Opening Statement

by

Mr. Carlos Lopes,

Executive Secretary and UN Under-Secretary General
of the United Nations Economic Commission for Africa (UNECA)

at the

National APRM Workshop on
Harmonizing the Tanzania National Plan of Action (NPoA) with the
existing Development Strategies and Medium Term Expenditure
Framework (MTEF)

25-26 September 2012, Serena Hotel
Dar es Salaam, Tanzania
His Excellency Minister of Foreign Affairs and Focal point of APRM Tanzania, Hon. Bernard Kamillus Membe (MP)

Honorable Ministers, Permanent Secretaries and senior Public Servants

Mr. Mathias Chitunchi, Ag. Head of Governance Unit - President's Office

Prof. Hasa Mlawa, Chairperson of APRM Tanzania National Governing Council

Mr. Alberic Kacou, UNDP Resident Representative and UN Resident Coordinator

Distinguished Members and Representative of the Tanzanian Private Sector and Civil Society

Distinguished APRM experts, participants and colleagues,

On behalf of the Executive Secretary of the ECA, Mr. Carlos Lopes, I would like to welcome you all to this National APRM Workshop on “Harmonizing the Tanzania National Plan of Action with the existing Development Strategies and Medium Term Expenditure Framework” holding in this lovely 'Abode of
Peace', better known as Dar es Salaam, of Tanzania in the course of the next two days.

The UNECA, the UNDP and the APRM Continental Secretariat are indeed proud to jointly organize this timely and important workshop with the government and stakeholders of the APRM Tanzania. You would recall that the two UN sister-organizations and the African Development Bank (AfDB) were designated as Strategic Partners by the APR Forum of Heads of State and Governments in Kigali, Rwanda, in February 2004, to support the implementation process of the APRM.

It is in this context that the strategic partners have over the past few years, collaborated with African governments, civil society organizations, Pan-African institutions, and individual African experts to provide highly interactive workshops and training sessions for discussions and exchange of best practices and lessons learned on the technical, organizational, methodological, research, planning, monitoring and evaluation challenges, as well as best practices, associated with the implementation of the APRM.
Honorable Minister, Distinguished Panel member, experts and participants,

There is little doubt that the African Peer Review Mechanism is one of the most significant initiatives in Africa over the last decade. Launched under the auspices of the New Partnership for Economic Development (NEPAD), the African Peer Review Mechanism (APRM) has grown from five pioneer members (including Tanzania) to now 31 acceded countries. So far, sixteen (16) APRM participating countries out of the thirty-one (31) have conducted successful governance self assessments and external peer reviews. These countries are at different stages of implementing their National Programme of Action (NPoA), with Kenya being the first country to undergo a second round review.

The APRM has registered remarkable successes in that so many countries have now embraced it and the reviews conducted thus far have earned the reputation for professionalism, integrity and forthrightness and are being taken seriously by the participating countries.

One of the fundamental principles of the APRM process is to foster "peer learning" of best practices among African countries and to build a sense of community among them in regards to the implementation of the APRM. You would therefore
agree with me that the value-addition of the APRM and its comparative advantage and superiority over other development planning and processes including, the Poverty Reduction Strategy (PRS) is the bringing together of African states as equals and to share experiences and best practices in governance and development. This workshop is organized to give life to the principle of “peer learning” which is embedded in the APRM.

Despite these considerable achievements, there is no doubt that the NPoA poses formidable challenges to the national planning systems of APRM participating countries. Its value addition to national socio-economic development would highly depend on the extent to which it is integrated into the mainstream of the national policy and planning systems of the country.

Distinguished delegates and participants,

Lessons emerging from the APRM pioneer countries suggest that the NPoA is the weakest link in the APRM process. In fact, studies initiated by the APRM Strategic Partners -- UNECA, UNDP and the AfDB – have shown the following key challenges to the NPoA implementation:

- Discrepancies between the costs of the NPoAs and the information held by the relevant sector ministries and agencies;
- Lack of clear links with the funding mechanisms such as the national budget
and the Medium-Term Expenditure Framework (MTEF);

- Weak coordination between agencies responsible for costing the NPoAs and those responsible for financing the programmes;
- Difficulties in identifying the NPoA programmes and projects in the national budgets and, thus, its impact on the Medium Term Expenditure Framework (MTEF); and
- Lack of institutionalization of the APRM-NPoA at the country level as an integral component of the National Planning System.

It is against this background that the APRM strategic partners felt that there was an urgent need to explore synergies between the NPoA and other national development plans in order to harness the potential of the APRM to national development.

This workshop presents a unique opportunity to Tanzania stakeholders with information and best practices that could form the core process for harmonizing the APRM-NPoAs with pre-existing national plans within the context of a common medium-term expenditure framework (MTEF). It also is a useful forum for experts from APRM participating countries to exchange views on the key challenges affecting the process and suggest concrete tools and ways to make the APRM-
NPoA a credible and an operational document for the national socio-economic development of our countries.

It will provide a real opportunity for national APRM stakeholders to learn first-hand experiences from peer countries and experts about how to address similar challenges and suggest concrete tools and processes that could make the Tanzania NPoA a credible and operational planning document for socioeconomic transformation and development.

**Specifically, this workshop seeks to achieve the following objectives:**

1. Gaining/enhancing familiarity with and understanding of the major concepts, issues and skills that are required in the design and implementation of the APRM-NPoAs;

2. Identifying the competencies for successful harmonization of NPoAs with existing development strategies and the proposed National Strategic Transformation Plan;

3. Acquiring strategies for the systematic collection of data, information and coordination of Ministries, Departments and Agencies (MDAs) in monitoring and evaluation of the APRM-NPoA;

4. Exploring opportunities for engaging special interest groups and
stakeholders in the formulation of national development plans and strategies.

5. Analyzing the costing process and challenges;

6. Evaluating the links between the NPoAs, the MTEF and existing national development strategies and plans;

7. Investigating the financing instruments, particularly the budget and Medium Term Expenditure Framework (MTEF);

8. Examining the Monitoring and Evaluation frameworks for APRM-NPoA’s Implementation; and, finally

9. Establishing a standardized framework for integrating the APRM-NPoAs into the National Development Plans.

**Distinguished delegates and participants,**

The significance of the APRM as a governance framework is to foster the practice of participatory governance through a public deliberative process of consultation, dialogue and accountability. This APRM, if implemented faithfully, can foster a **concrete transformation in the relationship between the state and society in Africa. This transformation is intended to create the social compact that is needed to strengthen domestic accountability in order to ensure better development outcomes for all citizens.** The major lessons emerging from the global economic crisis, the Arab Spring and the emerging consensus on the post-
2015 MDGs discussions all point to the need for a governance systems that would foster a new “social contract” between the state and society.

Indeed, the World Bank, the OECD and all the other major international development institutions are all calling for “social inclusiveness” and “social cohesion” as the new paradigm for international development. The APRM is surest way possible for African states to achieve these development objectives.

**Excellencies, Distinguished delegates and participants,**

Permit me, at this stage, to illustrate with a few examples, some of the quick gains that are already beginning to accrue to Tanzania partly in response to the APRM Country Review Mission that took place early this year in May. The CSAR and the Country Review Mission underscored certain outstanding cross-cutting issues that must be resolved in order to improve governance in Tanzania. While some of these require longer term measures, there have been notable quick wins of the APRM since the Country Review Mission in March 2012:

**Public Sector Reform and Accountability of Public Officials:** In May 2012, President Jakaya Kikwete replaced six ministers amid allegations of corruption. These ministers held key cabinet portfolios such as Finance, energy, tourism, trade, transport and health. The President emphatically stated that accountability would
be taken seriously and ministers' and other executives working for state-owned companies would also be held accountable for any embezzlement. This is a strong signal that the Executive is committed to stamping out the vice of corruption, and strong support from the Legislature in this regard is important in ensuring concrete public sector reforms. These actions were largely in response to the Controller and Auditor General's annual report in May this year; however, the consensus built around this report during the APRM mission precipitated action on the report.

**Harnessing Tanzania's Potential in Natural Resources - mining, tourism, etc.**

Tanzania is Africa’s fourth largest gold producer, hence its ability to harness the country’s potential in natural resources in a manner that benefits citizens is crucial. Throughout the country review mission (CRM), the issue of corporate tax holidays was repeatedly raised and emphasized as undermining Tanzania’s domestic resource mobilization efforts. Thus, only about a week ago, the government decided to levy a corporate tax of 30% on mining companies operating for more than five years, with a view to increasing revenue gains from gold mining activities in the country (citing rising prices of precious metals at the world market). Relatedly, the Government has ordered audits of all large-scale gold mines in the country to ensure they start paying corporate taxes after recovering their costs of production. The Tanzania government is also evaluating 11 bids from investors for
a stake in the state-run Buhemba gold mine. These actions are all in line with the recently adopted African Mining Vision (AMV) adopted by the AU and is being monitored through mechanisms like the APRM.

**Land grabbing:** Finally, the practice of land grabbing by private investors at the cost of the citizenry was highlighted throughout the country during the CRM. The poor and vulnerable are at risk of losing the land that they have farmed and lived on for generations. Information has come to light that in July 2012, a major US energy company, (AgriSol has been accused of acquiring land in Tanzania that would displace more than 160,000 Burundian refugees who have lived there for decades (many of whom are subsistence farmers, and leasing the land). ¹

Initiatives by civil society to highlight the magnitude of the problem and find lasting solutions have been buttressed by diligent Members of Parliament, who have pressured the Ministry of Land, Housing and Human Settlements to take action to stop the ongoing massive land grabbing and to eliminate corruption in its ranks. Studies have also been undertaken by civil society to explore the nature of capital investment taking place in certain regions (Rivuma and Kigoma) and the socio-political implications for the peasantry in the area.

¹ According to a report by the Oakland Institute, an organization focused on environmental issues.
These cross cutting issues and the various other major concerns identified in the APRM process require a multi-dimensional and multi-stakeholder approach to addressing them. The value of the NPOA planning, design and implementation process is that all actors; state and non state institutions as well as individuals have a role to play in shaping the development agenda and its content, through their various contributions, perspectives and value addition.

**Honourable Ministers, distinguished delegates,**

In conclusion, let me just say that this National Workshop comes at a critical time for Tanzania’s political, economic and social development. The APRM has created a heightened awareness of governance and development challenges among citizens and given them hope that their voices would be listened to and desires implemented.

The NPoA is the link between citizen aspirations and the realization of these hopes. By harmonizing the NPoA with other development plans, Tanzania can tackle and address the most critical challenges could foster a socio-economic transformation and sustain its democratic credentials for which she is well recognized.

**I thank you for your kind attention.**