



policy forum
PRESS RELEASE
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Policy Forum has decided to dedicate this month's debate to the issue of Governance in Tanzania. The debate is titled "**Governance and Rent – Seeking in Tanzania: Beyond the Corruption Agenda?**" The debate will centre on its new governance report which reviews official documents, statistical data, aid agency, academic and civil society publications and press reports.

According to the governance review there are still major failings in both revenue collection and spending during 2008-2009. Revenues are lost through unjustified tax exemptions, the undervaluation and taxation of natural resources, and corrupt practices by tax collectors. Public expenditure is extremely inefficient as a result of systemic looting by officials, including corruption in procurement that also involves rent-seeking by private interests.

Where is the governance deficit the most ruinous? The report has argued that the greater share of looting and rent-seeking takes place at the central government level. This is likely to remain the case for as long as central MDAs control the lion's share of the national budget. It suggests that CSO efforts to 'follow the money' *should start at the national rather than at the local level.*

Also, wages and allowances are the biggest expenditure items in the national budget. Though wages are largely 'ring fenced' against plunder ('ghost' workers notwithstanding), allowances are open to widespread abuse, with negative consequences for state performance. Procurement and contracting constitute major targets for looting by government officials and rent-seeking by private businesses

Do donors help or hinder Tanzanian governance? TGR2 cites evidence suggesting that the impact of foreign aid agencies on Tanzanian governance has been double-edged. While aid agencies have provided the state and non-state actors with financial and technical assistance to pursue their various mandates, they have also pumped large amounts of money into a budget that suffers from grave governance deficiencies

These issues, together monitoring the governance component of MKUKUTA, will feature as part of the discussion during the Breakfast Debate on Friday 26th August 2011. Invited participants at the meeting include representatives of Government, private sector, civil society, donors, the media and concerned citizens. The discussions are held over light breakfast and enable participants to reflect and debate the issues.

The 7:30 People and Policy Debates are held on the last Friday of every month and the venue will be the BRITISH COUNCIL along **Ohio Street**, from 0730 to 0930. Their main purpose is to examine and debate the extent to which policies serve ordinary people, and identify imaginative questions and solutions.

The main presentations will be made by Brian Cooksey, the Director of TADREG and John Dominic, Technical Advisor, Ministry of Natural Resources and Tourism.

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The book can be accessed: <http://www.policyforum-tz.org/node/7421>

Signed for Policy Forum