at the closure of this year's Annual National Policy Dialogue. This was a successful event. It brought together Stakeholders from Government Institutions and Parliament, Private business, Civil Society Organisations and Development Partners and has given the opportunity for mutual information and open discussion on key development questions, which was highly appreciated. I would like to highlight some messages which we, the DP's, consider important and will take home:

1. **The high level participation** at the opening session, especially with Honorable Prime Minister Pinda and Minister of Finance Mkulo, Members of Parliament and numerous Ambassadors. Compared to previous years that is a big achievement. Also, interaction between the different stakeholder groups was very active. The importance of this form of open high level dialogue lies in its aim to strengthen effectiveness of our joint development efforts and lessons learned. The genuine interest in deepening this discussion was also shown by the suggestions of the two present members of Parliament to hold another Dialogue meeting with the Parliament for information and exchange. Similar suggestions on more regular exchange and consultations came from representatives from Civil Society Organizations. How we ensure that the valuable contributions made during these two days are picked up is upon all stakeholders now.
2. If we recall the different statements, presentations and discussions we come to one big main topic which was highlighted throughout the two days by all stakeholders: **The need for effective implementation** of the existing policies, strategies and plans to reach sustainable development – this is the core challenge which has to be addressed urgently! Prime Minister Pinda said it clearly in his opening statement: Without implementation all of our strategies will fail. Now is time for action! We all welcome this high level commitment of Government to speed up the implementation of the relevant policies and reforms.
3. Talking about **results**, presentations and discussions throughout the two days made it very clear: There are good **achievements** across all areas, e.g. infant and child mortality has gone down, access to education and water has increased. Transparency has increased through uploading Budget books and publication of a Citizens Budget, as was confirmed by the representative of Civil Society Organizations. Also, audit results are improving.
4. However, **huge challenges** remain. Let me just highlight some: **Poverty** has barely decreased and is still wide spread, especially in the rural areas. Tanzania's position as having the 3rd highest stunting burden in Africa is evidence of this situation. At the same time **population growth** puts increasing pressure on the social systems. It was mentioned yesterday that our joint efforts do not seem to sufficiently reach the poor. Not only **access** is an issue but also **quality and equity in the hard to reach rural areas**. Just remember the figures which were presented: The average time children are actually taught in school: 2 hr 4 minutes! The same presentation showed that Tanzania is losing 29% on human development index because of inequity. The Permanent Secretary of Ministry of Finance said yesterday that Mkukuta should be

owned at the grassroots level, but communication and transfer seem to be difficult. We heard a lot about national statistics yesterday. However, there is another important aspect to be looked at: regional disparities. We all know: there are big disparities in availability of financial funds as well as in quality and access to services like water, education and health in the different regions and districts! This cannot be solved without speeding up the implementation of two core reforms: the local government and equally the public service reforms, esp. the medium term pay policy for getting the incentives right.

5. Therefore it would definitely be good to have **representatives from the Local governments** here with us in the discussions as they are the ones who are supposed to deliver the services, including in rural, hard to reach areas. Possibly they could help us in identifying concrete recommendations and solutions. They can inform us people sitting most of our time in offices in Daressalam about their daily challenges in planning and implementation, in getting the necessary information about the available budget and heavily delayed fiscal transfers from central level, often at the end of the fiscal year and not in the committed level and therefore not enabling them to plan properly and implement the identified priority projects.
6. We discussed quite a lot about how to achieve **economic growth which is inclusive and pro-poor**. Employment is key – that was highlighted throughout the event by all stakeholders. An improved **business environment** is needed through reducing the cost for doing business, providing infrastructure like reliable sustainable power supply and rural roads as well as better qualified human resources. Another aspect frequently mentioned was the need for better protection of property rights and land registration as well as conducive tax regulation for ensuring broad based growth. We also take note of what has been said about the importance of avoiding capital flight.
7. Finally a remark on the **link between the Five year development plan and Mkukuta**. Several participants asked: Now, which main strategy document do we follow? Primeminister Pinda underlined that the objective of the 5ydp is to refocus efforts. In order to allow for concrete implementation, including planning and monitoring, it seems important to get clear guidance what is our joint strategic basis also in view of the concrete budgeting process – the development cooperation framework will provide an opportunity to address this issue. We need one consistent framework with indicators for monitoring and evaluation. Especially as it is difficult to get solid data for baselines and targets we should strive for having one, jointly used national Monitoring and evaluation system which gives reliable information where we are in our joint fight against poverty.
8. Let me **conclude**: Without any doubt there are achievements across all sectors. And we have good policies, strategies and reform programs approved which provide an excellent basis for dealing with the remaining challenges. However, we urgently need to speed up **concrete implementation** – this is definitely key to achieve the results we are aiming for. Let me again quote honorable Prime Minister Pinda at his key note speech: Without implementation all our strategies will fail!

Asanteni Sana!