

PD-ABN-935

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TANZANIA  
ASSESSMENT OF PROGRAM IMPACT  
FY 1991

OCTOBER 30, 1991

## 1. INTRODUCTION

For reporting purposes, USAID is using the Strategic Objectives and indicators that were used last year. However, recently a team from AID/W assisted the Mission in reworking the strategic objectives, targets and indicators. These are currently under review and we will submit modified wording to Washington in the near future. Additional work will be carried out on indicators, again with assistance from AID/W. Therefore, for purposes of this report we have not changed the indicators for the out years except in special cases and where we will continue to monitor them.

## 2. SPECIAL FACTORS AFFECTING THE USAID PROGRAM

There were two significant policy changes during the year which have implications for the USAID program. The decision of the Government to adopt a package of banking reforms, including permitting private banking, is one of the most important policy changes that the GOT has made since beginning the current reform program in 1986. USAID made a mid-year decision to provide PD&S funds to provide technical assistance and training for the reclassification of loans for four Tanzanian Government banks. This is a part of a multidonor effort led by the World Bank to help Tanzania reform and recapitalize its banking system. Restructuring of the financial sector is considered by most development organizations in Tanzania as the single most critical problem facing Tanzania and one that the Mission is considering as a new sector of involvement.

Another important policy change was the decision to allow farmers to form member-owned cooperatives. Such cooperatives once existed in Tanzania but were abolished in 1976 when the Government assumed control of the cooperatives. Since then, they have been a severe economic drain and a source of corruption. Cooperative unions and marketing boards used to consume over 80% of banking credit, crowding out the private sector. The significance of this move to the USAID program is that the economic benefits from improved rural roads are now more likely to accrue directly to farmers rather than to cooperative officials.

## 3. PROGRESS TOWARD OVERALL COUNTRY GOALS

Progress in attracting foreign investment is proceeding and the Investment Promotion Center (IPC) reports that they have screened over 1,200 applications and approved 76 percent of them. However, only 43 firms have actually begun implementation steps. The IPC gets mixed reviews from its clients for its services. Additionally, lack of infrastructure, notably telecommunications, roads and power continue to inhibit investor enthusiasm for

Tanzania. Pervasive corruption can not be ignored as an impediment to investment and is getting more attention from the press, Government and donors.

The GOT signed an agreement with the IMF for an ESAF in July and remains on target with its PFP with regard to inflation, credit and budget. The US has waived \$167 million in debt during the past two years including PL 480 loan repayments. Total debt forgiveness is now estimated at \$285 million against a total bill of over \$5 billion.

GDP declined to 3.6 percent, down from 4.1 percent last year and 3.9 percent the year before. Part of the decline is attributed to drought which caused a decline in agriculture production. Export earnings still only cover a third of the import bill leaving a large balance-of-payments gap.

Despite moves to end state control in the financial sector and cooperatives, there has been no rapid move towards privatization of the 400 or so parastatals. Tentative steps are, however, being seen. A cotton gin in Shinyanga, one of the locations of the USAID rural roads program, has been put on the block. A sugar mill has become a joint venture with the GOT keeping a minority share and a parastatal oil seed plant is about to be taken over by the US multinational, Cargill. The GOT is to publish a list in December of parastatals to be divested.

Progress on Rural Roads has been very good. The GOT has credited USAID with relieving a major transportation bottle neck to cotton marketing in the Shinyanga Region. The much improved roads coupled with the Government's decision to permit private marketing and ginning and farmer managed cooperatives bodes well for farmers in the area. USAID is one of 16 donors involved in road improvement and a total of \$900 million has been pledged. We are the lead donor in the rural road sub-sector. The FY 1991 GOT budget allocation to rural roads was four times the amount allocated in the FY 90 budget.

A sustainability plan was developed during the year which calls for the GOT to assume an increasing share of recurrent costs of the regional roads programs to 100% by 1995/96. The GOT has six sources of revenues from the roads sector which generates enough revenue to meet the costs. However, less than 10% of these revenues are available for roads, the balance going to general revenue. It is not yet clear if the Road Fund will eventually fully finance the road program or if additional revenues will be required.

A review of progress against the indicators established last year shows that most all targets have been met or exceeded with only a few short falls. The allocation for roads as a percentage of the annual budget was exceeded by 0.5 % while revenue for user fees

was \$56 million against a target of \$60 million. Private firms rehabilitated 100kms of roads, the target amount, double last years'. (In 1989, no roads were being rehabilitated by the private sector.) The contracts awarded to the private sector during FY 1991 amounted to \$10 million against a goal of \$7 million. This is a doubling during the last year. Foreign exchange made available by USAID for import support was \$12 million.

People interviewed in the Shinyanga area where roads have been rehabilitated reported the following benefits:

- o increased mobility, especially in the rainy season
- o improved movement of crops
- o better supply of agriculture inputs and consumer goods
- o increased public transport
- o increased marketing choices for agricultural produce

The project was amended during the year to change it form a CIP to a cash transfer. This was done to reduce the management burden and to conform to existing procedures of Tanzanian banks.

Although too soon to report people-level impact, considerable progress has also been made in accelerating the new family planning program implementation. The Demographic Health Survey is under way; the family planning curriculum for medical students is being implemented; national standards and guidelines for family planning service providers have been adopted for all levels; and the MOH has hired staff and secured office and warehouse space. A five-year national family planning plan of operations has been developed. Disappointing has been the Government's failure to adopt and issue the family planning policy. This continues to be a focus of the Mission's policy discussions with the GOT.

The scholarship program has proceeded at about the same level. The number of applicants rose to 3,500 again this year greatly increasing the management workload. Targets for numbers trained in 1993 are being revised to show no significant increases in future years as the numbers can not be appreciably increased until the Training Office is automated. In-country training is being delayed until 1993, until a training needs assessment, focused on the private sector is completed. It is scheduled for FY 1992. An evaluation of HRDA is also scheduled for April 1992.

# BEST AVAILABLE COPY

Roads, Page 1

STRATEGIC OBJECTIVE NO. 1	BASELINE INDICATORS	FY 1990 Actual	FY 1991 Actual	FY 1992 Expected	FY 1993 Expected	FY 1994 Expected	FY 1995 Expected	FY 1996 Expected
Increase Rural Road Utilization	<p>a) 1.7 billion mt-km of freight carried by trucking sector (FY 89)</p> <p>b) Cost of transportation amounts to 9 TShs per ton-km. (FY 89)</p> <p>c) Volume of Ag. produce and inputs transported on Baseline rural roads average 4,300 tons per annum</p> <p>d) Cost of travel for passengers in the rural areas averages TShs. 19 per km.</p>	N/A	N/A	N/A	<p>a) 3.1 billion mt-km</p> <p>b) 8 TShs per ton-km</p> <p>d) 9,300 tons per annum</p> <p>e) TShs 17 per km</p>			<p>a) 4 billion mt-km</p> <p>b) 7 TShs per ton-km</p> <p>d) 11,000 tons per annum</p> <p>e) TShs. 14 per km.</p>
Source :	a), b) Data and reports from GOT c), d) USAID Baseline Survey (1990)				a), b) GOT reports / data c), d), e), f) USAID follow-up studies of Baseline			a), b) GOT reports/data c), d), e), f) USAID follow-up studies of Baseline.
Target No. 1.1 Develop and implement GOT road rehabilitation and maintenance policies	a) GOT not financing or implementing a plan for adequately rehabilitating and maintaining roads	a) Plan developed and implementation began	GOT implementing plan	a) Implement plan	a) Implement plan	a) Implement plan	a) Implement plan	a) Implement plan
Source :	a) GOT road work plans and budgeted funds							
Sub-target 1.1-1 Pursue effective donor coordination on rural road policy and implementation	Donors activities in rural roads disparate and non-sustainable	a) Donors met twice and exchanged information, and discussed technical, financial and management issues	a) Continue	a) Continue	a) Continue	a) Continue	a) Continue	Rural road activities sustainable
		b) World Bank trained private local road contractors	b) Continue	b) Continue	b) Efficient / effective road contractors available	b) Continue	b) Continue	Rural road activities sustainable
		c) Donors' rural road activities start to complement.	c) Continue	c) Continue	c) Donors rural road activities complementing fully	c) Continue	c) Continue	Rural road activities sustainable
Source :	USAID review of donors, meetings, agreements and accomplishments in rural roads							

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Roads, Page 2

STRATEGIC OBJECTIVE NO.1	BASELINE INDICATORS	FY 1990 Actual	FY 1991 Actual	FY 1992 Expected	FY 1993 Expected	FY 1994 Expected	FY 1995 Expected	FY 1996 Expected	
Sub-target No. 1.1-2 Provide adequate finances for road rehabilitation and maintenance in a sustainable manner.	a) Road expenditure average 5% total of Government expenditure in FY89	a) 7.5%	a) 9.0%	a) 9.5%	a) 10.5%	a) 12%	a) 13%	a) 14%	
	b) GOT budget for rural road maintenance amounts to \$3 million in FY89	b) \$5 million	b) \$6.5 million	b) \$6.60 million	b) \$7.60 million	b) \$8.74 million	b) \$8.74 million	b) \$11.50 million	
	c) Road user charges amounts to \$52 million in FY89	c) \$52 million	c) \$56 million	c) \$66 million	c) \$73 million	c) \$80 million	c) \$88 million	c) \$100 million	
Source :	a), b) GOT budget c) DATA from GOT Tax Department								
SUB-SUBTARGET 1.1-2.1	GOT budget for roads increase budget from general GOT funds averages 7.5% of total Government budget	7.5%	9.0%	9.5%	10.5%	12%	13%	14%	
Source :	a) National budget books prepared yearly by MOF								
SUB-SUBTARGET 1.1-2.2	Revenue generation weak in collections and inadequate in amount (road user fees)	\$52 million	\$56 million	\$66 million	\$73 million	\$80 million	\$88 million	strong collection system established and \$100 million collected	
Source :	a) Tax and road user charge records from MOF and review of the Tax Department operations.								
Sub-target 1.1-3	Increase efficiency of road related institutions	No central road authority for rural roads	Consolidated Rural Roads Division (RRD) established within the MCW with terms of reference, staffing and approved GOT budget.	RRD operating efficiency improved	RRD operational and efficiency improves	Efficient RRD operational			
Source :	USAID review of MOW organization, staffing and budget for rural roads as well as accomplishments								

5

STRATEGIC OBJECTIVE NO.1	BASELINE INDICATORS	FY 1990 Actual	FY 1991 Actual	FY 1992 Expected	FY 1993 Expected	FY 1994 Expected	FY 1995 Expected	FY 1996 Expected
<b>SUB-SUBTARGET 1.1-3.1</b> consolidate responsibilities for road policy and implementation in MOW	a) MOW has started to be responsible for policy and implementation of both trunk and Core rural roads	continue	continue	continue	continue	continue	continue	continue with trunk and expanded rural roads.
<b>Source :</b>	a) MOW data b) MOW organization and operations.							
<b>Target No. 1.2</b> Improve quality of rural roads	a) In FY 89 no rural road rehabilitation by private firms b) No rural roads rehabilitation and maintenance.	50 kms rehabilitated 50 kms rehabilitated 4800 kms maintained	100 kms 140 4000kms	300 kms 400 kms 5,000 kms	700 kms 800 kms 6,000 kms	700 kms 800 kms 6,000 kms	750 kms 800 kms 8,500 kms	400 kms* 400 kms 10,000 kms
<b>Source :</b>	Data from MOW	*Need for rehabilitation decreases as maintenance increases						
<b>Sub-target 1.2-1</b> Increase private sector capacity to rehabilitate and maintain rural roads	a) The private sector owns little road construction equipment and has limited b) Private sector firms awarded no road contracts c) No road contracts awarded competitively	Situation much improved a) 12 % of FX in program utilized for road construction equip - ment and spare parts b) awarded contracts amounting to \$5 million c) \$ local firms awarded road contracts competitively & of which were local private firms.	20% \$10 million Continued to award competitively	30% \$8 million Continue to award competitively	35% \$10 million Continue to award competitively	40% \$8 million Continue to award competitively	45% \$7 million Continue to award competitively	50% \$5 million Continue to award competitively
<b>Source :</b>	a) USAID CIP data and BOT records b) Review by USAID of Central Tender Board data and data from the private sector.							
<b>SUB-SUBTARGET 1.2-1.1</b> Develop and implement efficient and effective contracting for private sector firms	Weak, highly bureaucratic and time consuming contracting procedures, rules and regulations	some improvement	Improved	Improves	Effective and efficient system introduced	continue	continue	continue
<b>Source :</b>	a) MOW road contract records b) Private sector road contract records							

STRATEGIC OBJECTIVE NO.1	BASELINE INDICATORS	FY 1990 Actual	FY 1991 Actual	FY 1992 Expected	FY 1993 Expected	FY 1994 Expected	FY 1995 Expected	FY 1996 Expected
SUB-SUBTARGET 1.2-1.2 Provide FX for road construction equipment	Inadequate FX available for road construction equipment	\$5.2 million available	Increased by \$12.6 million	-	Increase by \$5 million	-	-	Increase by \$5 million
Source :	a) PAAD and PROAG Amendments							
SUB-SUBTARGET 1.2-1.3 Provide local currency for contracting of local firms	Not enough local currency available for contracting with local firms	\$2 million equivalent	\$12 million equivalent roads available	\$8 million equivalent	\$8 million equivalent	\$8 million equivalent	\$8 million equivalent	\$8 million equivalent
Source :	Special local currency account with CRDB							
Sub-target 1.2-2 Develop and implement sound technical, economic and environmental criteria and standards for road rehabilitation and maintenance	a) technical data and standards for roads not adequate b) No economic criteria followed for selecting roads c) Environmental issues not adequately addressed.	a) rural roads properly designed. b) ERR greater than 12% c) GOT agreed to consider/address environmental issues.	Continue b) ERR not less than 12% Environmental issues addressed	Continue Environmental issues addressed	Continue b) ERR not less than 12% Environmental issues addressed	Continue Environmental issues addressed	Continue Environmental issues addressed	Continue b) ERR not less than 12% Environmental issues addressed
Source :	a) MOW road selection and design reports							
Target No. 1.3 Increase Trucking Capacity	60 per cent of the FX under the USAID CIP program is utilized for importation of trucks, truck spares and accessories	85%	75%	60%	60%	60%	55%	50%
Source :	USAID data on CIP program.							

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STRATEGIC OBJECTIVE No. 2	BASILINE INDICATORS	FY 1990 ACTUAL	FY 1991 ACTUAL	FY 1992 EXPECTED	FY 1993 EXPECTED	FY 1994 EXPECTED	FY 1995 EXPECTED
Increase birth-spacing practices by men and women.	5% contraceptive prevalence rate (CPR)	N/A	N/A	6% CPR	7.5% CPR	9% CPR	10.5% CPR (-- 97: 14% CPR)
SOURCE:	Est. extrapolated from 78-'88 intercessal growth rate and UMATI contraceptive uptake reports.		Demographic and Health Survey (DHS) (91); Knowledge, Attitude & Practice (KAP) Study (91)			KAP Study (94)	DHS (95) KAP Study (96)
<b>TARGET 2.1</b> Improve public sector delivery of family planning services and information to meet demand.	Est. 2400 (75%) Clinics with FP counselling and services	Est. 2400 (over 75%)	Est. 2400 clinics offering FP (75%)	Est. 2600 clinics (85%)	Est. 2750 clinics (90%)	Est. 2850 clinics (95%)	Nearly all 3056 in MOH network
SOURCE:	MOH reports	Based on National Family Planning Programme Plan of Operations (Jan 89)	DHS underway	DHS complete			DHS (95)
<b>SUBTARGET 2.1-1</b> Build management and technical ability of public sector institutions	Adequate, qualified staff in place. Timeliness of management decisions. Program is achieving objectives.	N/A	Family Planning Unit fully staffed				Efficient, effective program in operation.
SOURCE:	Observations of USAID project managers. Progress reports, training and MIS reports. Evaluation reports.						

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STRATEGIC OBJECTIVE No. 2	BASELINE INDICATORS	FY 1990 ACTUAL	FY 1991 ACTUAL	FY 1992 EXPECTED	FY 1993 EXPECTED	FY 1994 EXPECTED	FY 1995 EXPECTED
<b>SUB-SUBTARGET 2.1-1.1</b>							
Improve data collection and analysis.	Regularity and accuracy of MIS service statistics & supply and logistics information. Uses mode of statistics by management.	MIS is poor: irregular, incomplete inaccurate	N/A	Logistics Mgmt Inf. Sys. Pilot Completed	LMIS Operational in 2 zones	LIMS in 4 zones	Regular, accurate program information available to managers. Information is analyzed and fed back to service delivery points.
<b>SOURCE:</b>							
	MIS reports. Reports circulated back to field from headquarters.	Plan of Operations of National Family Planning Programme. Background studies for USAID's FPSS Project Paper.					
<b>SUB-SUBTARGET 2.1-1.2</b>							
Increase capabilities of service providers.	Medical, paramedic and community-based service providers trained/retrained. Clients and potential clients have confidence in service providers. Reliable supply of contraceptives available to service providers.	ca. 30% of med/paramed personnel trained in FP	ca. 45% trained/retrained	ca 60%	ca. 75%	ca. 90%	Nearly all 12,000 med/paramed staff trained/retrained. Clients express satisfaction with information and services at service delivery points. No supply outages reported.
<b>SOURCE:</b>							
	Training program reports. Survey reports of client attitudes. Timely P/O/Cs, shipping documents, logistics MIS reports.	National Family Planning Programme Plan of Operations.					

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9

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STRATEGIC OBJECTIVE No. 2	BASILINE INDICATORS	FY 1990 ACTUAL	FY 1991 ACTUAL	FY 1992 EXPECTED	FY 1993 EXPECTED	FY 1994 EXPECTED	FY 1995 EXPECTED
<b>SUB-SUBTARGET 2.1-1.3</b>							
Improve supervision.	Training provided for supervisory personnel in clinics. Public Health Nurse in each district designated as FP Coordinator.	N/A	N/A				Trained FP Coordinators assist service delivery staffs in the districts to integrate FP into their MCH and PHC concerns.
<b>SOURCE:</b>	Course syllabus. MOH Order establishing FP Coordinators at district level.						Site visit reports. Evaluation reports.
<b>SUBTARGET 2.1-2</b>							
Increase ability of public sector FP institutions to meet recurrent costs	GOT budget allocations	Establishment costs (i.e., personnel, capital infrastructure) are in annual health budget. No FP costs are in budget.	N/A		Project-funded salaries begin to be picked up by GOT.	Warehouse and office space costs transferred from project to GOT on phased basis. GOT begins to contribute to costs of locally procured commodities.	Salaries, office and warehouse, local commodities fully funded by GOT by 1997.
<b>SOURCE:</b>	GOT Budget						
<b>SUBTARGET 2.1-3</b>							
Provide public with information on health benefits of birth spacing	IEC materials, radio scripts, curricula for service provider training	Inadequate reliable information available to couples.	KAP study Complete		Increased requests for services, improved continuation rates	Understanding of birth spacing and its benefits improved over 1991 findings.	Both service providers and clients understand health benefits of birth spacing.
<b>SOURCE:</b>		GOT National FP Programme Action Plan	DHS (91) KAP (91)	Monitoring IEC materials and radio programs	Service Statistics Training reports.	KAP (94)	DHS (95) KAP (96)

15

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STRATEGIC OBJECTIVE No. 2	BASELINE INDICATORS	FY 1990 ACTUAL	FY 1991 ACTUAL	FY 1992 EXPECTED	FY 1993 EXPECTED	FY 1994 EXPECTED	FY 1995 EXPECTED
<b>SUBTARGET 2.1-4</b> Improve NGO capacity to augment public sector service delivery and mobilize private sector	Availability of facilitating services to NGOs: training, IEC materials, MIS support, supplementary contraceptive supplies.	N/A	Draft strategic plan for UMATI	Strategic Plan for UMATI complete			Effective, collaborative public-private program of information and services on birth-spacing
<b>SOURCE:</b>	MOH Progress reports.						Reports and Field observation.
<b>TARGET 2.1</b> Improve private sector participation in delivery of contraceptive and family planning services	No. of private medical facilities with FP services.  No. of company clinics with FP services.	N/A	N/A	Pathfinder assessment			Nearly all private clinics offer birth spacing and services.  FP in a least 20 clinics for employees.
<b>SOURCE:</b>	Service Statistics		Service availability quaire of DHS will indicate extent of private participation.				
<b>SUBTARGET 2.2-1</b> Maintain private for-profit participation in contraceptive delivery	Estimated proportion of pharmacies selling contraceptives	N/A	N/A				Pharmacies in most towns stock contraceptives.  Laws and regulations facilitate import and enhance profitability
<b>SOURCE:</b>	Special surveys Import regs and conditions						

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Training

STRATEGIC OBJECTIVE	BASILINE INDICATORS	FY1990 ACTUAL	FY 1991 ACTUAL	FY1992 EXPECTED	FY1993 EXPECTED	FY1994 EXPECTED	FY1995 EXPECTED
Increase the number of Tanzanian individuals in public and private sector capable of implementing ESAP	N/A						
<b>SOURCE</b>							
<b>TARGET 3.1</b> Improve the technical & managerial skills of men & women in the private sector to take advantage of ESAP opportunities		1 EI	16 EI 0 MBA 0 in-country 11 Short-term	16 EI 10 MBA 20 short term	16 EI 2 MBA 240 in-country 20 short term	16 EI 3 MBA 320 in-country 10 short term	16 EI 3 MBA 320 in country 10 short term
<b>SOURCE</b> training completion data							
<b>TARGET 3.2</b> Improve the managerial and technical skills of men & women in the public sector to direct, manage & sustain ESAP		47 short term	49 short term 1 masters	40 short term 7 masters 3 split PhDs	40 short term 7 masters 3 split Phds.	10 short term 20 masters 2 split Phds. 1 Phd.	20 masters 2 split Phds. 2 Phds.
<b>SOURCE</b> training completion data							
<b>TARGET 3.3</b> Support the human resource development of professional and business promotion associations			1 study tour 1 workshop	8 study tours 2 workshops	4 study tours 4 workshops	2 study tours	2 study tours
<b>SOURCE</b> training completion data							

All numbers refer to trainees returning to Tanzania.  
Split Phd - Course work in Tanzania, Research in U.S. or third country.