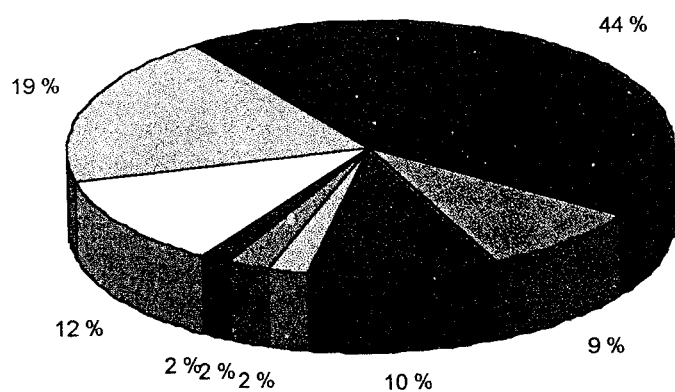


Tanzania & Norway Development Co-operation

1997

This document is prepared on an annual basis at the beginning of the year showing ongoing and planned activities for the current year. Figures for 1997 should be considered indicative for planning purposes only, and will be subject to changes following reallocations after project and programme reviews.

Norwegian Assistance 1997



- | | |
|----------------------------------|--------------------------------------|
| ■ TOTAL POLITICAL REFORM | ■ TOTAL ADMINISTRATIVE ASSISTANCE |
| □ TOTAL ECONOMIC DEVELOPMENT | □ TOTAL EDUCATION AND RESEARCH |
| ■ TOTAL INFRASTRUCTURE | ■ TOTAL ENVIRONM. AND NAT. RESOURCES |
| ■ TOTAL HEALTH SECTOR ASSISTANCE | □ TOTAL CULTURE, WOMEN AND OTHERS |

INTRODUCTION

The present strategy for development co-operation between Tanzania and Norway was outlined in a Memorandum of Understanding signed in Dar es Salaam October 1994. In preparation for the new programme, experiences from nearly 30 years of development co-operation between the two countries were taken into consideration.

The Memorandum of Understanding emphasises the principle of recipient responsibility in planning and implementation of development co-operation activities.

This principle places great demands on the recipient institutions and the donor organisation. It was agreed that the main thrust of the co-operation should be on institution and capacity building with particular focus on the reform process in the civil service. Furthermore, the importance of ensuring transparency and accountability in the development process was underlined.

The partners agreed to concentrate the support to the following sectors or areas of co-operation; i) political reform programme, ii) Civil Service Reform Programme, iii) economic development, iv) secondary and higher education and research, v) infrastructure investment support, vi) natural resources management, vii) cultural and commercial relations.

During the implementation of the present programme the concept of equal partnership has been developed further. Together with the three other Nordic countries, Norway in 1996 initiated a dialogue with the Government of Tanzania on some major principles of modern development co-operation. Representatives from the governments of the five countries met in Dar es Salaam 12-13 September 1996 and agreed upon some new basic principles for development co-operation. The challenge for the coming year is to put the new principles where the Tanzanian actors are fully in the driving seat, into practice.

The Norwegian Government has decided to give higher priority to support to the social sector in all partner countries. It has therefore been decided to include support to primary education and basic health in the current development programme. This policy change was confirmed at the Annual Consultations between the two countries in Dar es Salaam 19 - 21 March 1997. It was also agreed that support to the agriculture sector should be explored.

DEVELOPMENT OBJECTIVES

The overall long term goal for development co-operation between Norway and Tanzania is to promote the establishment of a sustainable economy that is independent of development assistance.

The long term goal can further be divided in four development objectives as follows;

- i) Democratic development through support to the political reform process, the civil service reform programme and the strengthening of civil society.
- ii) Support to sustainable economic development through support to the macro-economic structural adjustment programme, investment support to prioritised projects and stimulation of private industrial and commercial development.
- iii) Support to development of human resources through support to higher education and research and facilitation of long term institutional co-operation between partner institutions in the two countries.
- iv) Support to a sound management of the environment and the natural resources.

THE MAIN FIELDS OF ASSISTANCE

1. Political Reform Programme / Democratisation Activities

Norwegian support to the democratisation process in the coming years will mainly be concentrated in the following areas:

- * Infrastructure support to the National Assembly
- * Support to political reform programmes at local level of society
- * Support to the development of organisations such as employer/trade unions, and other interest organisations. Possible co-operation with corresponding Norwegian organisations.
- * Continued co-operation with other donors as the Small Donor Group and other like-minded groups.
- * Political education programme through the European Parliamentarians for Southern Africa.

2. Administrative Assistance

A sustainable economic development and service delivery cannot be achieved without an effectively performing civil service. Reforms in the civil service are therefore identified as a priority area for Norwegian support to Tanzania.

In the opinion of the Norwegian Embassy, there has lately been a growing commitment on the Tanzanian Government side, to public sector reforms. This positive development should be supported by the donor community.

In accordance with this, Norway has during 1996 been supporting the implementation of Organisation and Efficiency Reviews in Civil Service Department and Prime Minister's Office. Planning activities within the Local Government area have also received Norwegian financial support.

Norway continues its collaboration with Planning Commission to enhance Macroeconomics and Budgetary Modelling in Tanzania. The new phase of the MACMOD project will establish a quarterly monitoring framework and also focus on Government revenue through the development of a tax sub-model (TAXMOD).

Reforming the Local Government system is important, both in order to strengthen public service delivery and as a means of further development of democracy. Norway has therefore, together with Finland, carried out an appraisal of the "Local Government Reform Agenda 1996-2000", that was presented by the Government in December, 1996. Based on this appraisal, Norway will enter into discussions with Tanzania, concerning a long term Norwegian support to local government reform.

Furthermore, Norway will, together with the other Nordic countries, continue the dialogue with the Government on the reform process, and will be willing to consider an increased support to other parts of the programme.

Norway has been supporting the Integrated Rural Development Programmes in Kigoma and Rukwa Regions (KIDEP and RUDEP). The programmes started as water supply projects in the beginning of the eighties, but gradually a multi-sector approach was identified as an important strategy for improved welfare of the people of the regions. The programmes have been supporting the regional and district administration, agriculture sector, forestry, road rehabilitation, health, water supply and education. However, due to questioning of the sustainability of the programmes, the aid was terminated by 30 September, 1996. It is now important that all positive efforts are made to sustain the process and effects, and NORAD will put emphasis on the need for a orderly closing and final reporting from the regions.

3. Economic Development

For many years balance of payments/import support constituted a major part of the bilateral assistance. In the years 1990-92 an annual average of NOK 200 mill was disbursed, mainly through the Open General Licence (OGL) system. In 1993 the support was reduced to NOK 33 mill for fertiliser import, while no funds were disbursed in 1994-95. A total of 23.7 mill was released in 1996 through the post-OGL system. There are no plans for Norwegian balance of payments/import support to Tanzania in 1997.

Norway continues its support for the PRIDE (Promotion of Rural Initiatives and Development Enterprises) micro-credit programme. A contract for funding of the Regional Enterprise Development Institute (REDI) 1996-1999 was signed in late 1996. The support to the National Bank of Commerce (NBC) has concentrated on a systems study and technical assistance to improve international trade finance operations. Norway also finances the Special Audit of IPC (Investment Promotion Centre) Exemptions which has been contracted by the Ministry of Finance. This audit examines all import tax exemptions that have been granted by the Investment Promotion Centre as recommended by the 1995 Special Programme of Assistance for Africa (SPA)/Joint Evaluation Mission (JEM).

The SADC-programme on Industry Quality Assurance made significant progress in 1996 and the efforts to improve quality and develop quality assurance systems for the participating companies continue in 1997. A mid-term review was conducted in 1996 and following the recommendations of the review some adjustments to the programme will be implemented in 1997. In the area of Industrial Development Co-operation, Norway granted more than NOK 10 million in 1996. Support for the Sao Hill privatisation was the single largest activity in this category. In 1996, Sao Hill also received nearly NOK 21 million through the country programme allocation for settlement of old debts and for investments in machinery and infrastructure.

Norway provided NOK 20 million in late 1996 to cover parts of Tanzania's debt service to the International Bank for Reconstruction and Development (IBRD), through the 5th Dimension Facility. At the Paris Club negotiations in January 1997, Norway granted Tanzania debt relief of approximately US 4 million. Details concerning this debt relief will be decided later.

4. Education and Research

Basic and primary education is singled out as a growth area by the Tanzanian Government and Norway is prepared to expand its future development assistance to basic and primary education based on the Basic Education Master Plan and the new strategic framework for joint donor co-operation. Norway will enter into a close dialogue with the Government of Tanzania

with the aim of identifying areas of sector programme support for primary education.

Norway will continue to provide technical and financial development assistance to secondary and higher education in the form of institutional and academic strengthening and development of tertiary and higher education institutions in 1997. A new three year agreement with the Institute of Development Management (IDM) and a four year frame agreement with Sokoine University of Agriculture (SUA) were signed in 1996 and by mid 1997 a four year frame agreement with the University of Dar es Salaam (UDSM) is expected to be signed. Norway is also supporting physical and academic qualitative improvements of community based secondary schools through the National Education Trust Fund and the Norwegian Volunteer Service Programme.

5. Infrastructure

Norwegian development assistance to the energy sector is provided in the form of investment capital and technical assistance to power schemes and to the rehabilitation and extension of distribution systems and substations.

The main hydropower project is now Lower Kihansi Hydropower Project to which Norway has allocated 380 million NOK for the hydraulic steelworks, turbines, cranes, ventilation and generators. The Project is part of the World Bank co-ordinated Power VI Program. The access tunnels have been excavated and work on the power station cavern is ongoing. The Project is 6 months behind schedule, mainly due to delays in the preparatory works. It is now scheduled for completion in 1999.

Pangani Hydropower Project has been commissioned and is now going through the guarantee period. The social and health components are in the completion stages.

Assistance to the road sector is provided through technical assistance, through the financing of a road sector programme and through the financing of rehabilitation projects.

The main project in the road sector is the institutional co-operation between MOW and Norwegian Public Roads Authority. It comprises general support to MOW head quarters, bridge management unit, road safety and axle load control and the development of the materials laboratory. The current programme has now come to an end and planning has started for a new programme with a continued focus on institutional co-operation.

Design and tendering of the repair of the Chalinze Melela section on the TANZAM Highway is completed, and the work commissioned by the end of the year. Design is ongoing for the reconstruction of the Songwe Tunduma section.

6. Environment and Natural Resources

In response to the priority given to the principle of a sustainable economic and social development, Norway provides assistance both through relevant higher education and research, to activities in the rural development programmes as well as to natural resource management projects addressing the issues.

A Sector Agreement with Ministry of Tourism, Natural Resources and Environment (MTNRE) was signed 02.12.94. All ongoing projects within the sector are included in this agreement and so are a number of new activities. The main objective of the Agreement is to improve the management of Tanzania's natural environment. Efforts would be made to strengthen the capacity, competence and efficiency of the Ministry. An important element in this effort would be to create co-operation between the different departments and subprojects in the Sector Agreement and relevant Norwegian institutions. The projects benefiting from this assistance are:

- Strengthening of the Planning Division
- Capacity Building of the Environment Division
- Catchment Forestry Project
- Shinyanga Soil Conservation and Afforestation Project including Agroforestry Research
- Mangrove Forests Management
- Ruvu Fuelwood Feasibility Study
- Serengeti Regional Conservation Strategy
- Ngorongoro Conservation Area
- College of African Wildlife Management, Mweka
- Mafia Island Marine park
- Feasibility study of fuel wood production for Dar es Salaam market

7. Health

Norwegian development assistance to the health sector is provided through the central and regional health authorities supporting the National AIDS Control Programme (NACP) for the biennial period of 1996-97. Future support to NACP is under preparation.

As a follow-up of the 20/20 initiative Norway has put a strong emphasis on increasing the involvement in the health sector, with particular interest in primary health care activities. Norway has invited Tanzania to a dialogue on future support to the sector. On short time basis Norway has entered into a collaboration with UNICEF and UNFPA assisting activities within the fields of maternal health and reproductive health.

8. Culture and Information

The culture support from Norway to Tanzania will also for 1997 be concentrated on production of books and the sector of music. Financial support to production of books for children will be given priority. There will be produced three books through the Children Book Programme. The co-operation between Bagamoyo College of Art and artists in Norway will be followed up in 1997. Support to two music festivals in Dar es Salaam will be partly financed by Norway.

9. Other Bilateral Programmes / Projects

Norwegian Volunteer Service

Three programme lines make the foundation for the Norwegian Volunteer Service:

1. Technical assistance personnel.

The Norwegian Volunteer service support the education sector with ten persons. Five volunteers are working as tutors at teacher training colleges, and five volunteers as teachers to secondary schools. Three persons are working in health sector and four in environment.

2. North / South study programme.

Several students from Norway are coming to make field studies in Tanzania. These are supported by the Norwegian Volunteer Service.

3. School exchange programme.

Secondary Schools have established links through Norwegian Volunteer Service. Students and Teachers from Norway and Tanzania have exchanged visits.

Young people are provided with the opportunity to turn their interest and involvement in the work of international development to useful account within the framework of an extended volunteer programme. For such young people there is an opportunity to participate in North / South study programme and the School exchange programme.

Non-Governmental Organisations (NGO's)

In accordance with the Country Strategy the assistance to local non-governmental organisations is supporting membership organisations and

organisations contributing to the development of the civil society with special emphasis on evolving democracy and consolidating human rights. Assistance linked to institutional/organisational development is a field of particular importance. The NGO assistance is also seen in relation to the country programme and Volunteer Service in order to complement and increase the effect of these.

Some NGOs like CHAWATA, RANGO and TARENA receive assistance through their sister organisations in Norway, while other NGOs like BAWATA, KULEANA and WAMATA receive assistance through the Embassy's local NGO allocation.

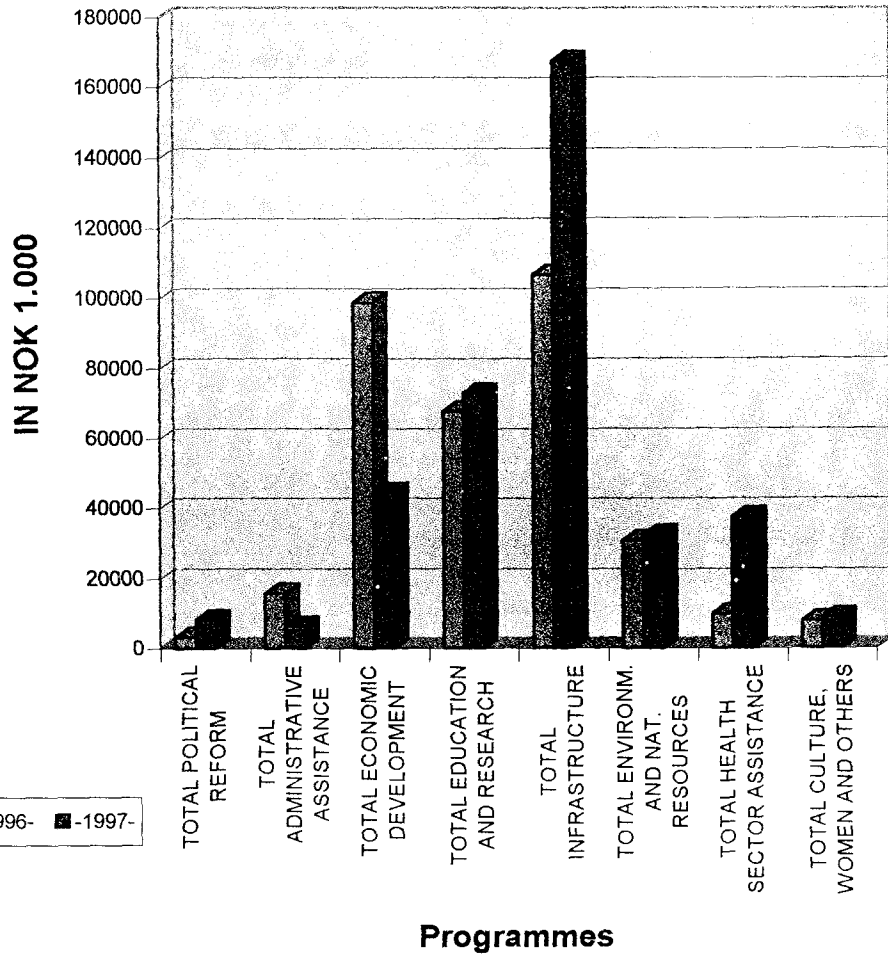
Special allocations have been made for Women in development projects, environmental projects as well as support for culture activities. As an additional support to the productive sectors, Norway provides assistance from global funding schemes for business sector co-operation between Tanzania and Norway.

Gender and Development

Mainstreaming Women in Development

The aim of Norwegian development assistance to women, is to ensure that the gender perspective is integrated in all programmes and projects supported by Norway. Assistance to gender related activities is covered under the different allocations for the main areas of collaboration, i.e.; political reform programme, civil service reform, economic and social sector development, higher education and research, management of natural resources and infrastructure as well as supporting non governmental institutions. There is an increased support to strategies and actions to eliminate gender disparities in the education system and to increase women's access to credit.

Norwegian Assistance 1996-97



NORWEGIAN BILATERAL ASSISTANCE TO TANZANIA

(all figures in thousands of Norwegian kroner, Tsh. 1 = NOK 0.011 as per April 1997)

SECTOR/PROJECT NAME:	Expenditure -1996-	Planned -1997-
1. POLITICAL REFORM		
TAN-026 POLITICAL REFORM PROGRAMME	-17	4000
TAN-094 DEMOCRATISATION ACTIVITIES	1333	2000
TAN-076 SUPP. TO LOC. NGOS, POL. REF.	1749	2000
TOTAL POLITICAL REFORM	3065	8000
2. ADMINISTRATIVE ASSISTANCE		
TAN-054 KIGOMA INTEGR. RURAL DEV. PROG.	3983	100
TAN-060 RUKWA INTEGR. RURAL DEV. PROG.	4061	100
TAN-095 CIVIL SERVICE REFORM	5021	3700
TAN-084.103 MACMOD/BUDMOD	1321	880
TAN-084.115 REGIONAL PROFILES	206	25
TAN-084.125 LOCAL GOVERNMENT CONSULTANCY	117	-14
TAN-105 AID MGT. AND ACC. PR. (AMAP)	784	491
TAN-000 LOCAL GOVERNMENT REFORM	0	1000
NIBR EVALUATION DECENTRALISATION	160	Not known
TOTAL ADMINISTRATIVE ASSISTANCE	15653	6282
3. ECONOMIC DEVELOPMENT		
TAN-089 PRIDE TANZANIA	6449	7500
RAF-089 REG. ENTERPR. DEV. INST. (REDI)	813	1235
REG-084 INDUSTRY QUAL. CONTROL PROGR.	13877	4100
TAN-021 SUPPORT TO SAO HILL TIMBER LTD	20969	2500
TAN-084.113 BOARD OF EXT. TRADE STUDIES	-31	0
TAN-084.121 NBC COMP. TRADE FINANCE	516	210
TAN-084.123 SAO HILL AUDIT	69	0
TAN-084.127 SPECIAL AUDIT OF IPC EXEMP.	1567	182
TAN-084.130 SADC PROTOCOL STANDARDISATION	0	150
TAN-100 IMPORT SUPPORT	23700	0
TIED CO-FIN. - URBAN MAPPING	629	500
INDUSTRIAL DEVELOPMENT COOPERATION	10319	Not known
DEBT RELIEF IDA 5TH DIMENSION	20000	Not known
DEBT RELIEF PARIS CLUB	0	28000 ¹⁾
TOTAL ECONOMIC DEVELOPMENT	98877	44377
4. EDUCATION AND RESEARCH		
TAN-022 FACULTY OF FORESTRY (RESEARCH)	2408	0
TAN-025 DAR ES SALAAM MARITIME INST.	0	1460
TAN-081 SOIL SCIENCE (SUA)	2478	0
TAN-084.116 DIR. OF PROGR. SUA CONSULTANCY	200	0
TAN-085 STAFF DEV PROGR ANIMAL SCIENCE	1213	0
TAN-047 UDSM, CHEMICAL ENGINEERING	13437	0
TAN-048 UDSM, CHEMISTRY	2907	3445
TAN-058 INST OF DEV MANAGEMENT (IDM)	11903	10200
REG-023 BANDARI COLLEGE	279	0
TAN-082 NATIONAL EDUCATION TRUST FUND (NETF)	12000	7000
TAN-084.114 INST. TRANSF. UDSM CONSULTANCY	437	0

1) Norway granted Tanzania debt relief of approximately US\$ 4 million at the Paris Club meeting in January 1997. Details will be decided later.

NORWEGIAN BILATERAL ASSISTANCE TO TANZANIA

(all figures in thousands of Norwegian kroner, Tsh. 1 = NOK 0.011 as per April 1997)

SECTOR/PROJECT NAME:	Expenditure -1996-	Planned -1997-
TAN-091 FRAME AGREEMENT SOKOINE UNIV. OF AGRICULTURE	14062	22000
TAN-103 FRAME AGREEMENT WITH UDSM	0	17000
TAN-104 SUPPORT TO BASIC EDUCATION	0	6500
TAN-077 LOCAL SCHOLARSHIPS	187	250
TAN-088 SUA, SHORT COURSES AT ICE	298	0
TAN-000 NORW. VOLUNT. SERVICE, EDUC.	5876	5000
TOTAL EDUCATION AND RESEARCH	67685	72855
5. INFRASTRUCTURE		
TAN-072 REHAB ROADS SAME-HIMO	14785	3500
TAN-080 ROAD SECTOR AGREEMENT	8072	7400
TAN-000 KIDATU HYDROP. PLANT, REHAB.	0	26000
TAN-000 S.WANGA-MBALA TRANSM. LINE	0	10000
TAN-075 PANGANI FALLS REDEVELOPMENT	0	-6900
TAN-084.106 ROAD SECTOR CONSULTANCY	404	0
TAN-084.118 ZANZIBAR ELECTR. CONSULTANCY	6	0
TAN-084.120 S.WANGA-MBALA CONSULTANCY	1828	1572
TAN-084.126 UBUNGO-MLANDIZI CONS.	821	0
TAN-084.128 CHALINZE-MELELA CONS.	863	137
TAN-084.129 SONGWE-TUNDUMA CONSULTANCY	698	2302
TAN-084.131 SONGO SONGO - TECHNICAL ASSISTANCE	0	1600
TAN-096 CHALINZE-MELELA	0	41000
TAN-101 LOWER KIHANSI HYDROP. PROJECT	55000	40000
TAN-102 KURASINI OIL JETTY EXTENSION	11753	3947
TAN-061 POWER SUPPLY ZANZIBAR	105	0
REG-048 TAZARA COORDINATION UNIT	-520	0
TAN-051 PETROLEUM SECTOR PROGRAM	1770	0
TAN-000 ROAD SECTOR PROGRAMME NEW	0	5000
TIED CO-FIN. - LOWER KIHANSI	0	15000
TIED CO-FIN. - KUNDUCHI SUBSTATION	197	0
TIED CO-FIN. - CHANGOMBE SUBSTATION	0	10000
TIED CO-FIN. - MAGOMENI SUBSTATION	123	100
TIED CO-FIN. - MGODA BRIDGE	1076	400
TIED CO-FIN. - HIMO-MOSHI-ARUSHA	2109	6500
TIED CO-FIN. - HYDROPOWER PLANNING	7500	0
TOTAL INFRASTRUCTURE	106590	167558
6. ENVIRONM. AND NAT. RESOURCES		
TAN-066 ENVIRONMENTAL GRANT	1523	2500
TAN-092 FRAME AGR. - MGT. OF NAT. RES.	22274	24100
TAN-101 KIHANSI, CATCHM. MGT	4000	3200
TAN-000 NORW. VOLUNT. SERVICE, ENVIR.	2938	2500
TOTAL ENVIRONM. AND NAT. RESOURCES	30735	32300
7. HEALTH SECTOR ASSISTANCE		
TAN-083 AIDS GRANT	931	0
TAN-000 UNICEF - IMPR. MATERNAL HEALTH	0	3000
TAN-000 UNICEF - IMPR. CHR. AND WOM.	0	4000
TAN-000 UNICEF - SAFE WATER ENV.	0	4000

NORWEGIAN BILATERAL ASSISTANCE TO TANZANIA
(all figures in thousands of Norwegian kroner, Tsh. 1 = NOK 0.011 as per April 1997)

SECTOR/PROJECT NAME:	Expenditure -1996-	Planned -1997-
TAN-101 KIHANSI, MUAJAKI PUBLIC HEALTH	3500	3000
TAN-000 UNFPA - REPRODUCTIVE HEALTH	0	5000
TAN-000 NORW. VOLUNT. SERVICE, HEALTH	3673	2500
TAN-076 SUPPORT TO LOCAL NGOS, HEALTH	1749	2000
TAN-106 SUPPORT TO NAT. AIDS CONTR. PRG. , NACP	0	14000
TOTAL HEALTH SECTOR ASSISTANCE	9853	37500
8. CULTURE AND INFORMATION		
TAN-065 SUPPORT TO CULTURAL ACTIVITIES	236	500
TAN-331 CULTURE GRANT STUDENT EXCHANGE	187	Not known
PRODUCTION OF FILM AND INFO. MATERIAL	88	Not known
TOTAL CULTURE AND INFORMATION	511	500
9. NOT REFERABLE TO AREA		
TAN-073 FRAME AGREEM WOMEN IN DEV	0	447
TAN-063 WOMEN'S ALLOCATION	392	500
TAN-300 MISC. TECHNICAL ASSISTANCE	851	900
TAN-084 UNALLOCATED CONSULTANCY SERV COUNTRY PROGR	0	4850
TAN-302 MISC. TECHNICAL ASSIST. EQUIP.	47	0
TAN-076 SUPPORT TO LOCAL NGOS, WOMEN	875	1000
TAN-107 UNICEF - CHILDR. IN DIFF. CIRCUMST.	1100	0
RAF-090 NORW. REFUGEE COUNCIL, REFUGEE SUPPORT	1795	Not known
SUPPORT TO TANZANIAN REFUGEES IN NORWAY	1850	Not known
TOTAL NOT REFERABLE TO AREA	6910	7697
10. FUNDING OF UN-PERSONNEL	587	Not known
11. CHANNELLED THROUGH NORWEGIAN NGOS	10693	Not known
TOTAL NORWEGIAN BILATERAL ASSISTANCE TO TANZANIA	351152	377069