

GOVERNMENT OF TANZANIA

Threshold Program Executive Summary

Background

The new administration in Tanzania, elected in December 2005, has publicly expressed its support for an existing agenda that denounces corruption and has committed to creating an environment conducive to reform. The Government of Tanzania has established a positive track record in its efforts to address corruption and desires to build on institutional reforms already implemented to fulfill its obligation under the Constitution to ensure that all forms of corruption are eradicated. Tanzania was recently reported by the World Bank as the only African country having “significantly improved” in three governance categories during the period 1996-2004.

Summary of Program

The principal objective of the Tanzania Threshold Program is to further reduce corruption.

The Government of Tanzania has requested assistance from MCC to fund four specific initiatives over 24 months:

- 1) Build the nongovernmental sector monitoring capacity;
- 2) Strengthen the rule of law for good governance;
- 3) Establish a Financial Intelligence Unit; and
- 4) Curb corruption in public procurement.

Description of Program:

Build the Nongovernmental Sector Monitoring Capacity:

- Train and mobilize civil society monitors at the national and local levels with an emphasis on enhancing the role of women in the process.
- Train journalists in investigative reporting.

Strengthen the Rule of Law for Good Governance:

- Train Commission for Human Rights and Good Governance (CHRAGG) Directors and staff as trainers of trainers in alternative dispute resolution skills.
- Train CHRAGG staff and nongovernmental organizations (NGOs) to monitor and respond to complaints of abuse of administrative powers, such as bribes and use of position to acquire goods and services.
- Train public prosecutors and magistrates on the use of existing anti-corruption laws to increase their skills in order to successfully prosecute and convict offenders.
- Provide training and investigative equipment to strengthen and modernize the police investigation system in the areas of fraud and financial crimes.
- Strengthen the capacity of the Institute of Judicial Administration and law faculties at Tanzanian universities to offer courses focused on anti-corruption laws and policies.
- Establish a Legal Aid Network Secretariat and create a legal aid fund to provide grants to legal aid NGOs, and establish regional and district-level legal aid centers.

Establish a Financial Intelligence Unit:

- To receive, analyze, and disclose information by financial institutions to competent authorities about suspicious or unusual financial transactions;
- To track the number of cases investigated by authorized bodies, the number charged, number convicted and number of persons sentenced; and
- To compile statistics on frozen and confiscated funds and assets and provide these figures to the media to hold responsible parties accountable.

Curb Corruption in Public Procurement:

- Conduct procurement, contract, and performance audits of as many of the 31 government ministries and departments and 123 local government authorities as possible to ensure compliance with the law and provide a strong deterrent for corruption in public procurements.
- Strengthen the Public Procurement Regulatory Authority (PPRA) to ensure that it is able to exercise its oversight and regulatory authorities properly through such activities as expansion of the planned procurement management information system to other central government agencies and local government authorities and technical assistance and training for PPRA staff.
- Conduct a multi-stakeholder forum to assess how well the Public Procurement Act of 2004 is being implemented.
- Design and pilot multi-stakeholder forums to implement a new model for transparency in public procurement in Tanzania to ensure ongoing civil society engagement and oversight of procurement.
- Build capacity among members of Parliament so that they can effectively oversee implementation of the Procurement Act of 2004 and understand their role regarding integrity in public procurement.
- Build capacity in pilot communities around local HIV/AIDS clinics to promote monitoring of the delivery of anti-retroviral drugs at the local level.

Highlights of the Results Expected from this Program:

- An increase in the number of local government authorities participating in public expenditure tracking from 12 to 60.
- An increase in the number of public corruption instances exposed by the media from 50-200.
- An increase in the number of investigations that result in anti-corruption cases being presented in court from 20-500.
- Establish a Financial Intelligence Unit to investigate or report and bring to the attention of proper authorities and the public, cases of suspicious or unusual financial transactions (a target of 30 cases has been established).
- Conduct a new program of audits (a target of 40 cases to be reported by the media) of selected central government ministries/departments/agencies and local government authorities.

Budget: \$11.15 million

Implementation: The Tanzania Threshold Program provides an opportunity for MCC to collaborate with USAID, the U.S. Treasury, the U.S. Department of Justice, Tanzanian government agencies, and NGOs and civil society networks as key implementing partners.