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# Mid-Year Progress Report

January to June 2014

## Policy Analysis mid-year progress report – 2014

### Objective 1: The effectiveness of public resource management is analysed.

#### **The 2014 Annual Plan:**

In keeping with objective 1 of the strategic plan for 2014 to 2016 – as outlined above, the following is an update of the progress of implementation of activities agreed upon in the 2014 Annual Plan of the Budget Working Group (BWG).

- **The Budget Working Group Annual Plan for 2014.**

The BWG Annual plan for 2014 was drawn and approved by the Budget Working Group in a meeting held in March 2014 as a guide for the activities they would be implementing throughout the year.

- **Parliamentary Budget Office (PBO) Advocacy.**

The department has continued to pursue advocacy work to enable the establishment of a PBO. For this year, we have finalized the preparation of another brief on PBO titled 'Why Should Tanzania Consider Establishing a Parliamentary Budget Office (PBO)?' This brief is expected to be shared with Members of Parliament and especially those in the Budget Committee so as to keep familiarizing them with the concept as well as the advantages that this office comes up with.

In the same agenda, the department has been regularly communicating with the Parliamentary Budget Committee which showed interest in making sure that the PBO is being established. Recently, the clerk of the committee pointed out that there is a remarkable progress so far in achieving the goal – establishing the office.

The department in collaboration with the Budget Working Group is intending to follow up with the National Assembly to ensure that the commitment to establish this office is put into effect.

- **Preparation of the Citizens' Budget**

Last year, the Ministry of Finance produced the 2013/14 Citizens' Budget with minimal support of the BWG. For this year, the Ministry has indicated its commitment to produce one for 2014/15 and the exercise is expected to start once the Bunge Budget session is over. The department will follow up on this as well as ensuring that its dissemination is strategic so as to ensure that citizens are brought on board to understand the government budget and interact with the process more proactively.

- **Localization of the Open Budget Index (OBI)**

The department had planned to undertake this activity with the aim of measuring the transparency of the budget process at local level, looking specifically at the issue of access to budget information as well as the mechanisms that are in place to influence citizen participation in the process. The exercise was done in three districts (Mbeya rural, Mbozi and Ileje). The plan was to see if it works well roll out this exercise in more districts in Tanzania.

Last year the process of data collection started in collaboration with our partner MIICO. The exercise however did not go smoothly as one of the organizations that we engaged to help us in data collection did not cooperate. Data was lately submitted and it was not collected in the same period as in the other districts and therefore not possible to compare this data with the rest. It was also noted that the filling in of the questionnaires was not done properly and this rendered the data's objectivity in question.

Throughout the exercise, it was observed that government institutions are cooperative beyond our initial expectation. In every local institution that was visited, the officials were welcoming and spared time to attend the interviewers. It was however observed that the whole process of ensuring transparency is challenging. For example, how possible is it for a council to post its strategic plan on the notice board?

A brief report about the exercise compiling the whole process as well as the challenges and lessons learnt has been compiled for learning purposes and to inform future research works.

- **Other Activities:**

- **Analysis of 2014/15 National Budget**

The Secretariat usually dedicates the breakfast debate for the month of May or June to be prepared by the Budget working Group. For this year, the breakfast debate was held on 30<sup>th</sup> May 2014 at the British Council to discuss the emerging issues in the water and health sector. There were two presentations on Water and Health sector Budget that were made by Water Aid and Sikika respectively. We also had the privilege of getting the European Union High Commissioner Ambassador Ceriani Filiberto Sebrogondi a discussant during the debate.

The debate was well attended and it drew a big number of participants ranging from the donor community to CSOs. Resulting from this, the European Union offered to provide us a space to present to the GBS when we have done the overall analysis of the national budget. The BWG will convene to see how best it can use this opportunity as well as how to engage other stakeholders including Members of Parliament.

The presentations and discussions for the event are uploaded on our website ([www.policyforum.or.tz](http://www.policyforum.or.tz)).

- **Budget Working Group position statement on the 2014/15 budget**

As part of its efforts to influence the budget process in Tanzania, the BW group prepared a position statement in regard to the budget for the next fiscal year. The statement was prepared based on financial performance for the year 2012 as reported by the Controller and Auditor General and the recent budget estimates for 2014/15. It covered four main areas; health, education, water and agriculture. Interestingly, this year's statement looked at the budget with a gender perspective trying to highlight how sensitive to gender this budget is.

Findings of the analysis indicate that financial discipline among government institutions is not encouraging when it comes to spending. Several recurring weaknesses are being brought forward by the CAG. Again, there are still problems related to delays in disbursing funds, and at times non disbursement resulting into ineffective implementation of projects.

The statement was published by Mwananchi and the Citizen newspapers of 11<sup>th</sup> June 2014, a day before the budget speech was read in the Parliament. These findings were also discussed live in Channel ten during the Pambanua program which was aired on 25<sup>th</sup> June 2014. It got the attention of the public such that people from different parts of the

country joined hands with PF in advising the government on how best it can manage its financial resources.

- **Analytical think-piece**

In its efforts to monitor the extractive industry, Policy Forum has engaged a consultant to research and come up with an analytical think piece that will shed light on how the local content is being addressed in this sector. The analysis is meant to broaden public understanding and debate about how the local community can be taken care of more attentively in both the existing policies as well as those that will be developed in the future. This analysis is expected to be ready by the end of the third quarter.

## **Objective 2: The body of evidence produced by Policy Forum is widely disseminated.**

**2.1 Policy Forum Website and branding:** Data continues to show that, at least 2000 people visit our website on a monthly basis and a greater part of users are from within Tanzania. We also continue to update and upload various documents including reports, studies and news items regularly as a way of broadening our dissemination. At the beginning of the year we managed to integrate some of the features of social media specifically the Facebook and twitter block on the website page so as to attract more viewers on the website

As part of our branding, we also reprinted and updated our members' directory for 2014. The purpose of the directory is to provide a contact details list of the organizations who are members of PF for the convenience of horizontal communication within the network and for other stakeholders including the public to know about the network.

**2.2 Evaluation of Policy Forum Publications:** it was agreed during the Policy Forum retreat in December 2013 that this activity will be conducted by an M and E person at the secretariat once he/she is employed.

**2.3 Popularization of Policy Documents:** This year we plan to produce popular versions of 4 publications. The agreed documents for popularization which have been produced so far are:

1. A simplified version highlighting the major issues in the second draft constitution. This booklet has been produced in collaboration with Legal and Human Rights Centre (LHRC).25,000 copies of the booklet have been printed and disseminated to our members and the public and large.

2. A simplified version analyzing the second draft of the New Constitution of the United Republic of Tanzania, 2014 with a special eye to issues (sections) that may affect the working, autonomy and functions of the Local Government Authorities. The booklet has been produced by members of the Local Government Working Group (LGWG) and 25,000 copies have been printed and disseminated.

**2.4 Breakfast Debates:** Breakfast debates have continued to take place on the last Friday of each month. During the first half of 2014, the topics discussed have been:

**1. January:** *Land and Forest Related Conflicts in Tanzania: Is it a governance issue?*

**2. February:** BRICS Investments: Development Opportunity for Tanzania?

**3. March:** *Crime, Gender and Poverty: patterns of victimhood in Tanzania*

**4. April:** Benefiting from Gas: How to enhance Local Content in Tanzania

**5. May:** The National Budget 2014/15: What are the emerging issues in the Water and Health sectors?

Attendance has generally been good and media coverage has been encouraging too. Most of participants have been from public sector, high learning institutions, academia, civil society, development partners and the private sectors. Also, requests from PF's members and other stakeholders for slots in these debates have continued to increase considerably. This, signify the understanding and value of these discussions and influence and impact that can bring in the general public.

**2.5 Communication with Members:** The communication strategy developed in 2008 continues to guide us in our day to day activities; the strategy is currently being reviewed. For five months, we have continued sending weekly updates after thorough selection to suit our objectives and which are more relevant to our members. We, also, continue sending information packs with key documents to members with information that may be of interest on a monthly basis and also to assist our members whose access to internet connectivity and mobile phones is limited. Such information packages are either PF related publications or different publications from our members that are of relevance.

**2.6 Strategic Use of the Media:** For six months, Policy Forum and its members have continued working with the media in the following ways:

1. **TV Spot and Documentary Production:** PF is planning to produce a TV spot which will be broadcasted in one national TV and other local radios together with a documentary. The themes for the TV spot and documentary will depend upon members suggestions. This activity is still underway.

### **Objective 3: The capability of civil society organizations to understand public resource management is enhanced.**

#### **CSOs engage more effectively in local and national processes through evidence-based advocacy**

##### ***Institutionalizing SAM within Government Institutions***

Policy Forum has long been working with its member organizations to open up spaces for civic actors and communities to participate in policy and planning processes at the local level. As a network of civil society organizations, we also believe communities should have the opportunity to obtain justifications and explanations for the use of public resources from those entrusted with the responsibility for their management and the performance of officials if service provision at the local level is to be progressively improved.

To this end, Policy Forum has continued to collaborate with the government institutions, and in this year as part of strengthening the established relations with CHRAGG, Policy Forum trained the Commission on SAM so as to incorporate in their next strategic plan as well as integrate SAM in their good governance work, including the educational and investigation mandates. The training enabled the commission staffs to strengthen both their planning and programming so as to advance the right to Social Accountability.

The training was conducted in Dodoma (2<sup>nd</sup> and 4<sup>th</sup> June, 2014) and the specific objectives were:

- To enable CHRAGG officials to understand social accountability as a citizen's right and that all persons have a fundamental right to obtain justifications and explanations for:
  - the allocation and use of public resources from duty-bearers entrusted with responsibility for these resources;
  - The performance of duty-bearers in progressively realizing the human rights of those they serve.

Conversely, duty-bearers have a duty to:

- provide justifications regarding their decisions and performance and
- to take corrective action in instances where public resources have not been used effectively to realise human rights and capabilities.
- To raise awareness on emerging accountability issues at the local and central levels in Tanzania and to understand the nexus between accountability and service delivery.
- Identify initial priority areas of concern on accountability-related issues that CSOs and government could work on.
- To broaden the definition of Human Rights not only Political and Civil Rights but also to include Socio-Economic Rights which is also part of their mandates

## **Other interventions aimed at helping local Government Authorities create space for communities to participate in planning.**

### **Development of a Capacity Enhancement strategy, a TOT SAM training course and SAM fundamentals course:**

To further deal with the demand for SAM, Policy Forum has adopted a local SAM course with help from the PSAM which will be used to develop the capacity of its members and partners. Facilitator's Guide has been developed and reviewed so as to confirm with laws and regulations of the government of United Republic of Tanzania that relate to accountability and monitoring activities. PF hopes that the SAM Facilitator's Guide will help maintain the quality of training on SAM. This year's TOT SAM training was conducted in June 9 to 20, 2014 whereby 16 participants attended the course, among them, 7 participants were female and 9 participants were male. Also a Policy Forum new staff attended the SAM Fundamentals course in Rhodes University – South Africa in June 2 to 13, 2014.

For this first half of the year 2014, PF members have continued to use SAM tools in monitoring public resources. For example in March 2014 PF together with SDC paid a field visit to MIICO who were implementing SAM in Ludewa district through the funding from SDC. The overall objective of the visit was to enable SDC to understand the work of partners at local level better where by the expectations were to have a good understanding of ongoing SAM project in Ludewa District Council, increasing the understanding of SAM activities for improved agricultural service provision in the district, and understanding the governance processes and how the citizens of Ludewa are involved in improving accountability as well as monitoring the services provision by the local authorities.

In this year, Policy Forum through its AGM has also add up one member- Forum Syd for SAM partnership, the implementation of SAM with Forum Syd will commence in July 2014 where by it will be implemented in Magu district.

In this view of capacitating the members to effectively engage with and influence national and local policy processes, Policy forum has continued to provide technical assistance to its members whenever needed. In implementing its annual plan, Policy Forum has been assisting MIICO to train SAM in Ludewa district – MIICO once partnered with Policy Forum to undertake SAM in Ileje District – Mbeya Region, as part of the capacity that was established by Policy Forum, MIICO has been awarded fund by SDC to undertake SAM in LUDEWA, something which Policy Forum is proud of since it once trained MIICO and its staffs on Social Accountability Monitoring approach.

### ***Policy Forum's Quarterly Meetings***

Up to May 2014, Policy Forum has conducted 2 quarterly meetings; the first QM was in February 2014 total participants were 37 in which 20 participants were male and 10 were female and among them 26 participants were from upcountry members. Another meeting was AGM- which is also regarded as QM and was conducted in April 2014; total participants were 62 among them, 19 were female and 43 were male and among them 30 participants were from upcountry who participated in the meeting.

### ***Rationale of the Meetings***

The meetings are designed to enable members to discuss on issues concerning their network together with the issues related to accountability and governance which enhances active citizen voice. Together with this, QM enables upcountry members to use the opportunities available at the

national level – for example during its 2014 Annual General Meeting (AGM), Policy Forum (PF) secretariat arranged for a field visit aimed at familiarizing its upcountry members with the work of key government institutions that it has been closely working with. For 2014, the National Audit Office (NAO) and the Commission for Human Rights and Good governance (CHRAGG) were selected for the familiarization tour.

Both courtesy calls were an opportunity for CSOs and these government institutions to explore effective ways of working together. It was also an opportunity to brainstorm on how sharing experiences of each other's activities can help the institutions work in harmony with civil society. It is expected that the terrain will become smoother with progressive quality engagements like these.

During a debriefing session the second day of the AGM, PF members agreed that the dialogues were key milestones in the constructive engagement between the two government institutions and an important move towards CSO participation in audit process as well as advancing the importance of taking a human rights approach to Social Accountability.



## **Objective 4: Engagement by Policy Forum improves national policy processes.**

**Extractives Industries:** Policy Forum in collaboration with the Tanzania Extractive Industries Transparency Initiative (TEITI) and Hakimadini, organised a training (2nd to 3rd April 2014) in Arusha aimed at getting northern Tanzania civil society representatives working on extractives issues up to speed with the new EITI standards so as to enhance their ability to hold their government into account. This was an opportunity for the TEITI secretariat to give participants an overview of the new EITI standards which were formulated in 2013 to improve the previous 2011 standards which mainly focused on promoting transparency in revenues emanating from the extractive sector (tax revenues) but did little to enhance transparency in content of the whole extractive industry value chain. The new 2013 standards require among others the disclosure of licenses, production data and encourage the disclosure of the contracts entered by countries with extractive companies.

### **Gender Mainstreaming Training:**

After PF had conducted a gender audit and gender survey in 2013 which involved the secretariat and PF members it was advised to equip PF staff with the necessary skills and knowledge on gender mainstreaming focusing on PF priority areas. Realizing its importance, PF Secretariat office decided to conduct a five days training from 16th to 20th of May 2014, the aim being to impart knowledge and skills to the secretariat on how to prioritize gender issues, and hence be able to mainstream gender equality into PF's planned activities .

The training covered a range of topics related to gender mainstreaming but however, the preliminary discussions on conceptual issues and debates related to gender and development, enabled staffs to understand both direct and indirect consequences of neglecting the application of gender in activities done within PF, both at national and local level.

As the result of the training, the following were recommended to PF;

- Inclusion of gender mainstreaming in SAM training manual
- Strengthen / build awareness on Gender Mainstreaming among PF's members, BWG and SAM practitioners
- Gender be mainstreamed in PF strategic plan
- Enabling marginalized groups such as blind people to access PF publications
- Provide a platform for Breakfast Debate on gender related issues. This will include inviting PF members and other stakeholders to make presentation.
- Budget and Policies should be analyzed with a gender sensitive eye.
- Ensure equitable allocation of financial resources
- Strengthen organizational policy to be gender sensitive
- Increase number of female employees in the administration department.
- Develop PF gender policy

After the training and Gender Mainstreaming Action Plan developed, PF is expected to start mainstreaming gender in her various activities.

## Finance and Administration:

### Fundraising

Year 2014 marks the beginning of new Three (3) years Strategic Plan which ends in December 2016. As part of fundraising strategy during the first quarter year 2014 Policy Forum arranged a meeting with its principal donors, partners and parties with interest to fund Policy Forum Strategic Plan. This meeting was held at one of our Donor's office Swiss Development Corporation and the response was very positive.

In year 2014 Policy Forum has received funds from **American Jewish, Revenue Watch Institute** and **Swiss Development Corporation**. The year 2014 has been a transition year not only for Policy Forum but also for our partners as well. So far we have managed the funds in our disposal in an effective manner to insure maximum impacts in our area of work. We have partnered with our members as well for cost sharing in engagements which we have mutual benefits. This is an encouragement to our members to cease the opportunity to work with the network in a strategic manner. Furthermore we have received positive indication for current year funding and number of potential future funders to finance Policy Forum Strategic Plan in multiple years.

Board of Directors was consulted and played crucial role in polishing new Strategic Plan both through the Annual retreat held in Arusha in December 2013 and Board Meeting in January 2014. Furthermore the Annual General Meeting of Policy Forum members which met at British Council in April 2014 endorsed both Strategic Plan, Three (3) years strategic plan, Annual plan and 2014 Budget.

The Strategic Plan Budget for the 3 years starting 2014 as well as the status is as shown in the table below:

YEAR	2014	2015	2016	TOTAL
<b>BUDGET (USD)</b>	1,038,301	1,032,501	1,073,931	3,144,733
<b>BUDGET (TZS)</b>	1,713,197,041	1,724,276,670	1,825,682,700	5,263,156,411
<b>FUND RAISED (USD)</b>	592,920	150,000	150,000	892,920
<b>FUND RAISED (TZS)</b>	965,888,330	250,500,000	255,000,000	1,471,388,330
<b>FUND/BUDGET STATUS</b>	<b>56.4%</b>	<b>14.5%</b>	<b>14%</b>	<b>28%</b>

### Financial Management:

Policy Forum has continued to follow good practices in management of its funds. In April 2014 the audit exercise was completed by **RSM Ashvir**, this is an International affiliated audit firm which was engaged to conduct that exercise as required by Policy Forum MEMARTS. The report showed that our 2013 Financial Statements gave **true and fair view; these statements were prepared according to International Financial Reporting Standards**. These reports can be downloaded from our website. (You can visit <http://policyforum-tz.org/about/mission> ) Policy Forum as governance and accountability advocates are committed to adhere to good practices in management of its assets as recommended in order to address all relevant requirements.

In March 2014 Policy Forum issued Express of Interest to the public through national newspapers for those entities which can provide different services among them include auditing. Therefore **Crowe Howarth Tanzania** was selected as Auditing firm for 2014 by the Board of Directors and endorsed by the Annual general Meeting held in April 2014.

### Budget Implementation in 2014

As shown above, year 2014 has been challenging year to get enough funds accordingly in order to implement the budget in its entirety. This has affected our plans in a bigger way and may limit our impact in some areas though we are looking for ways to reduce such effect through collaboration and scaling down of some activities.

As of June 2014 Policy forum has received a total of **TZS 664,614,520** for implementation of 2014 budget. The cash & bank balances brought forward from year 2013 was in total of **TZS 755,663,000**, this included TZS 286,274,520 which are funds received in December 2013 for 2014 budget implementation and deferred income from previous years.

Of the amount received and disbursed a total **TZS 549,847,233** was spent for various activities during aforementioned period, it represents **57%** of the funds available for this year. TZS 338,941,745 is attributed to programme expenses or **30%** of the total programme budget and TZS 210,905,487.67 which is **42%** of the total administrative budget.

Below is the table which shows distribution of funds received for year 2014 as at the end of June 2014:

Funder	Amount Agreed In Agreed Currency	Disbursement Status
American Jewish Revenue Watch institute	\$ 150,000	\$ 150,000 (TZS 2364,000,000)
Swiss Development Agency	\$ 29,370	\$ 29 370 (TZS 46,874,520)
Membership Fees	\$ 220,000	\$ 220,000 (TZS 380,800,000)
Forum Syd	TZS 50,000 per Annum	TZS 1,900,000
TNRF	TZS 5,640,000	TZS 5,640,000
	TZS 16,811,283	TZS 16,811,283 (not disbursed)
<b>TOTAL</b>		<b>TZS 664,614,520</b>

From the table below, shows the status of the total Disbursements budget and budget implementation in relation to fund received for the period as to the end of June 2014

2014 Budget in TZS	Funds Received/ Available	Actual expenditure	Percentage of		
			Actual Fund to Budget	Actual Expense to Budget	Actual Expense to Actual Funds
<b>1,713,197,041</b>	<b>965,888,330</b>	<b>549,847,233</b>	<b>56.4%</b>	<b>32.1%</b>	<b>56.9%</b>

### Office Resource Management:

Policy Forum has enough space for carrying out day to day activities, currently we are negotiating new contract for extending lease agreement with landlord for further 3 years until 2017. We still see the need of owning our own building the effort are made to find viable alternatives in order to realize this. Due to the unavailability of funds we are unable to commit to the purchase of new vehicle for office and the scheduled purchase of computers and furniture for new recruits as per contract.

### Human Resource Management:

In March 2014 an officer for Policy Analysis had resigned her post due to her family commitments and recruitment was done immediately. The new staff has Gender expertise background, which is advantageous to Policy Forum since the new Strategic plan is focusing on mainstreaming Gender in our activities.

Policy Forum Secretariat staff attended a training conducted by institute of development Study of University of Dar-es-Salaam on Gender mainstreaming. Furthermore three different staff attended training conducted by our partners PSAM in South Africa, Publish What You Pay and Tax Justice Network in collaboration with East Africa Tax Governance Network

We planned to recruit two more staff for the new post as indicated on our strategic plan; the emphasis was to add more women on our staff. Though the posts were advertised we couldn't complete the recruiting exercise planned due to limited availability of funds that could support those posts