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**Second country cooperation framework for the United  
Republic of Tanzania (2002-2006)**

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## Introduction

1. The second country cooperation framework (CCF) for the United Republic of Tanzania (2002-2006) has been synchronized with the programming cycles of other key United Nations organizations operating in the country, namely, the United Nations Children's Fund, the United Nations Population Fund and the World Food Programme. It is based on the national development priorities as outlined in the Vision 2025 (Mainland), Vision 2020 (Zanzibar), the National Poverty Eradication Strategy, the Tanzania Assistance Strategy (TAS), and the Poverty Reduction Strategy Paper (PRSP). The results areas identified in the CCF are intimately linked to the strategic objectives of the United Nations Development Assistance Framework (UNDAF) for 2002-2006<sup>1</sup>. The choice of result areas have been informed by the findings of the Country Review of March 2001, which included extensive dialogue with key partners in the Government, non-governmental organizations (NGOs) and the donor community. The CCF also takes due note of the country office's strategic results framework (SRF) and its results-oriented annual report (2000). The key partner in the preparation of the UNDAF and CCF has been the Ministry of Finance, following its consultations with other government partners.

### I. Development situation from a sustainable human development perspective

2. With half of the population living below the basic needs poverty line, the main development challenge in the United Republic of Tanzania (Mainland and Zanzibar) is widespread and persistent poverty. Poverty is particularly widespread in rural areas. There are also important regional and gender differences in the levels and specific dimensions of poverty.

3. The Government has made considerable progress towards achieving macroeconomic stability in recent

years. With inflation now firmly under control, attention will focus on establishing a credible fiscal policy. The United Republic of Tanzania's main goal is to create a favourable macroeconomic climate for a real gross domestic product growth rate of at least 6 per cent per year, which, coupled with increased spending in the social service sector, should allow the country to reduce poverty significantly. In addition, the United Republic of Tanzania (Mainland) has produced a PRSP, outlining the major steps necessary to provide a credible basis for sustainable improvement in the lives of the poor. While the Government has shown increased willingness to agree to structural reforms, there is not enough capacity to implement reforms. In Zanzibar, the new Government has also committed itself to tackling the issues of poverty and entrenched inequalities. They are currently developing a Poverty Reduction Plan, with the support of UNDP, which will build on the analytical findings of the Common Country Assessment for Zanzibar (2000), by defining the objectives, strategies and targets in key sectors (health, education, agriculture).

4. The role of the State in the United Republic of Tanzania has changed dramatically. After 25 years of centralized state dominance, the Government has shifted from being the main engine of growth and provider of numerous services, to being a facilitator of growth, a setter of standards, and a provider of only essential public services. While this reorientation has been vital, in conditions of resource scarcity, both the speed and magnitude of change have created considerable challenges for achieving coordinated implementation of new policies and reform programmes throughout the country.

5. Progress over the past decade in achieving poverty reduction targets has been less than satisfactory<sup>2</sup>. Most poverty indicators have been stagnant, and mortality rates have risen, partly because of the declining quality of and access to health services, and partly due to the spread of HIV/AIDS, which is affecting approximately 15 per cent of persons aged 15-49 years. An estimated 60 per cent of new HIV infections occur in the 15-24 year age group. Prevalence levels are lower in Zanzibar, but rapidly increasing.

<sup>1</sup> The analytical framework for the UNDAF is drawn from the TAS and the PRSP. In 2000, the United Nations Country Management Team acceded to the Government's request that the United Nations would not prepare a separate Common Country Assessment, but would use the TAS as the basis for their joint analysis and for developing the United Nations response to the national development challenges, as outlined in the UNDAF.

<sup>2</sup> See International Development Targets/Millennium Decade Goals report on the United Republic of Tanzania.

6. Over the past three years, the Government's focus on poverty reduction has become much clearer and more pronounced. This is manifested in its National Poverty Eradication Strategy, aiming at tackling poverty with pro-poor growth strategies, followed by Vision 2025, defining the national development goals, and in 2000, the TAS, aiming at improving the coordination of resources for development, in particular foreign resources, and most recently, the PRSP, as a poverty-focused sub-set of the TAS, prepared as part of the Highly Indebted Poor Countries debt relief process.

7. The Government recognizes that a key basis for sustained economic growth and human development is good governance. Thus, it has given governance issues the highest priority and within the context of a good governance framework, has embarked upon several comprehensive reforms addressing various aspects of the governance system. To date these include:

(a) Rationalization of the public sector to delineate its activities from those of the private sector as well as to ensure greater cost-effectiveness;

(b) Local government reforms decentralizing decision-making from the centre to local councils and communities;

(c) Development of effective and efficient service delivery in the agriculture, education and health sectors;

(d) Inculcating a culture of accountability and transparency, through the implementation of the national anti-corruption strategy and sectoral action plans;

(e) Introducing and sustaining the concept of a participatory, pluralistic, and democratic society.

8. In reinforcing multiparty democracy in the United Republic of Tanzania, the 2000 elections on the Mainland were pronounced by international observers to be free and fair. However, it was noted that future elections would benefit from a higher level of civic education, aimed at raising the awareness of the electorate of rights and obligations in a pluralistic society, including the role of opposition parties. In Zanzibar, considerable deficiencies in the election

process were observed, leading to the partial re-run of the elections, subsequent boycott by the main opposition party, and civil unrest. Recognizing that poor governance, poverty and inequalities are factors underlying the political tension in the Isles, both the Union and the Zanzibar Governments are making concerted efforts to resolve and address these issues.

## II. Results and Lessons of Past Cooperation

9. Major recommendations from the evaluation of the "Impact of the UN System on building capacity for Poverty Alleviation" and the UNDP Country Review include the importance of the United Nations system working collectively, increasing the analytical capacity of its staff, focusing on advocacy and normative issues to create an enabling environment for development, and fostering greater ownership of the development process so as to reduce dependency. The Country Review noted the commitment of the Government to restructuring itself, capacity-building and policy reform, in the interests of poverty reduction. The UNDP country office was thought to be well positioned in its relationship with the key actors and institutions, and with its human resources and strategic vision, to support the Government in its poverty reduction efforts.

10. The Country Review noted that in the area of development management, positive results had been generated in supporting the formulation of national development and pro-poor strategies; the definition of a national Poverty Monitoring System, intensifying national aid coordination efforts; and strengthening knowledge networking and access to information. In each of these areas UNDP has worked on building capacity by strengthening the systems, processes and skills of government. Additionally, it has focused on building capacities of strategic national research institutions by enabling the Government to draw on their services, rather than contracting foreign expertise.

11. Notable lessons learned in this area are that capacity-building efforts need to be thoroughly analysed, well planned, and have a clear definition of what capacities are needed by whom to do what. Future training and other capacity-building efforts in the area of development management should address the emerging needs of basket funding arrangements,

which at least in the early stages, severely stretch the limited capacity of the Government.

12. Progress has been made in a number of areas of governance. Experiences gained from the United Nations Capital Development Fund (UNCDF) and Capacity 21 in strengthening participatory planning local governance at the district levels are starting to be fed into the national Local Government Programme. A new national anti-corruption strategy has been developed with UNDP support, and 24 sector action plans are ready for implementation. Capacity to coordinate and monitor implementation has been put in place, and support to enable civil society to monitor progress has also been promoted. Support has been provided to the Parliament, in terms of modernizing its physical facilities, exposing the parliamentarians to comparable parliamentary systems from which they have been able to draw lessons and experiences that they have integrated into their own operations. Experience indicates that in order to nurture a culture of democracy, support should be directed towards all levels of the electoral systems (Parliament, district and village councils).

13. The experience and lessons in the work of UNDP in governance indicates a need for reconfiguring the programme so as to merge "normative" issues<sup>3</sup> with activities in the area of development management<sup>4</sup> This would enhance a much-needed dialogue about normative and technical concerns around such issues as pay reform, poverty monitoring and the design of financial management and procurement systems. Furthermore, the Country Review suggested that all activities aimed at strengthening participatory mechanisms at the district and community levels be brought together, since this would exploit significant methodological synergies and promote the integration of civic education in the overall effort.

14. Activities in the area of community-led poverty reduction strategies were found to be more effective than direct interventions to reduce poverty. For example, results generated from piloting participatory planning approaches, which include empowering communities to protect and manage their environment,

have been encouraging, and are now influencing the national dialogue on participatory planning and environmental management. However, initiatives aimed at directly creating employment, and providing micro-credit were found to be rather expensive, and not replicable on an expanded basis. Nonetheless, it is recognized that increased and properly managed access to micro-credit facilities will help to contribute in a meaningful way to ongoing poverty reduction efforts. As such, UNDP will continue to explore ways in which it can play a catalytic and useful role in this important area.

15. The Country Review recommended that UNDP focus more on the upstream aspects of poverty reduction. It also agreed that UNDP should continue the Small Grants Programme, which supports community-managed, income-generating initiatives to protect the environment. Additionally, the potential for expanding the Labour-Based Feeder Roads Project (UNCDF/UNDP), which has successfully demonstrated its poverty reducing impact, was also noted, since it was clear that this pro-poor strategy holds considerable potential for the United Republic of Tanzania, and UNDP will assist in promoting this approach on a larger scale.

## Crosscutting concerns

### HIV/AIDS

16. UNDP, together with the Joint United Nations Programme on HIV/AIDS (UNAIDS) has focused on advocacy and increasing the level of political commitment to fight the spread of the disease, building national capacities for multisectoral programme management and coordination, and strengthening the surveillance and monitoring of the epidemic. The Country Review recommended that HIV/AIDS should be treated as a special area of concentration, so as to better support the implementation of the national multisectoral HIV/AIDS programme. Further, it recommended that UNDP should continue to focus its efforts at promoting joint United Nations action as outlined in the UNDAF, and within the established UNAIDS arrangement.

<sup>3</sup> Normative issues would include prevention of corruption, civic and human rights and democratic accountability.

<sup>4</sup> The areas in development management are poverty monitoring and aid coordination.

## Gender

17. UNDP adopted gender mainstreaming in the United Republic of Tanzania in 1997, when all programmes were supposed to include a strong gender component. While gender issues are addressed in many initiatives supported by UNDP, the original objective of having a coherent gender strategy in each programme has not been achieved. The review found that this stemmed from a lack of understanding of what gender mainstreaming means both in the Government, and within the UNDP programme. Increased capacity to promote gender mainstreaming both in government plans and in UNDP programmes will be strengthened in the coming period.

## Environment

18. In the last two years of the first CCF, UNDP decided to mainstream environment into its poverty reduction efforts. The Country Review supported and advocated successfully with key partners (government and donors) for efforts to be made in that direction. However, while the partners have accepted the cogency of the arguments being made, more work needs to be done in terms of translating the concerns into action-oriented plans and programmes. In the coming CCF period, emphasis will be placed on building national capacity for mainstreaming environmental concerns into national poverty reduction strategies and their monitoring.

## United Nations coordination

19. The Country Programme Review found that the UNDP country office's most valuable service to the Government of the United Republic of Tanzania has been in the facilitation of aid coordination, both building the Government's capacity to coordinate all partners, using the TAS and PRSP, and enhancing coordination with the United Nations system, using the UNDAF. This is an area where much more work needs to be done, to reduce the transaction costs generated by the donors and United Nations agencies, and to enhance the alignment between national priorities and external assistance.

## III. Objectives, programme areas and expected results

### A. United Nations Development Assistance Framework<sup>5</sup>

20. The United Nations system in the United Republic of Tanzania prepared the UNDAF between September and December 2000, based on the analysis of the causes of poverty outlined in the TAS and the PRSP. The TAS/PRSP analysis covers the critical issues of concern to the United Nations system, and thus obviates the need for a separate United Nations Common Country Assessment. The UNDAF identifies those national priorities where the United Nations have a comparative advantage, and where, by working together, greater impact could be achieved, formulated as four strategic objectives:

**UNDAF strategic objective I: to enhance national capacity for development management to eradicate poverty, including capacity for policy analysis, monitoring and evaluation and coordination**

21. At the national level, support will be provided to Government to strengthen its capacity for evidence-based development management. The United Nations system will strive to enhance government capacity in all stages of the cycle of development management, from data collection and analysis through problem definition and prioritization, to policy reviews, gap analyses and resource mobilization, to coordination and monitoring.

**UNDAF strategic objective II: to contribute to the improvement in the quality of and universal and equitable access to services to meet the basic needs of the poor**

22. At the district and subdistrict levels, the United Nations system will be involved in specific activities aimed at improving the quality of universally accessible basic services and intensifying community responses to HIV/AIDS. The United Nations system's particular contribution in this area will be to demonstrate models of best practices that can feed into

<sup>5</sup> See [www.tzonline.org](http://www.tzonline.org) for the complete UNDAF document, and all other documents referenced in the present document.

policy-making and development programming, and, in turn, can be implemented at the downstream level.

**UNDAF strategic objective III: to strengthen/promote an enabling environment for democratic, transparent, people-centred and community-driven development**

23. The national poverty reduction objectives that the UNDAF aims to support can only be achieved in a conducive environment. Therefore, UNDAF will support the development of democratic, transparent and accountable governance at all levels. The efforts of the United Nations system will be placed on increasing community-level participation in decision-making, and the management of development, which it is believed, will greatly improve the quality of and the access to essential services.

**UNDAF strategic objective IV: to strengthen/promote an enabling environment for strong and sustainable economic growth with equity**

24. Poverty reduction requires an enabling environment as well as sound macroeconomic management, and a framework conducive to investment. Through the UNDAF, the United Nations system will support government efforts aimed at ensuring that the poor, including the small-scale producers can more easily contribute to and benefit from the growing economy, as well as efforts aimed at using the information gained from the development management system to ensure that resource allocations to priority pro-poor sectors are protected

**B. Programme focus, objectives and expected results**

25. The second CCF for the United Republic of Tanzania will focus on bringing greater efficiency, effectiveness and relevance to the development process in the country. The primary objective is to accelerate poverty reduction, by building national capacity to manage the national development process in a transparent and participatory manner, so as to ensure that the maximum effective impact is achieved, using the available national and international resources.

26. The objective will be met by directing support towards capacity-building in the following three key interrelated areas<sup>6</sup>: (a) development management; (b)

decentralized, democratic, participatory and transparent governance; and (c) management of the response to the HIV/AIDS epidemic. In partnerships with the Government, civil society and donors, UNDP will contribute to the achievement of seven broad strategic outcomes (results). This section gives examples of outputs for the first part of the CCF period for each of the seven strategic outcomes, and shows how they are interlinked with the UNDAF strategic objectives.

**Area 1: development management (public expenditure management and aid coordination; poverty reduction monitoring and analysis; pro-poor growth strategies)**

27. The findings of the United Nations System Impact Assessment and the Country Programme Review confirmed that UNDP has a critical role to play in supporting the Government "to enhance local ownership, and improve aid effectiveness, through harmonized planning and budgeting systems."<sup>7</sup> This need has also been identified as UNDAF strategic objective I (development management). The responsibility entrusted to UNDP as the manager of United Nations system coordination reinforces the centrality of coordination in its core business and operations.

28. The main goal in this area is twofold: firstly, to increase national capacity for the management and coordination of internal and external resources so as to achieve poverty reduction goals; and secondly, to ensure that the United Nations system increasingly reaches a common understanding of the causes of poverty in the United Republic of Tanzania, and responds effectively in a coordinated manner. The PRSP has identified priority sectors for poverty reduction. Public expenditure has to be managed so as to ensure that adequate resources are used for pro-poor purposes within these sectors, and that normative governance issues such as the prevention of corruption and public accountability are integrated into public resource management. Furthermore, the budget process should be participatory and transparent, enabling civil society to have an influence on the setting of priorities and allocating resources to them.

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be developed to accommodate any specific requirements for Zanzibar. Gender and environment will be mainstreamed into each one of the three areas.

<sup>7</sup> Opening statement by the Acting Permanent Secretary of the Ministry of Finance at the UNDP Country Review meeting, March 2001.

<sup>6</sup> It should be noted that for each of the areas, components will

29. To achieve effective management of national development processes, with poverty reduction as a core goal, the Government must establish a strong monitoring system; thus, UNDP and the United Nations system will continue to provide the Government with support in their efforts to set up a national poverty monitoring system<sup>8</sup>. The data and information generated by this system will allow the monitoring of national progress towards meeting national and international goals and targets as part of an overall national development strategy. A central feature of the poverty monitoring system is a national socio-economic database, which has been put in place with United Nations support.

30. The main goal will be to support the development of national skills, systems, tools and procedures, so that data and information on poverty is used in the establishment of priorities, in policy formulation, and in the allocation of internal and external resources. Another critical dimension of cogent development management is the capacity of Government to identify pro-poor growth strategies that are environmentally sound and gender-sensitive. Current or higher levels of macroeconomic growth are a necessary, but not a sufficient prerequisite for poverty reduction. Growth efforts must be complemented by equal emphasis on the implementation of pro-poor strategies that target rural unemployed and under-employed persons. Examples of successful strategies can be found in the United Republic of Tanzania, e.g., labour-based feeder roads, but they are not widely recognized or taken to scale.

31. The goal here will be to focus on activities that will identify and demonstrate best practices, disseminate information, and actively promote cost-effective strategies. This responds to needs identified in UNDAF strategic objective IV (macroeconomic stabilization).

32. The key outcomes (results) in area 1, with corresponding outputs as per the results-based management/SRF are:

### SRF outcome 1

33. More efficient use of resources for poverty reduction efforts (in the five priority PRSP sectors) will ensure greater alignment of internal and external resources with national plans and priorities, and reduce leakage and transaction costs.

34. *Outputs* will include:

(a) Government capacity to manage public resources strengthened by supporting the Public Expenditure Review process and ensuring that the focus is maintained on the PRSP priorities;

(b) Expenditure tracking, studies to ensure funds allocated at the central level for poverty-reducing priorities are used for the intended purpose at the lowest level of service delivery;

(c) The introduction of evidence-based development management by reinforcing the link between public resource allocation and analysis of poverty monitoring data;

(d) Effective aid coordination mechanisms;

(e) Government technical and organizational capacity to manage the TAS and PRSP processes increased by supporting civil society involvement in planning, implementation and monitoring, and expanding government access to quality national analytical resources in the private sector.

### SRF outcome 2

35. The United Nations system, sharing a common understanding of the causes of poverty in the United Republic of Tanzania and responding in a focused and coordinated manner, will ensure the most effective support to national partners in their efforts to achieve the Millennium Declaration Goals.

36. *Outputs* will include:

(a) Transaction costs to the Government reduced by the development of joint United Nations programmes in support of the national poverty monitoring system, community empowerment, and HIV/AIDS;

<sup>8</sup> The national poverty monitoring system will have four interrelated components: surveys and census; routine data systems; research and analysis; and dissemination and advocacy.

(b) Harmonized procedures and tools applied, including a monitoring and evaluation system for the UNDAF;

(c) Performance of the United Nations system continuously monitored, in terms of enhancing national capacities to meet the Millennium Decade Goals/International Development Targets.

### **SRF outcome 3**

37. The aim is to provide support for government policies and resource allocation decisions based on a deeper understanding of the experience of the poor people in the country, through the establishment of an effective poverty monitoring system that facilitates the measurement of progress against national and international goals (International Development Targets/Millennium Decade Goals) and reinforces linkages between data collection, analysis and decision-making. UNDP will work in partnership with the Government and others (CSOs, donors and the private sector), as appropriate:

38. *Outputs* will include:

(a) A master plan for a holistic and effective poverty monitoring system, including the establishment of a long-term survey programme, sectoral data collection, Participatory Poverty Assessments (PPAs) and independent studies and dissemination plans;

(b) Key government, NGO, and media staff trained in using the database to analyse poverty trends and advocate for change;

(c) Key surveys (household budget, population census) funded;

(d) Effective CSO participation in district-level poverty monitoring and PPAs;

(d) Open University supported to develop training course materials for a Masters-level degree in poverty monitoring, analysis and strategy setting;

(e) Key actors (Parliament, CSOs and the media) empowered to engage in the national debate and dialogue on poverty reduction efforts.

### **SRF outcome 4**

38. The aim is to assist the Government in consistently and consciously pursuing proven pro-poor growth strategies in the execution of national development programmes.

39. *Outputs* will include:

(a) Capacity-building of the Government and civil society to identify appropriate and effective pro-poor strategies for implementation on a larger scale;

(b) Community-managed strategies for poverty reduction that have been effective in other countries demonstrated and assessed;

(c) Community-based sustainable livelihoods' activities and poverty reduction plans funded through the Small Grants Programme;

(d) Capacity established to ensure that gender concerns are adequately reflected in all UNDP programmes, national poverty reduction strategies, and the poverty monitoring system;

(e) Capacity established to ensure that environmental concerns are adequately reflected in all UNDP programmes, in national poverty reduction strategies, and in the poverty monitoring system.

### **Area 2: Decentralized participatory and transparent governance**

39. In a situation of resource scarcity, good governance underpins successful poverty reduction efforts, by ensuring that all available resources are used effectively and transparently for the implementation of strategies agreed upon through a participatory decision-making process. Experience has shown that development efforts are much more successful when there is a high level of ownership of the development process, generated by participation in decision-making, whether at the village, district or national levels. Strengthening the capacities of people to effectively use their decision-making opportunities is a critical factor in increasing ownership. An important focus will be to strengthen efforts to provide good governance in Zanzibar, while also creating an atmosphere of inclusion and hope for those currently feeling marginalized. Special targets in this area will be to



increase the participation of women and to ensure that environmental issues are taken into account in all relevant planning processes. This area meets the concerns identified in UNDAF strategic objective III (enabling environment).

#### **SRF outcome 5**

40. The aim will be to ensure that capacity is in place and partnerships built at central and district levels that can coordinate and monitor the implementation of key reform programmes and sectoral policies in an efficient, transparent and participatory way, so as to ensure the effective use of resources.

41. *Outputs* will include:

(a) Capacity in place at the President's Office/Regional Administration and Local Government to provide effective coordination and oversight of the decentralization programme;

(b) Policies and procedures developed, tested and adopted at the district level, for improved financial management, contracting and management and maintenance of infrastructure;

(c) National poverty monitoring database expanded to serve the monitoring requirements of district resource managers;

(d) Capacity in place at the district level to plan, manage, and monitor resource use in a participatory and transparent manner, building on the Capacity 21 approach, including addressing the issues of HIV/AIDS, gender and environment;

(e) Capacity in place in the Government and civil society to coordinate and monitor the national Anti-Corruption Strategy and Action Plans, and to prepare an annual state of corruption report;

(f) Legal and institutional framework in place so as to enhance democratic and accountable village governance;

(g) Civic education programme developed and implemented, so as to heighten awareness of rights, roles and responsibilities of citizens in a pluralistic society.

#### **SRF outcome 6**

42. The aim is to provide support for a decision-making environment that facilitates participatory, democratic, gender-balanced and transparent decision-making, with communities accessing knowledge, skills, and processes that empower them to make decisions about sustainable use of their own resources.

43. *Outputs* will include:

(a) Effective parliamentary oversight as well as transparent and accountable decision-making at district and village level put in place;

(b) Key laws reviewed and training carried out, so as to ensure that government regulations comply with international standards on human rights and are observed in practice;

(c) Systematic dissemination of information, so as to promote universal understanding of roles and responsibilities in a pluralistic, democratic and rights-based society;

(d) Effective capacity established in the central Government and civil society to advocate for and monitor accountability, transparency and human rights.

#### **Area 3: HIV/AIDS**

44. This area responds to UNDAF strategic objective II on access to basic services. Progress in poverty reduction will be put at risk unless the spread of the HIV/AIDS epidemic is arrested. Therefore, strengthening national capacity to enhance the effectiveness of the national response is considered a priority, again building on ongoing work.

#### **SRF outcome 7**

45. The aim is to ensure that capacity is in place to facilitate the participation of all stakeholders in a coordinated, effective response to the HIV/AIDS pandemic. This will imply the capacity to continuously analyse the situation, identify what works, revise the national strategies, mobilize the resources required and facilitate all partners in playing their appropriate roles. UNDP support in this area will be planned and managed as part of an integrated UNAIDS response.

46. *Outputs* will include:

(a) The Tanzania Aids Commission will have the capacity it needs to coordinate all national partners for an effective national response, including information systems, communication capacity and staff skills;

(b) Key sectors will be supported to do an impact analysis, so they can manage the consequence of the pandemic;

(c) The capacity of the district team to include an appropriate response to HIV/AIDS in their district plans and budgets will be in place;

(d) Strengthened capacity for HIV surveillance in relevant medical institutions and the Ministry of Health will be in place;

(e) Capacity for mainstreaming HIV/AIDS issues into national development programmes will be developed among the key institutions and partners

## **IV. Management arrangements**

### **A. Execution and implementation**

47. The Country Review recommended that the use of national execution (NEX) as the main modality should continue, but that it should be more closely aligned with government systems, working through government staff, and broadening the range of national partners to include more NGOs and community-based organizations. A key result in the aid coordination area is to reduce donor-induced transaction costs to the Government, and this should also be reflected through the United Nations system's own practices. Since the capacity of the Government to manage funds has increased somewhat during the past five years, UNDP will start channelling funds for government-implemented programmes through the budget on an incremental basis, while continuing to monitor the Government's capacity and accountability, starting with the Ministry of Finance. The current NEX focal point will continue to provide in-service training and other capacity-building support for national partners in effective resource management. UNDP will try to source advice locally wherever possible, and support capacity-building in national consultancy and research

organizations as part of building sustainable national capacity for development management.

48. Since the United Nations Volunteers programme offer's a cost-effective opportunity to obtain relevant technical capacity in areas where it is not locally available, this option will be used whenever possible and appropriate.

49. Each programme will explicitly recognize the role of UNDP as a facilitator of development, adding value through advocacy and the provision of timely, appropriate, and relevant advice. UNDP will continue to provide project support services at the request of the Government, in areas where it is appropriate, (international procurement of supplies, policy advice etc.). Resources will be designated to ensure that the capacity to mainstream gender and environmental concerns is in place, in both the Government and UNDP.

### **B. Monitoring and evaluation**

50. UNDP results-based management tools will be aligned with government procedures, both for the preparation of annual plans at the project level, relating activities and budgets to the achievement of SRF outcomes and outputs, and for reporting on results. Additionally the results being generated from UNDP programmes and projects will be incorporated into the annual monitoring exercises to be held for the UNDAF.

51. The Government will cooperate with UNDP to ensure that evaluations and audits will be carried out according to UNDP regulations. The Country Review of the second CCF will be carried out together with the reviews of as many other United Nations agencies as possible. United Nations agencies and bilateral donors will be invited to participate in evaluations and the Country Review. A separate planning and reporting process will be continued for the component of each programme under which UNDP provides support to Zanzibar. A liaison office will be maintained in Zanzibar to facilitate this process.

### **C. United Nations system coordination**

52. The Government of the United Republic of Tanzania appreciates that UNDP, through the Resident Coordinator's Office, will continue to manage and

facilitate United Nations system coordination, managing the United Nations security function, the United Nations medical service, the United Nations Information Centre, and the UNAIDS office. UNDP also provides project support services to enable the United Nations Volunteers programme, UNCDF, and 18 non-resident United Nations agencies to implement project activities in the country. The Resident Coordinator's Office will facilitate the follow up and coordination of the United Nations programmes identified in the UNDAF and the monitoring of progress against UNDAF objectives. The Government further requests that the Resident Coordinator's Office, with support from UNDP and other United Nations agencies, assist the Government to monitor the follow up to the International Development Targets and Millennium Declaration Goals, providing periodic progress reports. The Resident Coordinator's Office will work very closely with the UNDP Aid Coordination Support Programme, to ensure that United Nations coordination is fully integrated within the overall donor coordination framework.

#### **D. Resource mobilization**

53. In the second CCF, UNDP has focused on a few areas where it has a recognized comparative advantage, and where, in most cases, positive results are already being generated. The development of detailed programmes in the three programme areas will be carried out in close collaboration with other development partners, so as to enable their views to be reflected in programme design as much as possible. UNDP expects to generate an additional \$25.2 million from UNDP-supported programmes (Global Environment Facility, UNCDF), and \$17 million from other partners on a cost-sharing basis.

## Annex

## Resource mobilization target table for the United Republic of Tanzania (2001-2005)

<i>Source</i>	<i>Amount</i> <i>(In thousands of United States dollars)</i>	<i>Comments</i>
<b>UNDP regular resources</b>		
Estimated IPF carry-over into 2001	6 570	Includes TRAC 1, TRAC 2 and the earlier AOS allocations.
TRAC 1.1.1	20 384	Assigned immediately to country.
TRAC 1.1.2	0 to 66.7 per cent of TRAC 1.1.1	This range of percentages is presented for initial planning purposes only. The actual assignment will depend on the availability of high-quality programmes. Any increase in the range of percentages would also be subject to availability of resources.
SPPD/STS	879	
<b>Subtotal</b>	<b>27 833<sup>a</sup></b>	
<b>UNDP other resources</b>		
Government cost-sharing	0	
Third-party cost-sharing	17 000	
Funds, trust funds and other	25 200	
Of which:		
GEF	15 000	
Capacity 21	10 200	
<b>Subtotal</b>	<b>42 200</b>	
<b>Grand total</b>	<b>70 033<sup>a</sup></b>	

<sup>a</sup> Not inclusive of TRAC 1.1.2, which is allocated regionally for subsequent country application.

*Abbreviations:* AOS = administrative and operational services; GEF = Global Environment Facility; IPF = indicative planning figure; SPPD = support for policy and programme development; STS = support for technical services; and TRAC = target for resource assignment from the core.