Rolling Plan for Tanzania

As of April 2018

Basic Policy of Assistance	Promoting economic and social development towards sustainable economic growth and poverty reduction

Priority Area 1	Nurturing driving forces of economic growth

Development Issue 1-1 Agricultural Development

[Background and current situation]
1) The poverty ratio of Tanzania remains high as 28.4%, although it is on a declining trend. And 43.5% of population lives on less than 1.25USD/day income.
2) Agriculture sector is core for economic development as well as poverty reduction in Tanzania. The sector accounts for 23% of national GDP, 30% of export earnings, 65% of raw material supply for industry, and 70% of employment opportunities. However, the sector requires more effort to achieve its target growth rate of 6 to 8 % per year while the recent years achieve only 3 to 4 %. In the Five Year Development Plan II (FYDP II) prepared in 2016, Agriculture sector is recognized as core sector for industrialization as well as livelihood improvement. The plan targets 6.0% sector growth by 2020, and selected eight priority crops including rice. In addition, the plan prioritizes; promotion of irrigation development, improvement of R&D, improvement of extension, improvement of land planning, and exploring markets.
3) Tanzania is one of the first group countries in Coalition for African Rice Development (CARD). The Tanzanian government formulated National Rice Development Strategy (NRDS), which aims at increasing rice production in Tanzania from 0.89 million tonnes (2008) to 1.96 million tonnes (2018) and the government is putting emphasis on

[Japan's policy on development challenges]
1) Japan has been one of main donors for supporting Agriculture Sector Development Program (ASDP) since 2001. Based on the experiences, Japan continues to support strengthening the sector development framework mainly in government capacity in planning and implementation, and M&E.
2) To enhance the implementation of CARD/NRDS, Japan continues to support irrigation development, human resource development in irrigation, and dissemination of paddy and upland rice cultivation technique.
3) Japan continues the dialogue with the government and development partners such as Word Bank, African Development Bank and USAID to improve on mutual collaboration.

Japan's Assistance Program	Program Summary	Project	Scheme	Schedule: Before JFY 2017	JFY 2018	JFY 2019	JFY 2020	JFY 2021	JFY 2022	Assistance Amount (100 Million Yen)	Note
Program of Supporting Agricultural Sector Development Program (ASDP)	Towards effective and sustainable development of agricultural sector, Japan supports institutional and personal capacity development.	Project for Capacity Development on Data Collection, Analysis and Reporting under ASDP	TCP							5.60	
		Project for Strengthening DADP Planning and Implementation capacity through Use of SHEP Approach	TCP							7.70	
		Rural Agricultural Development	CTR								
Program of Strengthening Rice Production	Towards promotion of CARD, particularly achieving NRDS target of Two million tonnes rice production in 2018, Japan focuses on the dissemination of rice farming technologies, human resource development of irrigation development, and irrigation infrastructure development. In CARD implementation, Japan will ensure the involvement of a wide range of stakeholders including active participation in development community thereby maximizing aid and development impacts.	Project for Supporting Rice Industry Development in Tanzania	TCP							9.50	Technical Assistance Related to ODA Loans
		Small Scale Irrigation Development Project	LA							34.43	
		Project on the Revision of National Irrigation Master Plan	TCDP							3.20	
		Project for Capacity Development for the Promotion of Irrigation Scheme Development Under the District Agricultural Development Plan (DADP) Phase 2	TCP							5.70	Technical Assistance Related to ODA Loans

	Others		Project for Development of Malindi Fish Landing and Marketing Facilities in Zanzibar	GA							9.35	
			Project for Development of Malindi Fish Landing and Marketing Facilities in Zanzibar (2nd phase)	GA							0.68	
			Preparatory Survey on BOP Business for Sustainable Procurement of FSC certificated Wood	PS								
			Verification Survey with the private sector for disseminating Japanese Technologies for Sweet Potato varieties, production and storage which enable market oriented agriculture	SSM								
			Formation of Production area and value chain of vanilla in Uluguru Mountains	TCP								
			Agriculture sector Training Programmes in Japan	TR								
			Agriculture sector JOCVs	JOCV								
			Grass-roots Human Security Projects for Agriculture Sector	GGP							0.29	

Development Issue 1-2

Industrial Development

[Background and the current situation]

1) The Government of Tanzania is focusing on industrialization of Tanzania to make it a middle income country by 2025 as targeted in “Vision 2025” and making efforts of improving its business environment. The targeted leading industries include agro-industry, resource based industry, and tourism. FDIs have been expanded from mining, communication and financial sector to the others, and the foreign companies are expected to cooperate with locals to enhance their productivity, management capacity and international competitiveness.

2) However, to realize the dynamic private sector development, so many challenges still remain. For example, the messages on clear and realistic path toward industrialization are not always delivered to domestic and international investors yet. Industrialization and promotion of priority industries are advocated but many inconsistencies among policies and regulations still remain in many areas such as business registration, taxation, customs, land, financial service, local content rate and so on. As a result, Tanzania ranked 137th out of 190 countries in Doing Business 2018 by World Bank. Some large enterprises are growing steadily but a large majority of MSMEs remain stagnant while agglomeration of the relevant industries is emerging in some areas. The access to finance, management capacity, quality and productivity improvement are still a significant challenges for MSMEs.

[Japan's policy on development challenges]

1) To achieve “industrialization”, which is the core agenda of the FYDP II, Japan’s assistance focuses on: 1. Presenting clear and realistic policy for industrialization; 2. ensuring business environment with policy coherence; and 3.creating vital private sector.

2) In that regards, Japan assists based on lessons learnt from Japan's experiences on industrialization. Furthermore, Japan especially considers about the synergy and harmonization effect among each project for the achieving "industrialization".

Japan's Assistance Program	Program Summary	Project	Scheme	Schedule: Before JFY 2017	JFY 2018	JFY 2019	JFY 2020	JFY 2021	JFY 2022	Assistance Amount (100 Million Yen)	Note
Program of Industrial Development	Towards “industrialization”, which is the core agenda of the FYDP II (2016/17 to 2020/21), Japan assists in accordance with 3 pillars as mentioned in [Japan's policy on development challenges]. 1) To provide assistance that focus on industrial policy and industrialization strategy through ”Advisor for Industrial Development”. Also, Japan considers to collaborate with World Bank for the comprehensive policy support. 2) Japan plans to assist the improvement of business environment through supporting the government initiative such as Roadmap and Blueprint and hearing from stakeholders relevant to private sector. 3) To create vital private sector, Japan supports nationwide productivity improvement though KAIZEN. Furthermore, Japan support to create eco-system for the vital private sector, through industrial cluster and financial service, especially for strengthening MSMEs.	Advisor for Industrial Development	EXP								
		The Project on Strengthening Manufacturing Enterprises through Quality and Productivity Improvement (KAIZEN) Phase 2	TCP							3.70	
		Industrial Cluster Development	EXP								
		Project on Capacity Development for International Trade Facilitation in the Eastern African Region	TCP								For EAC 5 countries
		Preparatory Survey for Small and Medium-sized Manufacturing Enterprise Finance Promotion Project	PS								
		Master's Degree and Internship Program of African Business Education Initiative for Youth	CTR								
		Industry Sector Training Programmes in Japan	TR								
		Industry Sector JOCVs	JOCV								

Priority Area 2	Infrastructure development conducive to economic and social development

Development Issue 2-1

Transportation and Urban Development

[Background and the current situation]

1) With the progress in trade liberalization through regional integration by the East African Community (EAC) and the Southern African Development Community (SADC), it has become an urgent task to strengthen competitiveness through the consolidation of infrastructure in the region. Currently, land transport consists mainly of road transport. Although the Government of Tanzania has allocated large budgetary resources to road development, road maintenance and improvement is not enough, and only about 50% of trunk roads are paved. Besides a few proportion of rural roads are developed, maintained and managed sufficiently. The status of these underdeveloped roads have been one of the major obstacles for socio-economic development and promotion of investment of the country.

2) Railways should play more important role in a long-range transport of heavy loads - however, they have not been able to fulfil their expected roles due to insufficient investment for proper management and maintenance of rail tracks and rolling stock, as well as operational problems.

3) Regarding ports, the Port of Dar es Salaam plays vital part as a gateway to the Ocean for Tanzania and its neighboring land-locked countries. The port has, however, problems with its operational efficiency limitation of the land space for further expansions.

4) The City of Dar es Salaam is the center of economic activities, and with population of 4.36 million (2012 Census) which is equivalent to 1/10 of national population in Tanzania. Traffic congestion has gotten worse year by year while the population is expected to reach 10 million in 2030. Under these circumstances, coupled with the lack of policies and plans concerning urban development and transport, insufficient public transportation services and urban development are becoming serious issues. To enhance logistics and increase efficiency of transportation, it is required to develop transport infrastructure, well-designed transportation policies and systems, and comprehensive management institutions, personnel and systems.

5) Under the initiative of the current government, functions and offices of the central government are being transferred from Dar es Salaam to Dodoma. According to the short-term plan, it will be split into 6 phases by 2020, and large scale of infrastructure development for Dodoma is expected to meet the increasing demand.

[Japan's policy on development challenges]

1) Based on "the Transport Sector Investment Program II (TSIP II)" by the Government of Tanzania and the results of Japan's Technical Cooperation Project "the Comprehensive Transport and Trade System Master Plan Study", the Government of Japan will continue to support, improvement of efficiency of national wide freight transport, assistance in the reduction of congestion in urban areas and improvement of access in rural areas. Specifically, the support for development of trunk roads, other transportation modes such as railways and ports, and assistance in One Stop Border Post (OSBP), which contributes to facilitation of inter-regional and international transport, will be continued. The support for reduction of the congestion in Dar es Salaam Metropolitan areas which acts as the gateway of Indian Ocean will be provided in terms of both soft and hard aspects. Financial assistances for rural road development, which can benefit economic development of rural areas, will be considered, while the capacity development will be mainly focused.

2) Since there are a lot of financing needs in transport sector, the Government of Japan will closely coordinate with other development partners as well as aims to mobilize private investment including Japanese firms in order to address this financing gap.

3) Regarding Dar es Salaam City Urban Transportation, it is required to support modal shift from roads to railways, and urban transport development to deal with rapidly increasing population and number of vehicles. Possibilities of such supports by applying Japan's advanced ecologies will be considered through "the Project for Revision of Dar es Salaam Urban Transport Master Plan".

4) Through basic data collection of development needs, future supports for development of transport infrastructure in Dodoma will be considered.

Japan's Assistance Program	Program Summary	Project	Scheme	Schedule: Before JFY 2017	JFY 2018	JFY 2019	JFY 2020	JFY 2021	JFY 2022	Assistance Amount (100 Million Yen)	Note
Program of Transportation Sector	Based on Transport Sector Investment Program (TSIP) II and the result of the Comprehensive Transport and Trade System Master Plan Study, the Government of Japan continues to support development of national and international trunk road, efficient cross-border transport. In medium- and long-term perspective, the development of other transportation modes such as railways and ports will be considered. In Dar es Salaam, as the economic and trade centre city, cooperations for development of soft and hard infrastructures will be conducted to tackle with increasing traffic congestion based on Dar es Salaam Urban Transport Master Plan . In addition, for the growth of rural areas through agriculture and rural development, cooperations for development of year-round accessible rural roads will be developed.	Road Sector Support Project	LA							71.19	Accelerated Co-Financing Facility for Africa (ACFA)
		Road Sector Support Project II	LA							76.59	ACFA
		Advisor of Regional Infrastructure Development for East African Community Secretariat	EAP								
		Preparatory Survey on the Project for the Rehabilitation of Kigoma Port	PS								
		The Project for Widening of New Bagamoyo Road	GA							38.51	
		The Project for Revision of Dar es Salaam Urban Transport Master Plan	TCDP							3.00	
		The Project for the Improvement of Transport Capacity in Dar es Salaam	GA							11.08	
		The Project for the Improvement of Transport Capacity in Dar es Salaam Phase 2	GA							1.04	
		The Project for Improvement of Tazara Intersection	GA							31.27	
		The Project for Improvement of Tazara Intersection Phase 2	GA							3.45	

			The Project for Improvement of Tazara Intersection Phase 3	GA							17.22	
			Feasibility Survey for Improving Night-time Road Safety through Application of Solar-powered Active Road Studs	SSM								
			Transport sector Training Programmes in Japan	TR								
			Transport sector JOCVs	JOCV								
			Grass-roots Human Security Projects for Transport Sector	GGP							0.10	
Development Issue 2-2 Development on power and energy sector	Program of Power Sector	Since the most issues in the sector are related to organization, norms, planning capacity, maintenance and management, the government of Japan contributes to power development planning support for effective and efficient resource development. Also, in order to expand stable power supply, contributes to develop the electricy public corporation's management and engineer's capacity by technical cooperation for strengthening power lines operation and maintenance capacity as well as mainly reinforce the transmission and distribution network by financial cooperation. Furthermore, in order to supply the electricity meet rapid growing power demand, the govenment of Japan considers to support for power generation development including a thermal power plant by utilizing domestic natural resource which potential is highly expected through Japanese Yen loan.	The Project of Capacity Development of Efficient Distribution and Transmission Systems, Phase 2	TCP								
			Preparatory Survey on Mtwara Natural Gas Thermal Power Plant and Transmission Line Construction Project	PS								
			Project for Domestic Natural Gas Promotion and Supply System in Tanzania	TCDP							2.00	
			Iringa-Shinyanga Backbone Transmission Investment Project	LA							60.48	ACFA
			Kenya-Tanzania Power Interconnection Project	LA							118.47	ACFA
			Preparatory Survey on the Project for Reinforcement of Supply from Kinyeregi Power Station to Ubungo Substation	PS								
			Off-Grid Solar Power Project in Sub-Saharan Africa	LA								PSIF
			The Project for Development and dissemination of innovative technology for extracting rice-bran oil to power diesel generators for rural electrification via micro-grids	STC								SATREPS
			Power and Energy Sector Training Programmes in Japan	TR								

Priority Area 3	Improvement of Governance and the Public Service Delivery

Development Issue 3-1

Strengthening Administrative and Financial Management Capacity

[Background and Current Situation]

1) The Government of Tanzania has been implementing reform programmes including Local Government Reform Programme and Public Financial Management Reform Programme (PFMRP) to improve administrative underpinnings for more than 10 years. However, there are still a number of challenges in the quality levels of public financial management including the issues in budget credibility, revenue forecast, cash control, commitment control and the quality of audit. In the revenue side, we recognize continued importance to enhance the capacity of tax administration in Tanzania Revenue Authority (TRA) considering the increasing pressure on budgetary spending under FYDP II. Furthermore, from the viewpoint of budget control, it is important to improve the quality of public investment and budget execution. Nevertheless, the policies and institutions introduced through reform initiatives are hindered by the challenges in administrative and financial operation such as the lack of implementation capacity of the government institutions, poor coordination capability and inadequate competency of personnel. Against this background, the necessity to put effort into public financial management reform is becoming increasingly high.

2) In addition, the Government of Tanzania raised Decentralization by Devolution in “Tanzania Development Vision 2025” to improve public service delivery and has been implementing Local Government Reform Programme. However, the policies, institutions and systems developed under the reform program have not been sufficiently adopted by district administrations because of insufficient coordination by the central government and significant lack of capacity in local governments. Accordingly, various administrative services, particularly those in health and water sectors and infrastructure development, are not provided effectively and efficiently especially in rural areas.

3) On the other hand, since some communities achieved livelihood improvement by their own efforts, it is becoming more important to characterize the support for community’s self-help efforts as a primary role of the government.

[Japan's policy on development challenges]

With the view to establish the fair and efficient administrative foundation, JICA assists to strengthen administrative and financial management capacity for planning, personnel management and fiscal control based on the achievements in previous cooperation in the field of public financial management and local administration. In addition to the development of capacity and institution by technical cooperation, we promote to roll-out the outcomes of Japan’s technical cooperation through policy dialogue under Public Financial Management Reform Programme (PFMRP).

Japan's Assistance Program	Program Summary	Project	Scheme	Schedule: Before JFY 2017	JFY 2018	JFY 2019	JFY 2020	JFY 2021	JFY 2022	Assistance Amount (100 Million Yen)	Note
Program of Local Governance Reform	Japan conducts technical cooperation, focusing on the development of human resources and support to participatory planning and implementation, to achieve the goal of “Local Government Authorities can provide services which meets the local needs by getting people’s participation." Through the Training in Japan and In-country Training, Japan also strengthens a network of local government leaders that has two functions based on Japan's experience to disseminate good practices and to come up with policy and institutional recommendations to promote such practices. In addition to these efforts from individual projects, Japan seeks to create positive impact on policies and institutions at overall level of local government reforms through policy dialogue. For that matter, close cooperation with other sectors, such as agriculture, health and water, will be facilitated to explore synergy effect.	Strengthening Participatory Planning and Community Development Cycle for Good Local Governance, Phase II	TCP	■	■	■	-	-	-	6.60	
		Senior Advisor in Local Governance and Local Administration at PO-RALG	EXP	■	■	-	-	-	-		
		Strengthening D by D implementation in Regional Secretariats and Local Government Authorities	CTR	■	-	-	-	-	-		
		Strengthening Leadership and Management Skills in Local Government Systems	ICT	■	■	-	-	-	-		
		Local Government sector Training Programmes in Japan	TR	-	■	-	-	-	-		
		Local Government sector JOCVs	JOCV	■	■	■	■	■	■		

	Program of Public Financial Management	In order to improve public service delivery at central and local levels by managing and utilizing public resources in a proper manner, the program aims at contributing to the development of institutions and capacity in the areas of PFM (such as internal audit) through policy dialogues under Public Financial Management Reform Programme (PFMRP). Japan will also assist the capacity development for domestic revenue mobilization.	Capacity Development Project for Internal Audit, Phase 2	TCP							4.00	
			Project on Capacity Building for Tanzania Revenue Authority	TCP							2.88	
			Public Financial Management Sector Training Programmes in Japan	TR								

	[Background and Current Situation] ＜Health ＞ The condition in child health was improved much, such as the decrease in the under-five mortality rate from 191 in 1990 to 49 in 2015 (per 1000 live births, MDG Target 64) and the decrease in the infant mortality rate from 115 in 1990 to 35 in 2015(per 1000 live births, MDG Target 38). On the other hand, the improvement of the maternal health is considerably delayed, such as decrease in the rate of the maternal mortality rate from 529 to 398 (per 100,000 live births). Furthermore, the self-pay ratio of the healthcare cost is 31% and the health insurance coverage is 14% in 2013. And there is a shortage of health workers, for example, the number of medical doctors is 0.37 and the number of nurses is 3.27(per 10,000 polulation) in 2014. To achieve the goal of Universal Health Coverage (UHC), it is necessary to address to challenges, such as poor access to needed health services without financial hardship of users, insufficient health service coverage and low quality of the service especially in rural area, poor management of health administration and health facilities, and vulnerable reffaral system. ＜Water＞ In Zanzibar, the population with access to safe water is 60% in rural area and 80% in urban area, although the achievement goal was set as 75% and 90% respectively (MKUZA II, 2010). The water facilities become older but the rehabilitation of those facilities is not arranged due to the financial difficulty, and the percentage of non-revenue water is estimated as 60%. Zanzibar Water Authority (ZAWA), which was established in 2008, faces both financial and technical difficulties including collection of water bill, maintenance and rehabilitation of facilities.	[Japan's policy on development challenges] ＜Health＞ The government of Tanzania developed HSSPIV(2015-2020) as a strategic plan in health sector, and aimed at improvement of health access and quality of health service with the target of achievement of Universal Health Coverage (UHC) in Tanzania. Based on Basic Design for Peace and Health and G7 Ise-Shima Vision for Global Health, Japan support the strengthening of health systems and enhancement of governance, by utilizing the assets of present and past cooperation, for the strengthning of health system which is fundamental to the achievement of UHC. ＜Water＞ In Zanzibar, Japan continue to support for the sustainable and stable water supply in urban area, based on the achievement of present and past cooperation. Furthermore, the Government of Japan will consider to support for water resource management in the medium to long term, since it is dependent largely on ground water resource in Zanzibar and it is necessary to avoid water salination due to excessive use of ground water.

	Japan's Assistance Program	Program Summary	Project	Scheme	Schedule						Assistance Amount (100 Million Yen)	Note
					Before JFY 2017	JFY 2018	JFY 2019	JFY 2020	JFY 2021	JFY 2022		
Development Issue 3-2 Improvement of the public service delivery	Program of Health Systems Strengthening	Pursuing Universal Health Coverage as one of its objectives, Japan continues to assist strengthening of overall health systems which support health service delivery. The focus is on strengthening of health administration management at national and regional levels. Then Japan also continues to support enhancement of performance of Regional Referral Hospitals, which contribute to expand the achievement widely to health facilities in regional levels.	The Project for Strengthening Hospital Management of Regional Referral Hospitals	TCP							6.50	
			Health Policy Advisor	EXP								
			Health sector Training Programmes in Japan	TR								
			Health sector JOCVs	JOCV								
			Grass-roots Human Security Projects for Health Sector	GGP							0.63	
	Program of Improving Water Supply	For Zanzibar urban water, Japan assists Zanzibar Water Authority (ZAWA) to improve its management capacity for better water service provision through promoting non-revenue water reduction activities and strengthening its maintenance capacity. And Japan assists the water resource management to avoid water salination due to excessive dependence on ground water resource. Furthermore, Japan support for water resource management , since it is dependent largely on ground water resource in Zanzibar and it is necessary to avoid water salination due to excessive use of ground water.	Project for the Management of Groundwater Resources in Zanzibar	TCP								Technical Assistance Related to ODA Loans
			Water Advisor for the Ministry of Lands, Water, Energy and Environment (Zanzibar)	EXP								Technical Assistance Related to ODA Loans
			Water sector Training Programmes in Japan	TR								
			Grass-roots Human Security Projects for Water Sector	GGP							0.30	
			Pilot Survey for Disseminating Small and Medium Enterprises Technologies for Water Supply by the Simple Water Purifying Facility for the Local Villages	SSM								
	Others		The project for establishing a model school to produce women leaders through enhancement of science and mathematics and all-round education	JPP								
			Educational support project for prevention of dropout and social isolation due to adolescent pregnancy	JPP								
			Education sector Training Programmes in Japan	TR								
			Education sector JOCVs	JOCV								
			Grass-roots Human Security Projects for Education Sector	GGP							0.91	
			Sport Sector Grant Assistance for Cultural Grassroots Projects	GCGA							0.10	

	Other Sector												
	Japan's Assistance Program	Program Summary	Project	Scheme	Schedule						Assistance Amount (100 Million Yen)	Note
					Before JFY 2017	JFY 2018	JFY 2019	JFY 2020	JFY 2021	JFY 2022		
			Preventing and Responding to Violent Extremism in Tanzania	GA							0.88	UNDP
			Protection and Assistance to Refugees in Tanzania	GA							0.55	UNHCR