

Results strategy for Sweden's
international development cooperation in

Tanzania

2013 – 2019



REGERINGSKANSLIET

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**Government Offices
of Sweden**

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1. Expected results

This results strategy governs the use of funds allocated under appropriation item 9 'Africa' in the Swedish International Development Cooperation Agency (Sida) appropriation directions for each financial year. The strategy will apply for the period 2013–2019 and comprises a maximum of SEK 5.5 billion.

The strategy aims to contribute to conditions for sustainable growth in Tanzania that provide people living in poverty with better opportunities to support themselves by obtaining work and starting and running productive businesses. Sweden's development cooperation activities in Tanzania will contribute to developing agricultural markets and increasing access to sustainable energy, as well as to improving education and increasing entrepreneurship. Sweden's development cooperation activities will contribute to local democratic accountability and greater awareness of human rights.

The main target groups are women, children, and young people.

Sweden's development cooperation activities in Tanzania will contribute to successively reducing Tanzania's dependence on aid. During the strategy period the activities are expected to lead to the following results in three areas:

1. More jobs and developed energy and agricultural markets

- Increased access to safe and sustainable energy, including the ambition that at least 300 000 people gain access to electricity.
- Developed markets in agricultural production with the ambition that more poor people – primarily women – find employment and increase their incomes.

- Increased legal security regarding land rights for small-scale farmers and large-scale investors.

2. Improved education and increased entrepreneurship

- Greater number of girls and boys who acquire basic knowledge and skills in school.
- Greater number of young people who complete vocational education and training, including the ambition that at least 10 000 people find employment.
- Increased opportunities for women and young people to start and run productive businesses.

3. Strengthened democratic accountability and transparency, and in creased awareness of human rights

- Increased capacity and reduced corruption in Tanzanian public administration.
- Enhanced capacity in civil society to demand accountability and increased awareness of human rights.

2. Country context

Tanzania is experiencing a period of transition, with economic development and democratic consolidation. The strategy is based on good relations with Sweden over the long term. In the 21st century, Swedish aid has focused on education, agriculture, private sector development, research and democratisation.

During the most recent strategy period, Swedish development cooperation has contributed to about 20 per cent of all new rural connections to the electricity grid since 2006, access to financial services for close to 1 million small businesses and poor people (of whom more than half are women and young people), and enhanced research capacity through doctoral programmes in which some 100 doctoral students have been awarded degrees. Other examples are increased access to primary and upper

second-ary schools, a clearly stronger national audit office, and increased transparency and accountability from a stronger civil society.

Four-fifths of Tanzania's population live in rural areas and close to half are under the age of 15. A majority live on less than USD 1.25 a day despite a largely credible Tanzanian economic policy that has contributed to high and stable economic growth. The number of children in primary school has increased significantly since 2000, but the quality of education remains low. The business climate is characterised by inadequate infrastructure, weak financial services and a low level of legal security, including corruption.

Important factors behind continuing poverty include population growth of 2.9 per cent, difficulties in creating jobs, a lack of productivity growth in agriculture and increasing soil degradation and climate change. Under-developed infrastructure, not least in the form of limited and unreliable access to energy, presents an obstacle to development.

Since the introduction of the multi-party system in 1992, civil and political rights have gradually been strengthened, if at a slow pace. Modernisation of media legislation has been delayed and access to legal aid is limited. A new constitution is being prepared by means of extensive consultations. General elections are planned for 2014 (municipal) and 2015 (presidential and parliamentary).

Contributing to improving the situation of poor people in Tanzania requires increased productivity, processing and exports, better functioning markets that involve poor people, and the effective, transparent and environmentally sustainable use of the country's natural resources. Tanzania's development will be dependent on increased trade in the region and worldwide.

3. Activities

There are no limitations with regard to forms of cooperation and partners. The choice of partners, including new actors in the private sector and civil society for example, should be made with the aim of promoting

the achievement of results. A perspective beyond development cooperation is to be established. Sida is encouraged to actively identify new, innovative methods and forms of financing. Sida may use general budget support for poverty reduction with the gradual introduction of results and transparency contracts for development, whereby payments are made once the agreed results have been achieved.

Contributions are targeted towards areas in which Sweden has something special to add – Swedish added value – and can combine long-term programme-based support with catalytic contributions designed to contribute to long-term change. In implementing the strategy, Sweden should work for the continued increase of Tanzania's resource mobilisation and its capacity to effectively manage these resources.

To achieve the expected results of the strategy, Sweden will seek to contribute to increased processing in Tanzania and the expansion of markets, not least in the East African Community (EAC). The common market is a potential engine for investments, trade, tourism and continued reform of Tanzania's economy.

Area 1: More jobs and developed energy and agricultural markets

Sweden's development cooperation in Tanzania will promote productivity in the labour market, the emergence of jobs and the ability of the employed to support themselves. Sustainable growth that creates more jobs requires contributions in labour-intensive sectors and investments in an improved business and investment climate.

Sweden will contribute to more young people and women having employment that provides an adequate income with which they can support themselves and their households.

Sweden will contribute to developed markets and increased income in the value chains of food production. Profitability and productivity will be made possible through increased integration in the value chains, which involves reducing internal agricultural duties and phasing out export bans.

Sweden will contribute to better access to safe and sustainable energy based as far as possible on solutions with a low climate impact. Sweden should work for greater transparency in procurements and an improved regulatory framework that further strengthens private sector investments in renewable energy.

Improved agricultural production and energy supply in Tanzania require clear regulatory frameworks, improved infrastructure and markets, and greater legal security with regard to land rights. Sida will test new and innovative approaches with the aim of achieving the expected results.

Area 2: Improved education and increased entrepreneurship

In order for people living in poverty to be better able to support themselves, Sweden will contribute to strengthening their employability and entrepreneurship. This can be achieved not least by offering women and children the education, skills and information they need to be able to make the most of new job opportunities and to start and run businesses. Sweden will also contribute to ensuring that more girls and boys acquire basic knowledge and skills in school and that the quality of primary and secondary education is improved.

Sweden will contribute to strengthening incentives for girls' participation in education and creating opportunities for pupils with disabilities to go to school.

Sweden will contribute to ensuring that more young people can undergo vocational education and training, obtain work experience placements and be offered subsequent employment. Sweden will contribute to the increased use of information and communication technologies to promote innovation and entrepreneurship, as well as better teaching and skills management in the education system.

Sweden will contribute to better opportunities for women and young people to start and run productive businesses. According to estimates, there are more than three million micro-businesses in operation in

Tanzania in 2013, but only a fraction of these are formally registered. For business operators to go from being self-sufficient to developing a private business sector, support is required in commercialising ideas and innovations. Improved access to financial services, not least for women, is another important prerequisite for achieving the expected results in this area.

Area 3. Strengthened democratic accountability and transparency, and increased awareness of human rights

Sweden will contribute to strengthening accountability, enhancing effectiveness and increasing openness in Tanzania's public administration. Tanzania's commitment to, and clear role in, the Open Government Partnership can be used to combat corruption and strengthen citizens' opportunities to understand and influence public decisions that impact on their lives. Areas for Swedish contributions may include land rights, children's rights and sexual and reproductive health and rights.

Sweden has comparative advantages in terms of assisting the development of institutional capacity for a functioning democracy with free media.

Civil society will be given support to monitor human rights and to strengthen its capacity to demand accountability, since people living in poverty often have limited knowledge of their rights.

4. Follow-up

The forms of follow-up are indicated in the Government's guidelines for results strategies within Sweden's international development cooperation.