

Public Financial Management Programme Zanzibar – Mid Term Review

Mid Term Review

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The report is presented in a series, compiled by Norad to disseminate and share analyses of development cooperation. The views and interpretations are those of the authors and do not necessarily represent those of the Norwegian Agency for Development Cooperation.

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PUBLIC FINANCIAL MANAGEMENT (PFM) PROGRAMME, ZANZIBAR
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MID TERM REVIEW
FINAL REPORT 9 AUGUST 2010

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Abbreviations and Acronyms

AFRITAC	Africa Regional Technical Assistance Centre
AGD	Accountant General's Department
BOP	balance of payments
BOT	Bank of Tanzania
CAG	Controller and Auditor General
CFAA	Country Financial Accountability Assessment
CPA	certified public accountant
CSD	Civil Service Department
CS-DRMS	Commonwealth Secretariat – Debt Recording and Mgt System
EFD	External Finance Department
EMBD	Economic Management and Budget Department
GoT	Government of Tanzania
HoR	House of Representatives
HRM	human resource management
ICE	Institute of Continuing Education, University of Mzumbe
IFMS	Integrated Financial Management System
IMTC	Inter Ministerial Technical Committee
JAST	Joint Assistance Strategy Tanzania
MDAs	ministries, departments, and agencies
MEFMI	Macro-Economic and Financial Management Institute of Southern Africa
MOFEA	Ministry of Finance and Economic Affairs (Zanzibar)
MKUKUTA	Tanzania's national development strategy
MKUZA	Mkakati wa Kupunguza Umaskini Zanzibar (Zanzibar Strategy for Growth and Reduction of Poverty)
MTEF	medium-term expenditure framework
NORAD	Norwegian Agency for Development Cooperation
OCAG	Office of the Controller and Auditor General
OCGS	Office of the Chief Government Statistician
PAC	Public Accounts Committee (HoR)
PEFA	Public Expenditure and Financial Accountability
PER	Public Expenditure Review
PFMP	Public Financial Management Programme
PFMRP	Public Financial Management Reform Programme
PGD	Post-graduate diploma
PS	Principal Secretary
RGZ	Revolutionary Government of Zanzibar
RNE	Royal Norwegian Embassy, Dar es Salaam
SC	Steering Committee for the PFMRP
TNA	training needs assessment
TRA	Tanzania Revenue Authority
TZS	Tanzania shilling
URT	United Republic of Tanzania
ZRB	Zanzibar Revenue Board
ZSGRP	Zanzibar Strategy for Growth and Reduction of Poverty (see MKUZA)

Financial year in Zanzibar = July to June

Currency = Tanzanian shillings (TZS)

Exchange rate = US\$1 = TZS 1,465; TZS 226.92 = 1 Norway Krone, at 30 June 2010

1. INTRODUCTION

1.1 Background

In May 2006, at the request of the Government of Tanzania, NORAD made a survey of the state of PFM in Zanzibar.¹ This identified four areas of weakness:

- Over-estimation of revenue and expenditure, followed by shortfalls of revenue, cuts in expenditure releases, and undermining of the budget process
- Revenue mobilisation
- Lack of an integrated financial management system (IFMS), commitment controls, and asset management
- Internal and external audit capacity, and oversight capacity of the House of Representatives (HoR).

The report assessed progress in implementation of the CFAA 2003 matrix of reforms, and identified where external assistance was needed. It suggested that the Revolutionary Government of Zanzibar (RGZ) and NORAD consult, possibly with other development partners, on a support programme. It also suggested how Zanzibar could harmonize with the mainland PFM Reform Programme (PFMRP) and be an integral part of it.

A programme proposal was put together by senior officers in RGZ Ministry of Finance and Economic Affairs (MOFEA), the Office of the Controller and Auditor General (OCAG) and the HoR, with backstopping by NORAD consultants (reproduced at Annex 1). No ‘drivers of change’ or stakeholder analysis was done, but the Principal Secretary, MOFEA, was identified as the reform ‘champion’.

RGZ requested Norway for support on 21 September 2007 and the project agreement was signed on 18 February 2008.

In accordance with Government of Norway technical cooperation procedures and the Grant Agreement, a mid-term review was to have been carried out by January 2009. Due to delays in start-up and other factors, the review took place in May 2010.

1.2 Objective and process of preparing the Review

The main purpose of the review was to examine the progress to date, that is the first 18 months July 2008 to December 2009, and assess how far the objectives of the programme were being met, and to draw lessons for future cooperation. The full TORs are at Annex 2.

A single international consultant undertook the review in conjunction with a PEFA assessment of the state of PFM in Zanzibar in May 2010.² The method of preparation was to gather information on the programme activities, inputs and outputs and (where possible) outcomes, from the project files kept at the Royal Norwegian Embassy (RNE), Dar es Salaam, the project files kept by the Programme Coordinator in MOFEA Zanzibar, the work plans and progress reports of the URT PFM Reform Programme, interviews with key players in the Zanzibar reforms, and a validation workshop in Zanzibar on 4 August 2010. A full list of sources of information and persons interviewed is given at Annex 5. The consultant was able to interview representatives of the main benefiting departments in MOFEA, Zanzibar, and of OCAG and HoR. Access to donor agencies involved in Zanzibar PFM was incomplete. The Swedish consultants working with OCAG were not in Zanzibar during the

¹ NORAD (2006)

² See Zanzibar: Public Financial Management Performance Report, final report at 7 August 2010 by Tony Bennett.

consultant's visit and could not be contacted, nor at the validation workshop on 4 August 2010. The same applies to UNDP and East AFRITAC consultants. It was not possible to judge the relative success of the project compared with other PFM initiatives in Zanzibar. The review therefore focuses on the PFM Programme as documented, without comparison with other reform programmes.

2. GOAL, PURPOSE, OBJECTIVES OF THE PROGRAMME

The goal of the Programme is to contribute to reducing poverty in Zanzibar, and the purpose is to improve PFM in Zanzibar. The Programme Summary agreed on six objectives. The objectives, activities and output indicators are set out in the following table:

Table1: Objectives, Activities and Indicators		
Objective	Activity	Indicator
1. Improved budget, execution and accounting information for timely budget preparation, execution and accounting in accordance with mandatory requirements	1.1 Implement a fully integrated computerised human resource/payroll system including module/link to Civil Service Department	Fully integrated computerised human resource/payroll system including module/link to Civil Service Department installed
2. Strengthened human resource capacity of key staff in economic management, budgeting and accounting	2.1 Review current scheme and propose revised incentive scheme of service for key staff (graduate economist and accountants) serving as incentive to retain them in current positions	Incentive scheme presented in report from consultant
	2.2 Three month training courses for Internal Auditors and Accounting Staff in all MDAs to upgrade lower cadres to adequate professional levels (CPA)	# of MDA staff completing CPA course
	2.3 MDA accounting staff graduate training programme (M.Sc./Post Graduate Diploma)	# of MDA staff completing PG diploma/M.Sc degree
	2.4 Staff on 2 months internship in mainland and regional MOFs	# completing internship programme
	2.5 18 months training for 6 EMB staff for Masters in Economics or Finance	# completing training
	2.6 Procurement and installation of Desktop /laptops for internal audit staff in MDAs	# of computers and laptops installed
3. Debt management system and procedures implemented	3.1 Formulation of debt policy, strategy and plan for implementation aligned to URT debt policy and strategy	Presentation of debt policy, strategy and plan
	3.2 Procurement and installation of Commonwealth	CS-DRMS system installed in MOFEA Accountant General

	<p>Secretariat Debt Recording & Management System (CS-DRMS)</p> <p>3.3 MOFEA staff training in operation of CS-DRMS</p> <p>3.4 Short term training course for debt management staff at MEFMI Course (requested MEFMI to conduct the training)</p>	<p>Department</p> <p># staff trained in debt CS-DRMS operation</p> <p># MOFEA staff from Debt Management Department trained in debt management</p>
4. Systems for budgeting and monitoring established	<p>4.1 Research of appropriate forecast model applicable to small open volatile economy of Zanzibar</p> <p>4.2 Formulate Terms of Reference and contract external TA for development, training and supervision in application of macro/budget forecast model</p> <p>4.3 Formulate Terms of Reference and contract external TA for development, training and supervision in application of tax revenue forecast model</p> <p>4.4 Tax policy review for formulation, simplification and harmonisation of tax regime</p> <p>4.5 Training in compilation of Balance of Payments statistics for the Office of Chief Government Statistician (OCGS) and Economic Management and Budget Department</p> <p>4.6 Develop format and procedures for MTEF monitoring and reporting of MDAs, and train MDAs in application of MTEF monitoring formats</p> <p>4.7 Conduct annual PER for Zanzibar by each ZSGRP cluster</p> <p>4.8 Training of Municipal Councils and PS MDAs on MTEF and PER processes</p>	<p>Report with recommended forecast model for Zanzibar</p> <p>Forecast model installed in Economic Management and Budget Department and 15 staff trained</p> <p>Revenue forecast model installed and # staff trained</p> <p>Report proposing simplification, alignment and harmonisation of tax regime</p> <p># OCGS and MOFEA/EMBD staff trained in compilation of BOP statistics</p> <p># MDA staff trained in MTEF reporting</p> <p>Annual Public Expenditure review report for Zanzibar</p> <p># staff trained</p>
5. New Procurement Act fully implemented	<p>5.1 6 workshops of 2 days each for MDA Chief Executive and Accounting officers, MDA Heads of Departments,</p>	<p># MDA Chief Executive and Accounting officers, MDA Heads of Departments, Procurement Officers and staff of Contractors trained</p>

	<p>Procurement Officers and Contractors on the new procurement act.</p> <p>5.2 Formulate ToRs and contract TA to Develop Procurement document formats aligned with URT procurement formats and documents, undertake training needs assessment, formulate training program for staff in 13 MDAs</p> <p>5.3 Implementation of training programme for 130 MDA procurement staff through 4 sessions/ groups of one week each</p> <p>5.4 Training at Diploma/post graduate level in monitoring and inspection (oversight function) for staff of MOFEA Stock Verification Department</p>	<p>Procurement documents printed and distributed to all MDA procurement staff. Training needs assessment implemented and training program produced.</p> <p># MDA staff trained on procurement procedures</p> <p># MOFEA staff from the Stock Verification Department completed Diploma/post graduate training</p>
<p>6. Aid management and information system established</p>	<p>6.1 Review of 2004 consultancy report on Aid Coordination and management. Formulate action program and procedures for improved information collection and coordination</p> <p>6.2 Formulate ToRs and contract consultant to install aid management information system for registration of all aid funded projects. Training and supervision for 5 MOFEA staff in operation of system</p> <p>6.3 Training of 60 MDA staff in operation of system</p> <p>6.4 Sensitisation through 2 day workshop for House of Representatives, 2 day workshop for Principal Secretaries/senior MDA staff and 1 day workshop for NGOs</p>	<p>Action program and procedures for improved information collection and coordination</p> <p>Aid management system installed in MOFEA and all MDAs.</p> <p># MOFEA staff trained in operation of Aid Management system</p> <p># MDA staff completed on the job training</p> <p># workshops conducted for House of Representatives and MDA staff</p>

3. ASSESSMENT OF PROGRESS - PLANNED AND ACTUAL ACTIVITIES AND OUTPUTS

3.1 Analysis of budget execution

Budgets were in accordance with the grant agreement Table 2 shows that at the level of the six objectives, the approved budgets for July 2008 – December 2009 kept quite close to the percentage allocations set out in the Grant Agreement. It should be kept in mind that the Agreement covers three years, while the budgets are for the first 18 months only (and some activities were re-budgeted due to non-performance).

...but progress was very uneven and actual expenditures varied markedly from what was budgeted. The objectives and activities that required least institutional change, such as selecting candidates for established training courses, were executed rapidly, while activities involving cross-government decisions such as the payroll and aid management systems, or technically complex such as the macro-economic and revenue forecasting models, dragged. A large part of the delay was on procurement (see below). Some activities, such as computer training, had to be stopped during the power cut from December 2009 to March 2010.

A table on planned and actual activities, inputs and outputs is given at Annex 3, and an analysis of budget execution by activity and by period is given at Annex 4. This shows that the budget for the first year was only 24 percent executed, with half the activities not showing any expenditure. This, of course, does not mean that there was no progress, as most activities require considerable lead time for detailed implementation planning and processing before expenditure is made. Expenditure in the third half-year (July – December 2009) was 43 percent of budget. Though better, this cannot be considered as satisfactory. The experience of the first year could have made the second year budgets more realistic.

Objective	Per Grant Agreement	% allocation	Budget June 2008 – Dec 2009	% allocation	Actual Exp June 2008 – Dec 2009	% of exp.
TOTAL	1,767.0	100.0	1,922.2	100.0	668.1	100.0
Payroll system	63.8	3.6	66.1	3.4	Nil	-
HR capacity	858.5	48.6	814.8	42.4	516.1	77.2
Debt management	56.0	3.2	65.9	3.4	Nil	-
Budgeting & monitoring systems	434.1	24.6	538.6	28.0	70.5	10.6
Procurement	240.3	13.6	238.0	12.4	63.4	9.4
Aid management	71.9	4.1	136.5	7.1	17.2	2.6
Programme management	42.4	2.4	62.3	3.2	0.9	0.1

Sources: Grant Agreement (USD converted at TZS 1,178 to USD1.00), and Project Reports

Little re-allocation of resources Work planning was half-yearly. RNE was open to the flexible re-allocation of resources in accordance with changing priorities and opportunities if a good case was made by the Steering Committee. At Steering Committee meetings, divisional heads were warned that unless they made progress and used the planned resources, they would be reallocated to better performing activities. In practice, re-allocation of budgets was difficult across divisional boundaries and there was very little re-allocation. Where individual budgets were insufficient, the activities were cut or totally dropped rather than

supplemented eg. from the budgets of activities that were funded from other projects. Virement within the total budget is possible and could be pro-actively considered, subject to financial regulations.

3.2 Comments on individual activities

1.1 Payroll system The objective was defined very broadly as “Improved budget, execution and accounting information for timely budget preparation, execution and accounting in accordance with mandatory requirements”. As the main reform, the roll-out of IFMS, was being funded by the mainland government this objective was re-defined in terms of an improved payroll system, there being no payroll module in the IFMS. The payroll was managed by AGD Central Payment Office and was functioning fairly smoothly, but according to a consultancy report in August 2009, security was weak and the data lacked integrity. Also, it had been designed purely for making salary payments, so the system did not serve any other human resource management (HRM) needs. The advantages of an integrated HRM/payroll system were recognised, and TOR were developed for its design and installation. Quotations were received from Soft Tech for USD 1.0 million, and from an Israeli consultant for USD 238,250. As the entire budget for this objective was USD 54,162, the activity was put on hold, awaiting a further consultancy report promised by the World Bank on the type of system.

In any country, the HRM/payroll system should ideally be owned and operated by the personnel agency responsible for HRM, in Zanzibar the Civil Service Department (CSD), while the Accountant General’s role should be to make salary payments as instructed and authorised by the personnel agency in the same way as he pays other charges authorised by MDAs. The Zanzibar Public Service Reform Programme (PSRP) has recently been made responsible for this reform. MOFEA is of the view that the CSD lacks capacity, and that the function is too large and important to be handed over. In practice, there needs to be a division of labour whereby the MOFEA system is linked with the future integrated CSD/MDA system and pays salaries according to personnel records maintained electronically by the CSD. The Public Service Reform Program Medium Term Strategy Volume 1, para. 4.5.7 (May 2010) addresses this subject under Key Results Area 2: Managing Public Servants (budgeted at TZS 15 billion), Intervention 7: Wage Bill Control Measures, and proposes teams from CSD and MOFEA staff with external technical assistance. MOFEA PS is on the PSRP Steering Committee and the DPS is on the PSR Program Management Committee. It appears that discussions on this joint approach have not yet started. Subject to these discussions, activity 1.1 could be dropped from the PFMP.

2.1 Incentive system for MOFEA officers. The intention was to change the scheme of service of key staff (graduate economists and accountants) to provide an incentive to retain them in their current positions. This activity has implications for the whole of the civil service, as higher pay for economists and accountants would set up a demand for similar incentives for IT specialists, doctors, engineers and other skilled personnel, for whom the private sector and NGOs offer better rewards. It is not clear if this was recognised and that appropriate high-level clearance was given. TORs were developed, and East AFRITAC was requested for advice. They commented that the time frame of 21 days was ‘ambitious’ and recommended that the incentive scheme be preceded by a functional review and restructuring of MOFEA, then job evaluation and design of schemes of service, followed (in phase 2) by compensation arrangements.

At a meeting of MOFEA officers and donors on 5 December 2008, MOFEA was advised to coordinate with Civil Service Department and take into account the Public Service Reform Programme, and to visit the mainland and study pay policy. A consultancy contract was given

to Mzumbe University Institute of Continuing Education to advise on HR development and capacity needs in MOFEA. Their report recommended that the functional review of MOFEA be completed and that a scheme of service be developed for all staff. It is recommended that MOFEA obtain technical assistance, preferably through the Public Service Reform Programme, and complete these activities.

2.2 CPA training to Accountants and Internal Auditors The plan was to send 25 officers on this 3-month training course on the mainland. In fact, 10 accountants and 5 internal auditors were trained. It was said to be a struggle to pass. Trainees were bonded to serve in RGZ. The SC requested reports on their performance on training.

2.3 Master's or Post-Graduate Diploma training for Accountants It was planned to send 45 MDA accountants on one or other of these one-year courses. A total of 40 were trained. There was only one dropout (a PGD candidate).

2.4 Internship programme for MOFEA staff Six officers were sent to Uganda 25 October – 18 December 2009 on a programme agreed with the Uganda Government covering the Uganda Accountant General's Department, Budget Department and Procurement Authority. Two officers from each of these three areas in RGZ were selected. The interns wrote a report on the internship, with findings and recommendations for adoption in Zanzibar. This appears to have been a very fruitful experience. Though the activity required more preparation, it probably had more effect on subsequent performance than the training on standard professional courses, though this is difficult to evaluate.

2.5 Master's degree in Economics or Finance for EMB officers It was planned to send six staff on this 18-month course. Five are pursuing a Master's degree, and one obtained a post-graduate diploma in tax management.

2.6 Procurement of personal computers The budget was intended to cover 35 desktop PCs and two laptops. In the procurement process, a 'no objection' was required at two points: tender documents, and award of contract. The tender for computers was advertised on 20 and 23 February 2009. Nine tenders were opened on 18 March. By 23 March the evaluation was complete, and sent to the MOFEA Tender Board on 27 March and to the Steering Committee on 6 April. As the amount was over the budget, it was decided at an extraordinary general meeting on 6 April to reduce the number of computers. The number was reduced to 33 PCs and 2 laptops. On 30 April and again on 19 May, the Coordinator requested a 'no objection' from RNE, but there were issues on documentation and pricing and a response was not received until 19 August 2009. RNE compared with international prices and found the preferred tender acceptable. There is an evident need to improve communication between the implementing agency (MOFEA) and the funding agency (RNE).

3.1 Debt policy The budget for four weeks of external TA (about USD 10,000) was insufficient to implement this activity. However, a Debt Strategy and Policy document was prepared by a consultant under UNDP funding (December 2009). This document awaits approval by the Inter-Ministerial Technical Committee, the Cabinet and the HoR.

3.2 and 3.3 CS-DRMS system installed in MOFEA and staff trained This activity has not taken place. URT MOFEA has the CS-DRMS installed and it could be rolled out to Zanzibar and installed in the Public Debt Unit with Commonwealth Secretariat technical assistance, which was recommended in a report by the Commonwealth Secretariat in 2007. The system can cover both external debt, which is already in the URT database, and Zanzibar domestic debt. It is not clear why it awaits the revision of Zanzibar debt legislation, which will not change the parameters of the system.

3.4 Training on debt management at MEFMI Not yet done, in process.

4.2 Macro-economic forecasting model A model ('MACMOD') is being developed for mainland Tanzania. The Bank of Tanzania consultant agreed to assist in the development of the model for Zanzibar. Training was given to a team of EMB staff on Excel and database management systems. Past data on Zanzibar GDP, imports, exports, revenue, etc was provided to the consultant in 2009. Since then progress has stalled. It is not known when the testing will be completed, or whether the model can be used for the 2011/12 budget.

Alternatives may also be tried. Sierra Leone is using an IMF style Financial Programming and Policies (FPP) model. However, too much reliability should not be expected in a model for a small open economy, with weak data. The staff needs should also be considered. East AFRITAC warned that it would require a lot of training of staff having strong quantitative and analytical skills, and advised the department to start with a simple spreadsheet that linked data from sectors where data are available.

4.3 Tax revenue forecast model Little progress has been made on this activity. Officers from Zanzibar Revenue Board (ZRB) have been on a two-month course in the USA (funded by another project). However there have been losses of trained officers to the Tanzania Revenue Authority (TRA) offices on the mainland. As the TRA have a revenue forecasting model for the mainland, it was thought that they could assist ZRB. The RNE Economist was asked to request TRA to support building a Zanzibar model, but reported that a better source of expertise would be BOT. East AFRITAC said that the plan to develop and install a model and train staff in 20 days was unrealistic. They recommended establishing a local team to develop a model with periodic technical assistance.

4.4 Tax policy review Not budgeted. East AFRITAC involved. Not clear what is planned now.

4.5 Training for EMD and CGS staff on balance of payments statistics. 13 staff were sent for training by BOT. This is said to have been effective.

4.6 Development of formats and procedures for MTEF monitoring and reporting, and training of MDA and EMB staff. A consultant was engaged, formats and procedures were developed, and training given to 98 staff. RNE Economist doubted if the MTEF training was effective. This evaluation was unable to see any effect.

4.7 Public Expenditure Reviews. It was planned to get technical assistance and carry out annual PERs with MOFEA and MDA staff in MKUZA cluster teams. Three sectoral PERs were done with UNDP funding - in Communications and Transport, Education and AIDS Programme. No PFMP funds were used.

4.8 Training of Principal Secretaries and Municipal Councillors on MTEF and PER processes 60 officers were trained in two sessions as planned.

5.1 Procurement training This was planned to start in 2008 but was repeatedly delayed, mainly because of delay in designing the new procurement documents that would be the basis for training. Six workshops of two days each were planned for a total of 196 officers, to familiarise them with the Procurement Act. The workshops are for MDA principal secretaries and heads of departments, procurement officers and staff of nine private contractors. So far, three workshops have been held, all in Pemba in September/October 2009, covering 62 procurement officers, 50 accounting officers and 40 contractors.

5.2 Procurement documents Staff in the Department of Stock Verification and Public Investment (DSVPI) developed standard bidding documents and an asset register aligned with URT documents and procedures. DSVPI also formulated a training programme for MDA staff. Some inconsistencies have been discovered between the Zanzibar Procurement

Act and Regulations. The Zanzibar legislative and institutional framework may be a priority for review.

5.3 Procurement training for MDA staff It was planned to hold four workshops of three days each for 130 MDA procurement staff. So far, three workshops have been held in Unguja. It is not known what difference this training has made to procurement practices. An independent and expert assessment of the whole procurement function since the new Act and Regulations came into force is urgently needed.

5.4 Post-graduate diploma training in procurement of MOFEA Stock Verification staff 20 staff attended the diploma course in 2008/09, which was funded by ADB. Most of the trainees were posted to MDAs to act as procurement officers. A further 20 are currently attending the 2009/10 course. This is funded by the PFMP.

6.1 Aid management action plan External assistance was planned to review a 2004 consultancy report on aid coordination and management, and to formulate an action plan to improve information collection and management. The final report has been submitted (January 2010). MOFEA was urged to get the UNDP Adviser on Aid Coordination to make a capacity building needs assessment of the Zanzibar External Finance Department.³

6.2 Aid management system installed in MOFEA and staff trained As the URT has an Aid Management System installed, the activity consisted of rolling it out to Zanzibar, populating the database with Zanzibar projects, and training of staff in the External Finance Department. A server and additional computers have been procured and some assigned to user MDAs. A consultant was engaged in November 2009 to assist in the rollout and training, funded by UNDP Joint Programme 5. A paper was issued in February 2010, analysing the data collected so far and detailing data gaps.

Additional training will also be needed for project implementation units to provide data on budgeted and actual disbursements in RGZ classification and format regularly either directly into the system (preferably) or indirectly through the responsible MDAs.

6.3 On-the-job training of MDA staff by MOFEA Aid Coordination Department This is planned for 60 staff. Not yet done.

6.4 Sensitisation on aid coordination of members of House of Representatives, senior MDA staff and NGOs A workshop has been given for HoR members on the Joint Assistance Strategy for Tanzania.

4. GENERAL ISSUES

4.1 Time frame

Several activities had unrealistically short time frames. For instance, the work plan in August 2007 envisaged that a new payroll system could be designed and installed by June 2008. This and other over-ambitious timings were commented on by East AFRITAC. Payroll and personnel records reform is typically an institutional and capacity-building intervention over a period of years, rather than a few months.

4.2 Lack of coordination with Civil Service Department

It is a common feature of reform programmes that they are 'owned' by the main beneficiaries, in this case MOFEA. In the PFMP, with its strong HR development focus, Civil Service Department had a big role to play and, in the payroll and incentive system design

³ The training needs of this department were identified in the Mzumbe ICE report (May 2009). The recommendations were accepted, but may now need updating and more detailed definition.

activities, it is difficult to see how they could have been excluded. It may be that CSD lacked capacity and would not have been able to play its role, or it may be that MOFEA felt that they alone should control the project.

4.3 Training

There has been a strong emphasis on training, both in the PFM programme plan and even more so, in actual execution. The question arises: what benefits have been realised from the training? There is a lack of data, either on training needs or on results. The Mzumbe ICE study on capacity needs and HR development in MOFEA (May 2009) said:

An assessment of the scale and impact of the training activities has been hampered by the lack of data on their implementation, the number of trainees, and evaluation data. Thus data on the number of participants or selection criteria (e.g. based on TNA) in the various courses could not be obtained. No 'end of course' evaluations or post-training utilisation surveys appear to have been conducted. Thus an overall assessment of the value, relevance and effectiveness of this training is not possible in any detail.

Based on the interviews conducted, the questionnaires, and the limited information available on these activities, there is no doubt that some individuals have benefited, and some competencies have been enhanced, by the training, especially the IT and IFMS courses. But this appears to be uneven, and the overall impact on performance limited.

Trainees should not be sent on courses (or any other capacity building activity) on the sole grounds that they would like to go and have not so far been given any training or travel opportunity. This is a scatter-shot strategy, likely to be wasteful of public funds. The Mzumbe ICE report recommended preparation of a coherent capacity building plan for the whole of MOFEA based on their assessment of training needs, development of appropriate training policies and an annual training plan, distinguishing between management training, technical training, and between in-service training, formal training and education. The report also strongly recommended that all accountants, auditors and purchasing and supplies officers should be developed to the professional level. This review supports the report recommendations, with one exception: not all officers should be (or could be) brought to professional level. There is a great need for technician level training to support professional level officers. MOFEA may consider obtaining technical assistance on a resident or visiting basis to advise on implementation.

5 PROJECT MANAGEMENT

The programme is owned and controlled by RGZ Though the initial programme was designed and driven by Norwegian experts, the implementation is clearly owned and controlled by RGZ. This is evidenced by the composition of the Steering Committee (SC) and the use of RGZ procedures in implementation. The SC was chaired by the Principal Secretary, MOFEA.⁴ Members included other senior officers from MOFEA, representatives of OCAG and HoR, and a representative of RNE. Composition of the SC suffered very few changes. The minutes indicate that decisions were made by the SC as a whole.

The programme was slow to get off the ground RGZ requested Norway for support on 21 September 2007, but the project agreement was not signed until 18 February 2008, the first disbursement by Norway was made 21 April 2008, and the first expenditure was not made until 13 August 2008. According to RNE, the delay in finalising the agreement was due to

⁴ The Principal Secretary was absent on study leave for a year from about October 2008. During his absence, a Deputy Principal Secretary chaired the SC. The Coordinator is on study leave for 18 months from about June 2010, and the Assistant Accountant General (Financial Systems and Internal Audit) is acting in her place.

lack of an acceptable work plan from RGZ, and the delay in first disbursement was due to delayed opening of a project bank account and notification to RNE. The first disbursement was to be made on signing the agreement and approval of a disbursement request from RGZ. Only subsequent disbursements, at half-yearly intervals, were dependent on approved work plans and budgets. Then, even after RGZ had money in the bank, it took another four months to start using it.

It was agreed at Steering Committee meetings that the programme should be regarded as starting a year later than scheduled, that is on 1 July 2008, and that completion would be correspondingly rescheduled to 30 June 2011. This was formally agreed by Norway on 15 January 2009.

Project administration was generally good It appears that project administration was good in terms of quarterly progress reports, meetings and minutes. An annual programme meeting was to be held in the second quarter of each financial year, but these were treated the same as the regular quarterly meetings.

...but external audit is late According to the Agreement, Article IX, annual audit was to be by the Controller and Auditor General. However at end-August 2010 the audit report on the first year 2008/09 is still not available. CAG has issued a Management Letter to MOFEA, but this has not yet been answered. The final audit report was due in April 2010. It would be advisable for RNE to require (at least in future grant agreements) that it receives the Management Letter as well as the final audit report. This would provide early warning of issues arising. Also, the accounts for 2009/10 should be finalised and sent for audit.

Procurement, though delayed, appears to have been satisfactory Procurement was to be in accordance with 'generally accepted procurement principles, good procurement practices and the procurement regulations of Zanzibar'. The only constraint was that TORs for consultants, and contracts exceeding USD 20,000, should be submitted to RNE for prior approval. This requirement was met.

Choice of bilateral project modality rather than participation in a country basket programme. According to the Norwegian Country Office, the original intention was to add a Zanzibar programme with three components (MOFEA, OCAg and HoR) into the PFM RP. However, after long discussions, Zanzibar was limited to 4.5 percent of the total basket support for the PFM RP.⁵ This would have been insufficient to meet Zanzibar's needs, as articulated by NORAD.⁶ It was therefore decided to assign the 4.5 percent share of the PFM RP mainly to capacity building in OCAg and the HoR, and to meet the needs of MOFEA from a separate bilateral project.

Multiple sources of support cause problems of coordination and multiple monitoring arrangements. OCAg for instance has received technical assistance from the mainland National Audit Office, and from the Zanzibar Audit Development Project (ZADP), implemented by the Swedish National Audit Office since 2008. The latter support is programmed over a period 2008/09 to 2010/11, which is the same period as the Norwegian support to MOFEA. The two projects are coordinated though OCAg representation on the PFM Programme Steering Committee. OCAg has also received some support from the PFM RP basket on finalising its first two annual audit reports (for 2004/05 and 2005/06) and its strategic plan for 2007-11. Some of this comes through the Zanzibar component and some through the Tanzania National Audit Office component. The SC found it difficult to track

⁵ The percentage is the same that Zanzibar gets from general budget support. It may be noted that Norway, though an active participant in donor/GOT dialogue, contributed less than 4 percent of the total basket.

⁶ The budgeted basket fund for PFM RP in 2008/09 was TZS 18.2 billion. 4.5 percent of this, TZS 820 million, was assigned to OCAg (470 mn), HoR (130 mn) and AGD (220 mn).

assistance from multiple sources, and recommended that in any further phase of the PFMP, that CAG and HOR needs should be integrated with other PFM needs.

The advantages of a basket arrangement are that annual planning, budgeting and review are harmonized among the stakeholders. Instead of a dozen development partners involving themselves and intervening at high transaction cost to both themselves and the host government, a single lead donor takes responsibility, and is advised by the donors in a separate working group. The question is whether a basket facility should cover *two governments* with differing poverty reduction strategies, differing PFM arrangements, differing states of development and differing priority needs and ‘platforms’ of development. In the PFMRP, the Zanzibar content is miniscule (one of 16 components) so the dialogue has been almost wholly on mainland needs and challenges. Zanzibar may have been ‘crowded out’.⁷

Formerly, the DP PFM Working Group had a sub-group, the “Friends of Zanzibar”. This was discontinued after the adoption of JAST, which restructured DP support on sectoral and thematic lines rather than geographically. JAST is due for review in 2011. The advantages of restoring a geographical split may be reconsidered.⁸

An alternative arrangement might have been a separate programme for Zanzibar, all donors contributing to a programme of reform agreed with RGZ to meet RGZ needs and using RGZ procedures. In fact, the total cost of such a programme might be met by a single donor, but it would probably be necessary for the donor to enter into memoranda of understanding by which they could get technical assistance from other donors having special competence in particular areas, eg. World Bank on procurement, IMF East AFRITAC on revenue, both in the design of the programme and in its monitoring. The programme would cover all PFM reforms needing support, including audit and legislative oversight. At the validation workshop on 4 August 2010 MOFEA officers and the Auditor General strongly favoured a change in the existing setup, and a move to dedicated Zanzibar support.

6 EVALUATION

Lack of outcome indicators such as PEFA limits the usefulness of evaluation Evaluation of a PFM reform programme depends on comparing a baseline assessment and a current assessment of agreed outcome indicators. Since 2005, the PEFA framework has become the de facto international standard for outcome indicators in PFM reform across a wide variety of countries.⁹ The difference between the two assessments, minus the impact of other interventions or exogenous factors, is a measure of return on the investment made in the programme, or benefit against cost.

In this case, no PEFA baseline assessment was available, nor were outcome indicators defined. The Project Proposal listed outputs without any logical framework showing how these outputs would cause favourable outcomes. The Grant Agreement listed 33 output

⁷ This is not to criticise Zanzibari participation in the PFMRP. Since 2006/07, Zanzibar has participated in and been informed by PFM reforms and developments by its mainland neighbour. This ‘place at the table’ has no doubt benefited Zanzibar, even though its own needs have been largely met outside the PFMRP.

⁸ For a full discussion of this issue, see Christopher Awinia (Praxis) (2010) Review of Needs Assessment of the Department of External Finance and Design of an Aid Coordination Mechanism for Zanzibar, January.

⁹ The PEFA framework provides a fairly objective rating of 31 indicators across the PFM systems and sub-systems of a government. It does not provide an overall rating of fiscal discipline, strategic resource allocation, or resource efficiency (which all remain non-measurable at the aggregate level), but the 31 indicators reveal the strengths and weaknesses of systems in sufficient detail to guide the design and prioritisation of PFM reforms. See www.pefa.org. The first PEFA assessment of RGZ was finalised in August 2010. PEFA assessments have been made in mainland Tanzania since 2004, and are the framework for evaluation of the PFMRP.

indicators, and stated its assumption that these indicators could work as proxies for the outcomes. Given the experience of wasted training in many countries, this is a bold assumption. So much depends on the selection of participants for training, on career development practices, and on follow up. Without delaying the training programme, a parallel activity might have been designed to set up training policies, procedures and a record system by which evaluation would be made possible further down the line.

There was a great deal of training, but its evaluation is problematic This evaluation did not attempt any post-evaluation of training. The demand for training was high and the PFMP resources made it possible to meet the demand. The SC requested that reports be obtained on the performance of the trainees from the training institutions attended, such as Mzumbe University, and Arusha Institute of Accountancy. These have not been seen, but end-of-course evaluations are more useful to the training provider than the client government. It was said that no one was allowed to go for training more than once, which implies that the selection of candidates was based at least on equity. On their return, trainees were assigned to MDAs with the most acute staff shortages. The danger is often that trainees are selected for their availability and meeting course entry requirements, without reference to the use of acquired skills or their relevance to future needs. In MOFEA a high proportion of officers got training, and at times some departments were hardly able to function. Out of a total strength of 554, an estimated 450 received training, varying from a few days to a year. From this and other training, the ministry has two officers with doctoral degrees, 66 with master's degrees, 44 with postgraduate diplomas, 95 with first degrees, 73 with advanced diplomas, 79 with ordinary diplomas, and 75 with certificates. Only 120 (22 percent) have a lower level of education. However, the ministry has only one professional accountant (CPA-T).

Performance so far has been mixed Half way through the planned three years, the evaluation of outcomes is premature. However, for the purpose of this interim evaluation, the same assumption is made here as in the Agreement, that output indicators are sufficient proxies for outcomes (see table 1 above). A full evaluation of the programme may be made at the time of the next PEFA assessment (assumed 2013), using the current PEFA ratings as a baseline.

Project absorptive capacity was low The grant agreement was for Norway to provide up to NOK 13,500,000 over the period 2007-2010.¹⁰ At the time of the agreement (18 February 2008), this was equivalent to USD 2.5 million, or TZS 2,896 million. The budget attached to the agreement, however, was for USD 1.5 million, equivalent to TZS 1,730 million.

The budget was ambitiously front loaded, with almost 50 percent to be spent in the first year. The first disbursement was made on 21 April 2008 (TZS 535.4 million), but expenditure for the first year of operation, July 2008 to June 2009, was only TZS 201.3 million, reflecting slow take up on procurement and initial teething problems. The budget for that year was only 31 percent executed. The analysis over activities (Annex 3) shows that the system activities (payroll, incentives, debt management, macro projections and revenue forecasting, aid management) made very little progress, while the training activities (involving sending PFM personnel on standard courses abroad) achieved high rates of execution.

Lack of clarity on project administration budgeting and accounting The Norway budget was intended to meet only programme activities, not administration of the project. MOFEA agreed to be responsible for the planning, implementation, reporting and monitoring of the programme. Also MOFEA agreed to provide any financial and other resources required in addition to the grant (Grant Agreement Article IV (8)).

¹⁰ This is supplementary to its contribution to the PFMRP (NOK 12 million from 2005-08 and a possible NOK 8 million a year thereafter).

For 2008/09, the budgeted MOFEA contribution was TZS 50 million, which covered activity 7.1: Programme Management and Administration. The accounts for 2008/09 included nothing for administration.¹¹ The budget for 2009/10 included USD 30,000 (TZS 37 million) for administration, to be funded by MOFEA, but actual expenditure in the first half year (July-December 2009) was just TZS 931,346 for bank charges. According to the Coordinator, MOFEA paid TZS 3.0 million into the project account to meet bank charges for the year, though this is not reflected in the accounts. It is not clear why bank charges arose. Other administration activities, such as preparing consultancy TORs, procurement bid evaluations, and communications with RNE, were met by MOFEA.

7 RECOMMENDATIONS

7.1 Possible short term and medium term changes to the project

Some activities should be dropped or transferred to other reform programmes The Steering Committee may consider dropping activities that are being funded by other reform programmes, such as the HRM/payroll system (activity 1.1), or have wider implications outside the MOFEA mandate and should also be covered by the Public Service Reform Programme, such as the incentive system (activity 2.1). MOFEA would, of course, have major inputs into the design of such a system.

The training activities should continue, particularly on procurement where the basic training materials (the Act, Regulations and standard documents) are all available. Training in debt management has been held up pending the passing of new debt legislation. This appears to be an unnecessary delay, as there is a new debt strategy and policy which is sufficiently finalised. Legislative approval can be pursued in parallel with other activities. The installation of the CS-DRMS in the Debt Management Unit covering both internal and external debt should be given priority, and training started in its operation and use.

A medium term capacity building plan should be developed for the whole of MOFEA and MDA accountants, internal and external auditors, procurement personnel, IT specialists and economists, based on the Mzumbe ICE assessment of training needs, with appropriate training policies and an annual training plan. This will provide a basis for monitoring and evaluation of future training. Technical assistance will be needed.

Preparation of a Phase 2 programme should commence Phase 1 will end 30 June 2011. At the current rate of expenditure (TZS 668 million from July 2008 to December 2009, out of a grant of 1,730 million), it is likely that there will be considerable unspent funds at June 2011. A no-cost extension may be sought. However, it would be better to draw up a new programme to include all areas of PFM. Informal requests have been made to include (1) design and implementation of a Public Investment Information System, with TA (eg. a UN Volunteer) for six months or a year; (2) an Asset Management Information System, with TA to assist MDAs in completing asset registration forms, and central surveillance of the acquisition, maintenance, verification and disposal of all physical public assets, and (3) a review of the legal framework for procurement. All of these would contribute to reducing fiduciary risk.

7.2 Reorientation of the project for a possible Phase II

¹¹ The Programme Coordinator and Accountant received no allowance as compensation for their additional workload.

Two areas of focus in future PFM reforms It is not the purpose of a mid-term review to formulate or re-formulate the PFM reform programme. Any such programme should be led by the Government, and may need specific TA. The following paragraphs only suggest two areas of focus in any PFMP Phase II.

The recent PEFA assessment, though still in draft, has shown that, compared with generally accepted standards, the most glaring weaknesses are in (1) procurement and (2) management use of audit capacity, both internal and external.

Procurement is the area of greatest concern Procurement could not easily be PEFA-assessed for lack of information on the performance of procuring entities. The regulatory agency (Stock Verification Department of MOFEA) has no systematic reporting system from the MDAs and other procuring entities, and undertakes only a few procurement audits. As a result, PEFA indicator 19 (i) on procurement, which applies to over 40 percent of all public expenditure, was scored D on the use of open competition, purely for lack of data. Even at ministry level, there is a lack of information. Anecdotal evidence suggests that at the departmental operating level there is little change in the ways that contracts are placed and managed, despite the introduction of the new regulatory framework and procedures and a couple of workshops. As payments are now tightly controlled within budgets and MOFEA releases, the pressure to spend may result in unrecorded arrears, higher prices from suppliers and reduced efficiency. Tighter payment controls do not tighten procurement controls.

An in-depth review of procurement would establish the present situation, and make recommendations on the way ahead It is recommended that an in-depth review be made of the whole of public procurement in Zanzibar, eg. a Country Procurement Assessment Review (CPAR)¹² or an OECD/DAC National Procurement Assessment. This should make recommendations on the legal and organisational set up, including an independent review tribunal, the systems and procedures, the capacity and management of procurement personnel, and procurement audit. Agreed procurement reforms could be implemented in a PFMP phase 2.

Lack of management appreciation of the value of audit Both internal audit and external audit have benefited from TA and intensive capacity building activities in the last two years. The PEFA assessment found that internal audit is operational for the majority of central government entities, substantially meets professional standards, focuses on systemic issues, and audit reports are issued regularly to the auditees, with copies to other stakeholders. There has been significant progress, and this is expected to continue.

However the value of internal audits derives not just from the professionalism with which they are carried out or in the quality of their reports and recommendations, but also in the willingness of executive management to read them and take corrective actions. With honourable exceptions, few examples of management response could be found, even where Audit Committees existed. Similarly, there is no evidence of response or follow-up to external audit reports (except through the PAC), and the same criticisms are repeated each year. PEFA indicators 21 and 26 both scored D+ because of this weak link in overall effectiveness.

Audit is a service to management and if management does not use it, it cannot be effective. This is the challenge, to build executive management understanding of how audit can help them and incentives to make Audit Committees work. It is recommended that MOFEA takes the lead, consulting with the PAC (to whom Accounting Officers are constitutionally accountable), and with the Public Service Reform Programme (which also

¹² The last CPAR was in 2003 and covered Tanzania, including a short section on Zanzibar. The situation is now completely changed.

aims to make public service managers more accountable), to devise a component of a PFMP phase 2 that will monitor the implementation of audit recommendations, promote audit effectiveness and close the circle of financial accountability.

**STRENGTHENING PUBLIC FINANCIAL MANAGEMENT CAPACITY OF THE
MINISTRY OF FINANCE AND ECONOMIC AFFAIRS ZANZIBAR**

1. BACKGROUND AND ANALYSIS

The Revolutionary Government of Zanzibar in collaboration with NORAD undertook a study on the status of Public Financial Management in Zanzibar for the purpose of assessing on going plans for improving Public Finance Management. The study identified weak areas that need to be strengthened so as to ultimately make Zanzibar an integral part of the Tanzania Public Financial Management Reform programme. The study also reviewed the possibilities for scaling up and flows to Zanzibar, the opportunities and risks related to the setting up of its public administration.

This project proposal is a result of the recommendations of that study which were discussed in sessions attended by a wide spectrum of stakeholders.

Problem Statement

Effective fiscal and public expenditure management in Zanzibar is curtailed by a number of weakness leading to poor mobilization and utilization of scarce national resources thus undermining the achievement of set national objectives of reducing absolute poverty and raising the standard of living of the people of Zanzibar. Specific weaknesses have been identified in the areas of budget credibility, the process of budget preparation, comprehensiveness of the budget and accounts, budget execution procedures, accounting systems procurement procedures, management of foreign and inflows and internal audit system.

The conducted study has made the Government more aware of these constrains, but it has limited financial capacity to address them, thus the need for external financial and technical assistance.

Project Preparation

After receiving the PFM study report, the Revolutionary Government of Zanzibar, through the Ministry of Finance and Economic Affairs, using local experts from the Accountant General's department, Department of Economic Management and Budget, Stock Verification and Procurement department with the backstopping assistance of the study consultants, began the process of preparing this project proposal. In order to harmonize this process with other related projects, such as strengthening the oversight bodies of the House of Representative and the office of the Controller and Auditor General, External Finance a wider Committee was formed with representatives from Finance and Economic Affairs, External Finance, the House of Representatives, and the Office of the Controller and Auditor General for the purpose of synchronization and avoidance of duplications.

The purpose of such collaboration and wide participation is to build up ownership of the project and implementation processes during the time of its execution.

2.0 Project Description

Objectives, Activities and anticipated results

The general objective of the project is to secure support (financial/technical) so as to empower the Ministry of Finance and Economic Affairs, to execute its mandates efficiently and effectively. Specifically the project aims at building the capacity of:

- i) the Accountant General's Office and staff to adopt state of the art Public Finance Management techniques with regard to accounting procedures, cash management, public debt management strengthen internal audit, and payroll system in a transparent and accountable manner.
- ii) the Economic Management and Budget department to undertake timely budget preparation. Improve the quality of the budget, make realistic revenue forecasting maintain up to date information of budget execution and undertake regular monitoring and evaluation of the budget through Public Expenditure Reviews.
- iii) the External Finance department to be able maintain an up to date data base of foreign resources inflow, track the implementation of donor funded projects prepare regular reports on the progress of projects implementation. To empower the staff of external finance with the ability for negotiation, projects write up and presentation.
- iv) the department Stock Verification and Government procurement so as to understand the New Procurement Act and implement it effectively. To maintain up to date records of public property and their value.

The project activities under the Accountant General's jurisdiction will include:

- i) Installation and operationalization of the Integrated Finance Management Information system (IFMIS) in the Ministry of Finance and MDA's.
- ii) The IFMIS programme will be implemented within the spectrum of PFMRs under supervision of the Accountant General (URT).
- iii) Review in incentive scheme of accounting staff and Economists. The review work will take 4 person weeks and Technical Assistance.
- v) Undertake three month course for Internal Auditors in all MDAs, 25 training course to be conducted including tuition fees, travel and per diem.
- vi) Send 45 accounting staff for training so as to attain MSc/CPA, diploma in financial management and accounting.
- vii) Procurement of 35 Desk Top computer and 2 laptops for internal auditors.
- viii) Formulation of Debt Management Policy, strategy and implementation plan and aligned to the URT on 4 weeks external Technical Assistance needed.

- ix) Procurement and installation of Commonwealth Secretarial Debt Recording and Management System (CSDRMS).
- x) One week training on the operationalization at CS-DRMS system. T.A needed and staff of BOT/MOF. For training supervision.
- xi) Avail short term training for staff of Debt Management department to IFM – 2 staff to be involved.

Expected results for activities conducted for the Accountant General’s Office.

- i) Public Financial Management System strengthened.
- ii) Accounting processes computerized.
- iii) Incentives of Accounting staff improved leading to higher staff retention Public Debt System improved leading to better management of public debt.

For the department of Economic Management and Budget, the following activities will be implemented.

- i) to install fully computerized human resources (payroll system)
- ii) to train 6 Economics staff to Masters degree level.
- iii) Develop Revenue forecasting model for Zanzibar.
- iv) Two MOFEA staff to make study tour to 2 countries will good operating forecasting model.
- v) Develop TOR for forecasting model development and recount consultant (T.A) for 8 weeks.
- vi) Procure 6 PC for Budget Department.
- vii) Train 9 (Budget/Economics) staff in Revenue forecasting.
- viii) Recruit foscals policy advisor.
- ix) Train 13 Budget/Statistics staff in Balance of Payment compilation.
- x) Two weeks of training (T.A) by Bank of Tanzania/MOF mainland on BOP.
- xi) Undertake MTEF training for 86 MDA staff (5 weeks of (T.A). To divide the 86 MDA staff in three sessions of 5 days each.
- xii) Conduct PER study for each ZSGRP cluster 4 weeks of T.A
- xiii) Training of Principal Secretaries in MTEF and PRE techniques.

Expected output for department of Economic Management and Budget

1. Improved budget preparation execution and monitoring.
2. Human resources capacity of key Economic and Budget staff strengthened.
3. Working equipments (PC) procured and installed.

Activities for the department of External Finance will include:

- i) Review 2004 consultancy report on the role of department and aid coordination modality.
- ii) Formulate action plan and procedures for improved information, collection and coordination.
(Two weeks of External T.A needed)
- iii) Develop TOR for Aid Coordination T.A.
- iv) Install Aid Management System in MOFEA and MDA:
 - 5 MOFEA staff to be trained in operating the Aid Coordination System.
 - Develop TOR and contract for Consultant to install Aid Management Information System.
 - 10 weeks of T.S work.
 - Procure 5 PC.
 - Train 60 MDA staff in iperating Aid Management System.
- v) Conduct 3 workshops for members of HOR, P.S and Senior MDAs staff.
2 days workshop for each 1 day workshop for CSO's
Training on Aid Coordination

Expected output for Aid Coordination department:

- i) Aid Coordination Information System established.
- ii) Human resources capacity of staff of MOFEA and MDA's strengthened.
- iii) Members of HOR, Principal Secretaries and CSO's sensitized on the importance of Aid Coordination.
- iv) Equipments procured.

Activities for the department of Stock Verification and Procurement include:

- i) Conduct workshop on the new procurement Act for P/S, Senior MDA staff.

- ii) Conduct workshop for MDA staff and accounting staff, Heads of Depts, Procurement Officers on the Procurement Act.
 - o 196 staff trained
 - o 6 workshops conducted each of 2 days.
- iii) Formulate TOR and contract for T.A to develop procurement document format aligned with URT procurement document.
- iv) Undertake training needs assessment and formulation of training programme. 5 weeks of T.A needed and training of staff of 13 ministries (130 staff).
- v) Printing of documents.
- vi) Four workshops each of 5 days. 130 procurement staff trained.
- vii) Training at Diploma level/Post Graduate level in monitoring and inspection. 20 training courses of 3 months each.

Expected output:

- New Procurement Act implemented
- Capacity of Procurement staff strengthened.

PROGRAMME MANAGEMENT AND MONITORING

The programme will be managed at the Ministry of Finance and Economic Affairs. One focal leader will be chosen to oversee the programme supported by heads of implementing departments.

Act the National level heads of the three projects (HOR, CAG & MOFEA) will form a Central management team headed by the MOFEA focal point leader.

Each project will develop a costed annual work plan which will be approved by the Steering Committee of the three projects. Implementation report (Quarterly) will be prepared and presented for review by the Principal Secretary MOFEA and Norwegian Embassy.

A joint mid term review will be conducted by the Government and external financier to review the progress of the project and see its inter linkages with OCAG and HOR. TOR for the review will be proposed by the Steering Committee.

The project will be subject to external audit by OCAG or external auditors in which case the cost is included in the project document.

This project document has been prepared in consultation with the offices of the Accountant General, Economic Management and budget, External Finance and Stock Verification and Procurement. Implementation of the project will rest with local staff with regular assistance of Consultants and T.A.

Annex 2 Terms of Reference

Mid-Term Review of the Public Finance Management Reform Program 19/3/2010

Background

Despite average annual economic growth above 5% since the beginning of the decade, Zanzibar remains among the poorest areas of Tanzania. The 2004/05 household budget survey reported that 49% of the population live below the basic need poverty line. Annual gross domestic product per capita was US\$ 534 in 2008, which is below the national average for Tanzania.

Zanzibar, which is part of the United Republic of Tanzania, continues to make good progress in aligning internationally agreed commitments with its national growth and poverty reduction strategy, known by its Kiswahili acronym MKUZA. The MDGs have been mainstreamed into the MKUZA whose strategies motivate the implementation of various government programmes towards the various goals and targets embedded the Vision 2020 documents.

A second-generation four-year PRS was launched in FY 2006/07 and will end in 2009/10. The RGOZ is currently reviewing the MKUZA with the goal of launching the next generation MKUZA in 2010.

State of the Zanzibari Public Finances

Zanzibar is a part of the United Republic of Tanzania (URT), but has its own constitution and fully functioning government structure including President, Council of Ministers, House of Representatives, and judiciary. Only certain functions including (but not limited to) foreign affairs, defence, external borrowing and trade, and central banking are the responsibilities of the Union Government. All government functions not explicitly transferred to the URT remain the responsibility of the RGOZ.

The public financial relationship between the two Governments is not always clearly defined, and a Joint Finance Commission has been established to scrutinize the fiscal relationship between the two Governments and to make recommendations on the net contributions to the Union Government through the joint financing account.

Effective fiscal and public expenditure management in Zanzibar is curtailed by a number of weaknesses leading to poor mobilization and utilization of national resources, thus undermining the achievement of the national objectives of reducing absolute poverty and raising the standard of living of the people of Zanzibar. Specific weaknesses have been identified in the areas of budget credibility, the process of budget preparation, comprehensiveness of the budget and accounts, budget execution procedures, accounting systems, procurement procedures, management of foreign inflows, and internal audit system.

The RGOZ has undertaken a comprehensive public financial management reform program for a number of years in order to address these weaknesses. The reforms have been partly financed by the government's own resources, by Norwegian support, UNDP, through the public financial management reform program (PFMRP) and through a cooperation with the Swedish National Audit Office. The capacity building arm of the IMF for East Africa (East

Afritac), also has been providing support to Zanzibar, especially on taxation and budget issues.

Among achievements, the following three important ones should be especially mentioned:

- 1) Introduction of IFMS. The RGOZ has been rolling out the implementation of an Integrated Financial Management Information System (IFMS) since 2007. The system brought Zanzibar a giant leap forward in terms introducing modern information technology into the Government Financial Management.
- 2) Public Procurement. The RGOZ introduced a new procurement act in 2005 in order to move towards international best practice on procurement. New procurement regulations were introduced the following year. Gradual roll-out of procurement documentation and training in the compliance with the Procurement Act continues.
- 3) Clearing of External Audit back-log. The Office of the Controller and Auditor General has cleared the back-log of audits, and the Public Accounts Committee (PAC) of the House of Representatives (HOR) cleared the back-log of audits in the House.

However, because of the limited time over which several of the reform programs have been implemented, the full impact of the reforms on the whole public finance management system still is several years away.

Still, several challenges remain in addition to the ones mentioned above. The quality of the external audit reports need to be enhanced as does the scrutiny of the report by the Public Accounts Committee in the House of Representatives, and the legal independence of the institutions should be strengthened. The accuracy of the budget figures for donor financed projects remains poor, and there are challenges to capturing the actual expenditure on these projects. And finally, the procurement act and regulations are not fully implemented across government.

Norway has been supporting PFM reforms in Zanzibar to address some of these challenges since 2008 through a bilateral project with the Ministry of Finance and Economic Affairs. The project has been implemented since July 2008. These terms of reference are for a mid-term review of this program. The review will provide a brief assessment of the achievements over the 18 months the program has been implemented, and it will provide some guidance for refocusing the program (if needed). Crucially, the review will build upon and be conducted at the same time as a full scale PEFA assessment and the findings of the PEFA assessment will inform the review.

Scope and Methodology of the Review

The consultant will conduct a standard mid-term review in order to assess implementation of the program against the originally conceived work program and the progress made against targets and goals. Specifically, the consultant will;

- Review relevant background project documents
- Review relevant progress reports, minutes from meetings,
- Interview stakeholders, including MOFEA and OCAG officials in addition to relevant development partners in Dar es Salaam and in Zanzibar.

Based on the information retrieved from the above documents and interviews, the consultant will assess the progress made towards targets and goals and the contribution of the project towards the targets and goals. The consultant will also assess the relative success of this project compared with other relevant current PFM initiatives and in particular that of the PFMRP and the support of the UNDP as both of these provide support to the Ministry of Finance and Economic Affairs. The review will also briefly look at the two other institutions that are crucial to a well functioning PFM system in Zanzibar, namely the Office of the Controller and Auditor General (OCAG) and the House of Representatives (HOR) in order to see what lessons (if any) can be learnt from the assistance that these institutions are receiving.

Moreover, the consultant will use the information from the above information to suggest possible short term and medium term changes to the project including but not limited to project management, results and outcome reporting. The consultant will also suggest possible changes to or reorientation of the project for a possible second phase of the Norwegian support to Zanzibar. Similarly and importantly, the consultant will also use information from the forthcoming PEFA assessment to suggest a reorientation of the program, if needed.

All reports will be written in English and an electronic version (MS WORD) will be provided to the Norwegian Embassy in Dar es Salaam. The report will be of a maximum of 20 pages including an executive summary, but excluding annexes.

The consultant will provide the Embassy with a draft report with the main initial findings. The draft report will be circulated by the Embassy for comments to relevant stakeholders, and the Embassy will provide the consultant with written comments. The consultant will finalize the report within two weeks after he has received the written comments from the Embassy.

Schedule and Budget

The Table below sums up the review schedule. This is a tentative schedule that will be revised.

<i>Activity</i>	<i>Dates</i>
Review of documentation	May
Field Work	May
Draft Report	June
Final Report	August

<i>Budget</i>	<i>Work required</i>
Review background documentation and field work:	Five working days
Drafting of report:	Five working days
<u>Finalization of report:</u>	<u>Two working days</u>
<u>Total work</u>	<u>Twelve working days</u>

Human Resources:

The review will be conducted by the consultant Dr Tony Bennett, who has vast experience in reviewing PFM reform programs as well as conducting PEFA assessments. Dr Bennett will also be conducting the PEFA assessment for Zanzibar at the same time.

Annex 3 Planned and Actual Activities, Inputs and Outputs

Planned July 2008 - June 2011 (36 months)				Actual to July 2008 - March 2010 (21 months)		
	Output	Activities	Inputs	Output	Activities	Inputs
1 Improved budget, execution and accounting information for timely budget preparation, execution and accounting in accordance with mandatory requirements						
1.1	Payroll system installed in MOFEA and Civil Service Dept.	Implement a fully integrated computerised human resource/payroll system including module/link to Civil Service Department	4 weeks for Technical Consultant to design and develop integrated human resource/payroll system		Not done. Funds insufficient. Taken over by Public Sector Reform Programme.	
2 Strengthened human resource capacity of key staff in economic management, budgeting and accounting						
2.1	Incentive scheme presented in report from consultant	Review current scheme and propose revised incentive scheme of service for key staff (graduate economist and accountants) serving as incentive to retain them in current positions			TOR developed and TA contract given to Mzumbe University. Funded by the Joint Program of UNDP as PFMP funds were insufficient. Final report submitted to MoFEA January 2010. MoFEA required to prepare some works. MoFEA now in the process of finalizing the work. The remaining work will be financed by the PFM Programme.	

2.2	25 MDA Internal Auditors trained (Training - Internal Auditors and Accounting staff)	Three month training courses for Internal Auditors and Accounting Staff in all MDAs to upgrade lower cadres to adequate professional levels (CPA)	25 training courses including tuition fee, travel and per diem	Five internal auditors and ten accountants trained.	Fifteen sent on course	
2.3	45 MDA accountants trained	MDA accounting staff graduate training programme (M.Sc./ Post Graduate Diploma)	45 training courses including tuition fee, travel and per diem	40 MDA accountants trained	40 MDA accountants sent on course	
2.4	18 MOFEA staff completed Internship program	Staff on 2 months internship in mainland and regional MOFs	Travel and per diem for 18 MOFEA staff to regional MOFs	Six MOFEA staff completed internships	Six staff sent on internships	
2.5	6 Economic Management and Budget staff trained in 18 months courses	18 months training for 6 for Masters in Economics or Finance	Travel including tuition fees and per diem for 6 persons	Five EMB staff trained in 18 month course and one staff trained in Post Graduate Diploma in Tax Management	Five EMB staff sent on 18 month course and one staff sent on PGD Tax Management	
2.6	35 Desktop and 2 laptop PCs installed.	Procurement and installation of desktops/laptops for internal audit staff in MDAs	35 desktops and 2 laptops	33 desktops and two laptops installed	33 desktops and two laptops procured	
3 Debt management system and procedures implemented						

3.1	Debt strategy and plan presented in consultants report	Formulation of debt policy, strategy and plan for implementation aligned to URT debt policy and strategy	4 weeks of external TA	Debt policy/strategy presented in consultant's report (funded by UNDP Joint Program 5). Approved by IMTC.	The policy and strategy prepared submitted to the Stakeholders meeting, incorporated the comments, waiting to be presented to Inter-Ministerial Technical Committee. The PFM Programme will finance the activity.	
3.2	CS-DRMS system installed in MOFEA Accountant General Department	Procurement and installation of Commonwealth Secretariat Debt Recording & Management System (CS-DRMS)	On full CS-DRMS system package	This activity depends upon completion of all activities, such as production of debt policy and strategy to be available and enactment of loan decree. The policy and strategy is ready waiting the enactment of loan act.	Macro Economic and Financial Management Institute of Eastern and Southern Africa (MEFMI) under the support of the Commonwealth Secretariat of Zimbabwe did a study. After completion of all required stages MEFMI will work with RGZ on the installation of CS-DRMS.	
3.3	10 staff trained in debt CS-DRMS operation	MOFEA staff training in operation of CS-DRMS	One week TA for supervision and training in its application by BoT/MoF staff	This activity depends upon completion of all activities on debt management processes and after installation of the system	This activity depends upon completion of all activities on debt management processes and after installation of the system	
3.4	4 MOFEA staff from Debt Management Department trained in debt management	Short term training course for debt management staff at MEFMI Course (requested MEFMI to conduct the training)	4 persons on 2 week training course			

4 Systems for budgeting and monitoring established						
4.1	Report with recommended forecast model for Zanzibar	Research of appropriate forecast model applicable to small open volatile economy of Zanzibar	2 MOFEA staff visits to 2 countries in the region with similar structure of economy		Some preparatory work done with East Afritac consultant	
4.2	Forecast model installed in Economic Management and Budget Department and 15 staff trained	Formulate Terms of Reference and contract external TA for development, training and supervision in application of macro/budget forecast model	6 PCs 6weeks of TA	Two staff of EMB trained 3 weeks on Macmode application. Macmode Framework designed, developed, relevant data compiled and recorded. Demonstration on Updating data done.	TOR developed and refined by the EastAfritac. The Consultants from the World Bank did the assignment. The review work has been done, data compiled and recorded, training on Excel and data base management to support the models. Training for two senior staff on macro modelling programm in Uganda. Procurement of eleven PCs - delivered	
4.3	Revenue forecast model installed and 9 staff trained	Formulate Terms of Reference and contract external TA for development, training and supervision in application of tax revenue forecast model	Long term TA tax policy advisor 7 PCs			

4.4	Report proposing simplification, alignment and harmonisation of tax regime	Tax policy review for formulation, simplification and harmonisation of tax regime	MOFEA staff jointly with long term TA tax policy advisor	?	?	
4.5	13 OCGS and MOFEA/EMBD staff trained in compilation of BOP statistics	Training in compilation of Balance of Payments statistics for the Office of Chief Government Statistician (OCGS) and Economic Management and Budget Department	2 weeks of TA from BoT/MoF mainland, 13 staff to be trained for 5 days	Fifteen OCGS and MOFE/EMBD staff trained in compilation of BOP statistics	Fifteen staff sent for BOP statistics training	
4.6	86 MDA staff trained in MTEF reporting	Develop format and procedures for MTEF monitoring and reporting of MDAs, and train MDAs in application of MTEF monitoring formats	5 weeks of TA 86 MDA staff divided in 3 sessions of 5 days trained in application of the formats and procedures	MTEF monitoring formats developed and 98 MDA staff trained in MTEF reporting	98 MDA staff given MTEF training	
4.7	Annual Public Expenditure review report for Zanzibar	Conduct annual PER for Zanzibar by each ZSGRP cluster	(4 weeks of external TA once to the project period) MOFEA and MDA staff in cluster teams of 3 days in every 2 weeks		Three sectoral PERs carried out, namely Communication and Transport, Education and AIDS Commission.	
4.8	60 MDA staff trained	Training of Municipal Councils and PS MDAs on MTEF and PER processes	MOFEA staff serving as trainers for 60 staff separated into 2 sessions			

5 New Procurement Act fully implemented						
5.1.	196 MDA Chief Executive and Accounting officers, MDA Heads of Departments and Procurement Officers trained and staff of 9 Contractors	6 workshops of 2 days each for MDA Chief Executive and Accounting officers, MDA Heads of Departments, Procurement Officers and Contractors on the new procurement act.	6 workshops of 2 days each MOFEA Procurement Department facilitators	Two workshops conducted	Workshop on the Procurement Act conducted in two groups. One done in Pemba and the second one in Unguja	
5.2	Procurement documents printed and distributed to all MDA procurement staff. Training needs assessment implemented and training program produced.	Formulate ToRs and contract TA to Develop Procurement document formats aligned with URT procurement formats and documents, undertake training needs assessment, formulate training program for staff in 13 MDAs	5 weeks of external TA Printing/copying of documents, documents disseminated.	Procurement standard document formats aligned with URT produced	Procurement standard document formats aligned with URT prepared, produced and disseminated to MDAs	
5.3	130 MDA staff trained on procurement procedures	Implementation of training programme for 130 MDA procurement staff through 4 sessions/groups of one week each	4 workshops of three days each MOFEA Procurement Department facilitators			
5.4	20 MOFEA staff from the Stock Verification Department completed Diploma/post graduate training	Training at Diploma/post graduate level in monitoring and inspection (oversight function) for staff of MOFEA Stock Verification Department	20 training courses of Masters/Post Graduate/Diploma each for MOFEA Stock Verification Department			

6 Aid management and information system established						
6.1	Action program and procedures for improved information collection and coordination	Review of 2004 consultancy report on Aid Coordination and management. Formulate action program and procedures for improved information collection and coordination	One week of external TA	TOR prepared, Consultants employed.	The Consultant employed and contract signed, the draft report submitted incorporated comments from MoFEA Management, now is in process to be submitted to Stakeholders meeting.	
6.2	Aid management system installed in MOFEA and all MDAs. 5 MOFEA staff trained in operation of Aid Management system	Formulate ToRs and contract consultant to install aid management information system for registration of all aid funded projects. Training and supervision for 5 MOFEA staff in operation of system	10 weeks of external TA for development of MS Access aid management package 3 PCs for aid management unit in MOFEA Aid Coordination Department	Server, Server Rack and 13 PCs procured	Procurement of Server with required specification, Server Rack and 13 PCs.	
6.3	60 MDA staff completed on the job training	Training of 60 MDA staff in operation of system	On the job training for 60 MDA aid coordination and planning staff by MOFEA Aid Coordination department			

6.4	3 workshops conducted for House of Representatives and MDA staff	Sensitisation through 2 day workshop for House of Representatives, 2 day workshop for Principal Secretaries/senior MDA staff and 1 day workshop for NGOs	Workshops conducted by MOFEA Aid Coordination department	JAST Workshop conducted	One day Workshop for Principal Secretaries and Members of the House of Representatives conducted.	
7 Programme management and monitoring						
7.1	Programme management and administration					
7.2	Review/Evaluation	Formulate ToRs and contract consultants for joint review of OCAg, HoR and MOFEA projects				

Annex 4

Percent Execution of Budgets (Tzs Millions)

	TOTAL	PFM ACTIVITY NUMBER												
		1.1	2.1	2.2	2.3	2.4	2.5	2.6	3.1	3.3	3.4	4.2	4.3	4.5
Budget 7/08-6/09	826.6	66.1	14.6	26.5	72.4	51.3	39.2	90.3	14.6	3.7	17.1	47.6	188.6	7.3
Actual exp.7/08-6/09	201.2	0	0	26	61.7	0	33.5	0	0	0	0	0	0	7.3
Percent execution	24%	0%	0%	98%	85%	0%	85%	0%	0%	0%	0%	0%	0%	100%
Budget 7-12/09 TZSmn	1,095.6			15.3	230.4	153.8	30.6	90.4	30.5		0.0	132.0	63.0	
Actual exp 7-12/09	466.9			15.1	224.3	141.8	13.7					19.9		
Percent execution	43%			99%	97%	92%	45%	0%	0%			15%	0%	
Cumulative 7/08-12/09														
Budget	1,922.2	66.1	14.6	41.8	302.8	205.1	69.8	180.7	45.1	3.7	17.1	179.6	251.6	7.3
Actual	668.1	0.0	0.0	41.1	286.0	141.8	47.2	0.0	0.0	0.0	0.0	19.9	0.0	7.3
Percent execution	35%	0%	0%	98%	94%	69%	68%	0%	0%	0%	0%	11%	0%	100%

continuation

	4.6	4.7	4.8	5.1	5.2	5.3	5.4	5.5	6.1	6.2	6.4	7.1	7.2
Budget 7/08-6/09	20.1		24.4	25.6	18.3	24.4			7.3	45.8	21.4		
Actual exp.7/08-6/09	19		24.3	0	17.7	0			0	0	11.7		
Percent execution	95%		100%	0%	97%	0%			0%	0%	55%		
Budget 7-12/09 \$ Budget 7-12/09 TZSmn		45,500		21,000		20,000	90,000	8,000	6,000	37,500	7,325	15,000	36,000
Actual exp 7-12/09		55.6		25.6		24.4	109.9	9.8	7.3	45.8	8.9	18.3	44.0
Percent execution		0%		96%		0%	19%	0%	0%	12%	0%	5%	0%
Cumulative 7/08-12/09													
Budget	20.1	55.6	24.4	51.2	18.3	48.8	109.9	9.8	14.6	91.6	30.3	18.3	44.0
Actual	19.0	0.0	24.3	24.6	17.7	0.0	21.1	0.0	0.0	5.5	11.7	0.9	0.0
Percent execution	95%	0%	100%	48%	97%	0%	19%	0%	0%	6%	39%	5%	0%

Annex 5 Sources of Information

Name	Institution/division	Position
Ministry of Finance and Economic Affairs		
Khamis M. Omar	MOFEA	Principal Secretary
Amina Shabhani	MOFEA	DPS (Economic Affairs)
Abdi Faki	MOFEA	DPS (Admin and Financial Sector)
Omar H. Omar	AGD	Accountant General
Said Mohd Hussein	Stock Verification and Public Investment	Commissioner
Mwita Mgeni	Economic Management and Budget	Commissioner
Ameir H. Sheha	External Finance	Commissioner
Dr. Hamed R.H. Hikmany	National Planning, Sector Development and Poverty Reduction	Commissioner
Ramadhan Singh	Policy and Planning	Director
Safia Zubeir	Internal Audit Unit	Chief Internal Auditor
Rashid Kibao		Coordinator Core Reform
Mohd Rejab	Office of Chief Government Statistician	Chief Government Statistician
Mwanahija Ali	Financial Management and Debt Management	Assistant Accountant General (FM&DM)
Simai About Simai	Financial Systems and Internal Audit	Assistant Accountant General (FS&IA)
Faki	Expenditure Management	Assistant Accountant General (EM)
Khamis Jumar	Consolidation Final Accounts)	Accountant
Saumu Khatib	Exchequer Revenue	Accountant
Hamza Ibrahim	Exchequer Expenditure	Accountant
Ali Mabrouk	Internal Audit Unit	Assistant Internal Auditor
Sheriff Mussa	Economic Management and Budget	Budget Officer
Sabra Machano	External Finance	Aid Coordination Officer
Ranil Dissanayake	External Finance	UNDP Adviser on Aid Management
Foum	Debt Management Unit	Accountant
Bakari	Stock Verification and Public Investment	Deputy Commissioner
Office of the Controller and Auditor General		
Fatma Mohamed Said		Controller and Auditor General
Khajja Nassib Ramadhan		HRM Director
Muhidin Talib Abdalla		Director of Audit
Ahmed Kombo Bakar		Director of Audit
President's Office Zanzibar		
Salum M. Salum	Revolutionary Council	Deputy Principal Secretary
Ali Vuai	Civil Service Department	Director

Name	Institution/division	Position
Rukiya A. Wadoud	Public Service Management	Lead Adviser. PS Reform Programme
House of Representatives		
Ibrahim Mzee Ibrahim		Clerk to the House
Rashid Seif	Economic and Finance Committee	Chairperson
Fatma Hareji	Public Accounts Committee	Chairperson
Norwegian Embassy		
Morten Heide	Norwegian Agency for Development Cooperation	Counsellor
Håkon Mundal	Dar es Salaam Country Office	Senior Adviser
Trond H. Augdal	Dar es Salaam Country Office	Country Economist (to 26 May 2010)
Olav Lundstol	Dar es Salaam Country Office	Country Economist (from 30 July 2010)

List of documents consulted

Title	Author	Date
Grant Agreement (setting up the PFMP)	Norwegian Ministry of Foreign Affairs	February 2008
Public Finance Act		2005
Public Finance Regulations		2005
Public Procurement and Disposal of Assets Act		2005
Procurement Regulations		
Establishment of the Office of Controller and Auditor General Act		2003
Public Investment Act		2002
Government Loans, Stocks, Grants and Guarantees Decree		1978
Implementation of CS-DRMS 2000+ and Capacity Building for Debt Management	Commonwealth Secretariat	Sep. 2007
Accounting Manual	Accountant General's Department, MOFEA	2009
Joint Assistance Strategy Tanzania		
Review of Needs Assessment of Department of External Finance and Design of an Aid Coordination Mechanism for Zanzibar	Praxis (Christopher Awimia)	January 2010
Zanzibar Strategy for Growth and Reduction of		January 2007

Title	Author	Date
Poverty (MKUZA)		
Country Governance Profile	ADB	May 2005
Report of Zanzibar Workshop on Fiscal Transparency and Budget Comprehensiveness	AFRITAC	October 2009
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Zanzibar Economic Bulletin	Chief Government Statistician	July-Sep 2009
Socio-Economic Survey Report 2009	Chief Government Statistician	May 2010
Strategic Plan for 2008/09 – 2010/11	Ministry of Water, Construction, Energy and Lands	
Strategic Plan for 2008-2011	OCAG	February 2008
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Zanzibar Audit Development Project, Project Document July 2009 – June 2011, Final Draft	Intermaecos Ltd	November 2008
Norwegian Support to the PFM Reform Programme in Tanzania, Desk appraisal	NORAD	May 2009
Consolidated Summary Statement of Appropriation Accounts, Statement of Revenue and Other Public Accounts for the Financial Year 2006/2007	Accountant General's Department	
Ditto 2007/08	Accountant General's Department	
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Final Accounts of Ministry of Education and Vocational Training 2008/09	MEVT	September 2008

Title	Author	Date
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Aid to Zanzibar 2006/07 – 2008/09: an Analysis of Initial Data Collected for the Aid Management Platform	MOFEA	February 2010
Annual Internal Audit Plan 2009/2010	MOFEA Internal Audit Office	
Public Expenditure Financial Accountability Review, chapter. 9 on Zanzibar	World Bank	October 2005
Report on PFM Review, Zanzibar	Nordic Consulting Group (Jens Claussen and others)	May 2006
Public Expenditure Review	World Bank	June 2003
Zanzibar Budget Framework and Guideline for the Preparation of Medium Term Plan for Year 2010/2011 – 2012/2013	MOEA	30 March 2010
Budget Speech 2010/11	MOFEA	June 2010
Estimates of Recurrent and Capital Revenue and Expenditure for the Year 2009/10		
Tanzania Country Procurement Assessment Review, Vol. 2, pp. 107-116	World Bank	April 2003
Corporate Plan 2005/06 – 2009/10	Zanzibar Revenue Board	February 2006
Public Accounts Committee Report (in Kiswahili)		
Report on Standards and Codes	World Bank	2006
Review of Payroll System, Final Report	Africa Dev't Professional Group and RGZ	August 2009
Public Sector Reform Programme	Civil Service Department	2010
Final accounts for 2006/07	State University of Zanzibar	
Final Accounts for 2008/09	Zanzibar Municipality	
Strategic Plan	Zanzibar Institute of Financial Administration	
Final Accounts 2006/07	Zanzibar Social Security Fund	
Audit Report for 2008/09	Zanzibar Roads Fund	February 2010
Consulting Services for a Comprehensive Review of Public Sector Employment and Wage Bill Issues	DAI (Europe) Ltd	January 2007

Title	Author	Date
Capacity Needs of the Ministry of Finance and Economic Affairs Zanzibar	Institute of Continuing Education, University of Mzumbe	May 2009

