



STRATEGY STATEMENT



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Additional information on the attached can be obtained from Krista DesGranges in USAID/AFR/EA.

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List of Acronyms

ACI	Anti-Corruption Initiative
ACT	Artemisinin Combination Therapy
AEI	Africa Education Initiative
BED	Basic Education Development
CSH	Child Survival and Health
DA	Development Assistance
DFID	Department for International Development
DG	Democracy and Governance
EG	Economic Growth
ETOA	Environmental Threats and Opportunities Assessment
EXO	Executive Office
FSN	Foreign Service National
GAI	Global HIV/AIDS Initiative
GDA	Global Development Alliance
GDP	Gross Domestic Product
GoT	Government of Tanzania
GFATM	Global Fund to Fight AIDS, Tuberculosis, and Malaria
HIV/AIDS	Human Immunodeficiency Virus/Acquired Immunodeficiency Syndrome
ICASS	International Cooperative Administrative Support Services
IDI	International Development Intern
IEHA	Initiative to End Hunger in Africa
MCA	Millennium Challenge Account
MCC	Millennium Challenge Corporation
MKUKUTA	National Strategy for Growth and Reduction of Poverty
NEPAD	New Partnership for Africa's Development
NGO	Non-Governmental Organization
OE	Operating Expense
The Emergency Plan	President's Emergency Plan for AIDS Relief
PMI	Presidential Malaria Initiative
REDSO	Regional Economic Development Services Office for East and Southern Africa
SADC	Southern Africa Development Community
SOs	Strategic Objectives
TCN	Third Country National
THIS	Tanzania HIV/AIDS Indicator Survey
TRADE	Trade for African Development and Enterprise Initiative
US	United States
USAID	United States Agency for International Development
USDH	US Direct Hire
USG	US Government
USPSC	US Personal Services Contractor
ZTCs	Zonal Training Centers

Program Rationale

Country Context: Tanzania is a country pursuing transformational development¹ which has recently made major strides in democratizing, institutionalizing economic reforms, attracting investment, and privatizing public enterprises. Its considerable biological and natural endowments are a source of great potential for sustained growth. Yet Tanzania remains one of the least developed countries in the world, ranking 164 out of 177 according to the United Nations 2005 Human Development Report. Tanzania's development challenges are formidable. They include high maternal mortality, human capacity limitations, structural obstacles to economic growth, rapid degradation of the natural resource base, and corruption. Preventable, treatable diseases such as HIV/AIDS and malaria have robbed families of children and parents, sapped the country's economic and productive capacities, and denied a generation of Tanzanians their right to life and health. Current drought conditions and appearance of armyworms could affect the country's ability to fund social sector programs. Food shortages, loss of cattle and land could shrink economic growth by one to two percentages. An avian influenza pandemic (far from the worst case scenario) could affect poultry farming for large scale producers and households, negatively impacting economic growth and nutrition.

In response to these circumstances, USAID/Tanzania's program is projected to expand rapidly. Developed through close collaboration with the Government of Tanzania (GoT), the program addresses Tanzania's chief development challenges and responds to the priorities of the 2002 National Security Strategy and the 2004-2009 State Department-USAID Joint Strategic Plan. It seeks to strengthen Tanzania's nascent private sector, remove obstacles to economic growth, promote democratic governance through efforts to increase public accountability and strengthen civil society, counter the spread of HIV/AIDS and other infectious diseases, conserve the country's natural resource base, and give more Tanzanian children, especially girls, access to quality basic education. The program incorporates the priorities of the Agency Strategic Framework for Africa using a targeted approach that tailors assistance to the capacities and commitment of the GoT. It addresses specific key concerns of the United States in Tanzania, including counterterrorism, and special concerns such as HIV/AIDS, malaria, and tuberculosis. USAID/Tanzania will also seek to implement a Millennium Challenge Account (MCA) Threshold Program designed to curb corruption and assist the GoT in making further progress toward concluding an MCA Compact Agreement.

USAID/Tanzania's program is based on six strategic objectives (SOs), which reflect one or both Transformational Development framework goals. The SOs represent a targeted response to maximize the effectiveness of available US Government (USG) resources. Each SO also supports specific Program Areas under the Agency Strategic Framework for Africa and Agency-wide Program Components; these are laid out in a summary table on page 8. The Mission will report measurable results in all approved SOs over the five year strategic period. This approach will help achieve both US foreign policy objectives and the GoT's vision for accelerating the country's progress towards transformational development.

Key Issues: *Counterterrorism.* The August 1998 bombing of the US Embassy in Tanzania raised the specter that Tanzania, which is 35 percent Muslim, with Zanzibar being 95 percent Muslim, could become fertile ground for recruiting disaffected elements into global terrorist networks.² In fact, Islamist radicals have made little headway in the country.³ Nevertheless, Muslim sensitivities and the continued lack of economic opportunities and progress could change this situation.

A Conflict Vulnerability Assessment conducted by the Mission in October 2003 identified political tensions on the Zanzibar archipelago, especially in the wake of elections, as a potential source of radicalization and violence in Tanzania. The now infamously violent Zanzibar revolution of 1964 took place after an

¹ As outlined in the White Paper: "U.S. Foreign Aid: Meeting the Challenges of the Twenty-First Century".

² USAID/Management Systems International. (2003, October). *Tanzania Conflict Vulnerability Assessment*. Washington, DC: Authors.

³ Rosenau, W. (2005, January). Al Qaida Recruitment Trends in Kenya and Tanzania. *Studies in Conflict and Terrorism*, 28, 1, pg. 1.

election, and violence followed the general elections of 1995 and 2000. The October 2005 elections in Zanzibar were questioned by the opposition and marred by small-scale violence. Therefore, electoral tensions in Zanzibar remain a source of vulnerability to conflict.

Limiting terrorism's potential will involve all of the program's development efforts to provide an effective, open political system and government administration, economic growth, and an educated and healthy public. Some of these efforts will include improved governance in Tanzania and the Zanzibar archipelago, enhanced education and health care, and strengthened capacity of Tanzanian civil society to form constituencies with which to press for greater government transparency and accountability. USAID/Tanzania will continue specifically to target economically marginalized Muslim populations in Zanzibar through expanding education opportunities at the pre-primary, primary, and secondary levels, especially for Muslim girls. The Mission's MCA Threshold Program will work with the GoT to establish a Financial Intelligence Unit, enhancing the capacity of the GoT to identify and track suspicious financial transactions. USAID/Tanzania will help diminish underlying causes of international terrorism by mitigating the forces that fuel potential Islamic radicalization and political violence by giving Tanzanians opportunities for a better life.

Extractive Industries. Tanzania's extractive industries include gold, diamonds, semi-precious stone mining, and natural gas. Although the gold mining industry represents a small fraction of the overall economy—less than three percent of total GDP—there is potential for growth. Between 2001 and 2003, USAID/Tanzania helped put in place a legal and policy framework for the mining industry that included the application of environmental management practices. The natural gas industry in Tanzania, though small, is poised to grow quickly. Natural gas developers are beginning to use natural gas to power electrical plants that can stabilize and expand the erratic electricity supply. The Environment and Natural Resources SO supports the implementation of a national integrated coastal management strategy that must subscribe to environmental policies regulating oil and gas exploration in sensitive marine protected areas. The recent passage of the country's first Environmental Management Act (which USAID helped establish) requires that an environmental impact assessment be completed for any proposed natural gas exploration and/or extraction activity. To this end, the SO's cross-cutting policy activities will be used to monitor and assess the effectiveness of the natural gas industry in Tanzania.

USAID/Tanzania does not intend to program directly in the area of extractive industries. There are no indications that Tanzania's extractive industries represent a "resource curse" likely to trigger the economic distortions, conflict, or significant negative social and environmental impacts typical of countries in which such industries form a larger portion of the GDP.

Links to National and Regional Development Priorities: USAID/Tanzania's programs address the country's most serious development challenges and reinforce the GoT's vision as outlined in its chief planning document, *Development Vision 2025*. The Mission will continue to support the GoT's organizing framework for poverty reduction, the National Strategy for Growth and Reduction of Poverty (MKUKUTA). The Southern Africa Development Community (SADC) has recognized poverty, HIV/AIDS, and gender inequity as *the* development challenges in the region. Accordingly, USAID/Tanzania's strategy supports and reinforces SADC's fifteen-year Regional Indicative Strategic Development Plan, launched in March 2004, which calls on member states to promote opportunities for the poor to create wealth for themselves, intensify measures to address the HIV/AIDS pandemic, and mainstream gender into all national and regional policies. The Mission also supports Tanzania's accession to the Peer Review Mechanism of the New Partnership for Africa's Development (NEPAD), which signaled the GoT's commitment to achieving specific standards of good governance, sound financial management, control of corruption, and socio-economic development. An important regional factor is the presence in northwestern Tanzania of 600,000 refugees, principally from DR Congo and Burundi. Although repatriation efforts are underway, UNHCR estimates that some 320,000 will remain in the camps by the 2006 malaria season. Using funds from the Presidential Malaria Initiative (PMI), the Mission intends to procure Artemisinin Combination Therapy (ACT) to combat malaria in this vulnerable population.

Presidential and USAID Initiatives: Focused USG initiatives target four of Tanzania's most pressing development challenges—HIV/AIDS, malaria, education, and corruption. These initiatives augment the

development assistance funds USAID/Tanzania traditionally uses to carry out its programs. Tanzania is a focus country under the President's Emergency Plan for AIDS Relief ("The Emergency Plan"). The Emergency Plan provides significant funding to the Mission to support its HIV/AIDS prevention and treatment goals. The Mission is receiving funding from the Presidential Malaria Initiative (PMI) to support malaria prevention and make new anti-malaria drugs accessible to Tanzanian families. With resources from the Africa Education Initiative, USAID/Tanzania will expand effective learning opportunities for Tanzanian children, especially for Maasai girls, and, if funding levels are sufficient, will establish a new Education SO to provide support and direction to this effort. Funds from the Africa Bureau's Anti-Corruption Initiative (ACI) will support the democracy and governance program's effort to curb corruption by increasing the accessibility of public expenditure information.

USAID/Tanzania anticipates receiving funds from the Initiative to End Hunger in Africa (IEHA), which will complement the activities of the Economic Growth SO to increase rural incomes. IEHA is a Presidential Initiative designed to help African countries halve hunger by 2015 in keeping with the UN Millennium Development Goals. The Mission anticipates submitting an IEHA Action Plan to USAID/Washington in 2006 to outline this program's implementation.

Millennium Challenge Account (MCA): In November 2005, the Millennium Challenge Corporation (MCC) certified Tanzania as eligible to receive funding through the Millennium Challenge Account (MCA). Tanzania's Threshold Country Program is expected to be approved by the MCC Board and will be implemented concurrently with efforts to conclude an MCA Compact Agreement. The Threshold Program incorporates a multi-dimensional, multi-stakeholder attack on corruption that integrates work to improve fiscal management to contain corruption. A major objective of the Program will be to help stakeholders develop the relationships and trust necessary to collectively move Tanzania's institutions toward a culture of accountability and openness. The MCA SO has been designed based upon the successful partnerships developed by the DG program with civic organizations, the legislature, and executive agencies. The SO will expand on these areas by focusing on anti-corruption techniques on financial intelligence, procurement reform, and rule of law. To implement the Program, the Mission will create a Threshold Objective, detailed below.

Communications and Outreach: To increase awareness of USAID/Tanzania's objectives in Tanzania and its partnership with the GoT, the Mission will implement its approved communications strategy to:

- Disseminate identified program messages to targeted audiences routinely and consistently
- Utilize selected outreach tools and opportunities, e.g., program launches, media events, Telling Our Story database, and a new Mission web site, to communicate new or noteworthy program success or activities
- Capitalize on use of the Tanzanian media, particularly radio, to foster awareness of USAID activities and the USAID-GoT partnership
- Ensure that partners subscribe to Agency marking policies and exhibit prominent and accurate branding where appropriate.

Program Structure

Overall Program Impact: USAID/Tanzania's programs, in line with the transformational development objectives laid out in the Agency Strategic Framework for Africa, seek to (1) foster a healthier, better educated, and more productive population; and (2) increase the effectiveness of African institutions in promoting a vibrant private sector and democratic governance. Programs over the next five years (FY 2006 through FY 2010) aim at achieving these goals and moving Tanzania along the development continuum toward improved standards of living, quality of life, and participatory government.

USAID/Tanzania will help the GoT address the country's most pressing development challenges, enhance its capacity to pursue economic growth and poverty reduction, expand the policy reform progress it has already made, and prevent backsliding into fragility. To further these goals USAID/Tanzania's program is organized under the following six strategic objectives (SOs) and one Threshold objective. These are designed to support the broad human capacity and institution-building

objectives of the Agency Strategic Framework for Africa. They also address the Transformational Development goals by giving Tanzanians and the institutions that serve them the capacities to create and maintain a society with better health, education, and employment opportunities based upon democratic and free market principles. Due to budget and program considerations, Mission management anticipates merging the Economic Growth and Environment and Natural Resources Management SOs in FY 07. Until that plan is formalized the mission will continue to report on the six SOs.

HIV/AIDS SO 621-010.01: Enhanced Multisectoral Response to HIV/AIDS – 2006 - 2010: This strategic objective directly supports the objectives of the President's Emergency Plan for AIDS Relief as well as Framework Goal 1 and its health objective to reduce the transmission and impact of HIV/AIDS. In accordance with the White Paper's identification of HIV/AIDS as a priority global and transnational concern, USAID/Tanzania's HIV/AIDS SO stands alone and is programmed based on its own resource allocation criteria. For a description of this SO and its intended results, see the five year strategy prepared for the Office of the Global AIDS Coordinator at <http://www.state.gov/s/gac/>. The strategy also describes the objectives of the Mission's tuberculosis efforts that are managed under this SO.

Health SO 621-011.01: Health Status of Tanzanian Families Improved – 2006 - 2010: USAID/Tanzania will help Tanzanians become healthier by empowering people to adopt positive health practices while strengthening services and institutional capacity. Malaria is the leading cause of childhood mortality in Tanzania. It strikes one Tanzanian—usually a child—every five minutes.⁴ In June, 2005, President Bush designated Tanzania as one of the three countries to receive expanded funding under the Presidential Malaria Initiative (PMI). The health program will use PMI resources to purchase key supplies for malaria prevention and treatment programs, including the new and powerful Artemisinin Combination Therapy (ACT) and long-lasting insecticide-treated bed nets. The effort will be co-managed with the GoT and coordinated with the activities of the Global Fund to Fight AIDS, Tuberculosis, and Malaria (GFATM). To improve child survival, the health program will support Vitamin A and zinc supplementation, exclusive breastfeeding, and integrated management of child illnesses. Maternal mortality in Tanzania is unacceptably high, claiming the lives of 530 women for every 100,000 live births.⁵ To improve maternal health and nutrition, the program will provide mothers in each phase of pregnancy and early motherhood with focused prenatal care and improved community-based treatment of postpartum hemorrhage and obstetric care. The program will create the conditions under which a full range of modern contraceptive methods will be available to Tanzanian couples and will continue to support training and re-training of health workers, community outreach and social mobilization, behavior change communication, and social marketing to improve reproductive health.

This is USAID/Tanzania's vision for the Tanzania health sector by 2010, the end of the obligation period: Focused pre-natal care and strengthened obstetric treatment—achieved through close collaboration with the HIV/AIDS SO—have brought about significant improvements in maternal health and nutrition. Significant reductions in infant and child mortality have been achieved through better malaria control and prevention, greater access to family planning resulting in longer child spacing, and widespread use of vitamin supplementation. The majority of Tanzanian couples are using improved and widely available reproductive health services. Through effective social marketing campaigns, community mobilization for good health practices, support to Tanzania's state and non-state health providers, and increased public-private partnerships to leverage greater funding, ordinary Tanzanians enjoy access to adequate health care at the community, district and regional levels. These benchmarks have been achieved through the good management, ownership, and enhanced capacity of the GoT to deliver health services.

The chief factor threatening this vision is Tanzania's vulnerability to a public health emergency. The GoT lacks a central mechanism to coordinate its response to public health crises. Though expansions are planned, the country has limited disease surveillance and laboratory capabilities. Faced with an avian influenza pathogen in humans or another public health crisis, the GoT's infrastructural, human, and

⁴ Centers for Disease Control and Prevention, Department of Health and Human Services. "Fighting Malaria in Tanzania" [Online]. Available: <http://www.cdc.gov/malaria/features/> Accessed October 31, 2005.

⁵ UNICEF. Tanzania, United Republic of: Statistics. [Online]. Available: http://www.unicef.org/infobycountry/tanzania_statistics.html Accessed November 15, 2005. Data from 2003.

financial resources may be insufficient to address the threat adequately. A major disease outbreak not met with a swift, coordinated government response could arrest Tanzania's economic growth and undermine its political stability. USAID/Tanzania is encouraging coordination among ministries and donors and has taken the lead in supporting a migratory waterfowl sentential surveillance system which will provide early warning to the country of the presence of avian influenza.

Economic Growth SO 621-012-01: Incomes of Small Farmers Increased in Selected Agricultural Commodity Sub-sectors – 2006 - 2010: Eighty-eight per cent of Tanzanians live in rural areas and are dependent on agriculture for their livelihoods. This fact, together with increasing migration to cities, which does not result in adequate services and jobs, requires urgent attention focused on raising rural incomes. By working with producer organizations--USAID's focal point--to increase the market competitiveness of Tanzanian commodities, the economic growth (EG) program seeks to raise incomes of small farmers. The program will introduce new techniques and training to increase farmers' productivity and will promote better marketing practices. While historically focused on the Southern Highlands, an excellent agricultural area, USAID/Tanzania will support activities throughout the country, focusing on commodities and value chains that offer the most potential to increase rural incomes. Commodities traditionally produced by women will be targeted to achieve known synergies between increased women's income and improvements in human development such as better maternal and child health and nutrition. Working with the GoT's Ministry of Agriculture and Food Security and its extension services, public research institutions, and district officials, the program will provide technical assistance to producer organizations to improve cultivation and address post-harvest issues. The program will also seek to identify and establish links to new markets, resolve standards and quality issues, and develop better marketing mechanisms and linkages. By building these capacities and making producer organizations more democratic and participatory, the program seeks to empower these organizations to represent farmers' interests—in business transactions and at the policy level, where the organizations may eventually advocate for policy reforms and access to credit.

At the end of the obligation period, USAID/Tanzania envisions positive income changes for the 47,000 small farmers directly affected by the program. The producer organizations targeted have become self-sustaining businesses. Participating farmers use these organizations for information, guidance, support, credit, and other business services. Farmers' increased incomes have been partially reinvested to augment earnings further. The program is poised for expansion to other producer organizations, commodities, and geographic areas.

Jeopardizing this vision is the potential for severe disruptions in agricultural production due to drought and disease or pest outbreaks. These disruptions could result in lost harvests and food insecurity. Although Tanzania's food security is currently satisfactory, severe droughts such as those that occurred in the 1996/7 and 1999/2000 seasons could cause agricultural production to drop significantly in vulnerable regions. Progress in encouraging farmers to grow a well-balanced mix of basic food and important cash crops, however, should buffer the majority of rural families. Even small increases in rural incomes, improvements in crop efficiency and productivity, and policy reform achieved through this SO will mitigate the negative impacts of drought and other threats to agricultural production. In addition to agriculture, non-farming economic growth activities are addressed in the Environmental section below.

Environment/Natural Resources SO 621-013.01: Biodiversity Conserved in Targeted Landscapes through a Livelihood Driven Approach – 2006 - 2010: Tanzania's bountiful, but threatened, natural resources represent a development conundrum. Most Tanzanians live in rural areas and depend on the country's natural resources for their livelihoods. Yet lacking alternative sources of income, there is little incentive to use these resources sustainably. Widespread deforestation and resulting charcoal production in Tanzania is being addressed, for example, through support of fast growing tree species in community woodlots and the introduction and use of fuel efficient stoves. USAID/Tanzania's environment and natural resources management program is designed to integrate people and policies in an effort to conserve the country's rich natural resource endowment. It will also introduce conservation oriented private sector enterprises to provide alternative sources of income. The program has developed a close rapport, and collaborated in joint efforts, with the GoT to develop a seminal policy and legal framework conducive to conserving biodiversity and will continue to cooperate with the government and civil society to implement this

framework. The program will support the integration of conservation and development programs so that communities, districts, national parks and other management entities collaborate to manage multiple use landscapes and seascapes. These undertakings will be done in collaboration with TANAPA (Tanzanian National Parks) and the Office of Regional Administration and Local Government in the President's Office. Both organizations will become more effective through their interaction with a private sector as key contributors to preserving the environment. Conservation farming practices that improve soil fertility and productivity will be introduced. An approach with great potential to protect and increase the assets and livelihoods of the poor and improve sustainable management of natural resources will be the promotion of community-private sector business ventures and mariculture activities to involve people, particularly women, in economic pursuits supportive of conservation. Examples of such ventures include community partnerships with private sector resource users in Wildlife Management Areas to increase communities' share of benefits, and seaweed farming. Local communities will receive practical training in business practices, financial management, and value chain analyses to ensure that conservation enterprises result in raised incomes. Ultimately this approach will both better protect the environment and give families improved lives through increased incomes, allowing them to send children to school and afford access to better health care.

By 2010, USAID/Tanzania envisions measurable improvements in the condition of Tanzania's natural resources. In coastal areas, destructive fishing practices have been reduced and marine fish stocks have begun recovering. Game populations in targeted areas have stabilized through community control of poaching. In achieving these results, local communities have increased their share of benefits from sustainable conservation enterprises. The incomes of people whose livelihoods derive from natural resources have been raised. Collectively, the people of Tanzania have begun to form a coalition with the government to support sustainable resource use and to protect the environment by cooperating in efforts to enforce relevant policies and laws.

Success in this endeavor depends on the continued political will of the government to use its power and influence to conserve the country's natural resources and to protect its environment. It also depends on people recognizing that their lives have improved as a result of supporting resource conservation efforts and participating in resource-based conservation enterprises. A prolonged economic downturn or continuing drought could jeopardize achievements in this sector. The progress of this SO in introducing sustainable conservation enterprises and raising incomes will help insulate Tanzanian families against these sources of vulnerability.

Democracy and Governance SO 621-014.01: Public Accountability Strengthened in Selected Policy Areas – 2006 - 2010: USAID/Tanzania's democracy and governance (DG) program strengthens democracy in Tanzania by supporting Tanzania's Parliament as an institutional check on executive power, empowering civil society organizations to advocate for reforms and participate more effectively in political life, and diminishing the causes of corruption. The DG program also seeks to create synergies with GoT counterparts, development partners, and other SOs to mainstream governance as a cross-cutting theme. To strengthen Tanzania's legislative function and legal framework, the program will provide targeted technical assistance to Parliament in order to enhance the ability of selected parliamentary committees and women's caucuses to act as a watchdog for fair and appropriate budget decisions and the proper implementation of key policies by executive agencies. To strengthen civil society, the program will support activities such as specialized mentoring and training for civil society organizations, the private sector, and the media to help them better engage in advocacy, public service delivery, and the monitoring of public budgetary decisions and issue management. The program will also provide technical support to non-governmental organization (NGO) policy bodies to facilitate the liberalization of the current NGO Act. To promote and support anti-corruption reform, the program will continue to implement the action plan developed through its participation in USAID/Africa Bureau's Anti-Corruption Initiative (ACI). With ACI resources the DG SO will work to establish a model district-level public expenditure tracking system so that official financial data will be accessible to civil society organizations, the private sector and parliamentarians. In concert with these efforts, the Mission will manage Tanzania's MCA Threshold Program. This program will seek to involve multiple stakeholders in and outside of the GoT, including the business community and the media, to create a culture of

accountability and transparency in government, and deepen the expectations of Tanzanian citizens that public institutions function according to these values.

USAID/Tanzania's vision for this sector at the end of the obligation period is a Tanzania in which ordinary citizens are represented not only by their parliamentarians—who have the information, technical skills, and voice they need to play a strong role in government budget and policy decisions—but by networks of civil society organizations who participate fully in political life. These civil society groups advocate for key policy reforms, turn the government's attention to issues of public importance, and engage as partners in the debate over how these issues are best addressed. The Mission envisions a Tanzania in which public corruption has been reduced because official financial data has been made easily accessible to business, civil society and media actors—actors who use the information both to hold government accountable and help grow and institutionalize an expectation of government transparency among the public.

Conflict and political alienation represent two sources of vulnerability in this sector. Although the October 2005 election violence was limited, tensions remain. After a future election, post-electoral protests could spill over into coastal mainland Tanzania where the opposition party has strong electoral support. Moreover, Tanzania's executive branch has not completely abandoned its centralist and self-protective tendencies. If progress is not made to empower the legislature and civil society, some Tanzanians may begin to feel alienated from the political process and turn to extralegal means of political action. The DG SO monitors the evolution of GoT policies by tapping into the parliament and providing channels of communication to and from civil society and the executive. The DG SO enables civic organizations to voice their frustrations to Members of Parliament in their committee hearings and regional workshops, which allowed for the recent amendment of the NGO Act and freed up some of the many restrictions initially placed on CSOs. The progress of this SO in empowering civil society organizations and the anti-corruption efforts of the MCA Threshold Program will be essential to countering these potential sources of vulnerability.

Education SO 621-016.01: Increased Innovation for Learning in Tanzania – 2007 - 2010: The Mission's program strategy for this SO, which is a direct response to the first Transformational Development goal, is under development. Tanzania's progress is impeded by the poor quality and coverage of its education system. A modern economy and vibrant democracy require an educated population. For these reasons USAID/Tanzania intends to increase the learning achievement of poor and socially excluded children through innovative models that foster inquiry and applied learning necessary for the world of work and crucial for democracy. The Mission will continue to focus education support in Zanzibar, which has a small but concentrated Muslim population, but may also begin initial work with disadvantaged communities, including Maasai girls, in mainland Tanzania where there is potential for synergy with other SOs and USG resources such as Peace Corps or the Ambassador's Girls Scholarship Initiative. With higher funding levels, the Mission might expand current pilot activities in Zanzibar to the northern coast of Tanzania, home to many marginalized Muslim communities. If the budget is straight-lined, the Mission will concentrate on providing Zanzibari girls with their first opportunity to attend school. Quality of education will be addressed through in-service training of secondary and pre-primary school teachers. By expanding literacy and other basic skills, these children will become better-informed citizens over time.

The Mission has already provided technical inputs and learning materials at multiple levels of the education system in Zanzibar through a pilot initiative. Through its support for *madrassa* pre-schools, the pilot program has had a positive impact on students' academic performance after they arrive in primary school.⁶ The program has also built a positive partnership with the Ministry of Education such that it is now in position to influence systemic quality improvements identified in the recent Zanzibar Education Policy Plan. As both the Zanzibar and mainland governments are now moving from a project to a program approach to education, the timing is opportune to support the change process through strategically placed alternative education models.

⁶ Khamis, M. and Alon, I. Zanzibar Madrassa Resource Centre (2005). "A strong base for academic success." Unpublished paper. Contact the USAID/Tanzania Democracy and Governance Office to obtain a copy.

At the end of the proposed period, USAID/Tanzania envisions measurable learning gains by student participants, learning tools and methods being adopted as practice by education system(s), and strengthened results in other sectors through linkages nurtured in this SO. Vulnerability exists due to personnel changes in education sectors that may occur after recent elections and the critical yet challenging investment required for engaging government ownership of the development and implementation of the proposed education models.

Millennium Challenge Account SO 621-017.01: MCA Threshold – 2006 - 2008: Tanzania has made great strides in investing in people, promoting economic freedom, and ruling justly as acknowledged by its certification for eligibility for MCA funding. This Threshold objective will support the implementation of Tanzania's Threshold Program by:

- Building the capacity of civil society organizations, including media, to monitor public expenditure
- Supporting Tanzania's reform movement in public procurement through partnerships between government, civil society, and the private sector
- Strengthening the rule of law to ensure good governance
- Establishing systems including a Financial Intelligence Unit and policy frameworks for anti-money laundering legislation to improve transparency.

These efforts directly support Goal 2 of the Agency Strategic Framework for Africa (increase the effectiveness of African institutions in promoting a vibrant private sector and democratic governance) by providing an environment of good economic governance to enable private sector growth, improving the way Tanzanian laws and institutions work to uphold democratic practices, strengthening national institutions to increase their effectiveness and accountability to the people they serve, and promoting transparency and accountability across all development sectors. By the completion date of this two-year Threshold objective, the Mission envisions a Tanzania in which public sector corruption has been significantly curbed both because state actors have employed an enhanced capacity to prevent, identify, investigate, and prosecute instances of corruption and because civil society actors, including the media, have been empowered to identify and call public attention to corruption.

Summary Table of Program Areas and Program Components⁷

Agency Framework for Africa Program Areas	USAID Program Components
Health SO 11: Health Status of Tanzanian Families Improved – 2006 - 2010	
<ol style="list-style-type: none"> 1. Prevent and control infectious diseases of major importance (malaria) 2. Reduce child mortality 3. Reduce maternal and newborn mortality 4. Improve reproductive health 	<ol style="list-style-type: none"> 1. Prevent and control infectious diseases of major importance 2. Improve child survival, health and nutrition 3. Improve maternal health and nutrition 4. Support family planning
Economic Growth SO12: Incomes of Small Farmers Increased in Selected Agricultural Commodity Sub-sectors – 2006 - 2010	
<ol style="list-style-type: none"> 1. Enhance productivity of agriculture including the development, dissemination, and use of new technologies 	<ol style="list-style-type: none"> 1. Increase agricultural sector productivity 2. Increase trade and investment 3. Protect and increase the assets and livelihoods

⁷ All SOs in the summary table are designed to directly support Framework Goals 1 and 2 of the Agency Strategic Framework for Africa (#1 Foster a healthier, better educated, and more productive population, and #2 Increase the effectiveness of African institutions in promoting a vibrant private sector and democratic governance) with the exception of the Democracy and Governance SO, which supports directly Framework Goal 2 only. The program areas and components associated with the HIV/AIDS SO are not listed in the table as they are detailed in the five year strategy prepared for the Office of the Global AIDS Coordinator. The program areas and components associated with the Education SO and MCA Threshold SOs are not yet listed as these SOs are still under development.

<ol style="list-style-type: none"> 2. Increase agricultural trade, including enhancement of agricultural market infrastructure, institutions, and trade capacity 	<p>of the poor</p> <ol style="list-style-type: none"> 4. Improve economic policy and the business environment
<p>Environment/Natural Resources SO13: Biodiversity Conserved in Targeted Landscapes through a Livelihood Driven Approach – 2006 - 2010</p>	
<ol style="list-style-type: none"> 1. Increase sustainable production, marketing and trade of natural-resource based products and services 2. Expand equitable natural resource governance and promote management of competing claims on resources 3. Improve natural resource management and conservation across diverse landscapes 4. Improve private sector development 	<ol style="list-style-type: none"> 1. Improve sustainable management of natural resources and biodiversity conservation 2. Increase agricultural sector productivity 3. Protect and increase the assets and livelihoods of the poor 4. Improve private sector competitiveness
<p>Democracy and Governance SO 14: Public Accountability Strengthened in Selected Policy Areas – 2006 - 2010</p>	
<ol style="list-style-type: none"> 1. Increase civil society's effectiveness in advancing reforms 2. Strengthen institutions of democratic governance and rule of law 3. Reduce corruption and strengthen the anti-corruption environment 	<ol style="list-style-type: none"> 1. Strengthen civil society 2. Promote and support anti-corruption reform 3. Strengthen the legislative function/legal framework

Cross-cutting Themes: USAID/Tanzania's programs are designed to address five cross-cutting themes: gender, HIV/AIDS, democratic governance, urbanization, and youth. It is the mantra of the overall program strategy to seek out and take advantage of synergies between and among the various program components to ensure that cross-cutting themes are an inextricable part of the program's response to Tanzania's development.

Gender. The Mission has adopted the principles of gender mainstreaming, i.e., building the goals of gender equity and women's empowerment into all its program activities, and is developing systems and practices to achieve gender equity in its programming, management, personnel, and procurement efforts. The HIV/AIDS program will target women for HIV prevention, care, and treatment, since women have higher infection rates than men (7.7 percent and 6.3 percent, respectively). HIV/AIDS prevention activities will also target men to promote greater awareness and responsibility in their behavior while empowering girls and women to make safe choices. The health program will ensure that essential health services focus on the most vulnerable – pregnant women and children. It will involve men, since they are also decision-makers about the use of household resources and family planning practices that impact child and maternal health. The economic growth program will examine gender roles and labor patterns in the production and marketing of targeted commodities to ensure that women benefit equitably from supported activities, including introducing appropriate farming technologies to address the problem of women's time poverty. The program will encourage producer organizations to support both women and men in leadership roles. The environment and natural resources program likewise will promote increased participation by women in conservation enterprises, including targeted efforts in seaweed farming and beekeeping. To achieve Mission objectives in democracy and governance, barriers that keep Tanzanian women from fulfilling their potential need to be addressed, with civil society capacity building activities and by working with women parliamentarians to better ensure that budgets and legislation reflect and promote gender equity. Discriminatory laws on inheritance and property ownership by women will need to be changed. The new education SO begins to address historical patterns of more limited access to education by girls in Tanzania. Investing in improved education access and literacy for girls today will yield significant gains in the health and incomes of Tanzanian families tomorrow. Accordingly, the Mission will strive to achieve a level of girls' enrollment at a minimum of 50 percent. The Mission will also ensure that women participate equally with men in training and management opportunities, that research and

participation data is disaggregated by sex, and that gender equity issues are better understood and addressed with specific, targeted approaches.

HIV/AIDS. With an estimated 7 percent of adults identified as HIV positive⁸, Tanzanians exist with a scourge that negatively affects every aspect of their daily lives and future. This issue demands attention from all sectors for a comprehensive, effective response. The Mission Director has stated that “if any of our programs organize a meeting of more than two people, we will talk about HIV/AIDS”. The most natural complement is in the health sector where the program’s focus will be on reproductive health, support for focused pre- and post-natal care, and support for child survival activities. Efforts to reduce malaria and address tuberculosis similarly will complement efforts to reduce the effects of HIV/AIDS. Currently there are no systemic approaches for identifying young children with HIV/AIDS and those orphaned by HIV/AIDS. These children fall outside the net of programs for orphans and vulnerable children and often die needlessly. The education program will have an important role in identifying children for medical attention and psychosocial support, reducing stigma to infected children, and devising education approaches to reduce infection. Improved accountability and transparency in government and an empowered, active civil society will improve the effectiveness of social welfare offices in providing services for children orphaned or made vulnerable from HIV/AIDS. Through the economic growth program’s effort to raise incomes and agricultural productivity in rural communities, families will be better able to care for people living with AIDS and will be more insulated from the economic pressure caused by lack of income from affected family members. Some activities in the economic growth program, such as a new project to produce premium legumes for export, will specifically target families living with AIDS. Similarly, the environment and natural resources program will tailor conservation enterprises to labor-constrained households to benefit families and communities affected by AIDS. Funds available through the HIV/AIDS SO will be used to deepen the program’s impact on households affected by HIV/AIDS. An anticipated component of the democracy and governance program’s anti-corruption activities, including those of the MCA Threshold Program, will be to strengthen accountability and transparency in Tanzania’s public health institutions—especially its supply chain management, which is critical for the effective delivery of anti-retroviral drugs. Increasing the involvement of Parliament in HIV/AIDS policy and decision making is one of the key objectives of the democracy and governance program.

Democratic Governance. Corruption and poor governance are major barriers to the achievement of Tanzania’s development goals. Trust in government is a basic requirement of democracy. Strengthening the responsiveness, accountability, and competence of Tanzania’s political and administrative institutions across all sectors and levels of government is the objective of the Mission’s democracy and governance interventions. As part of the response to HIV/AIDS, the Mission will provide support for legislation that prohibits discrimination against HIV positive people in accessing government services. To ensure the integrity of the supply of anti-retroviral drugs from purchase through patient prescriptions, the HIV/AIDS program will support the development of tracking systems to improve government accountability and efficiency in the delivery of these drugs. The health program will collaborate with the democracy and governance program to improve public expenditure tracking in the health sector for increased accountability. Lessons learned from the health program’s successful effort to improve financial management in two Zonal Training Centers (ZTCs), for example, will be incorporated into national policy for all ZTCs in the country. The economic growth program will work to strengthen the capacity and accountability of agricultural producer organizations. Well-run, professional producer organizations which themselves exhibit good corporate governance will serve as advocates at the local and national levels for better policies and more transparent, competent government. The environment and natural resources program’s work with the GoT to improve the legal framework and implement natural resource-related laws and policies at all levels will extend and improve government accountability in this sector. Finally, USAID/Tanzania’s investment in education will increase the number of Tanzanians armed with the basic skills they need to understand and interact with their government as empowered citizens.

⁸ Tanzania HIV/AIDS Indicator Survey (THIS), 2003.

Urbanization. Tanzania is urbanizing rapidly. The urban population is projected to grow at 4.5 percent annually to 46 percent of the total population in the next 15 years.⁹ By 2015 the population of Dar es Salaam is expected to nearly double its 2003 level. This increases pressure on urban services and infrastructure and underscores the need to create jobs. Urban dwellers are also more likely than their rural counterparts to be living with AIDS: HIV prevalence is 10.9% in urban areas and 5.3% in rural areas. This presents an opportunity since it is easier to reach urban youth with HIV prevention messages. The downside is that urban youth are also more likely to engage in risky behavior. To cope with the unique problems presented by urbanization, USAID/Tanzania's program will both target urban areas for specific HIV/AIDS and health interventions and mitigate the underlying causes of urban migration by raising rural incomes and productivity. The Mission's HIV/AIDS prevention and treatment strategies will focus on reaching youth and other people living with HIV/AIDS, starting from the urban and peri-urban setting and reaching to rural areas. The reproductive health and child survival programs will likewise have their primary impact on urban dwellers. Activities supporting mosquito larval control will focus on Dar es Salaam and if successful will be expanded to peri-urban and rural settings. Economic growth activities to increase farm production and incomes will help "keep people down on the farm" and create urban jobs through off-farm processing businesses. The education strategy will play a role in decreasing urban migration through field activities by rural students to help them see opportunity for livelihood in the communities where they live. Urbanization is a foregone conclusion and cannot be reversed, so the task is to ameliorate its negative aspects, strive to reduce the causes of urban migration, and take advantage of opportunities presented by population concentration to facilitate responses to health problems and education needs. Finally, by reducing the number of individuals dependent on rural-based resources for their livelihoods, urbanization does diminish pressures on some natural resources.

Youth. Roughly 20 percent of Tanzania's population is between 15 and 24 years of age.¹⁰ To transform this "youth bulge" into an asset rather than a problem is a key challenge. Tanzania's economy has not produced enough jobs for young people, and in the absence of employment and opportunities for empowerment, youth may resort to violence or turn to criminal activity as a source of social mobility and self-esteem. Youth represent an increased demand on health and HIV/AIDS services and education resources, and as a result of the HIV/AIDS epidemic, many youth are also orphaned and vulnerable. The Mission's response to this unique development challenge will be to ensure that all programs help create the conditions that will allow youth to become productive contributors to the country's development. The HIV/AIDS program targets adolescents and youth in its prevention interventions, and messages and programs will be tailored to meet adolescents' needs. The health program's focus on reproductive health will give youth more choices in family planning so that young couples can decide together when they are financially and emotionally ready to have children. The democracy and governance program, through its support for several civil society advocacy organizations concerned exclusively with youth issues, will help focus government's attention on youth and create a constituency to demand accountability. Expanding effective learning opportunities for Tanzanian youth through the Education SO will help arm them with the skills they need to participate fully in Tanzania's economic and political life. The economic growth program's effort to build the capacity of producer organizations to market processed commodities will increase the number of available jobs for youth.

Regional Aspects

USAID's Regional Economic Development Services Office for East and Southern Africa (REDSO) supports USAID/Tanzania's economic growth program with funds from the Trade for African Development and Enterprise Initiative (TRADE). TRADE aims to help African producers take advantage of the favorable trade terms of the African Growth and Opportunities Act. The program will provide Tanzanian handicraft, apparel, and processed food makers with better linkages to buyers in the United States. The Mission will continue to utilize REDSO's support for the economic growth program's activities to raise

⁹ UN Habitat—UN Human Settlements Programme. "Striving for Cities Without Slums." Available: <http://www.unhabitat.org/campaigns/tenure/documents/Tanzania.doc> Accessed October 11, 2005.

¹⁰ For comparison, in the United States, 15-24 year-olds represent only about 14 percent of the total population. Tanzanian data: United Republic of Tanzania: 2002 Population and Housing Census. US data: United States Census 2000.

awareness and reduce the impact of two major crop diseases affecting Tanzania—banana wilt and cassava mosaic.¹¹

Donor Coordination, Public-Private Partnerships, and Indigenous Expertise

USAID/Tanzania works closely with other USG agencies to coordinate activities and resources, especially in its HIV/AIDS program, and will continue to seek opportunities to leverage funds and build synergies with other public and private sector actors where relevant. Overall, through an investment of \$1.5 million, the Mission has leveraged \$3.3 million in Global Development Alliance (GDA) funds with outside partners and recently launched an innovative GDA activity involving two other donors to transform the cashew industry, increase spice productivity, and encourage value-added processing of commodities. In a unique arrangement with Britain's Department for International Development (DFID), USAID/Tanzania received support from DFID to assist the DG program's effort to strengthen Parliament's capacity to monitor public expenditures. To further improve donor coordination, the Mission is taking a leadership role in the Development Partners Group, Tanzania's principal donor coordination body. USAID/Tanzania has formed successful partnerships with indigenous NGOs in all SOs and will continue and seek to expand this practice. The donor community took the Paris Declaration on Aid Effectiveness very seriously in Tanzania. The GoT and the Development Partners have worked hard over the past year to build an effective development partnership under a single framework called the Joint Assessment Strategy. Over 70% of the donors (and certainly the GoT) feel that, if the GoT is going to truly manage aid on the basis of national ownership and harmonization, general budget support (GBS) is the only workable mechanism. Increasing pressure from the GoT will be put on all donors to go this route. USAID/T still feels that GBS is too risky and funds would be too difficult to track for accountability and results reporting. The Mission will also continue to use indigenous knowledge in its programs—for example, by drawing on the indigenous knowledge base to increase agricultural productivity—as well as in its operations, by continuing to recruit Tanzanians of high caliber and qualifications and to advocate for the salary levels necessary to attract and retain them.

¹¹ Banana xanthomonas wilt first emerged in central Uganda in 2001. It threatens banana crops chiefly in the area around Lake Victoria. Cassava mosaic is transmitted by a species of whitefly and also threatens the crop in the Lake Victoria region.