



Presentation of Progress against the Performance Assessment Framework (PAF) 2010 targets

2010 GBS Annual Review

Presentation by: Ministry of Finance and
Economic Affairs

OUTLINE

- **Background**
- **The PAF Matrix**
- **Overall Assessment of PAF 2010**
- **Underlying Processes: Sector/ Programme reviews**
- **Temporary Process Actions**
- **Outcome Indicators**
- **Conclusion**

Background

- GBS is governed by the **Partnership Framework Memorandum (PFM) of January 2006** which specifies the **principles and terms** between the Government and GBS-DPs regarding the provision of GBS

Background (cont)

- **Underlying principles** relate to the following:
 - ✓ continuing sound macroeconomic policies and management;
 - ✓ commitment to achieving MKUKUTA objectives and MDGs;
 - ✓ sound budgeting and public financial management systems;
 - ✓ continuing peace and respect for human rights, the rule of law, democratic principles, and the independence of the judiciary; and
 - ✓ good governance, accountability of the Government to the citizenry, and integrity of public life, including the active fight against corruption.
- Their observance is critical for the continuation of the partnership agreement

PAF Matrix

- Three main PAF elements, which are assessed:
 - Underlying Processes
 - Temporary Process Actions (TPAs)
 - Outcome Indicators
- The 2010 PAF has:
 - 21 Underlying Processes
 - 25 TPAs
 - 44 Outcome Indicators

PAF Matrix (cont)

- PAF Matrix indicators are grouped into four Clusters:
 - 1) Growth and Reduction of Income Poverty;
 - 2) Improvement of Quality of Life and Social Well-being;
 - 3) Governance and Accountability;
 - 4) Macroeconomic Stability and Public Financial Management

What is it we Monitor?

- Cluster 1- Is broad based economic growth being effectively promoted?
- Cluster 2- Is there improved quality of life? Is service delivery improving?
- Cluster 3-Is good governance and the rule of law ensured? Is Government accountable to the people?
- Cluster 4-Does the budget reflect national policies? Does spending reflect the budget? Are budgetary decisions consistent with policy and Value For Money?

Overall Assessment of PAF 2010

- The assessment of performance against the PAF 2010 has been completed
 - 16 out of 21 Underlying Processes have been satisfactory during this year's GBS cycle
 - 18 out 25 TPAs have been achieved
 - 23 out of 44 Outcome Indicators have been achieved/ are on track
 - As for 2 UPs,2TPAs and 1OI Dialogue is ongoing to conclude the assesment after the Annual Review Meeting
 - 1 TPA not assesed

Cluster 1-Growth and Reduction of Income Poverty

3 out of 5 Underlying Processes are Satisfactory

1. Joint Infrastructure Sector Review(JISR) 2010
2. Agricultural Sector Review
3. Energy Sector Review 2010

1 out of 5 Underlying Processes both GoT and DPs have concerns dialogue ongoing

1. Natural Resources Sector Review focusing on Wildlife and Forestry

1 out of 5 Underlying Processes is Unsatisfactory

1. Best Programme Review 2010

Cluster 1-Growth and Reduction of Income Poverty

5 out of 7 TPAs are Achieved in Cluster 1

1. Government to ensure a construction contract has become effective and the contractor has mobilized by August 2010 which ensure that additional power generation capacities of at least 160 MW will be operational by December 2010
Irrigation Policy to be operationalized by October, 2009
2. Draft new Statistics Bill enhancing autonomy of the NBS is submitted to Cabinet by December 2010.
3. Draft bill and regulatory framework for PPP submitted to the Parliament by April 2010 and implementation of PPP policy including operational PPP Agency by November 2010
4. GoT will present a time bound ROADMAP to improve the Business Environment in Tanzania by March 2010 and implement selected critical short term priority actions detailed in this plan by October 2010.
5. Finalise an Agricultural Marketing Strategy by July 2010 on the basis of a ToR agreed by Cluster by the first week of March, and implement key measures to improve the marketing environment for private sector by December 2010.

Cluster 1-Growth and Reduction of Income Poverty

1 TPAs Not Achieved in Cluster 1

1. Phased elimination of all local crop cess taxes from 5% to 3% to 0% within two fiscal years to be included in the Finance Bills FY 2010/11 and 2011/12, and offset by a transfer while the overhaul of local taxation is carried out.

Note: Change of policy as a result of Cabinet decision to ensure LGAs are not deprived of sources of revenue intended to support/enhance production.

1 TPAs in Cluster 1 dialogue not yet concluded, both GoT and DPs have concerns

Government to implement key actions of Natural Resources (forestry, wildlife and fisheries) accountability and transparency action plans following the timetable specified in the M&E framework

Cluster 1-Growth and Reduction of Income Poverty

10 out of 17 Outcome Indicators are on-Track

1. Time Taken for a Container from offloading until clearing from port
2. Hectares of Land under irrigation
3. Fertilizer Consumption
4. Increased ratio of farm gate to export price from the 2009 baseline as established by the Tanzania Cashew Board
5. The number of days taken by the Commissioner of Lands to approve a transfer of a Certificate of Rights of Occupancy and the Lands Registry to register the transfer reduced from 28 to 14 by 2011
6. Total electricity installed capacity and utilization MW%
7. % of population with access to electricity

7 out of 17 Outcome Indicators are off-Track

1. % of trunk and regional roads network in good and fair condition
2. % of rural roads that are passable (good and fair conditions)
3. Increased ratio of farm gate to export price from the 2009 baseline as established by Tanzania Coffee Board (Arabica Coffee North)
4. Increased ratio of farm gate to export price from the 2009 baseline as established by (Arabica Coffee South)
5. Enabling environment for private sector led growth improved as reflected in “Doing Business” ranking

Cluster 1-Growth and Reduction of Income Poverty

9 out of 17 Outcome Indicators not Achieved/off-Track (continued)

8. Total value of Revenue received from concessions and licenses for Forestry (Tsh billion)
9. Total value of Revenue received from concessions and licenses for minerals
10. Total value of Revenue received from concessions and licenses for oil and gas

7 out of 17 Outcome Indicators are off-Track

6. Total value of revenue received from concessions and licenses (if any) for wildlife (Tsh billion)
7. Total value of Revenue received from concessions and licenses for fishing

Cluster 2- Improvement of Quality of Life and Social Well-being

5 out of 5 Underlying Processes are Satisfactory

1. Health Sector Review
2. Education Sector Review
3. Water Sector Review
4. HIV and AIDS Thematic Area Review
5. Review of Environment as a cross-cutting issue focusing on strategy for urgent actions on Land Degradation and Water Catchment

Cluster 2- Improvement of Quality of Life and Social Well being

2 out of 4 TPAs Achieved

1. Education Sector Human Resources Situational Analysis carried out according to the agreed TOR with the data collection initiated by June 2010 and first draft finalized by November 2010
2. Capacity building plans based on the water sector capacity development framework are in place by March 2010 and on budget by June 2010 for all MOWI departments, minimum 75% of all LGAs; and minimum 90% of all other implementing agencies (such as Urban Water Authorities, Water Basins)

2 out of 4 TPAs Not Achieved

1. At least 3 out of 5 MDAs (Agriculture, Health, Infrastructure, Water, Energy and Minerals) have finalized environmental action plans for the sector and ministries in line with Environmental Management Act Cap191.
2. An analytical framework is established (related to MTEF and PER) to monitor the allocation and disbursement of funds to key Health Sector Strategic Plan – 3 areas (LGA, HRH, MCH, Eds/Medical supplies)

Cluster 2- Improvement of Quality of Life and Social Well being

8 of 15 Outcome Indicators are On-Track

1. Percentage of cohorts completing Advanced Level secondary education (Form VI)
2. Gross enrolment (Total Enrolment) in Higher Education
3. Qualified Teacher/Pupil ratio in Primary Schools
4. Sustaining the high proportion (equal to or above 85%) of children that receive three doses of vaccine against diphtheria, pertussis (whooping cough), tetanus, and Hepatitis B under two years.
5. Sustaining the high (80%) Tuberculosis completion treatment rate
7. Number of Districts allocating budget to EMA implementation
8. Qualified Teacher/Pupil Ratio in Secondary Schools

Cluster 2- Improvement of Quality of Life and Social Well being

6 out of 15 Outcome Indicators are Off-Track

1. Percentage of cohort completing Ordinary - Level Secondary Education (Form IV)*
2. Percentage of cohort completing Ordinary – Level Secondary Education (Form IV)
3. Qualified Teacher/Pupil ratio in Secondary Schools
4. Proportion of births taking place at health facilities as a proxy of births attended by skilled H/Workers.
5. Number of people with advanced HIV infection receiving Antiretroviral Combination Therapy gender disaggregated
6. Percentage of the population that has access to clean and safe water from a piped or protected source (Rural/urban)
7. Transition Rate from Standard VII to Form I Gender Disaggregated

Cluster 3- Governance and Accountability

4 out of 5 Underlying Processes are Satisfactory

1 out of 5 Underlying Processes Dialogue not yet concluded, both GoT and DPs have concerns.

1. Public Service Management Reform Programme

1. Anti-corruption

2. Legal Sector Reform Programme

3. Accountable governance

4. Local Government Reform Programme

Cluster 3- Governance and Accountability

All 2 Outcome Indicators were achieved.

1. Percentage of outstanding court cases for 2 years or more
2. The percentage of total government budget allocated directly to LGAs which does not go through ministerial votes and is calculated on a formula basis, minus CFS.

Cluster 3- Governance and Accountability

7 out of 9 TPAs Achieved in Cluster 3

1. The Government implements the approved LSRP M&E framework with annual data collection on all LSRP relevant MKUKUTA indicators and 50% of LSRP outcome indicators. GoT to maintain efforts to fight corruption at all levels, including the conclusion of grand corruption investigations .
2. The government shall put in place measures, including incentives, to ensure adequate staffing in persistently understaffed areas by June 2010 to be implemented by FY 2010/11.
3. The Government shall reduce overall expenditure on duty facilitating allowances and honoraria in MDAs and promote positive use of allowances in underserved areas in line with the principles of MTPP by June 2010

Cluster 3: Governance & Accountability

4. The Government will, by December 2010, issue to LGAs a circular which will inform them about Government's decision to fold the recurrent grants into one for personal emoluments (PE) and one for other charges (OC) for each LGA effective from the financial year 2011/12
5. NACSAP M&E framework to be in place by June 2010
6. Government to strengthen governance reform implementation by Sept. 2010 by: Operationalising common procedure for implementation of core Government reforms based on the recommendation adopted by the JCC of 13th November 2009
7. Identifying for each reform programme, based on current institutional practice, at least 2 measurable indicators that are result (impact) instead of process (input) based, to be used for annual reporting on progress on core reforms by 1 October 2010

Cluster 3: Governance & Accountability

1 TPA dialogue is ongoing to finalize the assessment.

The Government to maintain efforts to fight both petty and grand corruption at all levels and provide quarterly updates in line with PCCA, 2007

1 TPA was not assessed agreed to be implemented early next year.

Review and develop proposals for the amendment of the local Government Finance Act, 1982 attendant memorandum, regulations and manuals to provide for enhanced autonomy in budgeting and planning as well as ensuring more efficient, accountable and transparent financial management shared with key stakeholders by June 2010

Cluster 4- Macroeconomic Management and Public Financial Management

4 out of 6 Underlying Processes Satisfactory

1. Public Financial Management Reform Program
2. Annual Audit Cycle
3. Macroeconomic Stability
4. Assessment of Development Partners Performance (Predictability of Direct Budget Support)

2 out of 6 Underlying Processes Unsatisfactory

1. Effective PER policy dialogue to inform the budget process
2. DPs and GoT on adhere to JAST Principles, PFM, Accra Agenda for Action in terms of reducing funding on project/basket and increasing funding on GBS

Cluster 4- Macroeconomic Management and Public Financial Management

4 out of 5 TPAs Achieved

1. Implementation of the agreed time-bound action plan derived from the NAO audit of IFMS. (only actions implementable in 1 year)
2. Adoption of the Due Diligence study, including recommendation to transform the Office of the Treasury Registrar into an Autonomous Body, and relevant steps taken to start implementing said recommendation.
3. Implementation of PFM action plan based on agreed assessment criteria
4. PEFA for Zanzibar carried out and results shared with key stakeholders by September 2010

1 out of 5 TPAs Not Achieved

1. Complete a comprehensive study on revision of the Public Corporations Act to harmonize the legislation relating to public corporations, and ensure strengthened corporate governance and accountability consistently across parastatals by January 2011.

Cluster 4-Macroeconomic Management and Public Financial Management

4 out of 10 Outcome indicators on track	4 out of 10 Outcome indicators are off track	1 out of 10 Outcome Indicators Dialogue not yet concluded	1 out of 10 Outcome indicators Not assessed
<ol style="list-style-type: none"> NAO reaches level 3 of Afrosai capability model by 2010 Average level of compliance of procuring entities with the Procurement Act 2004 to reach 80% by 2011 	<ol style="list-style-type: none"> Credible cash flow and procurement plans in 9 MDAs (Health, Education, Infrastructure Development, Water, MoFEA, Agriculture, Energy and Minerals, Livestock Development and PMORALG) agreed with MoFEA for the FY 10/11 budget and execution monitored Fiscal Deficit (after grants) as % of GDP consistent with PSI targets Inflation rate consistent with PSI targets Deviation of actual disbursed budget support from the forecast provided by 	<ol style="list-style-type: none"> Approved budget broadly in line with policy objectives (MKUKUTA, sector policy priorities) also as measured by percentage of total resources net of debt service allocated to 	<ol style="list-style-type: none"> Percentage of GBS flow disbursed in the first and second quarters of the Government fiscal year

Cluster 4-Macroeconomic Management and Public Financial Management

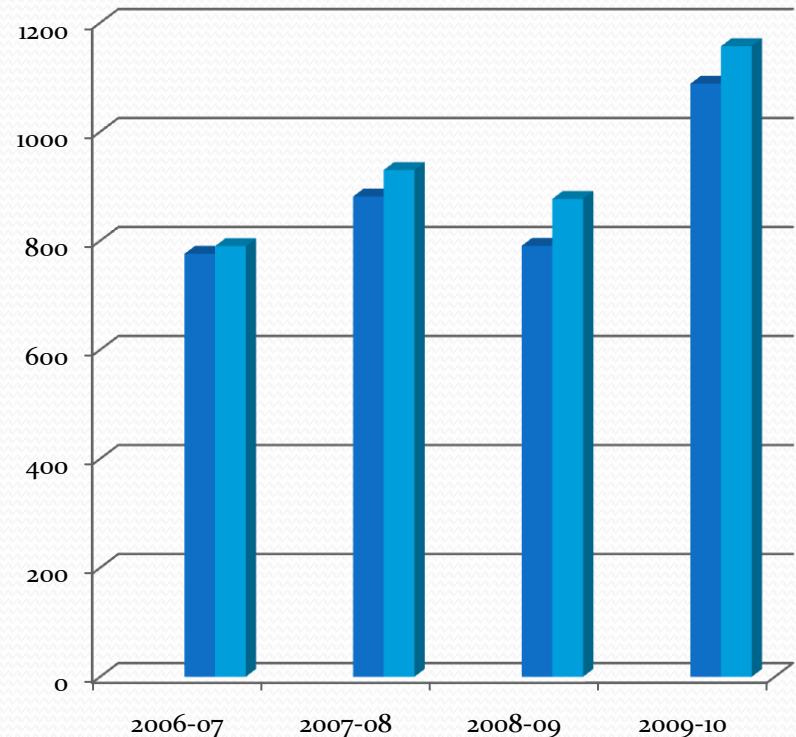
4 out of 10 Outcome indicators on track	4 out of 10 Outcome indicators are off track	1 out of 10 Outcome Indicators Dialogue not yet concluded	1 out of 10 Outcome indicators Not assessed
<p>3. Expenditure outturns deviation compared to original approved budget (recurrent MDA only- vote level), excluding salary adjustments, contingency and debt service</p> <p>4. Quarterly GBS disbursement estimates have been agreed with donors before the beginning of the fiscal year</p>			
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Assessment of development partners performance (Predictability of Direct Budget Support)

Commitments of GBS

- Commitments of General Budget Support for the past four years have remained constant in terms of volumes
- The graphs show small difference between estimates and actual disbursements
- GBS is the preferred modality for funding of MKUKUTA/MKUZA.
- The GoT calls on GBS partners to scale up funding through GBS
- GOT request Non GBS partners to consider joining the GBS modality.

Performance of GBS for three Years in Tshs.



Summary

- The review process started earlier with strong ownership and leadership by the GoT
- Overall performance has been good ,with some areas requiring further action /attention
- Stronger qualitative dialogue is required at sector level to reduce the number of issues of concern for both GOT and DPs
- The core- and cross-cutting reforms remain a challenge
- Outcome Indicators should be well designed to ensure that valid and timely data is available
- The Key Issue discussions will reflect the challenges faced in the PAF implementation



Asanteni sana!