



EVALUATION

Finland's Development Cooperation Country
Strategies and Country Strategy Modality



Evaluation on Finland's Development Policy and Cooperation

2016/3c



EVALUATION

EVALUATION OF FINLAND'S DEVELOPMENT COOPERATION COUNTRY STRATEGIES AND COUNTRY STRATEGY MODALITY

Tanzania Country Report

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Indufor

2016/3c

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CONTENTS

| | |
|---|-------------|
| ACRONYMS AND ABBREVIATIONS | VIII |
| ABSTRACT | 1 |
| SUMMARY | 2 |
| 1 INTRODUCTION | 9 |
| 1.1 Origin and context of the evaluation | 9 |
| 1.2 Purpose and objectives of the country evaluation | 9 |
| 1.3 Approach and methodology | 11 |
| 1.3.1 Evaluation instruments..... | 11 |
| 1.3.2 Data collection and validation..... | 13 |
| 1.4 Evaluation process | 14 |
| 1.5 Limitations to the country evaluation | 15 |
| 1.5.1 Risks to the country evaluation | 17 |
| 2 COUNTRY CONTEXT | 18 |
| 2.1 Overview of the country and development performance | 18 |
| 2.2 Main development challenges | 19 |
| 2.3 National development strategies, plans and programmes | 21 |
| 2.4 Donor policies and community in Tanzania | 21 |
| 3 EVOLUTION OF FINLAND'S DEVELOPMENT COOPERATION WITH TANZANIA ... | 24 |
| 3.1 Historical overview of Finnish development cooperation with Tanzania | 24 |
| 3.2 Country Engagement Plan (CEP) 2008–2012 | 25 |
| 3.3 Summary of key earlier evaluation findings for 2008–2015 | 27 |
| 4 COUNTRY STRATEGY FOR DEVELOPMENT COOPERATION WITH TANZANIA | 31 |
| 4.1 Overview of the Tanzania Country Strategy | 31 |
| 4.2 Description of the main interventions under the CS | 33 |
| 4.3 CS theory of change | 38 |
| 5 EVALUATION FINDINGS | 41 |
| 5.1 Relevance | 41 |
| 5.1.1 Overall CS relevance | 41 |
| 5.1.2 Relevance of the CS portfolio..... | 42 |
| 5.1.3 Influence of the CSM on CS portfolio relevance..... | 46 |
| 5.2 Effectiveness | 46 |
| 5.2.1 Effectiveness of CS interventions..... | 46 |
| 5.2.2 Contribution of the CS portfolio to the CS objectives..... | 50 |
| 5.2.3 Assessing the impact of policy influencing | 53 |
| 5.2.4 The contribution of the CSM to the effectiveness of the CS portfolio | 54 |

| | |
|---|------------|
| 5.3 Impact | 55 |
| 5.3.1 The impact of the CS portfolio..... | 55 |
| 5.3.2 Contribution of the CSM to the impact of the CS portfolio..... | 57 |
| 5.4 Efficiency | 57 |
| 5.4.1 Efficiency of the CS portfolio..... | 57 |
| 5.4.2 Contribution of the CSM to efficiency in the CS portfolio..... | 59 |
| 5.5 Sustainability | 59 |
| 5.5.1 Sustainability of the CS portfolio interventions..... | 59 |
| 5.5.2 CSM contribution to sustainability..... | 60 |
| 5.6 Coordination, complementarity and coherence | 61 |
| 5.6.1 Coordination, complementarity and coherence of the CS portfolio..... | 61 |
| 5.6.2 CSM contribution to coordination, complementarity and coherence in the CS portfolio..... | 63 |
| 5.7 HRBA and Cross-Cutting Objectives | 64 |
| 5.7.1 HRBA and cross-cutting objectives in the CS portfolio..... | 64 |
| 5.7.2 Contribution of the CSM to HRBA and other cross-cutting objectives in the CS portfolio..... | 65 |
| 5.8 Assessment of the validity of the TOC based on the evaluation findings | 65 |
| 5.9 Country-specific issues | 67 |
| 6 CSM EVALUATION FINDINGS | 69 |
| 6.1 Introduction..... | 69 |
| 6.2 Relevance..... | 69 |
| 6.3 Effectiveness..... | 69 |
| 6.4 Efficiency..... | 71 |
| 6.5 Sustainability..... | 71 |
| 7 CONCLUSIONS | 72 |
| 8 RECOMMENDATIONS | 77 |
| REFERENCES | 80 |
| DOCUMENTS CONSULTED | 83 |
| THE EVALUATION TEAM | 87 |
| Annex 1 Terms of Reference | 88 |
| Annex 2 Additional methodology discussion | 102 |
| Annex 3 People Interviewed | 113 |
| Annex 4 Chronology of Key Events and Finnish Development Cooperation with Tanzania | 116 |
| Annex 5 Logic model for Tanzania Country Strategy (February 2014) | 121 |
| Annex 6 CS budget 2013–2017 by sector (EUR m) | 124 |
| Annex 7 Key CS interventions: objectives, scope, intended results | 126 |

FIGURES

| | | |
|-----------------|---|----|
| Figure 1 | ODA flows to Tanzania, 2008–2014..... | 23 |
| Figure 2 | Finnish development cooperation disbursements to Tanzania, 2010–2015..... | 23 |
| Figure 3 | Timeline of Finland’s bilateral interventions 2008–2015..... | 34 |
| Figure 4 | Tanzania Country Strategy theory of change..... | 40 |
| Figure 5 | Expenditures against budget by project, 2013–2015..... | 58 |

TABLES

| | | |
|-----------------|--|-----|
| Table 1 | Evaluation challenges and their mitigation..... | 15 |
| Table 2 | Initial CEP budget 2009–2011..... | 27 |
| Table 3 | Tanzania Country Strategy..... | 32 |
| Table 4 | Tanzania – initial CS budget 2014–2017 (EUR m)..... | 36 |
| Table 5 | Progress towards Country Development Results..... | 51 |
| Table 6 | Assessing the validity of the CS TOC..... | 66 |
| Table 7 | Evaluation matrix..... | 103 |
| Table 8 | Tanzania: specific evaluation question..... | 111 |
| Table 9 | Evaluation criteria..... | 111 |
| Table 10 | Terms associated with approaches to development cooperation..... | 112 |
| Table 11 | Chronology of Finnish development cooperation in Tanzania..... | 116 |

ACRONYMS AND ABBREVIATIONS

| | |
|--------|--|
| AfDF | African Development Fund |
| AfT | Aid for Trade |
| ASA | (MFA) Department for the Americas and Asia |
| BBC | British Broadcasting Corporation |
| BEAM | TEKES Business with Impact Programme |
| BS | budget support |
| CBFM | community-based forest management |
| CBNRM | community-based natural resource management |
| CBO | community-based organisation |
| CCO | cross-cutting objective |
| CDR | Country Development Result |
| CEP | Country Engagement Plan |
| CG | Consultative Group |
| CS | country strategy |
| CSM | country strategy modality |
| CSO | civil society organisation |
| CTC | Country Team Coordinator |
| DAC | Development Assistance Committee (of OECD) |
| Danida | Danish international development agency |
| DC | development cooperation |
| DESEMP | District Economic and Social Empowerment Programme |
| DFID | Department for International Development (UK) |
| DFNRNR | Department of Forestry and Non-Renewable Natural Resources |
| DOE | Department of Environment |
| DOSM | Department of Surveys and Mapping |
| DP | development partner |
| DPG | Development Partners Group |
| DPP | Development Policy Programme |
| DR | development result |
| EAC | East African Community |
| EITI | Extractive Industries Transparency Initiative |
| EQ | evaluation question |
| EU | European Union |
| EUR | Euro |
| FAV | Finnish added value |
| FCG | Finnish Consulting Group |
| FDI | Foreign Direct Investment |

| | |
|---------|--|
| FLC | Fund for Local Cooperation |
| FY | financial year |
| GBS | general budget support |
| GDP | Gross Domestic Product |
| GEEW | gender equality and the empowerment of women |
| GoF | Government of Finland |
| GoT | Government of Tanzania |
| GTK | Geological Survey of Finland |
| HDI | Human Development Index |
| HEI-ICI | Higher Education Institutions Institutional Cooperation Instrument |
| HQ | headquarters |
| HRBA | Human Rights-Based Approach |
| ICI | Institutional Cooperation Instrument |
| ICT | information and communications technology |
| IDA | International Development Association |
| IFAD | International Fund for Agricultural Development |
| IMF | International Monetary Fund |
| INGO | international non-governmental organisation |
| IPTL | Independent Power Tanzania Limited |
| IT | Information Technology |
| JICA | Japan International Cooperation Agency |
| KRA | key result area |
| kV | kilovolts |
| LGA | local government authority |
| LGDG | Local Government Development Grant |
| LGRP | Local Government Reform Programme |
| LIMAS | Lindi and Mtwara Agribusiness Support |
| M&E | monitoring and evaluation |
| MCST | Ministry of Communication, Science and Technology |
| MDA | Ministries, Departments and Agencies |
| MDG | Millennium Development Goal |
| METLA | Finnish Forest Research Institute |
| MFA | Ministry for Foreign Affairs (Finland) |
| MKUKUTA | Tanzania National Growth and Poverty Reduction Strategy |
| MKUZA | Zanzibar Strategy for Growth and Reduction of Poverty |
| MLHWE | Ministry of Land, Housing, Water and Energy |
| MNRT | Ministry of Natural Resources and Tourism |

| | |
|----------|---|
| MOF | Ministry of Finance |
| MOU | memorandum of understanding |
| MTE | mid-term evaluation |
| MTR | mid-term review |
| NAFORMA | National Forest Resources Monitoring and Assessment |
| NFBKP | National Forestry and Beekeeping Programme |
| NGO | non-governmental organisation |
| np | no page number |
| NRM | natural resource management |
| O&M | operation and maintenance |
| ODA | official development assistance |
| OECD | Organisation for Economic Cooperation and Development |
| OECD DAC | OECD Development Assistance Committee |
| PFM | public finance management |
| PFMRP | Public Finance Management Reform Programme |
| PFP | Private Forestry Programme |
| PMO-RALG | Prime Minister's Office - Regional and Local Government |
| PPP | public private partnership |
| PRSP | Poverty Reduction Strategy Paper |
| PSD | Private Sector Development |
| RBM | results-based management |
| RIPS | Rural Integrated Project Support |
| SAGCOT | Southern Agricultural Growth Corridor of Tanzania |
| SBS | sector budget support |
| SC | Steering Committee |
| SCADA | supervisory control and data acquisition |
| SME | small and medium enterprise |
| SMOLE | Sustainable Management of Land and Environment |
| TA | technical assistance |
| TANZICT | Information Society and ICT Sector Development Project |
| TANZIS | Tanzania Innovation Support Programme |
| TASAF | Tanzania Social Action Fund |
| TIP | Tanzanian Innovation Programme |
| TMEA | Trademark East Africa |
| TOC | theory of change |
| TOR | terms of reference |
| UN | United Nations |
| UNDP | United Nations Development Programme |
| USD | United States Dollar |
| WB | World Bank |
| WLPP | Women's Leadership and Political Participation Project |

ABSTRACT

This evaluation of Finland's Country Strategy for Tanzania, 2013 - 2015 is part of an overall evaluation of Finland's Country strategy modality. The CS was relevant to the national context and challenges, and to Finnish development policy priorities, and improved the focus of the Finnish development cooperation portfolio. But it could not fully shape or direct the portfolio, being built around a group of ongoing interventions. Assessment of its effectiveness is hindered by the contribution gap in its logic model, by the fact that management and reporting focus on outputs rather than outcomes, and by the lack of final project evaluations. The CS did not contribute to more aid-effective country programming. Its impact is hard to assess. Inadequate risk identification and management remains a challenge to efficiency. The sustainability of the Tanzania CS is influenced by the degree of ownership that Tanzanians feel. This is limited for the CS as a whole, but fairly strong for some of the individual interventions. Complementarity of the CS with other Finnish channels and mechanisms was inadequate. Coherence of the CS and its programme remains partial. The next CS should be developed on a more consultative basis and present all modes of Finnish engagement with Tanzania. The logic model and corresponding results monitoring framework should be revised to deal with the contribution gap. The new CS should focus on the sustainable NRM and equitable growth clusters.

Keywords: Tanzania, Development, Aid, Evaluation, Effectiveness

The next CS should present all modes of Finnish engagement with Tanzania.

Relations go back to the 1960s, which is why the concept of friendship is intertwined with more conventional notions of donor support.

SUMMARY

Background

The United Republic of Tanzania remains a predominantly rural society and economy, many of whose people still suffer severe poverty. However, recent economic growth rates have been substantial, and a new dimension of growth is now anticipated, as major new revenues from offshore gas fields come on stream over the coming decade. The country is beginning to aspire to lower middle-income status. Good governance and natural resource degradation (in a context of climate change) are major development challenges. Tanzania has generally enjoyed political stability, apart from periodic unrest in Zanzibar, where disputes over the 2015 general election led to new political uncertainty at the time of this evaluation.

For some decades, Tanzania depended heavily on official development assistance, to which Finland, the country's oldest development cooperation partner, made a small but significant contribution. Relations go back to the 1960s, which is why the concept of friendship is intertwined with more conventional notions of donor support. After some decades of mostly project-based support and fluctuating budget levels, Finland added general budget support contributions from 2001 and began supporting the Local Government Reform Programme in 2005. By 2009 the overall value of the bilateral portfolio reached EUR 40m. Forestry was and remains a core theme.

Following its Country Engagement Plan for Tanzania, 2008-2012, Finland launched its first Country Strategy (CS) in 2013, with a second edition in 2014 for the period to 2017. Keyed to the national development objectives set out in the poverty reduction strategy, the CS aimed at three country development results: good governance and equitable service delivery; sustainable use and management of natural resources and access to land; and promotion of inclusive, sustainable and employment-enhancing growth. The existing portfolio of projects was organised within the consequent three clusters under the CS, whose total four-year budget was estimated at EUR 119.9m in the 2013 edition and EUR 99.9m in the 2014 edition. Further budget cuts have reduced the annual budget estimate for the CS in the current year to EUR 13.0m.

Purpose of the evaluation

This is part of an overall evaluation by the Ministry of Foreign Affairs (MFA) of its CS modality (CSM) and accompanies similar country-level evaluations in six of Finland's other key bilateral cooperation partners. It is intended to provide evidence-based information and practical guidance for the next update of the CSM on how to improve the results-based management (RBM) approach in country programming and to improve the quality of implementation of Finnish development policy at the partner country level. Its objective is to provide evidence on the successes and challenges of the CS. It covers 2008-2015, with more focus on the CS period from 2013 onwards.

Approach and methodology

The evaluation uses a Theory of Change (TOC) approach to assess the contribution of CS portfolios to country observed results, CS to CS portfolios, CSM to CSs, and CSM to MFA RBM overall. The critical assumptions underlying the TOC are tested as part of this process. The study answers a series of evaluation questions on the CS and the CSM that were agreed with the MFA during an inception phase. Various sources of information and evaluation tools were used, enabling triangulation of research findings. They included document review, analysis of financial and other statistics, semi-structured interviews based on the evaluation questions, and site visits. The evaluation took place from September 2015 to April 2016, with a visit to Tanzania in January - February 2016 that was preceded by interviews in Helsinki.

Findings, conclusions and recommendations

Relevance. The objectives of the CS are directly relevant to the national context, development policies, priorities and programmes. In both general and specific terms, the objectives of the CS were relevant to the rights and priorities of partner country stakeholders and beneficiaries, and, among them, to the interests of easily marginalised groups. The CSM enhanced relevance by improving thematic focus in the CS portfolio.

Effectiveness. Although the CSM has made RBM more systematic and effective in guiding programme monitoring and management, it is difficult to assess the effectiveness of the CS as a whole because of the contribution gap within its logic model, which hinders any demonstration of how the outcomes of CS portfolio interventions affect the status of indicators at the upper levels of the model (Country Development Results and Finland's Objectives). Evaluation of effectiveness is also hampered by the limited amount of outcome data being reported from these interventions. The climate for aid effectiveness deteriorated, and the aid effectiveness of the CS portfolio (for example through general budget support (GBS)) declined during the review period. The worsening political and governance context hindered achievement of development results. Some interventions were effective in establishing promising paradigms, but not in implementation at scale. In the upstream area of enhanced governance, the Public Finance Management Reform Programme (PFMRP) was effective, but more at the technical level than at the policy level.

Efficiency. Low disbursement rates, downward revision of output targets and project extensions are indicators of poor efficiency in some interventions. Overall, efficiency was impaired by institutional and bureaucratic conditions on both the Tanzanian and the Finnish side. The introduction of the CSM did not significantly improve risk management in the portfolio, which did not adequately identify implementation risks or indicate how they might be addressed. However, the strengthening of RBM through the CSM has had a positive impact on efficiency, with tighter checks on performance at output level.

Impact. Not surprisingly at this early stage, there are no clear or convincing signs of development impact yet from activities carried out under the CS; although future evaluations might identify some if the initial promise of private sector forestry, the seed potato project and the Information Society and

Some interventions were effective in establishing promising paradigms, but not in implementation at scale.

Complementarity with other Finnish development cooperation instruments, channels and programmes could be greatly strengthened by more explicit presentation of the full range of these, and explanation of how they interlock, in the CS.

A second CS for Tanzania can be built on two strong foundations: the instructive and productive experience gained from the first CS, 2013–2016; and the ongoing strong friendship between Finland and Tanzania.

ICT Sector Development Project (TANZICT) proves sustainable. A number of bold assumptions in the implicit CS theory of change will have to hold true for the planned impact to be achieved by the CS portfolio overall.

Complementarity, coherence and coordination. Complementarity with other Finnish development cooperation instruments, channels and programmes could be greatly strengthened by more explicit presentation of the full range of these, and explanation of how they interlock, in the CS. Coherence is beginning to develop within the CS, but - because the CS was initially fitted around an existing portfolio of activities - it would take further cycles of CS design and implementation to be achieved in full. As before the CS was introduced, coordination of Finnish development interventions with those of other donors has been good. Coordination of the CS itself has not, in the sense that development partners are only slightly aware of it.

Cross-cutting objectives and human rights-based approach (HRBA). Economic, social and cultural rights are meant to be addressed in all CS interventions, but in most cases the effectiveness of this commitment cannot be directly measured. Withdrawal from GBS and the termination of Finnish involvement in the Local Government Reform Programme (before the CS even began) reduced opportunities to affect these issues through policy dialogue. More focused support was given on gender issues through a women's political participation project implemented by UN Women, but this intervention only partially achieved its intended outcomes. The HRBA and cross-cutting objectives are also pursued through support to the Uongozi Institute, but data on the effectiveness of this intervention are not available.

Sustainability. Ownership and inclusivity are key foundations for sustainability. They have varied across the CS portfolio but have typically been higher in 'upstream', policy-level interventions like the (now terminated) GBS and the PFMRP than in projects where technical assistance teams have had a leading role. Long Finnish engagement in the forestry sector has helped to build ownership there, although it would still be premature to confirm sustainable results from the CS's forestry interventions. Sustainability also depends, as always, on domestic Tanzanian institutional, political, social and economic factors - none of which are fully conducive to sustainability of these interventions' results.

The table below summarises the principal results of the evaluation. This is a simplified presentation that does not reflect the overlaps and interrelations between some of the findings, conclusions and recommendations. Following presentation of the evaluation's findings in chapters 5 and 6, the full text of the conclusions of the evaluation is set out in chapter 7 of the report, with the full statement of recommendations in chapter 8.

Despite the uncertain political climate in Tanzania at the time the evaluation was completed, the recommendations assume that the governments of the two countries will remain committed to a development cooperation programme. Overall, it is clear that a second CS for Tanzania can be built on two strong foundations: the instructive and productive experience gained from the first CS, 2013–2016; and the ongoing strong friendship between Finland and Tanzania, derived from Finland's good reputation as a reliable and competent partner over many years.

Abbreviated summary of principal findings, conclusions and recommendations

| Findings | Conclusions | Recommendations |
|---|---|---|
| Tanzanians feel little ownership of the CS as a whole. There was only a limited amount of consultation and briefing with the Government of Tanzania (GoT) during CS preparation, and although occasional updates on the CS are still provided, levels of awareness are low and of ownership lower. This is seen as a Finnish strategy that is appropriately linked to Tanzanian objectives. At sectoral level, the CS portfolio did achieve significant levels of Tanzanian ownership of the policy directions and implementation mechanisms being developed. | The sustainability of the Tanzania CS is influenced by the degree of ownership that Tanzanians feel. This is limited for the CS as a whole, but fairly strong for some of the individual interventions, roughly in proportion to the degree of integration of the project with local leadership, institutional and policy frameworks. | 1. The next CS should be developed on a more consultative basis and offer a more inclusive approach to the GoT. It should retain its character as a strategy of the Government of Finland; but there should be a stronger commitment to ownership and alignment. |
| The objectives of the Tanzania CS are directly relevant to national development policies, priorities and programmes as stated at the time it was formulated. In both general and specific terms, the objectives of the CS were relevant to the rights and priorities of partner country stakeholders and beneficiaries, and, among them, to the interests of easily marginalised groups. | The CS and its component interventions are relevant to the context in the country and to the rights and priorities of partner country stakeholders. Its concern with good governance, equity and the promotion of employment offers some support to easily marginalised groups. | 2. Like the current one, the next CS should be keyed as directly as possible to GoT development objectives, provided that these are broadly concordant with Finnish development policy and allowing for the fact that the new GoT objectives, as stated in the forthcoming five-year development plan, may still be in draft at the time of CS preparation. This is likely to mean reference also to the implementation of the global Sustainable Development Goals at national level. |
| The CS refers briefly to the need for “new development instruments” and mentions some of them. But it does not offer a structured explanation of the proposed complementarity between these instruments and initiatives. It also makes no active effort to promote complementarity between the bilateral programme and another major area of Finnish intervention, through NGOs. | The complementarity of the CS and its programme with the other Finnish channels and instruments for engagement with Tanzania is not strong. | 3. The next CS should set out a comprehensive description and explanation of all modes of Finnish engagement with Tanzania, including the bilateral cooperation programme directly managed through the CS. This does not mean altering funding or management responsibilities for these different modes of engagement within the Government of Finland. It does mean optimising complementarity between the various mechanisms, instruments and modalities so that the CS gives an integrated rationale for the full spectrum of Finnish development cooperation with Tanzania. |

| Findings | Conclusions | Recommendations |
|---|---|--|
| <p>The CS refers briefly to the need for “new development instruments” and mentions some of them. But it does not offer a structured explanation of the proposed complementarity between these instruments and initiatives. It also makes no active effort to promote complementarity between the bilateral programme and another major area of Finnish intervention, through NGOs.</p> | <p>The complementarity of the CS and its programme with the other Finnish channels and instruments for engagement with Tanzania is not strong.</p> | <p>4. Being at the forefront of evolving modes of collaboration between Finland and Tanzania, but with less reliance on bilateral project funding, the equitable growth cluster in the new CS should make particular efforts to emphasise complementarity with other instruments for Finnish support and cooperation with the Tanzanian private sector, its employees, its promoters and its regulators.</p> |
| <p>The CS logic model of the CSM reveals a substantial contribution gap: the effectiveness of CS portfolio interventions in helping to achieve the three Country Development Results, or even Finland’s objectives at strategic choice level 2 in the second column, can at best be partial and is impossible to demonstrate empirically. The annually updated results monitoring framework on CS performance against this logic model is inevitably an incomplete and unconvincing attempt to measure the overall effectiveness of the CS.</p> | <p>Assessment of the overall effectiveness of the CS is hindered by the contribution gap in its logic model, which makes it difficult to draw convincing conclusions from the annual results monitoring framework data.</p> | <p>5. The logic model and corresponding results monitoring framework for the new CS should be revised to deal with the contribution gap that has afflicted overall evaluation of the performance of the current CS.</p> |
| <p>Risks were discussed in just under one page of the CS, in a narrative format that failed to specify mitigation measures for each identified risk. The major risks inherent in the Tanzanian institutional, policy and economic environment were, overall, poorly identified and poorly addressed.</p> | <p>Risk identification and management remains a challenge to the efficiency of the CS and its programme. However, the CS made a more positive contribution to efficiency with its emphasis on results-based management. More careful assumptions and assessment of risk would strengthen the next CS.</p> | <p>6. The new CS should present a more detailed analysis of risks and assumptions, specifying the implications of both and how the former would be addressed.</p> |

| Findings | Conclusions | Recommendations |
|--|---|---|
| <p>The budget for the bilateral cooperation programme with Tanzania has been much reduced, and there is no guarantee that it will not be reduced further. Specialist adviser posts at the Embassy will also be cut.</p> <p>Finland has a strong reputation in the forestry sector. It has laid the foundations for enhanced approaches in community-based forest management and made encouraging progress at the start of its Private Forestry Programme.</p> <p>The equitable growth sector offers the strongest potential for expanding Finnish cooperation with Tanzania through a variety of instruments and mechanisms.</p> <p>Issues of governance and accountability are increasingly important in Tanzania, and for the country's relationship with Finland.</p> | <p>Given recent and possible further budget and staff cuts, it would seem logical to recommend a reduction in the number of CS clusters and Country Development Results from three to two. Such a recommendation would be inappropriate for three reasons: there are ongoing and/or imminent project commitments in the NRM and growth clusters; excluding the good governance field from the next CS would send the wrong signals to Finnish and Tanzanian society; and the new CS should maximise complementarity across the full spectrum of Finnish engagement with Tanzania.</p> | <p>7. The new CS should focus on the sustainable NRM and equitable growth clusters, while maintaining the current projects in the good governance cluster (Uongozi Institute and PFMRP; UN Women closes shortly) but emphasising complementarity with Finnish engagement through NGO channels and the role of the Fund for Local Cooperation (FLC) in the governance sector. FLC support for work in the other two clusters should be reduced, so that good governance activities receive at least half of FLC funding.</p> |
| <p>Project managers tend to focus much more on output delivery and reporting, and in many cases data at outcome level are thin or absent. For some projects, it is of course premature to offer performance data at outcome level.</p> | <p>Assessment of the effectiveness of CS interventions is hindered by the fact that management and reporting of these interventions has focused more at output than at outcome level. As far as can be ascertained, effectiveness has varied, but sound institutional and policy foundations have been laid in some fields.</p> | <p>8. Both the new community-based forest management project and the Private Forestry Programme should be intensively monitored during the next CS period, required to collect and report outcome-level performance data, and subject to final evaluation.</p> |
| <p>The CS makes multiple commitments to inclusive approaches that seek to assist the marginalised and underprivileged as well as those more readily able to benefit from development interventions, and makes numerous references to promoting gender equality and the empowerment of women. Some of the indicators in the CS results monitoring framework refer specifically to geographical equity (reduction of inequality through improved service delivery) and gender.</p> | <p>CS implementation has seen convincing commitment to human rights-based approaches, gender equality and the reduction of inequality in society, although the outcomes achieved have not been clearly measured.</p> | <p>9. The new CS should make explicit reference to those interventions that will directly address one or more of the current Development Policy Programme (DPP) cross-cutting objectives, and briefly explain how. Where appropriate, it should also explain how other Finnish development and engagement instruments are likely to help meet these objectives.</p> |

| Findings | Conclusions | Recommendations |
|---|---|--|
| <p>No impact evaluations of Finland's Tanzania CS interventions are available. No final evaluations are available either, with one explanation being that so few projects actually end without being rolled into another phase.</p> <p>Outcome level reporting on the performance of the Uongozi Institute is inadequate; the effectiveness of the intervention cannot be adequately judged.</p> <p>LIMAS was the latest in a series of Finnish support programmes in the Lindi and Mtwara Regions dating back to 1972.</p> | <p>Introduction of the CSM has not strengthened the approach to evaluation in the Tanzania programme.</p> | <p>10. The governments of Finland and Tanzania should prepare for a final evaluation in 2017 of their joint support to the Uongozi Institute, in order to determine whether further support is warranted and what form it should take.</p> <p>11. The MFA should commission a final evaluation of LIMAS that also assesses the lessons learned during previous programmes in those Regions and the extent to which they remain relevant.</p> |

1 INTRODUCTION

1.1 Origin and context of the evaluation

The Ministry for Foreign Affairs of Finland (MFA) introduced the country strategy modality (CSM), a country strategy planning and management framework, in 2012 within the context of the 2012 Development Policy Programme (DPP), and also driven by the 2011 results-based management (RBM) evaluation of Finnish development cooperation. From 2013 onwards the CSM has been implemented in the seven long-term partner countries of Finland, namely Ethiopia, Kenya, Mozambique, Nepal, Tanzania, Vietnam and Zambia.

The CSM is a key instrument to introduce RBM in country programming and to enhance Finnish aid effectiveness and accountability. Before 2013 (in 2008-2012) country programmes were set out as Country Engagement Plans (CEPs), which were not results-based. From 2013 the country strategies (CSs) that resulted from the CSM were required to set out goals and objectives with appropriate measures to track achievements against these.

In mid-2015 the MFA contracted Mokoro Limited and Indufor Oy to undertake an evaluation of the CSM and CSs (Ethiopia, Mozambique, Nepal, Tanzania, Vietnam and Zambia). The results from the evaluation will inform adjustments to the CSM and the new CSs as well as contribute to improving upwards results reporting within the MFA and beyond, including the Parliament of Finland. The full terms of reference (TOR) for the evaluation are at Annex 1. These TOR apply also to the Tanzania country evaluation.

1.2 Purpose and objectives of the country evaluation

This country evaluation has a double purpose:

- to evaluate, for both accountability and learning purposes, Finland's bilateral cooperation with Tanzania since 2008. As such, this is a free-standing report, to be published separately, and it will elicit a separate management response from the country team;¹
- to contribute towards the evaluation of the CSM, as part of a multi-country study (Ethiopia, Mozambique, Nepal, Tanzania, Vietnam and Zambia).

¹ TOR: "The country reports will be discussed with partner countries and the management response drawn up on this basis. The follow up and implementation of the response will be integrated in the planning process of the next phase of the country strategy."

The **objective** of the country evaluation is

- to provide evidence on the successes and challenges of the CS portfolio of interventions² by assessing the relevance of Finland's interventions and of the strategic choices made in the CS, as well as the performance of the CS portfolio against these choices;
- to provide evidence on the feasibility of the Country Strategy Modality for the purposes of the results-based management of the MFA.

The principal features of the evaluation are set out below.

- The **temporal scope** of the evaluation is the period 2008 to 2015. Although there is particular interest in the country strategy modality which was introduced only in 2012, it is necessary to consider a longer period (a) because many of the interventions taking place during the post-2012 period were designed and commenced earlier, and (b) as stated in the TOR, "in order to understand the strategies as they are now and to evaluate the change and possible results of current country strategies, it is essential to capture the previous period as a historical context".
- The **content scope** of the evaluation considers Finnish bilateral funding to Tanzania in the context of Finland's development funding portfolio as a whole and Finland's role as part of the donor community. However, it focuses directly only on the instruments that come within the scope of the Country Strategy as set out in Chapter 4 below. The evaluation, however, is not an evaluation of individual components separately, but of the programme as a whole.
- **Summative and formative dimensions.** The evaluation aims to explain the strengths and weaknesses of past performance and to make forward-looking recommendations at country level, as well as providing inputs to formative CSM recommendations.
- **Users.** The MFA country team and desk officers will be primary users of the country evaluation findings, conclusions and recommendations. Country teams comprise responsible persons both in the regional department unit in Helsinki and in the Embassies. The main audience for - in other words, the direct users of - the evaluation are the MFA Department for Development Policy, the regional departments and their units (for the Americas and Asia, and for Africa and the Middle East) overseeing the CSs in the long-term partner countries, and Finland's embassies in long-term partner countries.

The evaluation therefore looks separately at (i) whether the CS portfolio is performing given the target country strategy objectives and development results; and (ii) the contribution that the CS/CSM made to this performance. The second

² The term **CS portfolio of interventions** (or more concisely "CS portfolio") is used as shorthand for the actually implemented / ongoing set of interventions and activities as framed by the CS, notwithstanding the instrument through which they are funded or whether they originated from the CEP. Evaluating the country strategy means in significant part evaluating this CS portfolio against the evaluation criteria, to test the validity of the CS logical model and assumptions, and by extension the bulk effects of Finland's CS-directed interventions in Tanzania.

focus on the country strategy modality is in turn at two levels: the difference the introduction of the CS approach made to the content and implementation of the Tanzania programme; and the relevance, effectiveness, efficiency and sustainability of the CSM as an RBM methodology to manage the Tanzania CS portfolio.

The evaluation findings on the CS portfolio follow this approach by first assessing the CS portfolio as such, and then considering the difference that the country strategy approach has made.

1.3 Approach and methodology

The Tanzania country strategy evaluation approach and methodology followed the overall approach and the evaluation plan and criteria set out in the TOR and the Inception Report (November 2015). The Inception Report elaborated the key country evaluation instruments, data collection and validation methods, and processes. We discuss evaluation instruments and data collection and validation methods used for the Tanzania report in summary below. More detail is provided in Annex 2.

1.3.1 Evaluation instruments

The country evaluation uses a set of inter-related evaluation instruments. These are:

The CS level theory of change (TOC)

The Tanzania TOC is elaborated in Section 4.3. The TOC sets out the intervention logic of the CS portfolio, as framed by the CS, as a result chain with explicit (in the CS) and implicit assumptions, which operates within the Tanzania context. The evaluation team drew on the assumptions in the logical frameworks, interviews with the country team, and a review of the context to adapt the generic assumptions for the country TOCs provided in the Inception Report, for Tanzania.

The TOC allowed the country evaluation team to track whether the theory of how Finland will affect country development results, as expressed in the CS logic model, was valid given the degree to which it was realised in practice, given the CS portfolio. Assessing CS portfolios against the TOC involved five dimensions:

- i. Assessing whether the CS objectives and the interventions to implement them in the CS portfolio represent the right choices, or were relevant given Tanzania's context and Finland's development policy objectives. This is assessed in the relevance section (5.1);
- ii. Assessing whether the CS interventions took place (inputs and outputs materialised), and whether they delivered their planned results (the intermediate outcomes of the TOC). This is assessed in the effectiveness section (5.2).

- iii. Assessing whether these results can be argued to have contributed to Finland's specific objectives (the TOC outcomes). The evaluation examined Tanzania-specific pathways for the contribution, which included both what the interventions were and how they were implemented, as well as leveraging through policy dialogue and uptake of models. The findings against this dimension are also presented in the effectiveness section (5.2)
- iv. Assessing whether there is evidence to support the CS logical framework hypothesis that the specific objectives, as realised through the interventions, would contribute to the CS objectives (the second TOC outcome result) and target development results (the TOC Impact result). This is assessed in the impact section (5.3)
- v. Assessing how well the CS portfolio achieved the results:
 - was it efficient in translating Finnish resources to results (assessed in 5.4)?
 - is it sustainable (5.5)?
 - are effectiveness and impact supported through complementarity with other Finnish aid instruments, internal and external coherence, and coordination with partners at country level (5.6)?
 - how well did it achieve Finnish cross-cutting development policy objectives?

The country TOC furthermore made a distinction between the performance of the CS portfolio (expressed by the CS level TOC in Figure 4) and the performance of the CSM as an RBM methodology influencing that programme.

Evaluation and judgement criteria

The Tanzania evaluation uses the same criteria as the other five country strategy evaluations to make findings. These operate at two levels. Firstly, as set out above against the TOC result chain, the evaluation uses an adjusted set of Organisation for Economic Cooperation and Development (OECD) Development Assistance Committee (DAC) evaluation criteria to systematise the dimensions in which the performance of the CS portfolio is evaluated. These criteria and their definitions are provided in Annex 2. Secondly, within each dimension the methodology set out judgement criteria which guided the teams in collecting and analysing evidence against the evaluation criteria. These are set out as part of the evaluation matrix, also provided in Annex 2.

The evaluation matrix and evaluation questions

The evaluation was framed by the evaluation questions provided in Annex 2. The evaluation matrix acknowledged the inter-related nature of the CS portfolio evaluation and the CSM evaluation, and thus made explicit in an integrated matrix which questions were to be examined to assess the performance of the CS portfolio against the evaluation criteria, and which related to the performance of the CSM. The judgement criteria provided guidance on how to interpret the questions, and what would count as evidence. A Tanzania-specific

evaluation ‘question’ (actually a request for recommendations) is also presented in the Annex.

It should be noted that the evaluation matrix frames the assessment of CSM influencing performance on the CS portfolio, against whether it was a relevant methodology; whether it contributed to CS portfolio performance against the evaluation criteria (CSM effectiveness); whether it is efficient; and whether it is sustainable.

Analytical devices

Finally, the evaluation utilised contribution analysis, process analysis, logical reasoning, and causal mechanism validation by expert and stakeholder feedback, as analytical methods to assess both the performance of the CS portfolio against the TOC and evaluation questions, and assess the CSM. Contribution analysis was applied where the distance between CS portfolio results and the CS objective analysed allowed it to occur. Where the team identified a contribution gap, it used logical reasoning to identify plausible causal mechanisms, which were validated by expert and stakeholder feedback.

For the evaluation, a contribution gap refers to the recurring circumstance in all the CSs when the size of the Finnish intervention; the results chain length to the target development result; data availability; and/or the time needed for the result to occur following an intervention, would affect whether the results from comprehensive contribution analysis would yield useful and valid information for the MFA. The use of different analytical instruments to evaluate the chain was aimed at usefully evaluating the performance of the CS portfolio interventions to the level of their direct outcomes. Higher up the results chain, the task was to check that the Finnish interventions are sensibly aligned with Finnish and country general objectives, and that the assumptions about their contribution to country-level results remain valid.

The team used process analysis and causal mechanism validation through the stakeholders involved to assess the influence of the CSM on the content and delivery of the CS portfolio.

1.3.2 Data collection and validation

The Tanzania country evaluation team was able to use mixed information sources to generate and triangulate the evaluation findings. These are referenced throughout the report. They included:

- **Document sources:** country CSM documentation and reports; existing intervention reviews and evaluations; and relevant secondary literature from non-MFA sources including government documents and evaluations or reviews undertaken by other partners. The exact document sources are referenced throughout the report.
- **Statistical information sources:** the report uses analysis of financial and other statistics collected from the MFA and other sources. References are provided throughout the report.

- **Semi-structured interviews based on the evaluation questions:** this included individual interviews, group interviews and focus group discussions. In view of the confidentiality assurances provided to respondents, respondents are not identified with reference to each reported observation. However, Annex 3 provides a full list of people interviewed.
- **Site visits** to observe results on the ground and elicit beneficiary and local stakeholder feedback, in alignment with the TOR requirement for participatory evaluation.

Triangulation was done between different categories of source, where possible, but also among sources of the same type, e.g. multiple interviewees. The data and findings were validated through a country-based and Helsinki-based country evaluation validation workshop. For Tanzania this workshop was attended by government representatives, donor partners and Embassy staff.

1.4 Evaluation process

The evaluation took place from September 2015 to June 2016. The team comprised Stephen Turner (country team coordinator (CTC)), Bernadeta Killian and Raisa Venäläinen (team members).

The first desk study phase was undertaken after the kick-off meeting on September 10th, 2015. The context analysis, TOC and emerging hypotheses as well as the detailed work plan for the evaluation were presented in the Inception Report submitted to MFA in November, 2015.

Following a round of interviews with MFA and other informants in Helsinki on 12-13 January 2016, the country mission took place from 18 January to 3 February 2016. It covered all the key Finnish-supported bilateral projects and all the aid instruments under the CS, making use where possible of existing evaluation reports, which were restricted to mid-term reviews; no final evaluations were available.

The mission included travel to Iringa Region for site visits to the Private Forestry Programme (PFP) and the Information Society and ICT Sector Development Project (TANZICT) and to Zanzibar for a visit to government staff who had worked with the recently closed Sustainable Management of Land and Environment (SMOLE) programme. Iringa Region was selected for the opportunity to see two of the newer elements of the CS in close proximity; Zanzibar was chosen, rather than the more distant Lindi and Mtwara Regions, for the logistically easy opportunity to learn about the results of a long-running Finnish intervention that had recently ended. At the end of the field mission, an internal debriefing was undertaken with Embassy of Finland staff on 3 February, 2016. The validation workshop with internal and external stakeholders was held in Dar es Salaam on 11 April, 2016.

The evaluation process was participatory and consultative to ensure that key Finnish and Tanzanian stakeholders at various levels could contribute to the evaluation process, including providing information for evaluation and commenting on the various outputs including the draft Inception Report, interview plan, mission findings, and draft final evaluation report.

The team interviewed over 75 people in Tanzania, including Government of Tanzania (GoT) officers, past and present project staff and consultants, development partner and non-governmental organisation (NGO) personnel and staff at the Embassy of Finland (see Annex 3).

1.5 Limitations to the country evaluation

The evaluation faced a number of challenges, both in evaluating the CS portfolio against CS objectives, and in evaluating the CSM influencing of the programme and the CSM process. Several challenges were common to all the country evaluations. Others were more specific to Tanzania. Table 1 summarises the main challenges and how the evaluation team sought to mitigate them.

Table 1: Evaluation challenges and their mitigation

| Challenge | Mitigation |
|--|--|
| CS PORTFOLIO EVALUATION CHALLENGES | |
| <p>The contribution gap: Assessing the effectiveness and impact of a small donor's CS portfolio against high-level country strategy development result targets presented challenges. These were highlighted in the inception report. Comprehensive contribution analysis is not useful in these circumstances.</p> <p>Finland's contribution to ODA in Tanzania is very small, which has posed difficulties in observing contributions to CS development results areas except in the case of water and sanitation projects.</p> <p>Portfolio assessment challenge: Throughout the evaluation the team was challenged by summing the performance of individual interventions, towards an assessment of the CS portfolio result chain.</p> <p>This was also difficult to assess because of the small relative contribution of Finland.</p> | <p>The 'contribution gap' in the Tanzania country strategy occurs for some interventions between the immediate intervention results and the specific objectives, and for others from the specific objectives or objectives to the target development result.</p> <p>To deal with the contribution gap and portfolio assessment challenges, the team:</p> <ul style="list-style-type: none"> – investigated how policy dialogue and the provision of successful models for replication by counterparts were able to leverage specific interventions by influencing other partners, including government, to direct their resources to similar objectives. – used logical reasoning to identify the plausible mechanism for contribution, and then validated these through expert and stakeholder feedback, to check on the feasibility of the result chain. – used available evaluations and reviews of individual interventions, but focused on the extent to which performance was achieved across the portfolio. This was facilitated by the methodology which assessed the CS portfolio against the CS objectives, as well as the application of the complementarity, coherence and coordination criteria. |

| Challenge | Mitigation |
|---|--|
| CS PORTFOLIO EVALUATION CHALLENGES | |
| <p>Availability of validated information and statistical data related to interventions: The inception report envisaged that the CS portfolio evaluation would be able to draw on existing documentation and the CSM reports. However, this was not always the case. Several projects were renewed into further phases without final evaluations being undertaken, although in some cases mid-term reviews (MTRs) had been done. One explanation for the lack of final evaluations is this renewal into subsequent phases. But MTRs rarely offer the evaluative depth and strategic assessment that should be expected from a final evaluation, and the lack of the latter has limited what this CS evaluation could synthesise from the available material.</p> <p>As a result, there was not sufficient information available to make full assessments of all the programmes. The CS annual reports were only of limited value, given issues with whether the result matrix adequately measures performance and the stability of the indicators. For example, policy dialogue measures and outcomes are not adequately reported. In Tanzania result information on other Finnish instruments listed in the CS was not available.</p> <p>Annual results reporting provided information on results but the information was not always valid because of inadequate quality of the selected indicator, or challenges in obtaining reliable data for the concerned indicator.</p> <p>In addition, there were few data available to assess value for money of the programme, as this was not adequately addressed in most evaluation reports.</p> | <p>The fieldwork aimed to address these challenges, as much as on reviewing the findings of existing reviews and evaluations. Selection of site visits, selection of respondents and interview content therefore paid attention to filling these gaps.</p> <p>In Tanzania the team did a sampling of non-bilateral instrument projects to get a basic understanding of how effective these were in producing their planned results.</p> <p>The team used the deskwork and fieldwork phase to supplement CSM report data as much as possible from other sources to form views on results at the outcome and impact level. Where gaps still remain is reflected against the specific criteria in Chapter 5 below.</p> |
| <p>Inheritance of the CS portfolio and short time lapse since the introduction of the CS (for the CS portfolio evaluation). The degree to which the CS portfolio can be assessed against CS objectives can be challenged, given that there has been little time for the country team to adjust the CS portfolio towards higher CS result performance.</p> | <p>The evaluation treated this as a CSM assessment rather than a CS portfolio evaluation challenge. It assumed that even if the CS portfolio was put together without the CS objectives, there would still be value for the country teams to receive findings, conclusions and recommendations on the contribution of the CS portfolio interventions as they stand, to the CS objectives, particularly if such an evaluation signals the need to make significant changes in the CS portfolio.</p> <p>In undertaking this evaluation, the time frame from 2008 onwards makes it more possible to chart changes in the country portfolio and to assess effectiveness of the portfolio and its components. Secondly, the theory of change approach facilitates assessment of the relevance of selected objectives and measures in the CS, and of the plausibility that Finnish-supported activities will lead to long-term impact against these.</p> |

| Challenge | Mitigation |
|--|---|
| CSM EVALUATION CHALLENGES | |
| <p>Short time lapse since the introduction of the CS, and the inheritance of the CS portfolios from the CEP period (for the CSM evaluation). Given that the CS inherited the Tanzania CS portfolio to a significant degree, and that intervention commitments made prior to the CS determined the interventions undertaken during the CS period, there was limited scope for the team to assess whether the CSM has been able to influence the CS portfolio for better performance.</p> | <p>The team applied process analysis to track when changes were introduced in the CS portfolio, however small, and consistently enquired why these changes were made and whether they could be attributed to the CSM. This allowed it to discern first signals of CSM effectiveness, or lack of them.</p> <p>The team looked not only at whether the content of the CS portfolio changed, but also at how better management of existing interventions may improve their performance and contribution.</p> <p>This analysis was supplemented by discussing respondents' views on the likely impact of the CSM on future intervention design, given how CSM processes have been experienced so far.</p> |

1.5.1 Risks to the country evaluation

The evaluation faced a number of risks, as discussed below:

Factual and analytical gaps, misinterpretation and weaknesses in evaluation outputs due to the scope of the evaluation. The evaluation process included an internal debriefing at the Embassy and a Tanzania validation workshop to correct factual errors and address misinterpretation. A full set of comments from MFA stakeholders on the draft report has also been taken into account. In addition, an internal quality and external peer review took place, and has been taken into account in this final report.

Inconsistency across country studies. This risk is mostly at the synthesis level. In the Tanzania evaluation the risk was addressed by using the country evaluation guidance, common templates for collecting data, common approaches to analysis, common criteria and common reporting templates. The Tanzania team leader also attended two team workshops, and made adjustments to the methodology and assessment provided in this report, based on common understandings reached at the workshops.

Any evaluation also faces **operational risks**, such as poor cooperation from or unavailability of key informants; logistical factors preventing planned field visits; or political developments that either impede evaluation activities or diminish the value of the evaluation. These risks did not materialise, although the political climate for development cooperation in Tanzania was difficult at the time of the evaluation mission due to international concern about the 2015 elections in Zanzibar.

2 COUNTRY CONTEXT

2.1 Overview of the country and development performance

With a land area of 947,303 km² and an estimated population in 2014 of 51.8m, the United Republic of Tanzania remains a predominantly rural society and economy, many of whose people still suffer severe poverty. World Bank data indicate 52.7 percent of the population living on less than USD 1.90 per day (2011 purchasing power parity) in 2007, falling to 46.6 percent in 2012 (World Bank 2016b). Nevertheless, there are signs of economic and livelihood change. In the early 2000s, 84.2 percent of Tanzanians lived under that poverty threshold. The country is off target with regard to achieving Millennium Development Goal (MDG) 1 - the eradication of extreme poverty and hunger - but is judged to have made good progress. MDGs 2, 3, 4 and 6 (universal primary education, promoting gender equality, reducing child mortality and combating HIV/AIDS, malaria and other diseases) had been achieved by 2015, although Tanzania remained off target in improving maternal health and ensuring environmental sustainability (MDGs 5 and 7).

Although the population growth rate remains high (an estimated 3.2 percent per year in 2014), the economy has been growing too: GDP grew by 7.3 percent in 2013, by 7.0 percent in 2014 and by 7.1 percent year on year in the last three months of 2015. Although it remains in the “low human development” group in terms of its Human Development Index (ranking 151 out of 188 countries in 2015), its Vision 2025 is to be a “middle income country... with a high level of human development. The economy will have been transformed from a low productivity agricultural economy to a semi-industrialised one...” (GoT, not dated (nd): 2).

As it aspires to (but still remains far below) lower middle-income status, Tanzania is beginning to display some of the common features of this transition - in particular, growing inequality. The most recent Gini index for the country stood at 37.8, compared with 33.8 in the early 1990s. That the rise has been comparatively gentle (Zambia’s most recent index was 57.5, for example, and Kenya’s 47.7) partly reflects the country’s history of African socialism, as well as the low base of urbanisation; and, at 1.7 percent, its annual rate of urban population growth is the lowest among the nations covered by this evaluation of Finland’s country strategies.

While sometimes affected by unrest in the region - as during its invasion of Uganda of 1979 and its current renewed hosting of thousands of refugees from Burundi - Tanzania has long enjoyed a degree of peace and political stability envied by many other African nations. The United Republic was formed in 1964 from Tanganyika (which gained independence from the UK in 1961) and the islands of Zanzibar and Pemba (which became independent in 1963). Relations between the two parts of Tanzania have not always been smooth, and new

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difficulties arose during and after the general elections of 2015, the results of which were declared null and void by the Zanzibar Electoral Commission. A rerun on the islands took place on 20 March 2016, which the Zanzibar opposition, claiming victory the first time, boycotted. These developments led to deep donor unease - shared by Finland as a member of the European Union - and the potential for sanctions against Tanzania (European Union 2016; BBC 2016).

Tanzania's economic progress is reflected by the increase in GDP per capita, in current USD, from 172 in 1990 to 998 in 2014, with the contribution of agriculture value added as a percentage of GDP falling from 46 to 32 and the percentage contributions of industry and services rising from 18 and 36 to 25 and 44 respectively over that period. A new dimension of growth is now anticipated, as major revenues from offshore gas fields come on stream over the coming decade. Alongside these new opportunities for growth and higher living standards have come new opportunities for corruption, most notoriously to date in the 'escrow' scandal surrounding Independent Power Tanzania Ltd (IPTL) that came to light in 2014 (IMF 2015: 5). The then President of Tanzania reportedly said during a state visit to Helsinki in 2015 that his country needed Finland's help to apply the new gas revenues to equitable, sustainable development, rather than becoming like Angola. Contemplating these trends, one donor informant for this evaluation raised the prospect of Tanzania as a 'frontier economy'.

From the 1990s, Tanzania was in the forefront of new modalities in development cooperation. The GoT and its development partners (DPs) adopted sector-wide approaches for roads, education, agriculture and health from the mid-1990s. In 2001, government and the DPs established "a harmonised framework for the monitoring of 'Poverty Reduction Budget Support', through the signature of a Memorandum of Understanding, based on a common 'Performance Assessment Framework (PAF)'" (ITAD 2013: 3). The 2013 evaluation just quoted found that almost USD 5bn had been disbursed to Tanzania in budget support (BS) between the financial years 2005/06 and 2011/12 - an average 14 percent of public spending, and an annual USD 16 per head of the population, over this period.

In response to the IPTL scandal, DPs contributing general budget support (GBS) suspended their assistance for a year in 2014 - 2015. (Finland, which was then chairing the GBS group of donors, had already fully disbursed its 2014 contribution when this decision was taken.) Even before this, new thinking - positive and negative - was emerging about how to reform GBS and the PAF processes, or whether (as seriously discussed in the GoT) to abandon the modality completely. Some donors resumed GBS disbursements in 2015, but Finland (and many others) did not. At the time of this evaluation, government was suffering significant liquidity problems.

2.2 Main development challenges

The outline above has hinted at Tanzania's main development challenges. Some are as old as the United Republic itself. Others are emerging as economic transformation accelerates and the potential for massive new state revenues emerges. As development challenges, they have economic, social, political and governance dimensions.

Rural poverty, Tanzania's oldest development challenge, remains stubbornly entrenched.

- **Rural poverty**, Tanzania's oldest development challenge, remains stubbornly entrenched. Despite an immense and massively underused natural resource base, agricultural development has achieved relatively little for the rural majority of the population; 80 percent of the work force is still estimated to be 'employed' in agriculture (IFAD 2016), but it is clear that, outside a limited number of commercial export crop sectors, agriculture is failing to achieve a significant improvement in rural livelihoods. As in many countries, there is a growing prospect that adequate livelihoods for the majority of the poor may have to be assured through social transfers - for which Tanzania is laying the foundations through its Tanzania Social Action Fund.
- **Natural resource degradation** is a related challenge for sustainable rural development. The most obvious manifestation of this challenge is deforestation, as poverty, strong overseas demand and poor local governance (see below) combine to strip rural Tanzania of valuable, slow-growing hardwoods while the poor also cut large amounts of less valuable timber for charcoal production and destroy forest cover in order to expand subsistence crop production. Range management and shifting distribution of pastoralists and their herds - again linked to economic pressures and weak governance - are degrading natural resources in some areas. Casting a broad shadow across all these trends are the increasingly clear likely impacts of climate change on water resources - most recently manifested in 2015 when all the nation's hydropower plants had to be closed due to lack of water in their dams. The opening of a gas pipeline to a new power station in Dar es Salaam narrowly averted an energy catastrophe.
- **Good governance** has increasingly been recognised over the last decade as a significant development challenge for Tanzania. The IPTL 'escrow' scandal was just one prominent manifestation of the irregularities that occur in the management of public funds at all levels of government. On Transparency International's corruption perception index, Tanzania scored the same as Mozambique and Vietnam in 2013 (31), marginally better than Ethiopia (33) and Zambia (38). The general perception is that corruption became more widespread during the first half of this decade (The Guardian 2015); that the new administration that came to power in October 2015 is making serious efforts to address the problem; and that these efforts will meet strong resistance from economic and political interests that are now deeply entrenched (Citizen 2015).
- A related challenge in the governance field is **decentralisation**. Tanzania has been grappling with various modes and programmes of decentralisation since the early 1970s; the current approach to 'decentralisation by devolution', which has allocated many administrative and development functions to local government authorities (LGAs) such as district and municipal councils, has yet to prove effective. Despite efforts to strengthen them, notably through the donor-funded Local Government Reform Programme to which Finland contributed, LGAs continue to lack capacity and to work inefficiently. Institutions and systems meant to link central and local government - until recently, through the Prime Minister's Office - Regional and Local Government (PMO-RALG) - have also

remained inefficient and ineffective. For example, LGAs may have to wait months after the start of the financial year on 1 July before they receive funds from central government. The new administration's transfer of the Regional and Local Government function to the office of the President reflects the serious nature of this challenge. The Public Finance Management Reform Programme (PFMRP), to which Finland contributes, also works to address these problems.

- **A new mode of development:** in sum, Tanzania's development challenge is to achieve its goals for economy and society – many of which remain distant – by new means. The paradigms of donor support that were familiar over the last half century are becoming less relevant, for reasons that span economic and political trends in donor nations and in Tanzania itself. The country must build and deliver a more autonomous, a more effective and – crucially – an equitable mode of development that finally delivers what has been promised for so long.

2.3 National development strategies, plans and programmes

General and sector budget support to Tanzania were guided first by a Poverty Reduction Strategy Paper (PRSP 2000/01–2002/03) and then by the two statements of National Strategy for Growth and Reduction of Poverty, known in Swahili as MKUKUTA I and II (2005/06–2009/10 and 2010/11–2014/15 respectively). There were corresponding MKUZA strategies for Zanzibar. The country thus had a popularly accepted development management framework from which individual DPs, including Finland, could draw their own strategies' objectives. This framework also provided the backbone for the monitoring of GBS, and provided a valued common sense of the development directions that Tanzania sought to pursue.

As in most countries, the era of PRSPs is over in Tanzania, with a reversion to what might appear a more conventional mode of five-year development plans. The concept note for government's new five-year development plan for 2016/17–2020/21 is subtitled “nurturing industrialisation for economic transformation and human development” (GoT 2016a). Poverty is no longer mentioned in the title.

2.4 Donor policies and community in Tanzania

For some decades, Tanzania depended heavily on official development assistance (ODA), which in recent years has averaged 7.5 percent of gross national income (down from a peak of 26 percent of GDP in 1992 (Nord et al. 2009: 50)). ODA rose from USD 2.5bn in 2011 to USD 3.4bn in 2013. In 2012, ODA still made up 41 percent of the central government budget, down from 66 percent in 2009 (World Bank 2016a). Recent GoT data, which might be contested by other analysts, show total aid financing as 9.5 percent of total expenditure in the approved budget for 2015/16, and only 1.9 percent of GDP in the same financial year (GoT 2016b).

Tanzania's development challenge is to achieve its goals for economy and society – many of which remain distant – by new means. The paradigms of donor support that were familiar over the last half century are becoming less relevant.

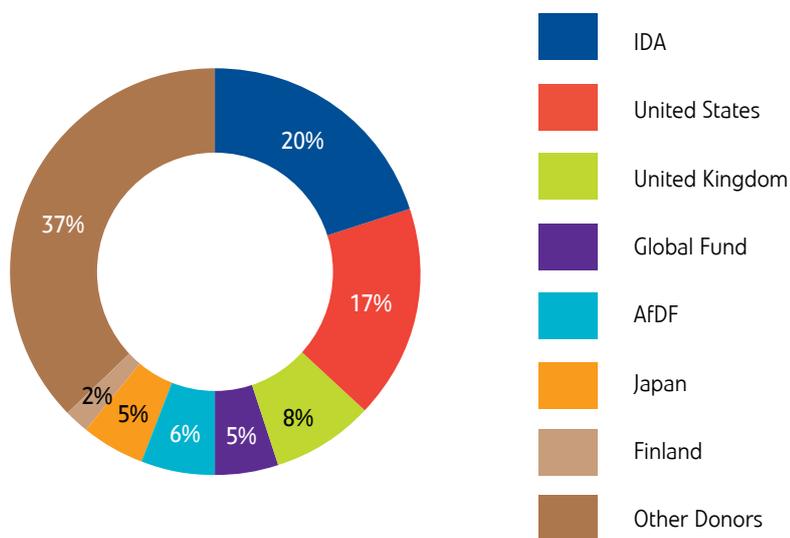
Government is now beginning to contemplate a future without ODA.

Despite this continuing dependence, government is now beginning to contemplate a future without ODA, due to the major new tax revenues that offshore gas exploitation is expected to deliver. In a marked departure from earlier approaches, the financing plan outlined in the concept note for the new five-year development plan made no reference to donor funding. Informants state that early drafts of the budget for 2016/17 did not refer to donor funding either, although subsequent discussions with the International Monetary Fund (IMF) led to a realistic revision of that approach, as reportedly reflected in a Ministry of Finance statement to donors in April 2016.

The donor landscape in Tanzania has traditionally been crowded. For many years, it was partly united around the GBS modality, although - as in other countries - some major donors like the United States remained outside this grouping, and (concessional) lenders like the African Development Bank and the World Bank provided sector budget support rather than GBS. Donors interacted with government through semi-formal groupings, with groups of sector donors now becoming more prominent as the GBS group dwindles following the IPTL crisis and the steady withdrawal of donors from this modality. PAF monitoring systems are widely acknowledged to have become bureaucratic and burdensome for government and donors - some informants blame the donors for increasingly heavy and frequently changing monitoring data demands. These systems are now of decreasing relevance in what some describe as “the flight from Paris”, with (mostly decreasing) donor budgets increasingly devoted to conventional project modalities of the kind more familiar two or three decades ago. Concern with public finance management (PFM) reform, with public expenditure review systems and related governance dimensions of domestic and international development funding persists, and donor groupings around these themes remain. From being a testing ground and a pioneer of new aid modalities 20 years ago, the country moved through a phase of comparatively harmonious effort to comply with the Paris principles to a stage where much of that aid architecture has collapsed. Effectively, the Paris and Accra processes had ended up increasing aid transaction costs, instead of reducing them as intended. At the time of this evaluation’s mission to the country, a senior international consultancy was about to begin on rethinking that architecture for Tanzania.

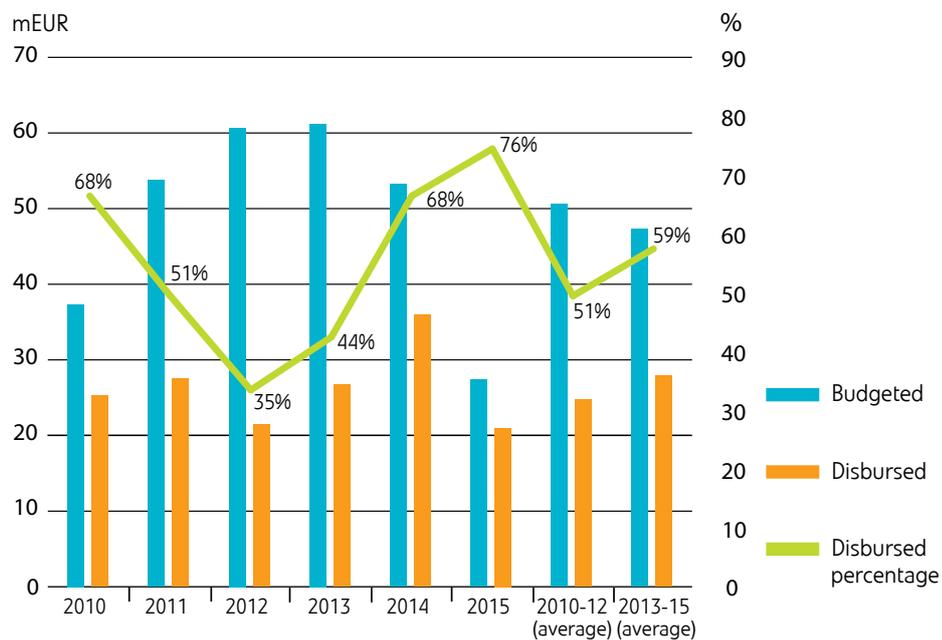
Between 2008 and 2014, Tanzania was the largest recipient of Finnish aid: a total of EUR 241m, compared to EUR 191m for Mozambique and EUR 128m for Ethiopia. But overall, Finland is a marginal player in terms of aid volume, providing approximately 2 percent of total ODA to Tanzania between 2008 and 2014 (Figure 1). The annual budget rose from EUR 37m in 2010 to EUR 61m in 2013, then fell to EUR 27m in 2015 - of which EUR 21m (76 percent) was disbursed (Figure 2; comparable data for 2008 and 2009 are not available). The budget is planned to fall further in the coming years, standing at approximately EUR 13m per year from 2016 to 2018, and EUR 15m in 2019. Noting the dwindling scale of several smaller donors’ contributions and the inelastically high transaction costs of bilateral engagements for the GoT, one informant suggested a future scenario, perhaps in five years’ time, when the number of bilateral donors might be radically reduced, with all smaller countries contributing through multilateral channels (including the European Union (EU)).

Figure 1: ODA flows to Tanzania, 2008–2014



Source: OECD DAC Development Finance Statistics 2016

Figure 2: Finnish development cooperation disbursements to Tanzania, 2010–2015



Source: MFA annual financial reports.

Continuity and thematic consistency have been key features of Finnish engagement with Tanzania, which is Finland's oldest development cooperation partner.

3 EVOLUTION OF FINLAND'S DEVELOPMENT COOPERATION WITH TANZANIA

3.1 Historical overview of Finnish development cooperation with Tanzania

Annex 4 presents a timeline of Finnish development cooperation with Tanzania, together with a summary of key national events.

Continuity and thematic consistency have been key features of Finnish engagement with Tanzania, which is Finland's oldest development cooperation partner. Relations go back to the 1960s, which is why the concept of friendship is intertwined with more conventional notions of donor support. Formal development cooperation began in 1964. According to Caldecott et al. (2012: 49), "during the 1970s and 1980s, the emphasis was on increasing the volume of cooperation through supply of Finnish goods and services and without questioning Tanzanian economic or other policies". Finnish ODA to Tanzania reached EUR 32.8m in 1990, "the peak year of the 'supply-based' era", but there followed a period of fluctuation and deteriorating relations between government and donors: Finnish support was only EUR 6.9m in 1995, before beginning to increase as new systems focusing on enhanced aid effectiveness began to be introduced. By 2001, Finnish ODA to Tanzania had reached EUR 14.4m (Caldecott et al. 2012: 49).

The focus on new and enhanced modalities was strengthened early in the 2000s. While conventional bilateral project modalities were maintained in some sectors, Finland began to provide GBS to Tanzania from 2001, and launched basket funding in the education and local government reform sectors. Also in 2001, the Fund for Local Cooperation (FLC) was started. By 2004, GBS and basket funding to the Primary Education Development Programme were complemented by the Rural Integrated Project Support (RIPS) programme in Lindi and Mtwara Regions (the direct antecedent of the District Economic and Social Empowerment Programme (DESEMP), which in turn spawned the Lindi and Mtwara Agribusiness Support (LIMAS) programme); three forestry projects, recently started as an intended foundation for sector-wide support to forestry; and the new SMOLE programme in Zanzibar.

Following the adoption of Finland's new DPP in 2004, country negotiations in early 2005 committed Finland to continuing GBS, as well as initial support for the Local Government Reform Programme (LGRP). Over the following years

the overall value of the portfolio increased considerably, reaching EUR 40m in 2009. During this period, the intention of shifting from forestry projects to sector budget support for forestry was not realised, and new forestry projects were introduced. SMOLE continued, and, as mentioned above, the long-established efforts in the Lindi and Mtwara Regions went on.

According to one analyst, “from the outset, the **forest sector** was envisaged as the main field of cooperation between Tanzania and Finland, and it has remained so as the support has, less consistently, transformed from one mode to another”. Historically, the early heavy emphasis on forest industries gave way to afforestation efforts and led further to broader, more participatory conceptions of forestry development. “New forms of cooperation were sought in forestry planning and policy-making and in the conservation and creation of forest resources. Following a change in Tanzanian policies, Finnish support for forestry planning shifted from shoring up the state-led planning machinery to promoting a new forest policy and law that recognizes the importance of community-based approaches and allows for the transfer of the management of forest resources to local communities and the private sector” (Kopponen 2011: 36). By the end of the period reviewed by this evaluation, Finland’s support for the forest sector in Tanzania had spanned over 40 years and included continuation of the long-running support to government forestry programmes, through the National Forestry and Beekeeping Programme (NFBKP) Phase II, with an emphasis on community-based forestry approaches. More recently, it also embraced support to private sector forestry through the PFP.

Finland’s other long-running commitment in Tanzania is more geographical than sectoral. The **Lindi and Mtwara Regions** in the south of the country have long been noted for the degree of poverty suffered by their residents, and the ineffectiveness of the numerous development initiatives that have attempted to improve their lot. Finland started to support a water supply project (Finnwater) in these Regions in 1972. A Finnroad project supported road development in these Regions through various phases from the 1970s to the 1990s (Komulainen 2016). The RIPS programme mentioned above ran through three phases from 1988 to 2005 and was for some time the largest Finnish development intervention in the country (Caldcott *et al.* 2012: 61). A 2010 evaluation found that it had had limited results in terms of improved agricultural production, but had made useful contributions in increasing the interaction between local government and civil society, building participatory planning approaches. After a difficult period of planning, DESEMP led to LIMAS, with an emphasis on the promotion of agribusiness in what remained deeply impoverished areas of Tanzania with little economic infrastructure and poor access to markets.

3.2 Country Engagement Plan (CEP) 2008–2012

The CEP was guided by the 2007 DPP, which stated that the main goal of Finland’s development policy was to eradicate poverty and to promote sustainable development in accordance with the UN MDGs. It emphasised the importance of policy coherence and committed Finland to a human rights-based approach. It gave more emphasis to complementarity and effectiveness than previous DPPs, in line with the then dominant aid effectiveness agenda. It also stressed

The period from 2008 onwards, during which the 2007 Development Policy was put into effect, was a time of strong diversification for the country programme.

three cross-cutting themes: promotion of the rights and status of women and girls, along with promotion of gender and social equality; promotion of the rights of the socially marginalised and their equitable participation in social and economic opportunities; and combating HIV/AIDS as a health problem and as a social problem (Palenberg *et al.* 2015: 45-47).

This DPP was of course associated with the installation in 2007 of a new government in Helsinki, along with a new Minister for Foreign Trade and Development who had a strong influence on the Tanzania CEP. That influence continues to be reflected in the portfolio in 2016. At the start of that Minister's tenure, Tanzania was the first partner country that he visited (in November 2007), initiating what informants describe as an unstructured period in the planning and implementation of the new CEP. They state that MFA staff had already prepared a comprehensive draft of the CEP, but that the Minister, on arrival, required that it be kept confidential and effectively replaced by a much smaller document that he himself produced, partly on the basis of his consultations with the GoT (Caldecott *et al.* 2012: 20).

Numerous interviews of MFA staff and the Tanzania country evaluation (Caldecott et al. 2012) suggest that the implementation of the 2007 DPP in Tanzania was influenced more by direct input from the Finnish Minister for Foreign Trade and International Development than by the DPP itself. According to the 2012 Evaluation of Finland's cooperation in Tanzania, the Minister was not in favour of general budget support but he could not reverse the process as commitments were already made. Instead he stabilised budget support and increased project support. The design of Agribusiness development (LIMAS) in Mtwara and Lindi regions in 2009 is reported to be very much influenced by the Minister against the Embassy's advice for discontinuation of the planning process. The 2012 country evaluation (Caldecott et al. 2012) concludes that "It is clear in retrospect that decisions made in this period [2008–2011] were based on the minister's personal views on development, rather than on analysis or consensus. [...] The end result of this disordered and obscure programming process was a highly fragmented country programme". The interviews of Embassy staff and Tanzania country team representatives confirmed these conclusions...

Palenberg *et al.* 2015: 57-58.

Informants also state that the Minister was insistent on the inclusion of a major infrastructure project in the Finnish portfolio in Tanzania, linked to his commitment to demonstrating 'Finnish added value' (FAV). This led to the development of the Dar es Salaam electricity project that was nearing completion at the end of the period covered by this evaluation. Support for a Finnish-Tanzanian policy institute - ultimately the Uongozi Institute - began at this time, as did the concept of support in the field of information and communications technology (ICT). Overall, "the period from 2008 onwards, during which the 2007 Development Policy was put into effect, was a time of strong diversification for the country programme" (Caldecott *et al.* 2012: 55).

The CEP was produced in Finnish in 2008 (MFA 2008), with a subsequent nine-page "Tanzania Participation Plan 2009-2011" (MFA nd). Based on the country negotiations held in October 2008, the latter set out three "thematic coopera-

tion areas” for 2009–2011: “forestry and the environment, agriculture and bioenergy”; “local and regional development”, including the LGRP, SMOLE and LIMAS; and budget support. It also identified three new “cooperation initiatives”: “ICT and the innovation society”; the energy sector, including renovation of the Dar es Salaam electricity grid; and establishment of an “Institute for Sustainable Development” (subsequently the Uongozi Institute). There is also brief mention of ongoing Finnish support for the ‘One UN’ pilot programme of the United Nations in Tanzania. The initial budget for the CEP is shown in Table 2.

Table 2: Initial CEP budget 2009–2011

| Sector | 2009 | 2010 | 2011 |
|--|-------------|-------------|-------------|
| Forestry, environment, agriculture and bioenergy | 6.9 | 4.4 | 4.3 |
| Local and regional development | 8.0 | 10.5 | 11.0 |
| Budget support | 15.0 | 15.0 | 15.0 |
| One UN pilot programme in Tanzania | 1.0 | 1.0 | 1.0 |
| Education | 0.06 | | 0.06 |
| Programme planning | 0.2 | | 0.2 |
| Total (EUR m) | 31.2 | 30.9 | 31.3 |

3.3 Summary of key earlier evaluation findings for 2008–2015

MFA commissioned an **evaluation of its Tanzania country programme** in 2012 (Caldecott *et al.* 2012), along with evaluations of the Nepal and Nicaragua programmes. A number of this evaluation’s findings were quoted in section 3.2 above. Other key findings were that:

- policy dialogue on government reform was not as effective as donors hoped, reducing the quality of dialogue from 2007 and reducing the impact of the country programme;
- this weakening of policy dialogue “coincided with a new and less participatory approach to policy making and implementation in Finland. Thus the minister, while visiting Tanzania in late 2007, had a dialogue with Tanzanian authorities and personally identified a number of ‘new areas of cooperation’. In the absence of analysis and transparency, it is doubtful whether this form of dialogue helped enable development” (Caldecott *et al.* 2012: 21);
- several components of the country programme complied well with the Paris principles for aid effectiveness, but from 2007 Finland increased its use of parallel implementation structures, strengthening the trend now sometimes described as ‘the flight from Paris’;
- cross-cutting themes such as good governance and the rule of law were best taken into account through the FLC modality; results in advancing them through GBS were mixed; and in other interventions they were treated peripherally;

From 2007 Finland increased its use of parallel implementation structures, strengthening the trend now sometimes described as ‘the flight from Paris’.

- from 2007, the concept of FAV was an important criterion in project selection and design, which was one of the reasons for “the serious fragmentation of the country programme”;
- the greatest strength of the country programme was the “reservoir of trust on the part of the government towards Finland”, and Finland’s strong influence in the donor community;
- the biggest weakness was the fragmentation of the country programme (18 interventions in 2012), “due to capacity constraints on the Tanzanian side and Finland’s disordered programming since 2007”;
- “the quality of the country programme as a whole is undermined by problems and deficiencies. SMOLE, LIMAS and several projects in the ‘new areas of cooperation’ are weak performers... there is the paradox that a programme of considerable achievement is being managed by people who have been demoralised to an exceptional degree by factors beyond their control” (Caldecott *et al.* 2012: 23).

Only one activity in the Tanzania portfolio underwent a ‘final evaluation’ during the review period, and that actually concerned a one-year pilot phase. MTRs were common practice; it was presumably on the basis of these that a number of projects were then rolled over into a further phase.

- The single ‘final evaluation’ concerned the one-year pilot phase of the **Mama Misitu** forest advocacy programme, in 2009 (University of Dar es Salaam 2009). It found that the pilot had had positive results on the awareness of pilot area residents about sustainable use of forest resources.
- In 2010, MFA commissioned an evaluation of **Finnish support to forestry and biological resources** that included a Tanzania case study. It found, *inter alia*, that “transparency, accountability and weak capacities are still challenges being faced by MNRT [Ministry of Natural Resources and Tourism], hence the current suspension of Finnish funding to the Ministry... There has been a steady increase of forestry contribution to... GDP from 2005. However, it is difficult to measure the extent to which Finnish Aid has contributed to this growth... Monitoring of poverty alleviation attributed to investments in the forestry sector does not take place and there are no systems to capture this...” (Hardcastle *et al.* 2010).
- An MTR of **SMOLE** was undertaken in 2012 (Land Equity 2012). It endorsed the relevance of the project but said that it was too thinly spread across too many objectives. It found that the project design and logical framework were poor, making evaluation difficult; and that the project was activity-based with insufficient strategic focus. Given its over-ambitious objectives, the MTR suggested that it was not surprising that SMOLE would not be fully effective. It recommended a one-year extension, with a tighter specification of objectives.

- The **LGRP**, to which Finland was one of several donors, underwent an MTR in 2012 (Liviga and Roell 2012). It noted the late start of the programme and found that “the administrative arrangement for the programme within PMO-RALG [Prime Minister’s Office - Regional and Local Government] is not functioning, there are no proper channels of reporting, little coordination and inadequate leadership... LGAs are overwhelmed by orders from above to implement decisions not included in their plans and budgets... downward accountability is not being addressed at all.” Nevertheless, it noted that LGAs were beginning to derive some benefits from the programme, notably through the services of regional technical advisers (Liviga and Roell 2012: 7).
- A review of Finnish support to the **Uongozi Institute** was carried out in 2012. It found that “the project and the institute have produced significant achievements” in the initial period of establishing structures, systems, procedures and programmes (Starckman and Manyanza 2012: np³). It noted high levels of ownership and expectations within the GoT; the need to tighten the focus and definition of the Institute’s roles and niche; and obvious concerns about sustainability. It recommended further Finnish support for the Institute. In 2015, a mid-term review of Phase II of Finnish assistance to the Institute found that the Institute “has achieved a lot in the past 4-5 years, with some of the achievements being really impressive”; but that although well formulated and relevant, the goals set for 2011-2015 were too ambitious. It also noted that “very little information is available on the effects or outcomes of the activities”, and that, after five years’ operation, the Institute still had no functioning monitoring and evaluation (M&E) system at outcome level (Indufor 2015: 1).
- **LIMAS** underwent a mid-term evaluation (MTE) in 2013 (Icon Institut and Diligent Consulting 2013). It noted the significant design and implementation challenges faced by the project. It reported an acceleration of output delivery following a shaky start (and change of chief technical adviser) and, understandably, said that the main challenge at that point was to consolidate this early progress.
- **TANZICT** underwent an MTR in 2013 (FCG International 2013). Its overall conclusion was that “TANZICT is performing fairly well overall, despite some serious financial issues and staffing problems”, which “caused significant delays and lack of delivery”. It found that “the revision of the National ICT Policy has made significant progress after a very slow start, while the TIP [Tanzanian Innovation Programme] has achieved a range of positive results and is generating widespread interest and excitement. However, Component 2, strengthening the institutional capacity of MCST [Ministry of Communication, Science and Technology], has yet to make any substantial progress.” With an audit report pending on potential financial irregularities, the MTR urgently recommended enhanced administrative and accounting action.

³ No page number.

- A joint evaluation of **budget support to Tanzania** reported in 2013. It found that, over the previous eight years, BS had “had an important influence on growth, on improved outcomes in the education sector and on improvements in non-income poverty”. For most of the period, BS had enabled the GoT to finance non-salary recurrent spending in full without borrowing. “Steady progress was achieved in PFM reform and in governance, especially the fight against corruption.” However, “there is a sense that with a different design and management approach to Budget Support, achievements would have been greater... the contributions of the Budget Support partners to [the framework of annual monitoring] have not served to generate an open, strategic and problem-focused dialogue”. The evaluation also found that “the influence of Budget Support on improvements in service delivery processes at local government level must be considered modest” (ITAD 2013: vii-viii, xii).
- An MTR of the **Seed Potato Development Project** took place in 2014. It found that, after 18 months of implementation, the project had established a firm foundation in two result areas - establishing laboratory capacity for testing and cleaning potato stocks and restoring capacity for pre-basic seed potato production. It had made inadequate progress towards increasing capacity for certification; and revision was needed with regard to the planned results in improved field management practices. It recommended a second project phase, post 2014, of four to five years (Impact Consulting 2014: 1).

4 COUNTRY STRATEGY FOR DEVELOPMENT COOPERATION WITH TANZANIA

4.1 Overview of the Tanzania Country Strategy

Tanzania's CS was produced in two editions, in 2013 and 2014 respectively. Unless otherwise noted, this chapter refers to the 2014 version (MFA 2014).

Table 3 below summarises the structure and approach of the 2014 Tanzania CS. Like its predecessor a year earlier, the CS identified three 'development results', linked to the national development objectives set out in MKUKUTA II, MKUZA II and the 2011/12-2015/16 Five Year Development Plan. Three corresponding clusters of interventions were assembled to work towards these results. These largely comprised ongoing projects and commitments, although the brief outline of 'inputs, instruments and resources' set out in the CS included a number of new initiatives and directions - not all of which have been pursued (such as "the establishment of an innovation network across the different components of the Finland - Tanzania country programme", mentioned in the 2014 edition, and further contributions to the LGRP, mentioned in the 2013 edition). It is notable that broadly framed participation in policy dialogue was included in the "inputs, instruments and resources" column, underscoring the argument of Embassy informants that CS implementation is not only the implementation of projects, but also the ongoing process of engagement with the GoT for which they are responsible.

Table 3: Tanzania Country Strategy

| Country development results | Specific Finnish objectives | Inputs, instruments and resources |
|---|--|---|
| 1 Good governance and equitable service delivery | A) Improved public financial management and audit systems | → Participation in the political and policy dialogue with the GoT, bilaterally and as an active member of the international community |
| | → Improved public financial management and audit systems | → Promotion of EU's contract-based approach, which emphasises good governance, human rights, reduction of inequality and democratic values |
| | → Improved transparency in the governance of budget resources and natural resources | → Participation in PFM RP |
| | → Citizens' wider participation in decision-making and strengthened oversight in monitoring government actions | → GBS and PFM RP support as means to reduce poverty and inequality and to enhance good governance and transparency |
| | B) Reduction of inequality through improved service delivery | → Continued support to Uongozi Institute |
| | → More equitable and needs-based allocation of budgetary funds at the local government level | → Direct support to civil society → Direct connections and networking with the media and parliamentarians → Support for 2015 election process through UN organisations, mainly targeted to enhance women's participation |
| 2 Sustainable use and management of natural resources and access to land | A) Improved planning and implementation of policies, laws and programmes | → Active dialogue with the GoT to promote rights-based approaches and transparent land and natural resource tenure and management |
| | → Improved capacity of the government administration to make and implement the laws, regulations and policies | → Cooperation with Tanzanian civil society and training for citizens on natural resources and land issues, emphasising creation of transformational partnerships and networks connecting and linking government entities, research organisations, private sector enterprises and civil society organisations (CSOs) |
| | → Participatory and private management of natural resources and environment, based on an understanding of the resource base | → Bilateral programmes: private forestry, LIMAS, a new programme to build on results of the national forest inventory (NAFORMA) at district level, and community-based natural resource management (CBNRM) |
| | → Improved land and forest tenure rights | → Support for land use planning and surveying, land registration, climate-smart and sustainable forest and land management, financial and business management |
| | B) Sustainable use of natural resources by rural communities | → Strengthening of district, private sector and NGO extension services |
| | → Sustainable methods for forest management, forestry and agribusiness | → Special attention to status of women and their equal access to land and natural resources |
| | → Improved and inclusive organisation of citizens and communities to manage the environment and value chains in forestry and agriculture | |

| Country development results | Specific Finnish objectives | Inputs, instruments and resources |
|--|--|--|
| 3 Promotion of inclusive, sustainable and employment enhancing growth | A) Increased employment opportunities in agriculture and forestry especially for women and youth | → Promotion of dialogue with government on ICT reforms, especially in the policy environment |
| | → Increased production and value chain development for agriculture and forest products | → Bilateral programmes to support inclusive, sustainable and employment enhancing growth, such as a PFP, LIMAS and TANZICT |
| | → Increased grass root level business development at different levels | → Special attention to the status of women and their equal access to land and other productive resources |
| | B) Strengthened role of information technology and innovation systems for economic growth | → Active attention to equal opportunities for youth, marginalised and other vulnerable groups |
| | → Enabling policy environment and effective public institutions for information society and ICT sector | → Promotion of establishment of an innovation network across the different components of the Finland-Tanzania country programme |
| | → Strengthened local innovation capacity and employment opportunities | → Promotion of cooperation between Finnish and Tanzanian universities, research centres, civil society and private sector entities → Economic transition in Tanzania will provide new opportunities to broaden partnerships between the two countries → Support to Tanzania in regional economic integration, e.g. through the East African Community (EAC) and Trademark East Africa (TMEA) |

4.2 Description of the main interventions under the CS

As noted above, the interventions under the 2014 CS (and its 2013 predecessor) were largely a continuation of previous activities, sometimes in new phases. They were organised under the three clusters shown in Figure 3: good governance and equitable service delivery; sustainable use and management of natural resources and access to land; and promotion of inclusive, sustainable and employment-enhancing growth. Figure 3 sets out the timeline for the interventions, and the main interventions are outlined on the page following it.

Figure 3: Timeline of Finland's bilateral interventions 2008–2015

| | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 |
|--|------|------|------|------|------|------|------|------|
| GOOD GOVERNANCE AND EQUITABLE SERVICE DELIVERY | | | | | | | | |
| General budget support | | | | | | | | |
| Local Government Capital Development Grant | | | | | | | | |
| Local Government Reform Programme | | | | | | | | |
| Public Finance Management Reform Programme | | | | | | | | |
| Uongozi Institute | | | | | | | | |
| Election support programme | | | | | | | | |
| Support to women's political participation | | | | | | | | |
| SUSTAINABLE MANAGEMENT OF NATURAL RESOURCES AND ACCESS TO LAND | | | | | | | | |
| National Forest Programme | | | | | | | | |
| NFBKP | | | | | | | | |
| NAFORMA | | | | | | | | |
| Study on PPP in forestry sector | | | | | | | | |
| Mama Misitu | | | | | | | | |
| Private Forestry Programme | | | | | | | | |
| SMOLE | | | | | | | | |
| PROMOTION OF INCLUSIVE, SUSTAINABLE AND EMPLOYMENT ENHANCING GROWTH | | | | | | | | |
| DESEMP | | | | | | | | |
| LIMAS | | | | | | | | |
| Development of the potato sector | | | | | | | | |
| Support to development of ICT sector | | | | | | | | |
| TANZICT | | | | | | | | |
| Improving electric power supply reliability in Dar | | | | | | | | |
| OTHER | | | | | | | | |
| UNHCR naturalisation of Burundian refugees | | | | | | | | |
| Capacity building for border management | | | | | | | | |
| Support to inclusive and special needs education | | | | | | | | |
| One UN pilot programme | | | | | | | | |
| Geological Survey of Tanzania | | | | | | | | |
| Fund for Local Co-operation | | | | | | | | |

There were four interventions in the **good governance and equitable service delivery** cluster:

- general budget support;
- support for the PFMRP;
- funding for the Uongozi Institute;
- support for the 2015 election process, linked to activities through UN Women to promote women's leadership and political participation.

According to data supplied by the Embassy, Finland contributed EUR 2m to the United Nations One UN pilot programme in 2009, and the same amount in 2012 and 2013. This 2013 support was not mentioned in the CS.

The **sustainable use and management of natural resources and access to land** cluster comprised:

- the Private Forestry Programme (PFP);
- Phase II of the National Forestry and Beekeeping Programme (NFBKP II, supported through 2014 and 2015 with unused funds from 2013);
- Phase II of the Sustainable Management of Land and Environment (SMOLE) project in Zanzibar;
- the Mama Mimitu advocacy campaign on forest governance.

In the **promotion of inclusive, sustainable and employment-enhancing growth** cluster the following interventions were supported:

- the Tanzania Information Society and ICT Sector Development (TANZICT) project;
- the Lindi and Mtwara Agribusiness Support (LIMAS) project;
- the Seed Potato Development Project;
- the intervention to improve the reliability of electric power supply in the city of Dar es Salaam.

Following the initial 2013 edition of the CS (covering 2013-2016), a revised version was produced in 2014 (covering 2014-2017), with some amendments. Table 4 below summarises the tentative financing plans set out in the 2014 edition by sector. The table in Annex 6 shows a comparison of the principal changes made between the 2013 and 2014 editions of the CS, with figures against each of the projects provided. The comparison highlights principal changes made, which were mainly a series of budget reductions.

General budget support was the largest element in the budget until it was terminated in 2015.

Table 4: Tanzania – initial CS budget 2014–2017 (EUR m)

| Sector | 2014 | 2015 | 2016 | 2017 |
|---|--------------|--------------|--------------|--------------|
| Good governance and equitable service delivery | 16.2 | 16.2 | 14.2 | 12.7 |
| Sustainable management of natural resources and access to land | 1.31 | 4.4 | 6 | 7.5 |
| Promotion of inclusive, sustainable and employment enhancing growth | 7.51 | 3.9 | 3 | 4 |
| Other interventions | 0.5 | 0.9 | 0.7 | 0.9 |
| Total bilateral budget (EUR m) | 25.52 | 25.40 | 23.90 | 25.10 |
| Fund for Local Cooperation | 0.6 | 0.6 | 0.6 | 0.6 |

Source: CS 2014

The key interventions are outlined below. Annex 7 provides further details, including more specification of the intended results.

General budget support was the largest element in the budget until it was terminated in 2015. It involved active engagement by Finland in the relevant donor groupings and their consultative structures with government – including Finnish chairing of the GBS group in 2014–2015. As stated in the 2014 CS, Finland’s aim through GBS was “to push forward especially more robust financial management systems, more transparent governance systems in natural resources management at national and local levels (including EITI⁴ institutionalisation) as well as the strengthening of the domestic revenue collection” (MFA 2014: 16). The GBS evaluation (covering 2006–2012) reconstructed an intervention logic that led from GBS and sector budget support (SBS) inputs to direct outputs in the form of “improvement in the relationship between external assistance and the national budget and policy processes”; to “induced outputs”, i.e. “positive changes in the financing and institutional framework for public spending, public policy and public service delivery”; through to outcomes, stated as “positive responses by beneficiaries – service users and economic actors – to government policy management and service delivery”; and, finally, impacts, described as “sustainable growth and poverty reduction” (ITAD 2013: 13).

Local Government Reform Programme (LGRP) and the Local Government Development Grant (LGDG): the 2013 edition of the CS included an allocation of EUR 3.5m for these activities, but the funds were not used, as Finland (with other donors) had left the LGRP and ceased support for the LGDG in 2012 due to concerns about irregularities in financial management that the GoT did not satisfactorily resolve. Expectations in 2013 that funding for these activities might be resumed were not fulfilled.

Public Finance Management Reform Programme: the development objective of Phase IV of the PFMRP (2012–2017) was “to ensure improved public service delivery by enhancing public financial management in the areas of revenue management, planning and budgeting; budget execution, accountability and transparency; budget control and oversight; change management and programme monitoring and communications” (GoT 2012: 51).

4 Extractive Industries Transparency Initiative.

Uongozi Institute: as stated in the draft project document of 2013 (following the initial phase of Finnish support 2010-2012), the purpose of collaboration with the Institute was:

- “the Uongozi Institute developed into a centre of excellence in building leadership capacity to meet current national and global challenges with focus on sustainable development;
- Uongozi’s position as a highly regarded think-tank and forum for exchange of ideas among African leaders further strengthened”.

Election support/UN Women: in 2014-2015, Finland contributed to UN Women’s Tanzanian Women’s Leadership and Political Participation project, which aimed at three outcomes: legislative reform; enhanced participation of women, youth and people with disabilities; and effective advocacy.

Private Forestry Programme: the overall objective of what is seen as potentially a four-phase programme is “sustainable and inclusive private forestry that contributes to Tanzania’s economic growth and poverty alleviation”. The project purpose for the first phase 2014-2017, is “economically viable, sustainable and inclusive plantation forestry and related value chains provide employment and increase income for private forest owners, SMEs [small and medium enterprises] and vulnerable households in the programme area” (PFP 2016). The programme has three result areas: an enhanced enabling environment; plantation forestry development; and SME development and product innovation.

National Forestry and Beekeeping Programme, Phase II: the extension phase of this programme 2013-2015, had the overall objective of achieving socio-economic empowerment of communities in 16 districts through sustainable forest management and conservation and enhanced national capacity to manage and develop the forest sector in collaboration with stakeholders.

SMOLE II: this phase of the programme had three objectives: enhanced land registration and administration systems and procedures; development of the Zanzibar Department of Surveys and Mapping as a hub of spatial data; and improved service and regulation of forest use and economic activities affecting the Zanzibar environment.

Mama Mitsu: the goal of the campaign was “to improve the governance of Tanzania’s forestry resources, so that the people of Tanzania can increasingly benefit from sustainably managed forests.” Its purpose was “to bring positive change in forest governance and reduce illegal forest harvesting in forests to increase legitimate benefits from forests to adjacent communities”.

Tanzania Information Society and ICT Sector Development: the overall development objective of the project was “a strengthened Tanzanian information society with enhanced capacities to contribute to the achievement of the government’s socio-economic development goals”. The project purpose was “a reviewed and improved Tanzanian ICT policy framework and strengthened arrangements for its implementation”. Results were stated in the logical framework as components:

- “1. Review of the national ICT policy and start of the implementation;
- 2. Strengthening of the institutional capacity of MCST;

- 3. Tanzanian innovation programme involving key stakeholders from university, business and government” (GoT and MFA 2010: 61-66).

Lindi and Mtwara Agribusiness Support: the logical framework was amended in 2011 and in 2013, with the latter changes reducing the number of planned results from 18 to nine, and the number of key result indicators from 64 to 24 (Komulainen 2016: 4). The project objective was to contribute to economic development in the targeted districts through agriculture and forestry production, processing and marketing enterprises. The project purpose was to generate increased income for rural population in targeted districts through exploiting sustainable opportunities for competitive agribusiness. The revised design comprised three components:

- “1. Enhancing business environment and improving production potential;
- 2. Sustainable agribusiness development;
- 3. Sustainable forest management and utilisation” (Komulainen 2016: 4-7).

Dar es Salaam electricity: the objective of this project was “to improve the reliability of the 33 kV distribution network for five regions... in Dar es Salaam”. The project document stated activities and outputs rather than outcomes, setting out eight sub-projects; the central element was the installation of a SCADA (supervisory control and data acquisition) system for enhancement of power management across the city (MFA 2010: 11).

Seed Potato Development Project: the project objective was “to improve the livelihoods of potato farmers through increased potato production in Tanzania”. The project purpose was that “relevant Tanzanian agencies and authorities improve their capacity to ensure and sustain production, supply and use of clean seed potato”.

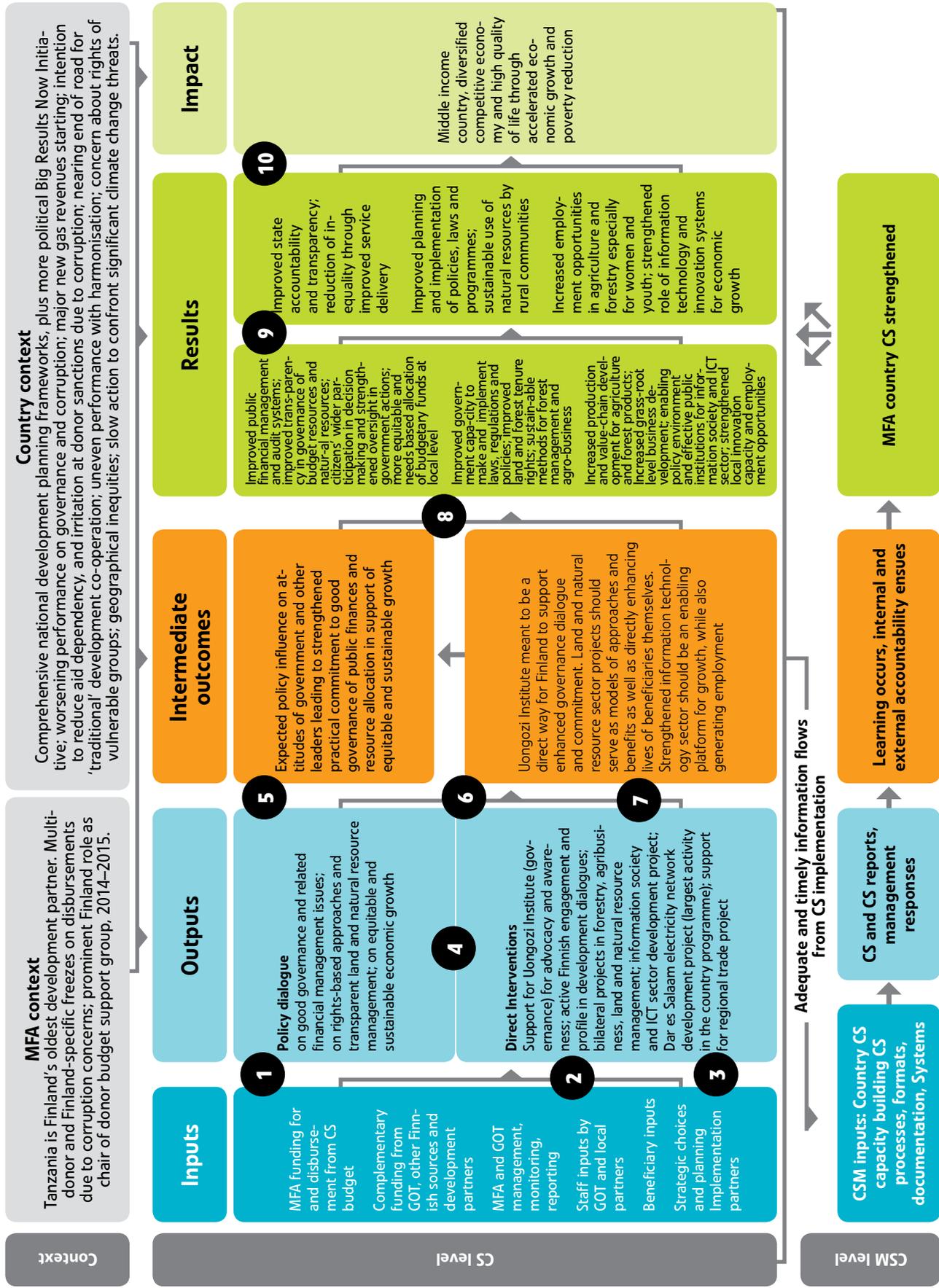
Fund for Local Cooperation: in Tanzania, the FLC was aligned with the CS, so that project grants were made in each of the three cluster areas - complementing the larger-scale interventions in each cluster with smaller projects assigned to local NGOs and community-based organisations (CBOs). Within this framework, the Embassy has emphasised use of the FLC to help such grantees promote human rights in Tanzania. In 2015, according to data supplied by the Embassy, there were five FLC projects under the good governance cluster; four under sustainable use and management of natural resources and access to land; and four under the promotion of growth cluster.

4.3 CS theory of change

The theory of change (TOC) set out in Figure 4 below presents the CS portfolio logic. To help explain the performance of the CS in Tanzania, this theory-based evaluation assesses the extent to which key implicit assumptions in the TOC, as identified by the evaluation team, have been fulfilled. Those assumptions, represented by the small numbered circles on the diagram, are set out below.

1. An important assumption is that all contributors, including Finland, have the budgetary, technical and human resource capacity to make their respective inputs and contribute to the outputs expected by the Finnish CS.
2. The TOC clearly assumes also that Finnish inputs will be adequate, timely and sustained for the committed periods.
3. One key feature of the TOC is the requirement for joint inputs by the governments of Tanzania and Finland, as well as other development partners: coordination is inbuilt and assumed.
4. The CS assumes that the bilateral projects engaged in direct implementation (natural resource management, ICT, agribusiness) will link into influence at the policy level.
5. An overriding assumption in this TOC is that ‘soft’ interventions through engagement and advocacy, linked to the strengthening of national analysis and debate, can be meaningful and effective.
6. A further overarching assumption is that the activities selected in the CS are an efficient and effective contribution of Finnish resources, based on comparative advantage and targeted in such a way as to optimise leverage in the sectors on which the CS has chosen to focus.
7. Linked to this is a series of assumptions about the selected outputs being so designed and delivered that they achieve national advocacy, capacity and policy purposes over and above their direct results for participants and beneficiaries.
8. These link, in turn, to the design assumption that the intermediate outcomes shown in the diagram can lead to the ‘specific’ - but in fact quite broad - Finnish objectives shown in the left-hand ‘results’ column (strategic choice level 3 in the CS logic model).
9. There are further broad assumptions - not specified or elaborated in the CS itself - that results at strategic choice level 3 will lead to higher level results at strategic choice level 2, and that these will in turn make a meaningful contribution to Tanzania’s impact level development goal (10), as stated in national strategy. That statement, as Figure 4 shows, does not refer to good governance - unless it is assumed to be part of a “high quality of life”.

Figure 4: Tanzania Country Strategy theory of change



5 EVALUATION FINDINGS

5.1 Relevance

5.1.1 Overall CS relevance

The objectives of the Tanzania CS are directly relevant to national development policies, priorities and programmes as stated at the time it was formulated. As noted in section 4.1 above, the three development results (DRs) identified for the CS were derived from the poverty reduction strategies for the mainland and Zanzibar (MKUKUTA II and MKUZA II respectively) and from the five-year development plan then in force (GoT 2011; MFA 2014: 13; see also section 2.3 above).

The CS recognised that “Finland is a relatively small development partner” and that it could not realistically contribute to all aspects of the national development effort. It therefore selected aspects of that effort to which Finland, with its specific areas of expertise and of experience in Tanzania, could most usefully make inputs, aiming to “impact the livelihoods of the poorest and vulnerable people; influence on [sic] the reduction of inequality; promote employment creation and sustainable management of natural resources; and best foster human rights and good governance” (MFA 2014: 5). These were relevant choices, although the national programme statements arguably put less emphasis on sustainable natural resource management (NRM) than the CS, which made sustainable NRM and access to land one of its three DRs. Nevertheless, MKUKUTA II does include a goal of “ensuring food and nutrition security, environmental sustainability and climate change adaptation and mitigation” under its Cluster 1 (“growth for reduction of income poverty”; GoT 2010: 58).

In both general and specific terms, the objectives of the CS were relevant to the rights and priorities of partner country stakeholders and beneficiaries, and, among them, to the interests of easily marginalised groups. By focusing on the priorities expressed by the (democratically elected) Tanzanian government itself, a general relevance to citizen interests was ensured. The specific DRs selected helped to strengthen the focus on the (potentially) marginalised and less privileged sectors of society, with their references to good governance and equitable service delivery (DR 1); equitable NRM and access to land (DR 2); and inclusivity in economic growth (DR 3). An approach to equity that explicitly involves social protection would have strengthened CS relevance with regard to the economically disadvantaged; Tanzania is already laying the foundations of a social protection system through its Tanzania Social Action Fund (TASAF). The omission of this concept from the CS may have reflected a comparative lack of Finnish experience in supporting social protection policy and programmes in developing countries.

The CS has general rather than specific relevance to Finland’s development partners in Tanzania. Like Finland, most of these DPs were able to key their

The objectives of the Tanzania CS are directly relevant to national development policies, priorities and programmes.

interventions to the clear national statements of policy, priorities and programmes. Finland's CS is therefore relevant, in a general sense, to those of its DPs. Some of the DR 1 interventions to which the CS committed Finland are (or were) also generally relevant to those DPs with which Finland engaged jointly: notably GBS and the PFMRP. This relevance to DPs can only be described as general because most of them lack detailed knowledge of Finland's CS and are unable, without study of the document, to be specific about how its objectives link to their own.

The relevance of the CS to Finnish development policy priorities and principles is best interpreted in terms of the extent to which the CS complied with the directions set out in the relevant Development Policy Programme. Following the fragmentation of the 2008–2012 period in the Tanzania portfolio, the CS was an attempt to rebuild relevance into Finnish development policy priorities, through explicit linkage to and conformance with the 2012 DPP. It quotes both the 2012 DPP and the 2012 evaluation of the Tanzania country programme as “highlight[ing] a number of similar key lessons and recommendations for re-directing the development cooperation programme... In addition to reinstating commitment to aid effectiveness, it is important to move towards more open, broad-based and versatile cooperation that is responsive to the needs and priorities of Tanzania as well as to make full use of the emerging opportunities for new partnerships.” Drawing on the DPP, the CS therefore emphasised focus on a limited number of sectors; joint programming and joint programmes with other DPs; and internal coherence between different parts of the CS portfolio (MFA 2014: 12).

Despite this apparent adherence and relevance to the DPP, however, a 2015 evaluation argued that this kind of relevance was not very meaningful.

Despite of [sic] the adoption of the 2012 DPP, the main priorities of Finland's cooperation in Tanzania, including the sectors of cooperation, have remained stable for the last decade. As stated in an interview, “The DPPs give broad guidance on what to focus on. They are somehow open and that gives us some flexibility in our programming. Usually, there have been no dramatic changes in our programming despite the changes of the DPPs. The Embassy can easily adapt to the new policies by re-focusing within the existing programmes e.g. human rights issues. It is difficult to change every four years”. Thus, the programmes and projects have not really changed, e.g. forestry has remained one of the main focus areas for 20 years. What this implies is that while DPPs have come and withered away, priority areas, programmes and some projects have endured beyond the timeframe of an individual DPP. Further, it has been possible to influence the design of already existing projects “afterwards” so that they pay more attention e.g. to HRBA and cross-cutting objectives.

Palenberg *et al.* 2015: 58.

5.1.2 Relevance of the CS portfolio

General budget support. GBS is normally expected to optimise the relevance of donor support because it provides funding for programmes and priorities that the national government and DPs have agreed as appropriate means of achiev-

ing identified development objectives - for example, in the case of Tanzania, MKUKUTA II and MKUZA II. GBS was also intended to enhance the relevance of Finnish aid to Tanzania by bringing it back on budget and re-establishing aid effectiveness after a period of fragmented engagement in project-based cooperation (MFA 2014: 12). Referring to the pre-CS period, the 2013 evaluation of budget support to Tanzania concluded that “there were deficiencies in the relevance of the initial Budget Support ‘package’, which were exacerbated rather than improved through the changes made after 2007.” It argues that GBS gave insufficient attention to policy and institutional problems, thus undermining the overall effectiveness of the poverty reduction efforts it supported (ITAD 2013: 107). During the CS period itself, the relevance of Finnish contributions to GBS dwindled - and, in a sense, increased. During the corruption controversies and subsequent withdrawal of many donors from GBS (including Finland, primarily for budget reasons), the relevance of this mechanism clearly declined. Conversely, increasingly vocal donor concern about good governance in Tanzania focused partly on debates about whether to maintain or withdraw from GBS. Even though Finland’s withdrawal was not primarily driven by this concern, it chaired the GBS DP group at the most controversial period in these debates. In this sense, GBS gained a higher and more relevant profile in the management and implementation of its CS portfolio.

Public Finance Management Reform Programme. The 2013 GBS evaluation found that “in terms of its technical focus and its programmatic structure, the PFMRP IV has much to commend it: in particular, it is comprehensive in its focus and proposes a programme with direct links to a results framework.” However, “in relation to the... core functions of budget formulation, budget execution and financial reporting... the planned programme of work seems to lack relevance and realism” (ITAD 2013: 58). A 2013 proposal for further Finnish support to the PFMRP, on the other hand, argued that the relevance of the programme “relies on its orientation towards the alleviation of the weaknesses identified in the [Public Expenditure and Financial Accountability assessments]. Weaknesses include low budget credibility, high level of tax exemptions, absence of a medium-term debt management strategy, weak oversight of internal control over local government, procurement and contract management, weak financial reporting and follow up of audit recommendations” (MFA 2013a: 8). There has been no overall evaluation of the PFMRP; Finnish and other DP informants confirm the overall relevance of such efforts to strengthen PFM in Tanzania, while also fearing that it focuses (usefully) at the technical level without addressing the higher level policy, institutional and governance problems.

Uongozi Institute. The high-level agreement that established Tanzanian-Finnish cooperation in the establishment and operation of the Institute took a correspondingly high-level view of relevance: that the principles and interests of good governance would be well served by a policy-orientated think tank of this nature. Interviews with informants confirm this view. The Institute is very much in line with the CS focus on enhancing political and policy dialogue with the GoT as well as on promoting transparency and accountability. The 2015 MTR of Phase II of Finnish support to the Institute found that it was highly relevant to Tanzania’s MKUKUTA II and to Tanzanian and Finnish development policies, although “cross-cutting objectives (gender equality, reduction

“We still have to believe in CBFM. It’s all difficult; but what’s the alternative?”

of inequality, human rights and climate sustainability) of the Finnish development policy could have been addressed more, which would also further increase coherence with GoT policies” (Indufor 2015: 16).

Election support/UN Women. The project document for this 2014-2016 activity states that the project is aligned with the UN Women Strategic Plan 2014-2017 and contributes to the UN Tanzania UNDAP Governance Programme Working Group “Outcome area 8.7. Key institutions effectively implement their election and political functions. These are defined as per the Tanzania National policy goals: Mainland (MKUKUTA): Ensuring systems and structures of governance uphold the rule of law and are democratic, accountable, predictable, transparent, inclusive and corruption-free at all levels. Zanzibar (MKUZA): Strengthen the rule of law, respect for human rights and access to justice” (UN Women nd: 2). The overall relevance of the intervention to Finland’s cross-cutting concerns with gender equity is apparent.

Private Forestry Programme. The project document (MFA and GoT 2014) did not explicitly specify or justify the relevance of this intervention. However, the first annual external review did find the programme to be compatible with national poverty reduction strategies and with Tanzanian policy and legislation on public-private partnerships for development purposes. It noted the relevance of the PFP to the existing practice and growing interest of tree producers in the Southern Highlands; its suitability for local environmental conditions; and the relevance of an intervention that can help meet the strong and growing demand for wood products. Informant interviews confirm the relevance of the PFP in the evolving forestry context of Tanzania.

National Forestry and Beekeeping Programme, Phase II. The appraisal of this phase found that the intervention was highly relevant, building on previous experience of the governments of Tanzania and Finland in the sector. It noted that there had been some previous promising progress in community-based forest management, but that an enhanced paradigm was needed in order to achieve more meaningful benefits from participatory forest management. It also pointed out the links to good governance objectives. While the need for sustainable community-based forest resource use and management in Tanzania is clear, there are no easy answers, and long-term observation of CBFM suggests that the appraisal was optimistic in finding the proposed approaches relevant - in the sense of being viable at scale. As a senior Finnish informant stated to the evaluation mission, “we still have to believe in CBFM. It’s all difficult; but what’s the alternative?”

SMOLE II. In general terms, an effort to enhance land management in environmental and governance contexts of Zanzibar is highly relevant, given the clear impact that current weaknesses in the system have on equity, economic progress and sustainable resource use. In specific terms, the MTR of SMOLE II found that the project was well aligned with MKUZA II; it referred *inter alia* to enhancing women’s access to productive resources, including land, and to sustainable environmental use and management objectives, as well as to Finnish policy concerns with climate change, gender equity and rights-based approaches to development (Land Equity International 2012: 5).

Mama Misitu. A campaign to strengthen rural people’s governance of their forest resources is clearly relevant in the current Tanzanian context, where uncontrolled exploitation of these resources remains widespread and the negative impact on future livelihoods and environmental integrity is clear. This was the argument of the revised project document, which said that the campaign’s proposed objectives and outcomes were relevant “where illegal forest harvesting and trade; limited revenues and benefits; and weak institutions still call for interventions” (Mama Misitu 2015: 5).

Tanzania Information Society and ICT Sector Development. Tanzania has made remarkable progress in deploying ICT and mobile technology. The communications sector has expanded rapidly, with average annual growth of more than 20 percent in recent years. Its contribution to GDP has risen to 4.4 percent. TANZICT was well aligned with the Five Year Development Plan and with MKUKUTA II, which clearly states the importance of ICT, calls for the promotion, adoption and use of science and technology, particularly in agriculture, and considers ICT as one of key drivers of manufacturing sector development. The 2013 MTR of the project found agreement among informants that the three components of TANZICT “fit the requirements for addressing the key constraints in the development of the information society in Tanzania” (FCG International 2013: 12).

Lindi and Mtwara Agribusiness Support. According to informants, some at the Embassy in Dar es Salaam doubted the relevance of LIMAS at the time the project was introduced. The project proposal was not appraised. While efforts to improve agricultural productivity and incomes through stronger value chains and better market orientation are undeniably relevant to an impoverished agrarian society, the design of LIMAS is seen as having been unrealistic about how much could be achieved in areas as remote, and with such poor infrastructure, as Lindi and Mtwara - particularly when efforts were dispersed across numerous value chains (Icon Institut and Diligent Consulting 2013: np).

Dar es Salaam electricity. This project was not introduced to the portfolio on the basis of a justified relevance rationale. Instead, according to informants, it was formulated in response to the desire of the then Minister for a major infrastructure project in Tanzania. Following the realisation that the initial idea of an electric power project for the Lindi-Mtwara area was not appropriate, the focus shifted to the very real problems afflicting Dar es Salaam’s ageing and inadequate electricity network. The resultant project is widely judged to have been a relevant contribution to tackling these problems.

Seed Potato Development Project. The 2014 MTR of this project found that the design was well aligned with the objectives of MKUKUTA II, of the national policy on agricultural transformation for sustainable development, and of the Comprehensive Africa Agriculture Development Programme (Impact Consulting 2014: 16). Given the favourable environmental conditions in the area selected for the project, the existing interest of stakeholders in increasing potato production, the improving policy environment for private sector agricultural development and the somewhat better infrastructure available for this purpose in the Southern Agricultural Growth Corridor of Tanzania (SAGCOT), this relatively small project is judged to have been a relevant intervention.

The CS could not optimally align all interventions for maximum relevance, because the interventions were already designed and in place.

Fund for Local Cooperation. The relevance of the FLC must be evaluated on different terms, as it supports a range of small projects across all three development result areas of the CS. To receive FLC support, projects must have a clear link into at least one of these result areas. The Fund affords important opportunities for addressing the cross-cutting objectives of the CS and for allowing Tanzanian civil society to engage meaningfully in national development priorities that also strengthen the CS focus on good governance, equity and inclusivity. For these reasons, the FLC can be seen as a relevant element of the portfolio.

5.1.3 Influence of the CSM on CS portfolio relevance

The findings above confirm that, in the case of Tanzania, Finland's adoption of the Country Strategy modality enhanced its strategic choice relevance to key stakeholders and the country context. It would be exaggerating to say, in the words of the question in our evaluation matrix, that the CSM ensured this relevance. The CS could not optimally align all interventions for maximum relevance, because the interventions were already designed and in place. But it did significantly strengthen strategic choice relevance, by providing an overall framework of relevance that would otherwise have to be specified and justified only at the level of each individual intervention. By fitting logically into that framework, each intervention was assured of a degree of general relevance.

5.2 Effectiveness

The evaluation assessed effectiveness at two levels. First, it assessed whether the interventions that make up the CS portfolio achieved their planned purposes. At the second level it assessed whether these intervention results could be argued to contribute to the CS objectives.

5.2.1 Effectiveness of CS interventions

General budget support. Following the partly favourable evaluation of budget support to Tanzania to 2011/12 (section 3.3 above; see also ITAD, 2013), the effectiveness of this instrument deteriorated during the subsequent period until Finland, along with most other donors, suspended its contributions in 2015. Although accelerated by concerns about corruption, these developments reflected a global disillusionment with the effectiveness of GBS, linked to concerns that policy dialogue was inadequate and that monitoring and management frameworks had become too complex and burdensome for all parties. For Finland's embassy in Dar es Salaam, there is now a real concern about how best to rebuild policy dialogue with the GoT, which is necessary if the CS is to be effective at policy levels. Although there is still some scope for this in some sectors like forestry and ICT, the climate remained inimical to such dialogue at the time of this evaluation, with government initially excluding any reference to donor funding from its concept note for the next five-year development plan, though adding it later on into the draft.

Public Finance Management Reform Programme. The PFMRP has remained a reasonably productive area of donor-government dialogue, despite the generally deteriorating climate. It has also been pointed out that the PFMRP has focused more on the technicalities of PFM than on higher-level policy aspects.

This implies that there are limits to the overall effectiveness of the intervention. The 2015 MTR of PFMRP Phase IV described the programme as “a success story with a history of achievement”, with 63 percent of its milestones 50 percent or more achieved, and 42 percent being 95 percent or more achieved. While emphasising the importance of the PFMRP, the MTR also identified a number of concerns, including the need for stronger focus and for clear ownership of each reform initiative by the relevant managers in government. It raised concerns about the sustainability of the reforms achieved, and the need to ensure adequate technical quality in the work done. It called for a more proactive stakeholder engagement strategy in the PFMRP (Innovex 2015: vi-ix).

Uongozi Institute. Annex 7 shows the eight results towards which the Institute was intended to work, in order to achieve five goals that are actually worded as activities. With outcome language referring *inter alia* to “the proficiency of senior and emerging leaders across Africa”, “innovative partnerships and collaboration amongst leaders” and “a positive operating environment for leaders” through “accountable governance”, it is perhaps not surprising that the Institute’s reporting has focused on activities and outputs. Informants express general satisfaction with its performance and profile, but it is not possible to say more specifically how effective the EUR 3m per year contributed by Finland are.

UN Women. The Women’s Leadership and Political Participation Project (WLPP) had a results framework that specified three outcomes, linked to the objectives of the UN Women Global Strategic Plan. With the exception of two quarterly reports, it has not been possible to obtain project reporting against these outcomes. The Embassy stated that “with WLPP’s advocacy, gender principles were included in the new proposed Constitution and the gender equality and social inclusion principles mainstreamed within all the main election guidelines... there were more women as voters, candidates and elected MPs than ever before” (MFA 2016: np). However, interviews indicate that the limited capacity of some of the implementing CSOs jeopardised project effectiveness, as did the late start (due partly to lengthy negotiations between MFA and UN Women). According to these informants, stronger effectiveness could be achieved by a longer-term intervention in this area.

Private Forestry Programme. While the progress made so far by this project indicates competent execution and promising delivery of outputs, it is premature to evaluate its effectiveness.

National Forestry and Beekeeping Programme II. Unlike the PFP, NFBKP II is the latest in a long sequence of Finnish interventions in community-based forest management, whose effectiveness proved difficult to measure for a 2010 evaluation (section 3.3 above). This latest phase of two and a half years had as its overall purpose that “pro-poor CBFM [would be] operating in 16 districts with at least 20 communities commercialising timber, honey and other [non-timber forest products] from sustainably managed forests” (GoT and MFA 2015: vi). Its four component programmes each had a key result or outcome. There has been good progress towards the first, of having a pro-poor CBFM model operational (although the annual report quoted here words this result differently at two places in the text). The second result is “increased support to community-based forestry both politically and through improved training, advocacy and other

services”. Again, according to expert informants, there has been some progress towards effectiveness in this area. The third result - “good governance, transparency and rule of law increased in the CBFM villages” - is harder to assess. Only limited effectiveness seems likely so far, and largely restricted to the four of the total 16 project districts where implementation takes place through NGO service providers rather than LGAs. The fourth key result is “increased benefits and income to villages through [sustainable forest management] and adoption of business approach”. Here, effectiveness has been preliminary at best. Overall, the most effective achievement of NFBKP II has been to clarify what the most promising approaches to CBFM are likely to be. Like so many projects, it is about to end, having identified and piloted these approaches but not facilitated them at scale. Some informants argue that a long-term approach to building CBFM on these foundations - including the important paradigm shift from conservation to sustainable use - is now needed. They point out that it took Finland a century to develop its own forestry successes, and that Sweden has a 20-year engagement in one Tanzanian forestry project. A further full evaluation of the sub-sector, reviewing developments since 2010, would be necessary to assess this argument accurately. For now, it cannot be considered proven; and it would, in any event, require a more extended commitment than most donors are normally able to make.

Sustainable Management of Land and Environment. As Table 5 on page 51 shows, SMOLE II ended on a similar note, with some participants feeling that appropriate approaches, systems and capacity were finally in place but longer-term engagement was needed to facilitate delivery at scale. Overall, according to the completion report (citing the 2012 MTR), the effectiveness of the programme was compromised by its excessively broad scope and its failure, until a late stage, to focus on those areas of work where it was most likely to achieve substantive progress (NIRAS 2015: 10). The report states that the objectives of updating land use plans and instituting environmental controls were satisfactorily achieved, while less progress was made with the delivery of land administration and transaction services at scale. Foundations have been built; but full effectiveness would depend on adequate government budgets, the maintenance of staff capacity and sustained commitment to good governance and due process in the land sector - none of which are guaranteed, and one of which, sufficient recurrent funding, is already reported to be lacking.

Mama Misit. There are no comprehensive data on the effectiveness of this project in achieving the five outcomes set out in its revised 2014 design. Informants report a moderate level of satisfaction with its performance in the two districts to which it is now confined, but there is currently no way of assessing how effective its advocacy may have been.

Tanzania Information Society and ICT Sector Development. As reported above, TANZICT achieved slow progress in the field of policy development, with a national ICT policy finalised but not approved at the time of the evaluation mission. Informants expressed concerns whether all relevant stakeholders were engaged in the process and how much ownership existed among the stakeholders. Although senior GoT officials showed commitment to the project, there were significant uncertainties at the time of the evaluation mission about the future of the Buni Hub, and stakeholders outside government expressed uncer-

tainty about the sustainability of the initiative. Another important concern is to what extent there is synergy between the forthcoming Science, Technology and Innovation policy, which began before TANZICT started, and the ICT policy. TANZICT aimed, *inter alia*, at creating an open collaborative platform for generation and processing of innovative ideas, incubation and other further development of ideas and inventions, assistance in commercialisation of promising inventions, raising awareness on innovation and innovators (provision of new role models) and provision of a gateway for international companies and entrepreneurs willing to develop innovations for the Tanzanian (African) market in collaboration with Tanzanian partners. It is not possible to assess these achievements against the original performance indicators, because the implementation of this component was based on flexible planning, with activities introduced in the course of implementation. This allowed response to changes and needs in the innovation ecosystem as they emerged, but would have required proper monitoring systems, feasibility studies as well as risk and sustainability analysis. This activity-based approach is also reflected in performance reports, which contain little analysis of the achievements. TANZICT's effectiveness in capacity development has been compromised by the merger in late 2015 of the Ministry of Communication, Science and Technology, to which these efforts were devoted, with the Ministry of Works.

Lindi and Mtwara Agribusiness Support. The most recent phase of LIMAS is an example of the new generation of projects that was influenced by the CS emphasis on RBM (although it started before the CS was introduced). Baseline and monitoring data were collected and an endline survey was carried out. On this basis, the draft completion report concluded that there had been some, but incomplete, effectiveness at purpose level. The goal was to achieve a 20 percent increase in the value of sales by targeted farmer households in at least five project-supported agriculture or forest-based commodity value chains or business strategies. In one of the two districts where the project operated, a 9.1 percent increase was reported in the average annual gross income per household from sales of cash and food crops. In the other district, there was a 9.9 percent fall in this income between baseline and endline. A second target was that at least 30 percent of LIMAS-supported enterprises would be assessed as having a sound basis to continue - in other words, to be sustainable. On completion, the summary assessment was that 35 percent of these businesses seemed sustainable. Thirdly, it was intended that at least 35 percent of the population engaged in LIMAS initiatives would enjoy improved livelihoods. The completion report showed that 74 percent of these households had an improved ability to pay for school fees and clothes, while 67 percent had a better ability to pay their household expenses. However, as noted in Table 5, a minority of these households reported a negative trend in their income: 25 percent of female-headed households and 10.5 percent of male-headed households were less able to pay for school fees and clothes, while 20.4 percent and 8.6 percent of the two categories respectively said that their ability to meet household expenses had deteriorated (Komulainen 2016: 12-14).

Dar es Salaam electricity. As indicated above, this major budget item in the CS is at the same time a strategic outlier, with no direct link to the DRs or Finnish objectives, although it should contribute indirectly to the "promotion of inclu-

sive, sustainable and employment-enhancing growth". Reporting is purely in terms of activities and outputs. The project will afford considerable relief to the overburdened electrical reticulation system of Dar es Salaam and significantly reduce the amount of load shedding and associated costs to the urban and national economy. While the new control system should be valuable in the longer term, the city's power supply is likely to be overloaded again in two years' time.

Seed Potato Development Project. According to the completion report, this project was reasonably effective in achieving its four intended results: "strengthened capacity for pathogen testing, cleaning and potato genetic resource improvement", "capacity for pre-basic potato production improved", "increased capacity of certified potato production in Tanzania" and "field management and potato production practices at farm level improved". However, "to fully quantify the benefit and economic return of this project, it would be profitable to conduct a thorough assessment in the project intervention villages in respective districts. It was too early at the closing of the project to accurately determine intermediate outcomes and possible long-term impact soon after project closure" (International Potato Centre 2015: 5, v).

The Fund for Local Cooperation. This is a valuable component of the CS, although it is only loosely linked to it, not reported on with reference to standard evaluation criteria, and not reflected in the CS results monitoring framework. It is therefore not possible to comment here on its effectiveness. The time and resources available for this evaluation did not permit detailed investigation of the interventions it funded during the review period.

5.2.2 Contribution of the CS portfolio to the CS objectives

Table 5 below offers an assessment of the contribution that CS portfolio interventions have made towards Finland's objectives.

Table 5: Progress towards Country Development Results

| Strategic Results Area/ Objectives | Progress |
|--|--|
| <p>1 Good governance and equitable service delivery</p> <p>A) Improved state accountability and transparency → Improved public financial management and audit systems → Improved transparency in the governance of budget resources and natural resources → Citizens' wider participation in decision-making and strengthened oversight in monitoring government actions</p> <p>B) Reduction of inequality through improved service delivery → More equitable and needs-based allocation of budgetary funds at the local government level</p> | <p>General budget support</p> <ul style="list-style-type: none"> Although it continued to contribute to equitable service delivery, the overall effectiveness of this instrument in enhancing state accountability and transparency declined for all donors during the CS implementation period, and was reduced to nil for Finland when it withdrew in 2015. This has led to concern in the Embassy about what alternative mechanisms there are for achieving policy influence. Routine contacts with government counterparts at various levels do still offer some opportunities for discussion of policy issues, but at the bilateral level (as distinct from EU-GoT consultations, for example), the policy influence of such contacts is likely to be limited. <p>Public Finance Management Reform Programme</p> <ul style="list-style-type: none"> The PFMRP is considered by Finnish and DP informants to be effective at the technical level, contributing to improved public financial management systems. The CS results monitoring framework for 2015 shows that one of its two PFMRP-related targets was achieved. Both were achieved in 2013 and 2014. Results framework targets for improved financial management by LGAs and for improved service delivery in primary schools and health facilities were achieved, although Finland made no direct contribution in these two service delivery areas. Data on more equitable budgetary allocations at LGA level were not included. <p>Uongozi Institute</p> <ul style="list-style-type: none"> As the 2015 MTR noted, there is little information about the outcome level performance of the Institute; nor is there an M&E system to measure it. In a general sense, the Institute can be seen to have made a valuable contribution in expanding the space for public debate of governance and policy issues that in principle contributes to citizens' wider participation in decision making. <p>UN Women</p> <ul style="list-style-type: none"> According to informants, the contribution of this intervention to the DR and Finnish objective was limited by its late start (too close to the date of the October 2015 elections) and capacity problems in some of the implementing NGOs. |

| Strategic Results Area/ Objectives | Progress |
|--|--|
| <p>2 Sustainable management of natural resources and access to land</p> <p>A) Improved planning and implementation of policies, laws and programmes</p> <p>→ Improved capacity of the government administration to make and implement the laws, regulations and policies</p> <p>→ Participatory and private management of natural resources and environment, based on an understanding of the resource base</p> <p>→ Improved land and forest tenure rights</p> <p>B) Sustainable use of natural resources by communities</p> <p>→ Sustainable methods for forest management, forestry and agribusiness</p> <p>→ Improved and inclusive organisation of citizens and communities to manage the environment and value chains in forestry and agriculture</p> | <p>Private Forestry Programme</p> <ul style="list-style-type: none"> The PFP has so far made only modest contributions to DR 2 in the field of policies, laws and programmes. The political history of Tanzania is significant: shifting to a commercial orientation in policy and practice, and from a conservation paradigm to one of use, takes time. Stimulated by significant local demand, more immediate progress has been made in community planning for commercial forest development. <p>NFBKP II</p> <ul style="list-style-type: none"> The challenges mentioned above, of shifting from a conservation to a use mode, affect work by this project too. Related governance and political challenges make communities reluctant to put all their forest land in statutory Village Land Forest Reserves, which they then own, for fear of state capture – and possibly a perception that (degraded) forest land yields lower economic benefits than farm land. Weak capacity at LGA and community levels has slowed the intended enhancements to resource use planning and management, with the best results achieved through non-governmental service providers. One senior informant perceived no general improvement in village resource management capacity since 2010. Capacity in the MNRT and the Tanzania Forest Service/Authority also remains weak. However, NFBKP II has laid useful foundations for the required paradigm shifts and institutional development. <p>Mama Misitu</p> <ul style="list-style-type: none"> There are indications, but no externally validated evidence, of moderately satisfactory performance by the revised, smaller-scale advocacy campaign that this programme has undertaken since 2014. To date there is no way to assess how much of a contribution this made to sustainable methods for forestry management or improved organisations of citizens and communities. <p>SMOLE II</p> <ul style="list-style-type: none"> Although its progress in delivering some of the planned outputs (such as formally registered land parcels) was much slower than planned, this project made a useful contribution in strengthening the institutional and procedural foundations for effective and efficient land management in Zanzibar through the Commission of Land that was eventually established in mid-2015. Informants in the Commission felt that (although it began in 2010, with SMOLE I operating 2005–2009) SMOLE II was ended too soon, just as systems and confidence were in place for implementation at scale. <p>Lindi and Mtwara Agribusiness Support</p> <ul style="list-style-type: none"> Although primarily classified under DR 3 below, LIMAS also contributed to village land use planning and CBFM in one area, developing approaches that will be continued for some time through further Finnish support to the forestry sector. Targets had to be scaled back, reflecting the complexity of the institutional challenges faced in such work. |

| Strategic Results Area/ Objectives | Progress |
|--|--|
| <p>3 Promotion of inclusive, sustainable and employment-enhancing growth</p> <p>A) Increased employment opportunities in agriculture and forestry especially for women and youth</p> <p>→ Increased production and value chain development for agriculture and forest products</p> <p>→ Increased grass root level business development at different levels</p> <p>B) Strengthened role of information technology and innovation systems for economic growth</p> <p>→ Enabling policy environment & effective public institutions for information society and ICT sector</p> <p>→ Strengthened local innovation capacity and employment opportunities</p> | <p>Tanzania Information Society and ICT Sector Development</p> <ul style="list-style-type: none"> Some external factors have affected project performance. For instance, approval of the new ICT policy was delayed (to May 2016) by the 2015 elections; and ministerial portfolios were changed after the elections, affecting the sustainability of some of the institutional and staff development that had been achieved. The group of DPs that Finland chairs has undertaken policy dialogue with the GoT, but stakeholders feel that the policy process should have been more participatory. The Finnish contribution to achieving an enabling environment and public institutions for the information society has therefore only been partially achieved. TANZICT has only made a limited contribution to strengthening public institutions for this purpose. However, the project has also strengthened local innovation capacity in various ways, for example by facilitating the formation of nearly 60 new companies. <p>Lindi and Mtwara Agribusiness Support</p> <ul style="list-style-type: none"> The relevance and design challenges surrounding this intervention meant that its achievements at outcome level appear to have been limited – although they have not yet been evaluated. There have been some modestly promising benefits for businesses and livelihoods directly affected by the project; their sustainability remains to be seen. A minority of beneficiaries reported worsening livelihood scores. <p>Dar es Salaam electricity</p> <ul style="list-style-type: none"> This is a major and much appreciated investment that will enhance the management of electricity supplies in Dar es Salaam, although an experienced informant estimated that it will be managing an overloaded system again in two years. The intervention makes no direct contribution to the Finnish specific objectives set out in the CS. <p>Seed Potato Development Project</p> <ul style="list-style-type: none"> Potato production is a growing sector offering expanding employment opportunities for Tanzanians in areas with appropriate conditions. This intervention helped to enhance the technologies and capacity that are needed to support this expansion. Significantly, since project closure the GoT potato programme has been continuing to operate on revenues it generates itself. |

5.2.3 Assessing the impact of policy influencing

Overall, according to informants working for several DPs, the climate for policy dialogue deteriorated during Finland's CS period (MFA 2015: 3). Donors had already abandoned the Local Government Reform Programme in 2012, and Finland was chairing the GBS development partners group (DPG) when it and most donors ceased their GBS contributions two years later. During that difficult period, donor relations with the GoT deteriorated significantly, with government increasingly reluctant to engage in policy dialogue. The endorsements are not unanimous or unqualified, but Finland is mostly judged to have performed well during its period as chair of the GBS group, steering a delicate and diplomatic course through the often tense discussions. By the end of the review period, and still as this report was being prepared, Embassy personnel were uncertain how best to rebuild policy dialogue in the new circumstances,

Project reporting since 2013 has shown a marked improvement with regard to the presentation of performance data against results framework targets.

with no GBS participation and an uncertain climate for government-donor relations overall.

DP informants felt that the PFMRP did remain a constructive arena for dialogue and coordination, although – as noted below – this was more at the technical level than in overall discussion of or influence on national policy. Like many donors, Finland suffered particularly (in implementation of projects like LIMAS and NFBKP) from ongoing failures to enhance PFM at LGA level and to achieve efficient fiscal mechanisms to link central and local government.

Despite the generally deteriorating circumstances, informants mainly viewed Finland as having made a constructive contribution to alignment through its participation in various donor working groups. In addition to the GBS and PFM groups already mentioned, it was an active member and/or (co-) chair of the ICT group; the governance group; and the environment group.

At sectoral level, the CS portfolio did achieve significant levels of Tanzanian ownership of the policy directions and implementation mechanisms being developed. Finland retained its central role as long-standing donor in the forestry sector, and continued to build constructive policy dialogue with the GoT – notably about the paradigm shift from conservation to sustainable production and commercial development. To the extent that the opaque institutional politics of Zanzibar allowed, SMOLE achieved a significant degree of ownership around land and natural resource policy and administration. Policy dialogue, development and ownership followed an uneven path in the ICT sector, but at the time of this evaluation mission there were signs of progress.

5.2.4 The contribution of the CSM to the effectiveness of the CS portfolio

Introduction of the CS was accompanied by a stronger emphasis on results-based management. A sustained focus on RBM should find expression in project design and project delivery, as has started to be apparent in the Tanzania CS portfolio. Project design was required to be more systematic in the development of logic models and accompanying results frameworks; project implementation was required to focus on the achievement and reporting of the specified outputs and outcomes. This was a significant shift for the Tanzania portfolio. Despite MFA efforts to ensure that all project managers and other relevant staff were familiar with the RBM requirements, not all informants felt that this had been clearly explained or efficiently facilitated.

Nevertheless, project reporting since 2013 has shown a marked improvement with regard to the presentation of performance data against results framework targets. Understandably, project managers tend to focus much more on output delivery and reporting, and in many cases data at outcome level are thin or absent. For some projects, it is of course premature to offer performance data at outcome level.

Despite these improvements, however, it is not yet possible to see that the CS, with its RBM emphasis, has made country programming more effective. First, design has not always been realistic, so that the feasibility of achieving the intended outcomes on the basis of the planned outputs is limited.

Secondly, the long result chains set out in the CS mean that reporting across interventions at the strategy level is removed from the CS portfolio. Even where the Finnish-specific outcomes set indicators at the level of the interventions (as for example using the performance of LIMAS and TANZINCT as a signal that the specific objective has been achieved), reporting against indicators at the next or development result level does not add enough value to managing the CS portfolio, as it is too far removed from the intervention.

Thirdly, as noted, there are insufficient outcome level data for some interventions, precluding a comprehensive assessment of effectiveness during CS reporting.

Fourthly, the MFA has treated the Tanzania CS as a 'living document'. Understandably, a second edition was produced in 2014, one year after the first attempt. But the results indicators are adjusted from year to year as new activities come on stream and/or new data sources become available. In the Tanzania CS the efficiency and clarity of portfolio management through the results monitoring framework are hindered by the frequent revision of targets.

Furthermore, there is no evidence that the country strategy modality contributed to more policy dialogue. Finland's commitment and reputation as a donor seeking meaningful dialogue with government and effective alignment with development partners were established before the introduction of the CS. The existence and implementation of the CS did not materially affect these characteristics, although the deteriorating GoT-donor environment affected both them and the aid effectiveness of the CS portfolio.

5.3 Impact

5.3.1 The impact of the CS portfolio

No impact evaluations of Finland's Tanzania CS interventions are available. Indeed, as noted above, no genuine final evaluations are available either. Some MTRs and completion reports do speculate about signals of potential impact.

Good governance and equitable service delivery

The impact of the **good governance** cluster of CS interventions could at best be diffuse, and very difficult to measure empirically. The recent review of the PFMRP, for example, found it impossible to assess the impact of capacity building and training activities because of the lack of data (Innovex 2015: 25-27). While the PFMRP was said by respondents to contribute at the technical level, it was not engaging with or influencing the top level of policy, i.e. to the CS objective and development result. As one donor official put it, the PFMRP has talked more about the architecture of PFM, rather than its outcomes.

GBS arguably had important impact in the livelihoods of many Tanzanians, by affording them education and health care that might not have been available if Finnish and other donor support had not been provided through this instrument. The most recent overall evaluation of GBS argued that "the 'flow of funds' effect of budget support has enabled the government to increase development spending without recourse to domestic spending, which supported private sec-

In the Tanzania CS the efficiency and clarity of portfolio management through the results monitoring framework are hindered by the frequent revision of targets.

tor investment... the value of Budget Support and its relevance to the maintenance of a stable but growth-focused fiscal position should not be underestimated” (ITAD 2013: 89).

The current or potential impact of the **Uongozi Institute** must largely remain a matter of speculation. There is no way to show that the state is more accountable or transparent, or that inequality has been reduced, because of its work. In general terms, the work and profile of the Institute are having a positive impact on the political and policy landscape of Tanzania, through leadership capacity development and the promotion of high level awareness and debate on issues of national importance. Much more thorough study would be needed to calibrate this impact.

Sustainable use and management of natural resources and access to land

The 2010 evaluation of Finnish support to **forestry** found that “outcomes and impact from Finnish aid are yet to be fully felt in the forestry sector. Finland is the biggest donor of [participatory forest management] which is yet to elicit sustainable outcomes such as improved livelihoods” (Karani 2010: 16). Finnish-supported forestry interventions since that time may be shown in due course to have had small-scale positive impact in the livelihoods of participants in CBFM and, ultimately, commercial forestry ventures. Already, however, there has arguably been a significant policy impact, as government and society shift from the paradigm of conservation to that of sustainable use. These are not mutually exclusive approaches, but the political history of Tanzania long inhibited the development of commercial exploitation, however well rooted in considerations of environmental sustainability. With Finnish support, these attitudes have begun to shift, which promises sustainable modes of resource use. Whether this is achieved in practice, and whether the related village land use planning process proves sustainable, remains to be seen.

The achievement of village land use plans does not necessarily lead to more sustainable or profitable resource management and use, although there are some promising instances of this starting to happen.

Promotion of inclusive, sustainable and employment enhancing growth

In a related field, the CS has framed two efforts to achieve positive impact on rural livelihoods: one broad, the other focused. The **Lindi and Mtwara Agribusiness Support** project has worked towards the commercialisation of at least some agricultural production in two remote Regions of southern Tanzania. While there are signs of some positive outcomes, the institutional, infrastructure and economic conditions for progress remain difficult, and it is hard to be confident of positive impact for more than a few communities and businesses. Given that it is now 44 years since Finnish development assistance to these Regions began, this would be an important area to commission an overall impact evaluation to yield empirical data. The much more focused **seed potato** production project, on the other hand, has worked in an easier institutional, economic, infrastructural and natural environment and concluded on a more

obviously promising note. Whether its initially positive outcomes will convert to a positive impact in, say, five years from now will depend – as ever – on the ability of state, parastatal and private institutions to maintain the support services that it introduced.

TANZICT has been the other CS intervention with an emphasis on private sector development and the enhancement of livelihoods through commercial ventures. It is too early to evaluate its impact. The success of the ICT policy implementation depends on the interest and support of all the relevant sectors of Tanzanian society. This implementation also entails building human capital, including ICT literacy, and bridging infrastructure gaps to provide an enabling environment for e-government development.

5.3.2 Contribution of the CSM to the impact of the CS portfolio

The logic model and results monitoring framework of the CS do offer scope for aggregate reporting and assessment of the impact of the CS portfolio, if two conditions are met. First, the impact of the component projects must be assessed. So far, this has not been done. Final evaluations are not carried out (one explanation being that so few projects actually end), let alone impact evaluations. Secondly, there must be adequate coherence between the individual interventions, at least within each of the clusters. So far, only the sustainable NRM cluster can claim this coherence.

5.4 Efficiency

5.4.1 Efficiency of the CS portfolio

Delays in project implementation. The implementation delays, low disbursement rates, revision of targets and (no cost) extension of project duration that occurred in the CS portfolio, are all indicators of efficiency problems in its implementation.

LIMAS, NFBKP II and SMOLE are examples of interventions that proved to be too ambitious about what could be accomplished over the originally planned period, so that ideas of implementation at scale turned into – still valuable – establishment of systems, procedures and pilot practice. TANZICT experienced significant delays in implementation, due *inter alia* to weaknesses in the formulation of the project; slow GoT processes, MCST bureaucracy, and confusion concerning responsibilities, which resulted in much time being wasted.

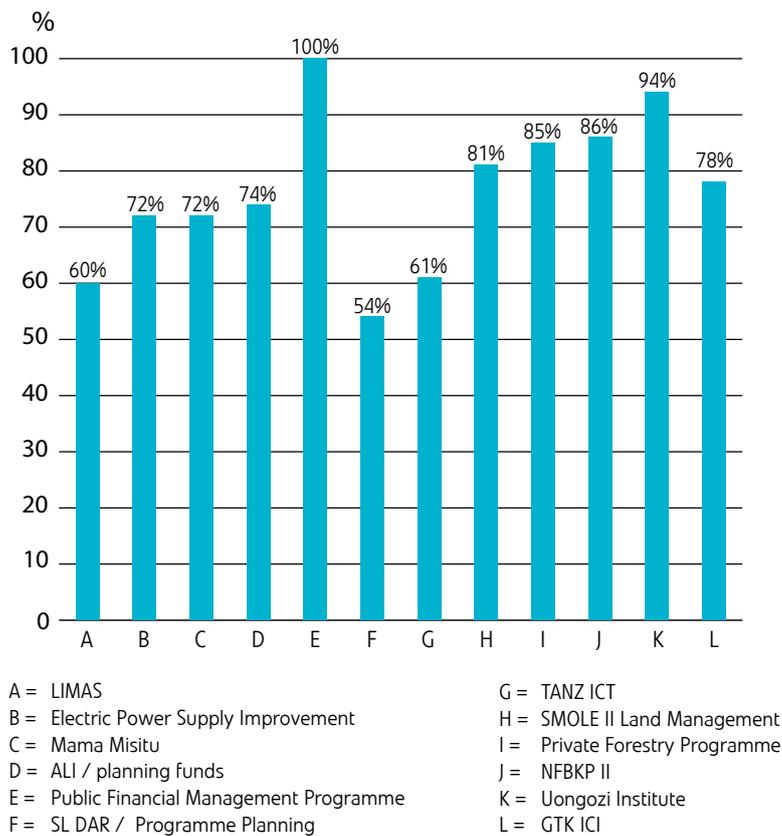
Levels of disbursement have varied from year to year and from project to project (see Figure 2 on page 23 and Figure 5 below). On average, the proportion of the annual budget disbursed was slightly higher in 2013–2015 (66%) than in 2010–2012 (64%). Some common factors have affected this aspect of efficiency. For example, disbursement through government systems is slower and lower than that to contracted consultancy firms providing technical assistance personnel; interventions have not always started at the originally scheduled time; and start-up phases of lower expenditure may last longer than was planned. Finland's disbursements to GBS were efficient and prompt; awkwardly so in 2014, when it made its full payment for the year on time and, as chair of the

The implementation delays, low disbursement rates, revision of targets and (no cost) extension of project duration that occurred in the CS portfolio, are all indicators of efficiency problems in its implementation.

The major risks inherent in the Tanzanian institutional, policy and economic environment were, overall, poorly identified and poorly addressed.

GBS DPs' group, found itself shortly afterwards presiding over the suspension of many donors' contributions due to the IPTL scandal (see section 2.1).

Figure 5: Expenditures against budget by project, 2013–2015



Staff turnover. Efficiency overall is negatively affected by rates of staff turnover at the Embassy, and sometimes in project TA positions. One project manager reported having dealt with four programme managers at the Embassy during the three years of project implementation. Efficient early implementation of both LIMAS and the PFP was hindered by the need to replace the first appointed project managers with more suitable candidates.

The Fund for Local Cooperation is transaction-heavy for the Embassy, which negatively affects the overall efficiency of portfolio management by the small and shrinking country team. So far, with the support of an experienced local officer and use of an external service provider, the Embassy has been able to carry this burden (MFA 2013b: np).

Risk management. The major risks inherent in the Tanzanian institutional, policy and economic environment were, overall, poorly identified and poorly addressed, which is why so many projects underspent and went into no-cost extensions; had to run into subsequent phases; or suffered periods of frozen disbursements due to financial management issues on the Tanzanian side. There is no doubt that the Tanzanian institutional environment - especially at LGA level - is not conducive to efficient project operations. There are two implications: first, the risks should be fully recognised and planned for at interven-

tion and CS portfolio level. Secondly, implementation should resist the understandable inclination - redoubled during the current shift back to project-based modalities - to retreat from joint implementation with central or local government authorities and rely on direct implementation by project teams. This would be contrary to the Finnish commitment to aid-effective implementation. One option used by some development initiatives in Tanzania, and partially adopted by TANZICT, is to work through a parastatal agency - in that case, the Tanzania Commission for Science and Technology. But in some sectors no such institutional opportunities exist, and parastatals are not automatically efficient either.

5.4.2 Contribution of the CSM to efficiency in the CS portfolio

The introduction of the CSM did not significantly enhance risk identification or management in Finland's Tanzania portfolio. Risks were discussed in just under one page of the CS, in a narrative format that failed to specify mitigation measures for each identified risk.

A more positive contribution of the CSM to efficiency was its emphasis on results-based management. The increasingly systematic approach of CS projects' design and implementation with regard to objectively verifiable performance indicators, their measurement at baseline and their subsequent monitoring and reporting, has enhanced managers' and counterparts' awareness of the quality of performance, of efficiency, of issues arising and consequently of management measures that may be required. As with effectiveness and efficiency, however, changes in indicators from year to year detracted from this benefit.

In the case of SMOLE, however, informants stated that inadequate engagement of local stakeholders in the CS development and introduction process affected efficiency. They found themselves confronted with a new emphasis on RBM that had not been clearly explained to them and was therefore unduly burdensome on the management of the project.

5.5 Sustainability

5.5.1 Sustainability of the CS portfolio interventions

Ownership in country interventions. Perceptions of ownership, a key factor affecting the sustainability of development interventions, are stronger in some of the CS interventions than others. Key factors include the modality of the intervention, the longevity of Finland's relationship with sector institutions; and how much of a priority the intervention objective is to the GoT.

Perceptions of ownership are high, for example, in the Uongozi Institute, which is seen as a Tanzanian initiative that Finland supports. For reasons outlined above, Tanzanian ownership of the GBS process declined during the CS period, but was higher in previous periods. But perceptions of ownership remain high in PFMRP, which the Ministry of Finance continues to value. All three are delivered through using the systems of the beneficiary institution. Ownership is perceived to be lower in TA-driven projects like the PFP and LIMAS. In these,

The introduction of the CSM did not significantly enhance risk identification or management in Finland's Tanzania portfolio.

The CSM itself does not yet contribute to more sustainable Finnish development cooperation in Tanzania. That remains a matter for the design and operation of individual interventions.

however, beneficiaries may feel strong commitment to the particular enterprise or activity that links them to the project, but the relevant authorities do not identify so strongly with the intervention as a whole.

Because of Finland's strong profile as a committed donor to Tanzanian forestry, there is a greater sense of ownership of the community-based forestry efforts to which the CSM has contributed; and one GoT informant argued that sustainable operations can be achieved with strong local participation during implementation - as reportedly achieved by and since the National Forest Resources Monitoring and Assessment (NAFORMA) project.

TANZICT was a special case in developing an area of intervention well ahead of government understanding of the importance and potential of the ICT/innovation sector. While that awareness has grown, it remains debatable whether government will show the ongoing ownership and entrepreneurial commitment that will be needed for sustainable post-TANZICT results. As has often been the case in the CSM portfolio, considerations of sustainability for TANZICT are being deferred by the launch of a successor project. The Tanzania Innovation Support Programme (TANZIS) is expected to start soon, with more focus on the national innovation system than on ICT, and an emphasis on strengthening funding for innovation and the private sector.

There is little reference to sustainability in project reporting (although the 'sustainable/ity' word recurs frequently in cluster and project titles) - and, as noted, there are no final evaluations from which this review could draw an assessment of the sustainability of individual interventions.

Institutional weakness as a factor. Across all three clusters, sustainability is compromised by institutional weaknesses in Tanzanian central and local government; by recently declining standards of governance (which the new government hopes to address); and by economic uncertainty. All of these are factors beyond the direct control of the Finnish interventions. Forestry and NRM projects have striven to enhance environmental sustainability in the rural sector, but positive results are not yet assured: the forces of unsustainable exploitation are powerful. Interventions that are less centrally reliant on the institutional capacity of central or local government are likely to offer stronger prospects of sustainability. It is obviously premature to judge the sustainability of the PFP, but promising foundations are being laid. The seed potato project offers at least some scope for sustainability through private sector agencies, and its completion report offers a detailed and convincing seven-point plan for sustainability (International Potato Centre 2015: 35-38).

5.5.2 CSM contribution to sustainability

The CSM itself does not yet contribute to more sustainable Finnish development cooperation in Tanzania. That remains a matter for the design and operation of individual interventions. Given the country team's experience of the CSM to date, there are a number of pathways through which the CSM could in future contribute to a more sustainable CS portfolio. For example,

- By deepening Finland’s commitment and experience in a limited number of sectors, the CS arguably enhances Finnish understanding of the constraints and opportunities for sustainability in those fields, as well as Tanzanian understanding of how Finland can help achieve it.
- By providing an overall strategic rationale linking Finnish inputs to sustainable impact for Tanzanians, the CS encourages more focused analysis of how this theory of change can be fulfilled.
- With its stronger emphasis on RBM, the CS promotes a similarly stronger focus at the level of individual projects’ design and implementation.
- At the same time, the annual cycle of CS results monitoring and reporting should encourage closer attention to the changing contexts in which the CS portfolio is being implemented, potentially leading to adjustments in project or overall CS design.

However, there is no clear evidence that the CSM is actually achieving this in Tanzania, where the CS remains an overall framework - with no explicit reporting on sustainability - and detailed (re)design and implementation decisions are taken at the level of the individual projects.

The CSM also offers no opportunity for contributions by Tanzanian counterparts to sustainability of the CS portfolio results. There was only a limited amount of consultation and briefing with the GoT during CS preparation. Although occasional updates on the CS are still provided, for example in a briefing by the Ambassador to the Permanent Secretary in the Ministry of Finance in 2015, levels of awareness are low and of ownership lower. The CS is seen as a Finnish strategy that is appropriately linked to Tanzanian objectives, but little is known about its content.

A different kind of CS that spanned (without necessarily directing or managing) all modes of Finnish engagement with the country might have the opportunity to strengthen the focus on achieving sustainable results. For this to happen, the promotion of RBM with which the CSM has been associated would have to put more emphasis on identifying and measuring indicators of sustainability, and on the commissioning of final and impact evaluations to verify the results.

5.6 Coordination, complementarity and coherence

5.6.1 Coordination, complementarity and coherence of the CS portfolio

Coordination of the CS portfolio

Alignment. The general decline in aid effectiveness that was outlined above has affected the alignment of most ODA, including that of Finland, with country systems, although overall high-level conformance to those systems is still generally in place. The CS was thus explicitly aligned with national development objectives, although a new CS in 2016 would face new challenges in aligning itself with national development planning that puts less emphasis on donor financing.

In addition to the activities that are framed by the CS, Finland uses a number of other channels and instruments in its engagement with Tanzania. The complementarity with these other modes of cooperation is not strong.

Alignment with country systems has traditionally been understood to mean alignment with government systems for development and fiscal management. In the country strategy period, however, Finland's development programme represents a partial shift to a different kind of alignment, with private sector systems for enterprise, profit and enhanced livelihoods for participants. This is manifest in the PFP, in TANZICT and to some extent in the less promising LIMAS.

Local government finance is a major challenge to full alignment with conventionally defined country systems. Channelling funds to local government authorities through central government is dysfunctional, and even when Finnish projects disburse directly to LGAs problems of corruption and incompetent financial management often arise. Since the demise of the LGRP in 2012, Finland has not directly tackled these challenges.

Coordination. Coordination of interventions with other development partners was central to the principles of aid effectiveness to which Finland and other donors were strongly committed in the years before the CS was launched – although one element of this coordination, through the Local Government Reform Programme, had already lapsed. A degree of coordination continued, in a deteriorating political climate, through general budget support, until 2015 when Finland and many other donors suspended their use of that instrument. In financial year (FY) 2014/15, Finland then joined the Public Finance Management Reform Programme as the sixth basket funder, enhancing its coordination in that area of work under the good governance cluster of its CS.

Overall, coordination of other CS portfolio interventions with those of fellow development partners is generally good, through the various development partner sector working groups in which Finland plays a well-respected role, and sometimes in joint funding of individual projects or sector initiatives such as the Mama Misititu campaign (previously also supported by DFID and Norway) and recent joint planning with Switzerland on further CBFM interventions. Finland's joining the PFMRP was welcomed.

Complementarity in the CS portfolio

In addition to the activities that are framed by the CS, Finland uses a number of other channels and instruments in its engagement with Tanzania. The complementarity with these other modes of cooperation is not strong.

The list of project agreements with NGOs that were funded in Tanzania between 2008 and 2015, supplied by the MFA CSO Unit, shows a total of 476 project agreements, although some of these may be annual renewals. There is no evidence of complementarity between the CS portfolio and these projects.

In practice, Institutional Cooperation Instrument (ICI) and Higher Education Institutions Cooperation Instrument (HEI-ICI) projects are sometimes used as follow-up/exit instruments for CS portfolio projects (such as SMOLE and the earlier NAFORMA project). Finnish funding for TMEA in 2015 combined bilateral and regional budgets, but, unlike two ICI interventions and the FLC, which is managed by the regional department in Finnish Headquarters, the regional contribution does not appear in the CS budget.

Finnfund has a 23 percent share in one of the major private sector partners for the new Private Forestry Programme, the Kilombero Valley Teak Company; they collaborate on an outgrower programme. According to informants, this collaboration was stimulated by the Finnfund link; but the CS says nothing about how complementarity between the bilateral programme and Finnish investment could or should be promoted through instruments like Finnfund and Finnpartnership.

Coherence in the CS portfolio

The Tanzania CS portfolio became fragmented during the CEP period. Four years after the start of the CS period, with some interventions being closed down, the overall coherence of the programme is reasonably convincing. A major achievement is the assurance - within the MFA and to partners - that Finland would not engage in interventions, at least through bilateral aid channels, that do not fit within the overall thematic framework of the CS with its three (partially) interlocking thrusts.

The internal coherence of the governance cluster has suffered with the suspension of GBS, with the upstream activities of the Uongozi Institute not clearly linked to specific purposes. It is stronger in the sustainable NRM cluster, especially now that SMOLE, which was a thematic outlier, has closed. The growth and employment cluster is less coherent, but will also soon lose content. TANZICT is likely to be succeeded by TANZIS, but there will be no successor to LIMAS or the Dar es Salaam electricity project. Yet the promotion of equitable growth, with a strong role for the Finnish and local private sectors, could logically be the leading element of an evolving Finnish CS for Tanzania, given the increase of Finnish investment interest in the country and the constraints on the bilateral budget.

5.6.2 CSM contribution to coordination, complementarity and coherence in the CS portfolio

Coordination. The CSM has made a contribution to a more aligned CS portfolio by helping to stimulate a stronger and more realistic alignment with local systems through working through the systems of local Tanzanian institutions, even if not government. A review of Finland's coordination with DPs in Tanzania since 2013 however, does not suggest that the CSM significantly enhanced it. Consultation and collaboration between DPs are well-established practices in Dar es Salaam, and Finland was effectively engaged in them before the CS was introduced.

The CS itself is not coordinated - well or badly - with other DPs, who are only slightly aware of its existence. This may reflect the MFA's approach to the CS, at least in Tanzania, as a largely internal planning, management and reporting tool.

Complementarity. The CS refers briefly to the need for "new development instruments" and mentions the use of Finnfund, Finnpartnership, ICI and HE-ICI, the Fund for Local Cooperation, funding through multilateral agencies and regional initiatives such as TMEA (MFA 2014: 21). But it does not offer a structured explanation of the proposed complementarity between these instruments and initiatives.

The CS also refers briefly to the potential for strengthening partnerships with Finnish NGOs, many of which are active in Tanzania under the separately funded (and recently much reduced) framework agreement for support to NGOs working in developing countries. Again, however, the CS makes no active effort to promote complementarity between the bilateral programme and this other major area of Finnish intervention.

So far, the CS has thus made no significant contribution to complementarity between channels and instruments in Finnish development cooperation with Tanzania.

Coherence. The CSM has made a significant contribution to a more coherent CS portfolio insofar as it was an instrument to reduce the number of interventions and increase the focus of the programme after the CEP period of fragmentation. While the long-standing forestry cooperation still formed a thematically coherent set of activities, the rest of the portfolio just had to be assigned into the three CS clusters as convincingly as possible. It is likely that future CSs will become more coherent, as they will be more able to direct what interventions should be undertaken, rather than being a retro-fit to existing commitments.

5.7 HRBA and Cross-Cutting Objectives

5.7.1 HRBA and cross-cutting objectives in the CS portfolio

Performance with regard to the HRBA was assessed against the three dimensions of the approach as set out in the MFA 2015 guidance (MFA 2015). These are whether interventions advance rights realisation as a development result; inclusive, participatory and non-discriminatory development processes; and the capacities of rights holders and duty bearers. Key findings are:

- The **good governance and equitable service delivery** cluster provided high-level advocacy of rights-based approaches through the work of the Uongozi Institute. Finland's GBS was also arguably a contribution to equitable service delivery, helping the GoT to extend government facilities to larger proportions of the population.
- The CS cluster focusing on **sustainable NRM and access to land** is indirectly intended to enhance the rights of women and marginalised people in rural communities by strengthening equitable and democratic community management structures for land and natural resources. There is no direct evidence to show how far the component projects have achieved this.

The reduction of inequality, climate change, and gender equality. The interventions of the third CS cluster, **promotion of inclusive, sustainable and employment-enhancing growth**, were intended to enhance equitable opportunities, notably through the inclusive approach to savings and business opportunities promoted by LIMAS and through the innovation and entrepreneurial opportunities promoted for youth - admittedly only in large towns - by TANZICT. The draft LIMAS completion report gives more attention than most to the cross-cutting issues, acknowledging that the entrepreneurs the project supported tended not to be the poorest of the poor but pointing out, as noted above, that com-

munity-level institutional development by LIMAS did promote inclusiveness and equity. By promoting drought resistant crops, the project also made some contribution to helping beneficiaries tackle climate change in an increasingly dry environment. The completion report also offers data on the proportions of women occupying managerial and leadership positions in the enterprises and community structures that the project supported, but does not analyse the progress made or the factors affecting it. The **sustainable NRM and access to land** cluster is the principal instrument in the CS for helping rural Tanzanians tackle climate change, notably through the maintenance of forest cover. Again this is more of a logical programme goal than a demonstrable achievement.

The project on women's political participation with UN Women had an explicit gender focus. Gender equality also is part of the design of interventions in the sustainable NRM and access to land interventions.

5.7.2 Contribution of the CSM to HRBA and other cross-cutting objectives in the CS portfolio

The CSM has put in place a platform for better inclusion of HRBA and the cross-cutting objectives of gender equality, reduced inequality and climate change sustainability in the Tanzania CS portfolio. The CSM delivered a CS that was explicitly aligned with Finland's 2012 Development Policy Programme (section 5.1.1 above) and presented a well-argued set of linkages between the proposed interventions, the DPP's overriding human rights-based approach (HRBA) and its three cross-cutting objectives (CCOs): gender equality, the reduction of inequality, and climate sustainability. The CS makes multiple commitments to inclusive approaches that seek to assist the marginalised and underprivileged as well as those more readily able to benefit from development interventions, and makes numerous references to promoting gender equality and the empowerment of women. Some of the indicators in the CS results monitoring framework refer specifically to geographical equity (reduction of inequality through improved service delivery) and gender (percentage of women in Tree Growers' Associations, number of Farmers' Groups led by women). There is also an indicator for the growth cluster showing numbers of women and youth in formal employment. However, the annual narrative reports on the CS do not have any focused discussion on performance with regard to the HRBA or the CCOs.

5.8 Assessment of the validity of the TOC based on the evaluation findings

The CS theory of change pathway (section 4.3 above) makes a number of assumptions whose validity affects the likelihood of Finland's CS portfolio in Tanzania contributing to impacts in terms of the CS objectives and development results. These include the obvious expectation that interventions will proceed as planned, with the required respective inputs and quality of work from all contributors. The CS TOC offers a plausible pathway for a meaningful impact in all these interrelated areas, but makes a number of bold assumptions about the conditions for success. Table 6 reviews the degree to which these assumptions, as listed in section 4.3, held.

Table 6: Assessing the validity of the CS TOC

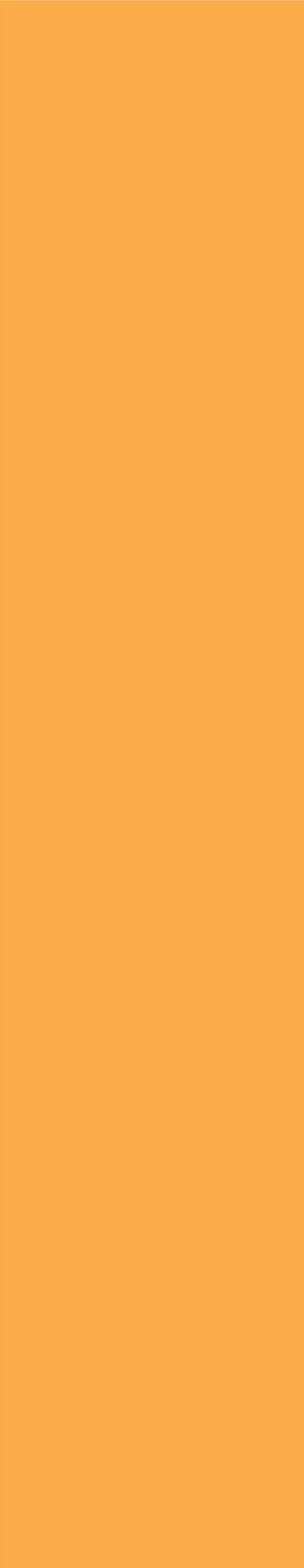
| Assumption | Finding |
|---|--|
| <p>1. An important assumption is that all contributors, including Finland, have the budgetary, technical and human resource capacity to make their respective inputs and contribute to the outputs expected by the Finnish CS.</p> | <p>This assumption proved not fully valid. CS implementation was repeatedly impaired by GoT lack of budgetary and institutional capacity at central and local government levels. Finland’s budget for the CS shrank between 2013 and 2015, and is expected to shrink further.</p> <p>Finnish staff resources were not always appropriate; sometimes were replaced; and suffered from frequent turnover.</p> |
| <p>2. The TOC clearly assumes also that Finnish inputs will be adequate, timely and sustained for the committed periods.</p> | <p>The second, related assumption was therefore not fully valid either.</p> <p>Furthermore, not all available Finnish resources were disbursed. While disbursement percentages improved slightly over the CS period, on average just over half of Finnish resources were available on the ground to fund interventions that could contribute to the achievement of the outcomes and impacts envisaged in the logic model.</p> |
| <p>3. One key feature of the TOC is the requirement for joint inputs by the governments of Tanzania and Finland, as well as other development partners: coordination is inbuilt and assumed.</p> | <p>This assumption was only partially fulfilled. In aggregate, the climate for coordination with the GoT declined over the CS period. Coordination with DPs was generally good.</p> |
| <p>4. The CS assumes that the bilateral projects engaged in direct implementation (natural resource management, ICT, agribusiness) will link into influence at the policy level.</p> | <p>This assumption is particularly important. Review of the TOC diagram (Figure 4 on page 40) shows the importance of this linkage, especially at output and intermediate outcome levels. Overall, the assumption had some (but incomplete) validity in the sustainable NRM and access to land cluster of the CS, notably through interventions in the forestry sector and in land policy for Zanzibar. It was partially valid in the growth promotion cluster, with incomplete policy results in TANZICT at the time of this evaluation and less convincing links between field practice and policy in LIMAS. In the good governance cluster the linkage is less relevant, as these interventions were primarily aimed at the policy level even when, as in the case of GBS, they involved major funding support for GoT implementation programmes.</p> |
| <p>5. An overriding assumption in this TOC is that ‘soft’ interventions through engagement and advocacy, linked to the strengthening of national analysis and debate, can be meaningful and effective.</p> | <p>This related assumption is hard to test empirically. Like assumption 4, it has been proved partially correct by CS performance to date. While the opportunities for and effectiveness of policy dialogue dwindled to nothing in the GBS arena, they were maintained through the PFMRP, continued to at least some degree in the forestry and ICT sectors and were believed by informants to have some meaning in the work of the Uongozi Institute.</p> |
| <p>6. A further overarching assumption is that the activities selected in the CS are an efficient and effective contribution of Finnish resources, based on comparative advantage and targeted in such a way as to optimise leverage in the sectors on which the CS has chosen to focus.</p> | <p>This assumption concerned relevance. This assumption is partially invalidated by the fact that the projects drove the CS, rather than the reverse. It was true of the sustainable NRM and access to land cluster’s work, particularly in forestry, and was arguably true of TANZICT. In the other sectors and projects there was less evident Finnish comparative advantage. For LIMAS, the only special advantage, if it can be called that, was the very long period over which Finland had been striving to support the disadvantaged Regions of Lindi and Mtwara.</p> |

| Assumption | Finding |
|---|--|
| 7. Linked to this is a series of assumptions about the selected outputs being so designed and delivered that they achieve national advocacy, capacity and policy purposes over and above their direct results for participants and beneficiaries. | The validity of these assumptions was linked to the partial validity of assumptions 4 and 5, as discussed above. |
| 8. These link, in turn, to the design assumption that the intermediate outcomes shown in the diagram can lead to the 'specific' – but in fact quite broad – Finnish objectives shown in the left-hand 'results' column (strategic choice level 3 in the CS logic model). | The validity of this assumption is in practice impaired by the contribution gap to which this evaluation repeatedly refers. It is hard to show in practice how these broad, high-level results have been meaningfully affected by the intermediate outcomes. This problem lies at the heart of the RBM that the annual results monitoring framework attempts. The causal relationship between indicators at the different levels – even if assessed in terms of contribution rather than attribution – is hard to demonstrate empirically. |
| 9. There are further broad assumptions – not specified or elaborated in the CS itself – that results at strategic choice level 2 will lead to higher level results at strategic choice level 2, and that these will in turn make a meaningful contribution to Tanzania's impact level development goal, as stated in national strategy. That statement, as shown, does not refer to good governance – unless it is assumed to be part of a "high quality of life". | The same challenge that affects the assumption above, affects the validity of these assumptions. |

5.9 Country-specific issues

The evaluation terms of reference (Annex 1 below) posed no country-specific questions for Tanzania, but did raise one issue: “Tanzania is in a process of transitioning to the lower middle income country level. Therefore, the evaluation should make justified recommendations on how to advance broad based partnerships especially in trade and private sector development including interaction with civil society and public sectors in the future.” The evaluation’s recommendations are presented in chapter 8 below, but some remarks on this issue can be offered here.

The issue is certainly highly pertinent in Tanzania today. The challenges of achieving sustainable livelihoods for the impoverished rural majority of the population are as grave as ever. Many decades of development cooperation by Finland and numerous, mostly larger, donors have not overcome them, although progress has been made. But major social and political trends mean that the established modes of development cooperation will increasingly need to be complemented by other approaches, as hinted by the TOR question.



For Finland and its Tanzania CS, this is primarily a question of complementarity. It is likely, as the TOR question implies, that cooperation in trade and private sector development will become an increasingly prominent feature in the total spectrum of relations between the two countries, as the Tanzanian private sector grows and becomes more capable in its international linkages and the Finnish private sector - with encouragement from its government - becomes better aware of the opportunities in Tanzania, and better able to seize them. At the same time, assuming that the political space remains open to it, an increasingly sophisticated network of Tanzanian civil society organisations and voices will become more able to engage in the development narrative and to reach out to the international community. For that purpose, they will expect to strengthen the existing linkages that they have with Finnish civil society and NGOs.

This is a question of complementarity because many of the instruments and mechanisms to promote these two dimensions of Finland-Tanzania cooperation are already in place. There are doubtless ways to strengthen and broaden them; that is not the subject of this evaluation. What Finland now needs in Tanzania is a CS that builds the complementarity between the portfolio of bilateral projects and these other instruments for promoting trade, investment and civil society collaboration between the two countries.

6 CSM EVALUATION FINDINGS

6.1 Introduction

Some of the evaluation questions about the country strategy modality that were posed to this review have been answered in the findings on the Tanzania CS presented in chapter 5 above. This chapter answers some of the other questions raised about the CSM.

6.2 Relevance

When assessing the relevance of the CSM to MFA management and CS portfolio managers' needs, we can identify a 'background' relevance and a 'foreground' relevance.

The 'background' relevance of the CSM is strong for MFA in Tanzania. The CSM was welcomed in 2012, and is still appreciated in 2016, because of the focus it provides for the CS portfolio, and the opportunity it has afforded to move beyond the fragmentation and lack of direction that the portfolio suffered in the years before 2012. This 'background' relevance should (but is not guaranteed to) increase if the CSM stays in place and that thematic focus increasingly drives the content of the CS portfolio. So far, the projects still drive the CS, which is a shell built around them. Increasingly, it can be anticipated that the CS will drive the projects, to the extent that MFA decides to maintain the project modality.

The 'foreground' relevance of the CSM is weak in Tanzania. The principal concerns and workload of the country team from day to day focus on project design and management, not on the CS. The CS is not a desk instrument for undertaking their responsibilities in this regard. As primarily operational managers rather than strategic ones, the CSM currently is not fully relevant to them.

6.3 Effectiveness

Contribution of the CSM to CS portfolio performance

Whether the CSM is effective can be assessed against the degree of influence it has had on the performance of the CS portfolio, taking into account that it was never likely to be fully effective in this sense in the first round, as it inherited a set portfolio around which the CS was fitted. The discussions in Chapter 5 found that the CSM only had very limited effects on CS portfolio performance: it was effective in terms of enhancing coherence, and only somewhat effective in leveraging periodic country-level RBM review into better intervention effec-

The CSM was welcomed in 2012, and is still appreciated in 2016, because of the focus it provides for the CS portfolio, and the opportunity it has afforded to move beyond the fragmentation and lack of direction that the portfolio suffered in the years before 2012.

tiveness and efficiency. It was also effective in catalysing better results-based project design and monitoring.

Effectiveness of CSM processes

Processes to introduce the CSM. Perhaps understandably, given that this was a first attempt at a new process, the introduction of the CSM was not managed optimally for Tanzania. As noted above, it was not an inclusive process involving the GoT and other stakeholders. Instead, it was seen as an internal task for the MFA. This has not been a major handicap for the subsequent implementation of the CS, which is, after all, still primarily a portfolio of projects that are, individually, developed and implemented in close collaboration with government. But it obviously diminishes ownership and profile for the CS within Tanzania.

Informants state that the process of CS preparation in 2012-2013 was difficult, with much hard work done at the Embassy that was ultimately not included in the document, and instructions from Helsinki repeatedly revised. They also found that the CS process offered less scope for innovation than they had expected, either strategically in terms of development cooperation directions for the two countries or operationally in terms of portfolio content. The task was, after all, to fit the new CS around the ongoing portfolio of interventions.

Ongoing CSM processes. CSM processes from year to year revolve around the biannual reporting responsibility, with the major task being the annual results report submitted in mid-February. This is a spike in the ongoing heavy workload of the small Embassy team, who must assemble data on the indicators in the results monitoring framework and write the narrative report. As shown above, the indicators are drawn partly from project performance reports and partly from macro-level data on governance and economy in Tanzania. In this process, the concept of accountability continues to apply more at the project level than at the CS level. There is no doubting the accountability role of project performance reporting; but it is not clear that the Embassy or the country team is accountable in the same sense for the performance data presented in the annual CS report. Accountability at CS level is further diluted by the incomplete representation of portfolio performance that the results monitoring framework offers; by the annual revision of the indicators included, due for example to the closure of some projects and the start of new ones; and by the contribution gap to which this evaluation refers, meaning that the upper levels of the logic model are only loosely linked to the lower ones.

The effectiveness of these CSM processes for RBM is therefore only partial. They facilitate learning, by offering an overview of trends in Tanzania and of the performance of the CS portfolio - to the extent that MFA stakeholders take them seriously, rather than just treating them as another bureaucratic requirement to be fulfilled. As explained above, they facilitate accountability in only the most general sense.

Effectiveness of results targeting

In Tanzania, the CSM has contributed to enhanced targeting and measurement of results by MFA. Its introduction was part of an increasing emphasis in the Ministry on RBM, leading - as noted in this evaluation - to much more system-

atic recording of indicator data at project baselines, during implementation and at completion. Some of those data are included in the CS results monitoring framework.

However, the contribution gap means that the measurement of overall CS performance remains incomplete and unconvincing. Annex 5 reproduces the most recent (February 2014) version of the logic model for the Tanzania CS. It reveals a substantial contribution gap: the effectiveness of CS portfolio interventions in helping to achieve the three Country Development Results, or even Finland's objectives at strategic choice level 2 in the second column, can at best be partial and is impossible to demonstrate empirically. The annually updated results monitoring framework on CS performance against this logic model is inevitably an incomplete and unconvincing attempt to measure the overall effectiveness of the CS. It draws some, but not all, of its indicators from the outcome level of component projects' logic models. Some of the indicators thus directly represent the performance of those projects; others are proxies for the general status of broad sectors like public finance management to which Finnish funding has contributed. In neither case can the contribution of CS portfolio activities to Finland's objectives or the DRs be evaluated in more than a very general sense. Thus, however effective CS portfolio interventions may be, the logic model does not facilitate a clear demonstration of how that effectiveness contributes at the higher levels of the results framework.

6.4 Efficiency

For the Tanzania country team, year-to-year CSM processes can be considered efficient. Although the urgent burden of periodic reporting on CS performance is stressful, the total amount of time demanded by the CSM is minor - more or less congruent with the relevance it has for the team, as explained in section 6.2 above. The four-yearly CSM preparation process could, on the other hand, be made more efficient, by being more clearly structured and directed than it was in 2012-2013.

Analysis of CSM efficiency should also take into account the smaller annual budgets now managed through the CS. The inelasticity of any embassy's overhead costs means that, even if the number of aid counsellors is cut from three to two, as currently envisaged, the efficiency of using Embassy-based personnel to oversee a CS portfolio will deteriorate as the budget of that programme dwindles.

6.5 Sustainability

CSM processes are not yet deep-rooted enough to be considered sustainable. The benefits of focus and stronger direction that participants in those processes perceived are matched by the relatively modest workload that the CSM imposes. The purpose, benefits and effort of the CSM would all have to be intensified, building commitment to and meaning for the concept, before these processes would be truly sustainable. The current evaluation exercise, linked to the development of the MFA's second generation of Country Strategies, should serve as a step in that direction.

The contribution gap means that the measurement of overall CS performance remains incomplete and unconvincing.

7 CONCLUSIONS

The findings presented in chapters 5 and 6 are structured to respond to the evaluation questions (EQs) posed by the overall evaluation matrix for this review of Finland's CSM and the respective Country Strategies. The conclusions below offer a higher-level response to the EQs.

- 1) The Tanzania CS is **relevant to the context in that country**. It was carefully constructed to achieve direct relevance to national development policies, priorities and programmes. Its three-pronged approach to good governance and equity, sustainable NRM, and promotion of inclusive, sustainable and employment enhancing growth is relevant to the country's evolving needs - in the context of growing national concern about corruption and standards of governance, about degradation of the national natural resource base and about unemployment. Consequently, the CS is broadly relevant to the rights and priorities of partner country stakeholders, and its concern with good governance, equity and the promotion of employment offers some support to easily marginalised groups. An approach to equity that explicitly involved social protection would have strengthened CS relevance in the latter regard.
- 2) Following the fragmentation and confusion of the 2008-2012 period in the Tanzania portfolio, the CS was an attempt to rebuild **relevance to Finnish development policy priorities**, through explicit linkage to and conformance with the 2012 Development Policy Programme. However, this was inevitably a broad sort of relevance, and it had no immediate effect on the content of the CS portfolio.
- 3) In Tanzania, the **relevance of the CSM** was strong in a 'background' sense, providing focus after a period of fragmentation. It was weak in the 'foreground' sense of providing strong management direction to the CS portfolio. The bulk of the country team's effort has continued to be devoted to managing the portfolio of projects, rather than to managing the CS itself.
- 4) The **relevance of CS interventions** in Tanzania was generally strong.
- 5) Assessment of the **overall effectiveness of the CS** is hindered by the contribution gap in its logic model, which makes it difficult to draw convincing conclusions from the annual results monitoring framework data.
- 6) Assessment of the **effectiveness of CS interventions** is hindered by the fact that management and reporting of these interventions has focused more at output than at outcome level. This is symptomatic of the operational, rather than strategic, concerns that dominate CS management and the management of the individual interventions - as well as the methodological challenges of measuring outcome level performance. The effectiveness of GBS declined and was then terminated when Finland suspended its contributions. The PFMRP is effective at a technical level, but not at higher policy levels. The Uongozi Institute does well at output

level, but little is reported or known about its effectiveness. The effectiveness of Finland's contribution to women's political participation in the 2015 elections through UN Women was compromised by a late start and implementation problems. In the NRM sector, it is too soon to comment on the effectiveness of the PFP, although the signals are promising. The tangible outcomes of the NFBKP II have been limited so far, but the project may in future be judged to have made a valuable contribution to revising the CBFM paradigm. The effectiveness of the Mama Misitu campaign cannot be measured. In terms of policy and systems, SMOLE was effective in strengthening the institutional and procedural foundations for sound land management in Zanzibar. TANZICT achieved moderate but still uncertain effectiveness, whose measurement is compromised by the flexible, activity-based approach that the project adopted to its logic model. It will be important to do a final evaluation of LIMAS, the latest in four decades of Finnish interventions in the Lindi and Mtwara Regions. It has been moderately effective for some of the agribusinesses and livelihoods with which it worked directly. The major Dar es Salaam electricity project should have lasting value in controlling a system that will soon be overloaded again, but contributes only indirectly to the country development result of "promotion of inclusive, sustainable and employment enhancing growth". Preliminary indicators of the effectiveness of the Seed Potato Development Project are promising.

- 7) The **CSM has been effective** in enhancing focus and partially strengthening results-based management in the Tanzania portfolio. But the contribution gap in the CS logic model means that the CSM does not provide a convincingly integrated structure to link the performance of individual interventions with the status of the sectors to which they seek to contribute. Nor has the CSM been effective - it was not designed to be - in building Tanzanian ownership of Finland's development cooperation efforts in the country. It would be preferable to build a CS structure that permits more meaningful accountability through a revised logic model, and that takes a more inclusive approach to in-country ownership.
- 8) The achievement of **development results** by the CS has been constrained by the deteriorating political and governance context in Tanzania and by the focus in the implementation of CS interventions on the delivery of outputs. By (appropriately) moving upstream into the governance and equity area and (to a lesser extent) in the growth and employment area, the CS made it harder to define, monitor and assess the achievement of development results. The theories of change in the design of individual projects are not realistic enough about how these outputs can contribute to development results, and although some valuable evaluation work has been done there has been inadequate evaluative attention to performance at the level of outcomes and development results - which should inform the design of any further interventions and of the CS overall.

The achievement of development results by the CS has been constrained by the deteriorating political and governance context in Tanzania and by the focus in the implementation of CS interventions on the delivery of outputs.

There is no evidence that the country strategy modality contributed to more aid effective country programming.

- 9) At project and sectoral levels, Finland continued to perform well in **policy influencing**, and was viewed by government and DPs as playing a constructive role, notably in its chairing of the GBS DPR group during a difficult period. Termination of Finnish GBS removed a major opportunity for policy influence, but the overall climate for such relationships through GBS remains unpromising.
- 10) There is no evidence that the country strategy modality contributed to more **aid effective** country programming. Although the long-standing mutual friendship between Finland and Tanzania remains in place, the climate for aid effectiveness deteriorated significantly during the period of Finland's first Tanzania CS. Practical (though partly qualitative) indicators of aid effectiveness showed a correspondingly negative trend.
- 11) It is not easy to ascertain the **impact** of the Tanzania CS. Future evaluations, if performed, may identify positive impact from the (still new) PFP, from the Seed Potato Development Project and from TANZICT. The impact of the good governance cluster of CS interventions could at best be diffuse, and very difficult to measure empirically. Impact of the now terminated GBS is also difficult to assess, but is likely to have been important in the livelihoods of many Tanzanians. The CS theory of change offers a plausible pathway for a meaningful impact in the interrelated areas of accelerated economic growth, poverty reduction and a high quality of life, but makes a number of bold assumptions about the conditions for success. It was predicated on a more conducive environment for aid effectiveness than now exists.
- 12) **Risk** identification and management remain a challenge to the **efficiency** of the CS and its programme. CS portfolio implementation continues to manifest symptoms of inefficiency that are linked to this weakness. However, the CSM made a more positive contribution to efficiency with its emphasis on results-based management. While the operational efficiency of some projects has been strong, the efficiency of the portfolio as a whole continues to be impaired by the Tanzanian institutional environment and by rapid turnover of Embassy and project management personnel.
- 13) The **sustainability** of the Tanzania CS is influenced by the degree of ownership that Tanzanians feel. This is limited for the CS as a whole, but fairly strong for some of the individual interventions, roughly in proportion to the degree of integration of the project with local leadership and institutional and policy frameworks. Thus, there is a strong Tanzanian sense of ownership for the Uongozi Institute and the PFMRP; a much lower degree of ownership of LIMAS; and a mixed picture for TANZICT. A new challenge for the CS is whether much stronger Tanzanian ownership of the development process will diminish the national appetite for development cooperation. The sustainability of the CS portfolio interventions depends, as ever, on a broad range of factors partly beyond their control - but needs closer attention in the management and reporting of these projects. Interventions that are less centrally reliant on the institutional capacity of central or local government are likely to offer stronger prospects of sustainability.

- 14) Maintaining **alignment with country systems** has been a challenge in Tanzania during the CS period. A more important challenge now is to rethink the concept of alignment and to recognise that it is at least as important to align with private sector and civil society systems as it is to align with those of the state.
- 15) The **coordination** of CS interventions with those of other development partners has generally been good. Finland has continued to be an active, constructive and respected member of the donor community in Dar es Salaam. The CS has not directly contributed to this, and the CS itself is not well coordinated with DPs, most of whom are only slightly aware of its existence.
- 16) The **complementarity** of the CS and its programme with the other Finnish channels and instruments for engagement with Tanzania is not strong. It is best described as negative complementarity - a lack of contradiction or duplication - rather than positive complementarity, which would place each such channel and instrument, including the CS portfolio, within an overall strategic rationale that explains the roles and contributions of each - without necessarily seeking to manage or direct them all.
- 17) The **coherence** of the CS and its programme is still only partial, and has not been reinforced during the CS period, due partly to budget cuts. It would take several iterations of the CS cycle, and adequate funding, to develop a fully coherent CS portfolio. Meanwhile, new projects continue to be developed independently of the CS cycle. At the same time, shrinking budgets raise questions about how the three clusters can be maintained as a coherent whole. This concern links to questions about the **efficiency** of operating a coherent CS, or any sort of bilateral programme, as the implementation budget shrinks relative to comparatively inelastic overhead costs.
- 18) CS implementation has seen convincing commitment to **human rights-based approaches, gender equality and the reduction of inequality in society**, although the outcomes achieved have not been clearly measured. The sustainable NRM and access to land cluster offered the clearest theoretical contribution to **environmental sustainability**, but again there is little evidence on what practical difference the CS portfolio has made.
- 19) This evaluation has assessed the validity of the Tanzania CS **theory of change** and questioned many of the assumptions that were made. More careful assumptions and assessment of risk would strengthen the next CS.
- 20) The budget for the bilateral cooperation programme with Tanzania has been much reduced, and there is no guarantee that it will not be reduced further. Specialist adviser posts at the Embassy will also be cut. It would therefore seem logical to recommend a reduction in the number of CS clusters and Country Development Results (CDRs) from three to two. Such a recommendation would be inappropriate for three reasons:
- there are ongoing and/or imminent project commitments in the NRM and growth clusters;

Finland has continued to be an active, constructive and respected member of the donor community in Dar es Salaam.

Introduction of the CSM has not strengthened the approach to evaluation in the Tanzania programme.

- excluding the good governance field from the next CS would send the wrong signals to Finnish and Tanzanian society;
- as suggested above, the new CS should maximise complementarity across the full spectrum of Finnish engagement with Tanzania. It should therefore be possible for a CS cluster to contain relatively little bilateral project activity (and impose relatively little supervisory work on the Embassy) but for the CS to explain what other instruments and cooperation channels strengthen relations and joint activity in that field.

21) Introduction of the CSM has not strengthened the **approach to evaluation** in the Tanzania programme. Some very useful broad evaluations have been done, notably of the country programme as a whole (2012) and of support to forestry in Tanzania (2010); the multi-donor evaluation of GBS was also useful (2013). MTRs are common; quality has varied, but they serve an important purpose. Yet they are mostly a foundation for the design of new project phases, rather than for more thorough final evaluations that would give more insight into outcomes and potential impact.

8 RECOMMENDATIONS

Finland can build its next Country Strategy for cooperation with Tanzania on two strong foundations:

- the instructive and productive experience gained from the first CS, 2013-2016;
- the ongoing strong friendship between Finland and Tanzania, derived from Finland's good reputation as a reliable and competent partner over many years.

The recommendations below make two assumptions:

- Finland - presumably in the framework of European Union decisions about the political situation in the country - is willing to maintain a development cooperation programme with Tanzania;
- Tanzania, despite recent mixed signals about the role of donor funding for its development efforts, wishes to maintain a development cooperation programme with Finland.

- 1) **The next CS should be developed on a more consultative basis and offer a more inclusive approach to the GoT.** It should retain its character as a strategy of the Government of Finland; but there should be a stronger commitment to ownership and alignment, through more detailed consultations during CS design and systematic briefings and consultations with the GoT and DPs during CS implementation.
- 2) Like the current one, **the next CS should be keyed as directly as possible to GoT development objectives**, provided that these are broadly concordant with Finnish development policy and allowing for the fact that the new GoT objectives, as stated in the forthcoming five year development plan, may still be in draft at the time of CS preparation. This is likely to mean reference also to the implementation of the global Sustainable Development Goals at national level.
- 3) Referring explicitly to current trends in ODA - globally, in Finnish policy and in ODA to Tanzania - **the next CS should set out a comprehensive description and explanation of all modes of Finnish engagement with Tanzania**, including the bilateral cooperation programme directly managed through the CS (with stronger reference to the Fund for Local Cooperation); private sector modes of engagement including Finnfund and Finnpartnership; ICI and HEI-ICI activities; activities funded with regional budgets that affect Tanzania; and NGO channels of cooperation. This does not mean altering funding or management responsibilities for these different modes of engagement within the Government of Finland. It does mean optimising complementarity between the various mechanisms, instruments and modalities so that the CS gives an integrated rationale for the full spectrum of Finnish development cooperation with

The next CS should be developed on a more consultative basis and offer a more inclusive approach to the GoT.

Tanzania. At a time when funding for the bilateral CS portfolio itself is much reduced - and might shrink further - this will help to assert Finland's ongoing commitment to Tanzania, and emphasise that the total sum of all engagements is actually able to grow.

- 4) Being at the forefront of evolving modes of collaboration between Finland and Tanzania, but with less reliance on bilateral project funding, **the equitable growth cluster in the new CS should make particular efforts to emphasise complementarity with other instruments for Finnish support and cooperation with the Tanzanian private sector, its employees, its promoters and its regulators.** It, too, should intensify efforts to promote gender equality and the empowerment of women (GEEW) and report on performance in this regard.
- 5) The above two recommendations answer the question posed to this Tanzania CS evaluation: how to “advance broad based partnerships especially in trade and private sector development including interaction with civil society and public sectors”. Finland is well placed to advance these broad based partnerships across the public, private and civil society sectors. But this must be done through the broader CS recommended above. It is not feasible with a CS that only represents the bilateral cooperation programme, as the first one did.
- 6) **The logic model and corresponding results monitoring framework for the CS should be revised to deal with the contribution gap** that has afflicted overall evaluation of the performance of the current CS. Higher-level monitoring of the status of the relevant sectors and country development results should be disconnected from the project-to-cluster logic model and should serve as a framework and context for that model, offering periodic updates on the broader situation in Tanzania.
- 7) **The new CS should present a more detailed analysis of risks and assumptions,** specifying the implications of both and how the former would be addressed.
- 8) **The new CS should focus on the sustainable NRM and equitable growth clusters, while maintaining the current projects in the good governance cluster** (Uongozi Institute and PFMRP; UN Women closes shortly) but emphasising complementarity with Finnish engagement through NGO channels and the role of the FLC in the governance sector. FLC support for work in the other two clusters should be reduced, so that good governance activities receive at least half of FLC funding.
- 9) **Both the successor project to NFBKP II and the PFP should be intensively monitored during the next CS period, required to collect and report outcome-level performance data, and subject to final evaluation.** The final evaluations should establish conclusively (a) how sustainable small-scale commercial forestry can continue to be promoted and (b) whether CBFM has an institutionally, economically and environmentally viable future. Both projects should maintain constructive engagement with the relevant policy issues and developments. They should intensify their efforts to promote GEEW, and report accordingly.

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- 10) **The new CS should make explicit reference to those interventions that will directly address one or more of the current DPP cross-cutting objectives, and briefly explain how.** Where appropriate, it should also explain how other Finnish development and engagement instruments are likely to help meet these objectives.
 - 11) **The governments of Finland and Tanzania should prepare for a final evaluation in 2017 of their joint support to the Uongozi Institute,** in order to determine whether further support is warranted and what form it should take. The Institute and the Embassy should take immediate steps to enhance the monitoring and reporting of the Institute's performance at outcome level.
 - 12) Given the long history of Finnish efforts to support sustainable development in the Lindi and Mtwara Regions, **the MFA should commission a final evaluation of LIMAS that also assesses the lessons learned during previous programmes in those Regions** and the extent to which they remain relevant.

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THE EVALUATION TEAM

Stephen Turner (Country Team Coordinator) has over 35 years' consulting experience spanning policy and programme evaluations; participatory and community-based surveys, development planning and management; project planning and monitoring; and institutional, policy and programme development for governments as well as bilateral and multilateral organisations. An applied social scientist by training, he has worked in multiple professional environments, including civil engineering, nature conservation, social protection, community-based development, non-governmental organisations, and the development planning and management systems of governments and international agencies. In addition to leading the evaluation team, he focused on natural resource management and land issues in the CS portfolio.

Bernadeta Killian (evaluation team member) is an associate professor at the Department of Political Science in the University of Dar es Salaam and Principal at Mkwawa University College of Education of the University of Dar es Salaam. Her areas of specialisation include democracy and democratisation, governance, organisational management, gender and politics, and public policy analysis. She is highly familiar with Finnish development cooperation in Tanzania and has taken part in a number of evaluations of Finnish development interventions in the country. In this evaluation, she focused on governance and civil society issues in the CS portfolio.

Raisa Venäläinen (evaluation team member) holds a Master of Education degree. She has more than 25 years of experience in education sector development and in project and programme evaluation, with a focus on inclusive development and the Human Rights Based Approach. She has worked in the World Bank and for several project planning, evaluation and technical assistance assignments in Asia, Africa, Middle East and the Western Balkans. In this evaluation she focused on the 'promotion of sustainable and employment enhancing growth' cluster within the CS.

ANNEX 1: TERMS OF REFERENCE

Evaluation of Finland's development cooperation country strategies and country strategy modality

1 BACKGROUND TO THE EVALUATION

Over time, Finland has established long-term development cooperation partnerships with seven developing countries. These countries are Ethiopia, Kenya, Mozambique, Zambia, Tanzania, Nepal and Tanzania. Ministry for Foreign Affairs of Finland (MFA) has had a specific policy and implementation framework for planning and managing the development co-operation in these countries. These management frameworks have been called with different names over the times, but in practice, they have defined the Finnish country strategies in the long-term partner countries. The **Development Policy Programme 2007** introduced Country Engagement Plans (CEP) for each of the long term partner countries which were followed from 2008 until 2012. The current country strategy planning and management framework (hereafter Country Strategy Modality, CSM) was based on the **Development Policy Programme 2012** and implemented in partner countries from 2013 onwards. Currently, about half of the MFA's bilateral and regional development funding is channelled through the CSM. Now, the latest country strategies and the CSM will be evaluated in accordance with the annual development cooperation evaluation plan 2015, approved by the MFA.

Previously, the country strategies or programmes have been evaluated only on individual country basis. Countries evaluated within the last 5 years are Nicaragua, Nepal, Tanzania and Kenya. The other partner countries may have been evaluated earlier or covered only by policy evaluations or project evaluations.

All published evaluations: <http://formin.finland.fi/developmentpolicy/evaluations>

A synthesis of eight partner countries programmes was published in 2002. <http://formin.finland.fi/public/default.aspx?contentid=50666&nodeid=15454&contentlan=2&culture=en-US>

A separate evaluation study will be conducted as well as a country report drawn up from the following country strategies: Ethiopia, Mozambique, Zambia, Tanzania, Nepal and Tanzania. Kenya's country strategy was evaluated in 2014, and these evaluation results will be integrated into the context analysis and the synthesis of the evaluation. Similarly, the country strategy of Nicaragua that was terminated in 2012 during the evaluation period, can be taken into account in the context and the synthesis analyses based on the previous country and strategy evaluations.

2 CONTEXT

Country Strategy Modality

In 2011 the MFA commissioned an evaluation on results-based approach in Finnish development cooperation. The evaluation recommended, among the other recommendations, MFA to re-organize the system of country-level planning to identify more measurable objectives and indicators. As a result of the recommendation, and as a part of the Result Based Management development work (RBM) MFA decided to develop country strategy model that is more in line with the results base approach as well as the Development Policy Programme 2012. New guidelines for the country strategies were developed for the country teams in the second half of 2012. New country strategies were adopted country by country in 2013. New instructions for follow up and reporting were developed during the course, based on learning from experience. New versions and updates of the Country Strategies have been done annually.

According to the MFA's first internal guideline on Country Strategies in 2012, the Country Strategy is a goal-oriented management tool for managing the Finnish development cooperation in a partner country. The strategy provides guidance for planning and implementing the cooperation as well as for reporting on the progress. The Country Strategies answers at least to the following questions:

- How the partner country is developing?
- Considering the situation in the country, Finland's development policy, resources available, the coordination and division of the work with other development partners as well as the best practices in development aid, what are the development results that Finland should focus in the partner country, and with which tools and aid modalities?
- What are the indicators that can be used to follow up the development of the partner country as well as the results of Finland's development cooperation?
- What are the indicators that can be used to follow up effectiveness and impact of Finland's development cooperation?
- How the progress should be reported?
- How the information from the reports will be utilized in the implementation of the strategy?

One of the goals of adopting the current Country Strategy Modality in 2012 was one of the steps to increase the effectiveness and impact of Finland's development policy and cooperation at the country level. Following the good practices of international development aid, Finland's strategy in a partner country supports the achievement of medium-range goals of the partner country government in three priority areas or sectors. Country strategy also takes into consideration as far as possible the work done jointly with other donors (for example, the EU country strategies and multi-donor development cooperation programmes carried out jointly with Finland). The country strategies are approved by the Minister for International Development of Finland. However, the content is consultatively discussed together with the partner country government and other major stakeholders.

The aim was to keep the country strategy process light and the process flow loose to acknowledge the different country contexts.

Separate instructions have been developed for Country Strategy planning, follow-up and reporting. Some of these instructions are in Finnish.

Country Strategies to be evaluated

The country strategies were formulated in 2012 for each long term development partner country with the option for annual revisions in the case of changing environment. The country teams have reported the progress and results of the country strategies annually in the Annual Country results reports on Development Policy Cooperation by country development result and by Finland's objectives and specific objectives. The original country Strategies were updated in 2014. These versions can be found from the MFA web site. The links are provided below. The updated versions may contain of some different information compared to the original ones, but provides sufficient information for tendering purposes. The original copies as well as other relevant internal documentation will be provided during the inception phase.

Ethiopia:

The updated Country Strategy for Development Cooperation with Ethiopia 2014-2017:

<http://formin.finland.fi/public/default.aspx?contentid=274547&nodeid=15452&contentlan=2&culture=en-US>

Zambia:

The updated Country Strategy for Development Cooperation with Zambia 2014-2017:

<http://formin.finland.fi/public/default.aspx?contentid=274537&nodeid=15452&contentlan=2&culture=en-US>

Tanzania:

The updated Country Strategy for Development Cooperation with Tanzania 2014-2017:

<http://formin.finland.fi/public/default.aspx?contentid=274539&nodeid=15452&contentlan=2&culture=en-US>

Mozambique

The updated Country Strategy for Development Cooperation with Mozambique 2014-2017:

<http://formin.finland.fi/public/default.aspx?contentid=274551&nodeid=15452&contentlan=2&culture=en-US>

Nepal:

The updated Country Strategy for Development Cooperation with Nepal 2013-2016:

<http://formin.finland.fi/public/default.aspx?contentid=274553&nodeid=15452&contentlan=2&culture=en-US>

Tanzania:

The updated Country Strategy for Development Cooperation with Tanzania 2013-2016:

<http://formin.finland.fi/public/default.aspx?contentid=274544&nodeid=15452&contentlan=2&culture=en-US>

3 PURPOSE AND OBJECTIVE OF THE EVALUATION

The purpose of the evaluation is to provide evidence based information and practical guidance for the next update of the Country Strategy Modality on how to 1) improve the results based management approach in country programming for management, learning and accountability purposes and 2) how to improve the quality of implementation of Finnish development policy at the partner country level. From the point of view of the development of the country strategy modality the evaluation will promote joint learning of relevant stakeholders by providing lessons learned on good practices as well as needs for improvement.

The objective of the evaluation is to provide evidence on the successes and challenges of the Country Strategies 1) by assessing the feasibility of strategic choices made, progress made in strategic result areas, validating the reported results in the annual progress reports and identifying possible unexpected results of Finland's development cooperation in each of the long-term partner countries; and 2) by aggregating the validated results and good practices at the MFA level and 3) by assessing the feasibility of the Country Strategy Modality for the purposes of results based management of the MFA.

International comparisons can also be used when assessing the Country Strategy Modality. Comparison countries may be, for example, Ireland and Switzerland, whose systems have been benchmarked in the planning stage.

4 SCOPE OF THE EVALUATION

Temporal scope

The evaluation covers the period of 2008–2015. The results-based Country Strategy Modality with new directions and guidance was designed in 2012, and implemented from 2013 onwards in all the Finland's long-term partner countries. However, a longer period, covering the earlier modality is necessary to take in consideration, as most of the individual projects constituting the country strategies started already before 2013. Many of the projects and interventions were actually developed based on Country Engagement Plan modality that was the precursor of Country Strategy Modality and was adopted in 2008. In 2012, the interventions were only redirected and modified to fit better to the new structure of Country Strategy Modality and the new Development Policy programme. In order to understand the strategies as they are now and to evaluate the change and possible results of current country strategies, it is essential to capture the previous period as a historical context.

Similarly, when evaluating the feasibility of the Country Strategy Modality at process level, capturing a longer period is essential. Therefore, the period 2008–2012 will be analysed mainly on the basis of previous evaluations with a particular interest to give contextual and historical background for assessing the change that the new Country Strategy Modality introduced.

Content scope

The evaluation covers the following processes and structures

- 1) The Country Strategy Modality, including the process transforming Country Engagement Plans into Country Strategies
- 2) In each of the countries, a country-specific context from 2008 to 2015, consisting of the Finnish bilateral assistance contributing to partner country's own development plan, Finland's development funding portfolio as a whole in the country and Finland's role as part of the donor community.
- 3) Current Country Strategies; achievement of objectives so far taking into account the historical context of the strategies and possible changes in the objectives 2013 onwards.

5 ISSUES BY EVALUATION CRITERIA

The following issues by evaluation criteria will guide the evaluation. Priority issues for each criterion are indicated below. In order to utilize the expertise of the evaluation team, the evaluation team will develop a limited number of detailed evaluation questions (EQs) during the evaluation Inception phase. The EQs should be based on the priorities set below and if needed the set of questions should be expanded. The EQs will be based on the OECD/DAC and EU criteria where applicable. The EQs will be finalized as part of the evaluation inception report and will be assessed and approved by the Development Evaluation Unit (EVA-11). The evaluation is also expected to apply a theory of change approach in order to assess the relevance of strategies as well as expected results and impact.

The Country Strategy Modality will be evaluated using the following criteria:

Relevance of the Country Strategy Modality

- Synthesize and assess how the country strategy modality has ensured the relevance of Finland's strategic choices from the point of view of partner countries, including beneficiaries, Finland's development policy and donor community
- Assess the extent to which the country strategy modality is in line with agreed OECD DAC international best practices.

Effectiveness of the Country Strategy Modality

- Synthesize and assess the results of the country strategy process at the corporate level/development policy level
- Assess the effects of country strategy process on accountability and managing for results: the reporting, communication and use and learning from results for decision making

Efficiency of the Country Strategy Modality

- Assess the quality of the country strategy guidelines, including their application including the clarity and hierarchy of objective setting, measurability / monitorability of indicators, appropriateness of rating systems etc.
- Assess the process of developing the strategy guidelines especially from process inclusiveness and change management point of views
- Assess the leanness of the Country Strategy Modality, including the resource management (human and financial) securing the outputs at country level

Complementarity and coherence of the Country Strategy Modality

- Synthesize and assess the extent to which the country strategy modality has been able to complement / take into consideration of other policies and Finnish funding in the partner countries and vice versa
- Synthesize and assess the best practices / challenges on complementarity in the current strategy modality.

Country strategies will be evaluated in accordance with the following criteria

In individual country strategy evaluations, the strategic choices of Finland will be evaluated in accordance with the following OECD DAC criteria in order to get a standardized assessment of the country strategies that allows drawing up the synthesis. In addition, each criterion may also consist of issues / evaluation questions relevant only to specific countries. In each of the criteria human rights based approach and cross cutting objectives must be systematically integrated (see UNEG guidelines). The country specific issues/questions are presented separately in chapter 5.1.

Relevance

- Assess the extent to which the Country Strategy has been in line with the Partner Country's development policies and priorities.
- Assess the extent to which the Country Strategy has responded the rights and priorities of the partner country stakeholders and beneficiaries, including men and women, boys and girls and especially the easily marginalized groups.
- Assess the extent to which the Country Strategy has been in line with the Finnish Development Policy priorities

Impact

- Assesses and verify any evidence or, in the absence of strong evidence, "weak signals" of impact, positive or negative, intended or unintended, the Country Strategy has contributed.

Effectiveness

- Assess and verify the reported outcomes (intended and un-intended)
- Assess the factors influencing the successes and challenges

Efficiency

- Assess the costs and utilization of resources (financial& human) against the achieved outputs
- Assess the efficiency and leanness of the management of the strategy
- Assess the risk management

Sustainability

- Assess the ownership and participation process within the country strategy, e.g. how participation of the partner government, as well as different beneficiary groups has been organized.
- Assess the ecological and financial sustainability of strategies

Complementarity, Coordination and Coherence

- Assess the extent to which the Country Strategy is aligned with partner countries' systems, and whether this has played a role in Finland's choice of intervention modalities.
- Assess the extent to which Finland's Country Strategy in the country has been coordinated with development partners and other donors
- Assesses the complementarity between the Country Strategy and different modalities of Finnish development cooperation in the country including NGOs, regional and targeted multilateral assistance (multi-bi) to the extent possible
- Assess the coherence between the main policy sectors that the country units and embassies are responsible for executing in the country.

5.1. Special issues per country

The evaluation aims to facilitate inclusive evaluation practice and learning between the partners at the country level. Following issues has been identified in discussions with the country representatives and/or the country reference group of the evaluation. The country specific issues will be integrated with the overall evaluation matrix where feasible, and recommendations made where evidence and justification found.

Ethiopia

- Assess the strategic value of
 - the sector approach for Rural Economic Development and Water.
 - SNE programme and possible mainstreaming to GEQIP II.
- The evaluation should make justified recommendations on
 - how to extend strategic support to new sectors in the future, as needs of Ethiopia is changing following the economic growth and increasing domestic revenue?
 - how technical cooperation between institutions (for instance ICI) could be formalized as part of Country cooperation framework?
- The field phase in late January-February 2016

Zambia

- Zambia is in a process of transitioning to the lower middle income country level. Therefore the evaluation should make justified recommendations on
 - how to advance broad based partnerships especially in trade and private sector development including interaction with civil society and public sectors in the future.

- how the Country Strategy programming could better utilize existing processes like country/ sector portfolio reviews for advancing the collaboration between Zambia and Finland
- What has been Finland's value added on the sector coordination in agriculture, environment and private sector development.
- The partner country has expressed an interest to participate to some of the evaluation activities during the field mission
- The field phase in January-February 2016

Tanzania

- Tanzania is in a process of transitioning to the lower middle income country level. Therefore the evaluation should make justified recommendations on:
 - how to advance broad based partnerships especially in trade and private sector development including interaction with civil society and public sectors in the future.
- The field phase in January-February 2016

Mozambique

- To what extent has the Country Strategy responded to the changing country context in Mozambique?
- Is the Country strategy balanced enough in terms of the chosen priority sectors?
- To what extent does the Country strategy complement the work of other donors and what is the strategy's value added?
- As the donor dependency of Mozambique is decreasing, the evaluation should give medium term strategic recommendations for Finland's cooperation in Mozambique.
- The field phase in January-February 2016

Nepal

- Nepal is a fragile state in many aspects. In this context the evaluation should give medium term strategic recommendations for Finland's cooperation in Nepal.
- Finland's Country Strategy and the programmes in Nepal were audited in 2015. The results of the audit can be utilized by the evaluation. The audit reports are in Finnish.
- The field phase must be in December 2015

Vietnam

- Vietnam is a lower middle income country and the economic development has been quite rapid in last few years. Therefore the evaluation should analyse how the country strategy has been able to adapt to the rapid transition of the economy, and how agile the strategy has been in responding the needs of private sector and other relevant stakeholders in the country.
- Recommendations should be given on how to broaden the strategic portfolio to new, mutually beneficial areas such as education and research, university and industry cooperation as well as increased trade ties.
- Private sector instruments like Finnpartnership and Concessional loan has played a role in the Country Strategy. The strategic role of these instruments in transitioning economy should be assessed, and possible best practices reported.

- Finland's Country Strategy and the programmes in Vietnam were audited in 2015. The results of the audit can be utilized by the evaluation. The audit reports are in Finnish.
- The partner country has expressed an interest to participate to some of the evaluation activities during the field mission.
- The field phase must be in December 2015

6 GENERAL APPROACH AND METHODOLOGY

Evaluation is carried out and tendered as one large evaluation. The evaluation team leader is responsible for the synthesis and the evaluation methodology. Country evaluations will be carried out by country evaluation teams which are coordinated by a country coordinator together with the team leader. Coordination of the whole process and overall quality management of the evaluation will be the responsibility of the contracted evaluation consultancy company.

Evaluation will produce a synthesis report, as well as separate country reports on Ethiopia, Mozambique, Zambia, Tanzania, Nepal and Tanzania. These are also the reports that will be published.

Management response will be drawn up at two levels/processes: the synthesis report will be responded in accordance with the process of centralized evaluations and country reports in accordance with the process of decentralized evaluations as described in the evaluation norm of the MFA. The country reports will be discussed with partner countries and the management response drawn up on this basis. The follow up and implementation of the response will be integrated in the planning process of the next phase of the country strategy.

The approach and working modality of evaluation will be participatory. The evaluation will take into account the recommendations of the OECD/DAC on collaborative aspect of country evaluations where possible. Representatives of partner country governments will be invited in meetings and sessions when feasible. A possibility of integrating one evaluation expert representing partner country evaluation function will be made possible, where the partner country is willing and financially capable to provide such person. There is also a possibility that a representative of MFA and/or the partner country will participate in some parts of field missions with their own costs. The evaluation team shall contact the partner country representatives during the inception period for possible participation arrangements.

Mixed methods will be used (both qualitative and quantitative) to enable triangulation in the drawing of findings.

The country strategy result framework is based on logframe approach, but the evaluation team is expected to reconstruct a theory of change model of the framework describing the interaction between the elements in the logframe and dynamics of the intended result chains and prepare more elaborated evaluation questions as well as sub-questions based on the change theory approach. The Approach section of the Tender will present an initial plan for the evaluation including the methodology and the evaluation matrix for each of the countries as well as the Country Strategy Modality. The evaluation plan will be finalized during the inception period and presented in the Inception report.

During the field work particular attention will be paid to human right based approach, and to ensure that women, vulnerable and easily marginalized groups are also interviewed (See UNEG guidelines). Particular attention is also paid to the adequate length of the field visits to enable the real participation as well as sufficient collection of information also from sources outside of the institutional stakeholders (e.g. statistics and comparison material). The field work in each of the country will preferably last at least 2-3 weeks, and can be done parallel and take in account the availability of the stakeholders during the visit. Adequate amount of time should also be allocated for the interviews conducted with the stakeholders in Finland. Interview groups are to be identified by the evaluation team in advance. The MFA

and embassies are not expected to organize interviews or meetings with the stakeholders in the country on behalf of the evaluation team, but assist in identification of people and organizations to be included in the evaluation.

Validation of all findings as well as results at the country level must be done through multiple processes and sources. The main document sources of information include strategy and project documents and reports, project/strategy evaluations, Finland's Development Policy Strategies, thematic guidance documents, previously conducted country strategy and thematic evaluations, development strategies of the case country governments, country analyses, and similar documents. The evaluation team is also encouraged to use statistics and different local sources of information to the largest possible extent, especially in the context analysis, but also in the contribution analysis. It should be noted that part of the material is in Finnish.

Debriefing/validation workshops will be organized at the country level in the end of each of the fieldtrip. Also a joint validation seminar will be organized with the MFA regional departments after the field trips. Embassies and the MFA will assist the evaluation team in organizing these seminars.

If sampling of documents is used, the sampling principles and their effect to reliability and validity of the evaluation must be elaborated separately.

During the process particular attention is paid to a strong inter-team coordination and information sharing within the team. The evaluation team is expected to show sensitivity to diverse communication needs, gender roles, ethnicity, beliefs, manners and customs with all stakeholders. The evaluators will respect the rights and desire of the interviewees and stakeholders to provide information in confidence. Direct quotes from interviewees and stakeholders may be used in the reports, but only anonymously and when the interviewee cannot be identified from the quote.

The evaluation team is encouraged to raise issues that it deems important to the evaluation which are not mentioned in these ToR. Should the team find any part of the ToR unfeasible, it should bring it to the attention of the Development Evaluation Unit (EVA-11) without delay.

7 EVALUATION PROCESS, TIMELINES AND DELIVERABLES

Evaluation of competitive bidding will be completed in July 2015, and the Kick-off meeting with the contracted team will be held in August.

It should be noted that internationally recognized experts may be contracted by the MFA as external peer reviewer(s) for the whole evaluation process or for some phases/deliverables of the evaluation process, e.g. final and draft reports (technical evaluation plan, evaluation plan, draft final and final reports). The views of the peer reviewers will be made available to the Consultant.

An **Inception phase** is September and October 2015 during which the evaluation team will produce a final evaluation plan with a context analysis. The context analysis includes a document analysis (desk study) on the country strategy modality as well as a context of each of the country strategy. The evaluation plan also consists of the reconstructed theory of change, evaluation questions, evaluation matrix, methodology (methods for data gathering and data analysis, as well as means of verification of different data), final work plan with a timetable as well as an outline of final reports. MFA will provide comments on the plan and it will be accepted in an inception meeting in November 2015.

The **Implementation phase** can be implemented in December 2015 - February 2016. Country-specific debriefing meetings will be organized at the end of each of the field visit. A joint debriefing and validation meeting can be arranged in Helsinki in the end of February/ beginning of March 2016. The validation seminars work like learning seminars based on initial findings, but also for validating the findings.

The outcomes and further findings drawn up from seminar discussions can be utilized when finalizing the country reports as well as the synthesis report.

The **Reporting and dissemination phase** will produce the Final reports and organize dissemination of the results. Final draft country reports will be completed by the end of April and the final draft synthesis report by the end of May, 2016. Country reports can be sequenced on the basis of the field phase. If the field phase is in December, the draft report shall be ready in February, and if in February, then the draft report shall be ready in April. Due to the scope of the evaluation reports, enough time must be left for feedback. The final reports shall be ready in mid-June. Due the Finnish holiday season in July, a public presentation of evaluation results, a public webinar and other discussion meetings will be held in August 2016.

The evaluation consists of the following meetings and deliverables in each of the phases. It is highlighted that a new phase can be initiated only when all the deliverables of the previous phase have been approved by EVA-11. The reports will be delivered in Word-format (Microsoft Word 2010) with all the tables and pictures also separately in their original formats. Time needed for the commenting of the draft report(s) is three weeks. The language of all reports and possible other documents is English. The consultant is responsible for the editing, proof-reading and quality control of the content and language.

INCEPTION PHASE

I. Kick off meeting

The purpose of the kick-off meeting is to discuss and agree the entire evaluation process including the content of the evaluation, practical issues related to the field visits, reporting and administrative matters. The kick-off meeting will be organized by the EVA-11 in Helsinki after the signing of the contract.

Deliverable: Agreed minutes prepared by the Consultant

Participants: EVA-11 (responsible for inviting and chairing the session); reference group and the **management team** of the Consultant **in person**. Other team members and embassies may participate via VC.

Venue: MFA.

II. Inception meeting

A meeting to present the evaluation plan (incl. agreed minutes of the meeting), MFA and Peer Review comments/notes discussed and changes agreed.

Participants: EVA-11; reference group and **the management team** of the Consultant (responsible for chairing the session) **in person**. Other team members and embassies may participate via VC.

Venue: MFA

Deliverable: Inception report

Inception report **will constitute the final evaluation plan** that specifies the context of the evaluation, the approach and the methodology. It also includes the final evaluation questions and the final evaluation matrix. The sources of verification and methods for collecting and analysing data are explained in detail, including the methods and tools of analyses, scoring or rating systems and alike. The final work plan and division of tasks between the team members are presented in the evaluation plan. In addition, a list of stakeholder groups to be interviewed will be included in the evaluation plan. The evaluation will also suggest an outline of the final report(s).

The inception report will provide a **contextual analysis** based mainly on written material. It is based on a complete desk analysis of all relevant written material including, but not limited to project/strategy related documents, previous evaluations, policy documents, guidelines, thematic/regional program-

ming, and other relevant documents related to development and development cooperation in partner countries identified by the evaluation team during the inception phase. Tentative hypotheses as well as information gaps should be identified in the evaluation plan.

It will also present plans for the interviews, participative methods and field visits including the identification of local informants (beneficiaries, government authorities, academia, research groups/institutes, civil society representatives, other donors etc.) and other sources of information (studies, publications, statistical data etc.) as well as an outline of the interview questions and use of participative methods according to the interviewee groups in each of the field visit countries.

The Inception report will be submitted to the EVA-11 and is subject to the approval of the EVA-11 prior to field visits to case countries/regions and further interviews in Finland. The report should be kept analytic, concise and clear.

IMPLEMENTATION PHASE

IV. Field visits to partner countries

The purpose of the field visits is to reflect and validate the findings and assessments of the desk analysis. The field visits may partly be joint missions with MFA and /or partner country representative participation. The length of the field visit(s) should be adequate to ensure real participation of different stakeholders and beneficiaries. The evaluation team is expected to propose the suitable timing of the visits, preferably at least 2-3 weeks.

Deliverables/meetings: Debriefing/ validation workshop supported by a PowerPoint presentation on the preliminary findings. At least one workshop in each of the partner countries, and one in the MFA related to all countries.

The preliminary findings of the visits will be verified and discussed with relevant persons from the Ministry, embassies, partner country government and relevant stakeholders, also beneficiaries including marginalized groups. The validation workshops are mandatory component of the evaluation methodology. The workshops will be organized by the Consultant and they can be partly organized also through a video conference.

After the field visits and validation workshops, it is likely that further interviews and document study in Finland will still be needed to complement the information collected during the earlier phases.

Participants:

Country workshops: The whole country team of the Consultant (responsible for inviting and chairing the session) and the relevant stakeholders, including the Embassy of Finland and relevant representatives of the local Government **in person**.

MFA workshop: EVA-11; reference group and other relevant staff/stakeholders, and the **management team** of the Consultant (responsible for chairing the session) **in person**. Other team members and embassies may participate via VC.

REPORTING AND DISSEMINATION PHASE

As part of reporting process, the Consultant will submit a methodological note explaining how the quality control was addressed during the evaluation and how the capitalization of lessons learned has also been addressed. The Consultant will also submit the EU Quality Assessment Grid as part of the final reporting.

V. Final reporting

Deliverables: Final draft report and final reports on CSM Synthesis and six partner country strategies

The reports should be kept clear, concise and consistent. The report should contain inter alia the evaluation findings, conclusions and recommendations and the logic between those should be clear and based on evidence.

The final draft report will be subjected to an external peer review and a round of comments by the parties concerned. The purpose of the comments is only to correct any misunderstandings or factual errors instead of rewriting the findings or adding new content.

The consultant will attach Quality Assurance expert(s) comments/notes to the final report, including signed EU Quality Assessment Grid, as well as a table summarizing how the received comments/peer review have been taken into account.

The final reports will be made available by 15th June 2016. The final reports must include abstract and summary (including the table on main findings, conclusions and recommendations) in Finnish, Swedish and English. The reports, including the Finnish and Swedish translations have to be of high and publishable quality and it must be ensured that the translations use commonly used terms in development cooperation.

The MFA also requires access to the evaluation team's interim evidence documents, e.g. completed matrices, although it is not expected that these should be of publishable quality. The MFA treats these documents as confidential if needed.

VI. Dissemination presentations

A MFA management meeting / a briefing session for the upper management on the final results will be organized tentatively in mid- June 2016 in Helsinki. It is expected that at least the Team leader and the Home officer are present in person, and the other team members via VC.

A public presentation will be organized in Helsinki tentatively in mid- August 2016.

It is expected that at least the Management team of the Consultant are present in person.

A Webinar will be organized by the EVA-11. Team leader and country leaders are expected to give short presentations in Webinar. Presentation can be delivered from distance. A sufficient Internet connection is required.

Optional learning sessions with the regional teams (Optional sessions funded separately. Requires a separate assignment by EVA-11)

8 COMPOSITION OF THE EVALUATION TEAM AND EXPERTISE REQUIRED

There will be one **Management team**, responsible for overall planning management and coordination of the evaluation from the Country Strategy Modality perspective, and six **country evaluation teams**. The evaluation team will include a mix of male and female experts. The team will also include senior experts from both developed and developing countries.

One of the senior experts of the team will be identified as the **Team leader**. The whole evaluation team will work under the leadership of the Team leader who carries the final responsibility of completing the evaluation. The Team leader will work mainly at global/CSM level but will be ultimately responsible for the quality of all the deliverables.

One senior expert of each of the country teams will be identified as a **Country coordinator**. Country coordinator will be contributing the overall planning and implementation of the whole evaluation from a country perspective and also responsible for coordinating, managing and authoring the country specific evaluation work and reports.

The Team leader, Country coordinators and the Home officer of the Consultant will form the Management group of the evaluation Consultant, which will be representing the team in major coordination meetings and major events presenting the evaluation results.

Successful conduct of the evaluation requires a deep understanding and expertise on results-based management in the context of different aid modalities. It also requires understanding and expertise of overall state-of-the-art international development policy and cooperation issues including programming and aid management, development cooperation modalities and players in the global scene. It also requires experience and knowledge of HRBA and cross-cutting objectives, including UN resolution 1325, and related evaluation issues. Solid experience in large sectoral/thematic/policy or country strategy evaluations or large evaluations containing several countries is required. In addition, long-term hands-on experience at the development cooperation and development policy field is needed.

All team members shall have fluency in English. It is also a requirement to have one senior team member in each of the country team fluent in Finnish as a part of the documentation is available only in Finnish. Online translators cannot be used with MFA document material. One senior team member in each of the country teams shall be fluent in a major local language of the country. Knowledge of local administrative languages of the partner countries among the experts will be an asset.

The competencies of the team members will be complementary. Each country team will consist of 3 to 5 experts. One expert can be a member of multiple country teams, if his/her expertise as well as tasks and the time table of the evaluation make it feasible.

Detailed team requirements are included in the Instructions to the Tenderers (ITT).

9 BUDGET AND PAYMENT MODALITIES

The evaluation will not cost more than € 950 000 (VAT excluded). The payments will be done in all inclusive lump sums based on the progress of the evaluation.

10 MANAGEMENT OF THE EVALUATION AND THE REFERENCE GROUP

The EVA-11 will be responsible for overall management of the evaluation process. The EVA-11 will work closely with other units/departments of the Ministry and other stakeholders in Finland and abroad.

A reference group for the evaluation will be established and chaired by EVA-11. The mandate of the reference group is to provide advisory support and inputs to the evaluation, e.g. through participating in the planning of the evaluation and commenting deliverables of the consultant.

The members of the reference group may include:

- Representatives from relevant units/departments in the MFA forming a core group, that will be kept regularly informed of progress
- Representatives of relevant embassies
- Representatives of partner countries governments

The tasks of the reference group are to:

- Participate in the planning of the evaluation
- Participate in the relevant meetings (e.g. kick-off meeting, meeting to discuss the evaluation plan, wrap-up meetings after the field visits)
- Comment on the deliverables of the consultant (i.e. evaluation plan, draft final report, final report) with a view to ensure that the evaluation is based on factual knowledge about the subject of the evaluation

-
- Support the implementation, dissemination and follow-up on the agreed evaluation recommendations.

11 MANDATE

The evaluation team is entitled and expected to discuss matters relevant to this evaluation with pertinent persons and organizations. However, it is not authorized to make any commitments on behalf of the Government of Finland. The evaluation team does not represent the Ministry for Foreign Affairs of Finland in any capacity.

All intellectual property rights to the result of the Service referred to in the Contract will be exclusive property of the Ministry, including the right to make modifications and hand over material to a third party. The Ministry may publish the end result under Creative Commons license in order to promote openness and public use of evaluation results.

12 AUTHORISATION HELSINKI, 6.5.2015

Jyrki Pulkkinen

Director

Development Evaluation Unit

Ministry for Foreign Affairs of Finland

ANNEX 2: ADDITIONAL METHODOLOGY DISCUSSION

Overview and approach

The Inception Report described the methodology for the overall CSM evaluation, including the country evaluations. It included an annex on Tanzania which gave a preliminary description of the Tanzania context and of Finland's successive strategic documents (CEP and CS), and developed a preliminary theory of change for Tanzania. It also presented an overview of documentary material available and additional material sought, and set out a detailed evaluation plan and timetable for the Tanzania country study. This annex was reviewed by the Tanzania country team and refined in light of their comments.

Main evaluation questions

The Inception Report included a full evaluation matrix which was used and adapted for the country evaluations as well as the overall CSM evaluation. Table 7 below shows the main evaluation questions and sub questions; these are sequenced according to the main evaluation criteria. Under each evaluation criterion questions address both the country programme evaluation and the evaluation of the CSM's influence on the programme, but separate these out clearly. The evaluation matrix includes judgement criteria.

Table 7: Evaluation matrix

| KEY EVALUATION QUESTION & SUB-QUESTIONS | JUDGEMENT CRITERIA | SOURCES OF INFORMATION |
|---|---|---|
| <p>EQ 1: How relevant are CSs and the CSM?</p> <p>CS evaluation sub-questions</p> <p>EQ1.1 How relevant are CSs to partner country contexts?</p> <ul style="list-style-type: none"> To country development policies, priorities and programmes? To the rights (economic, social, political, civil) and priorities of partner country stakeholders and beneficiaries – especially the easily marginalized groups? To donor partners? <p>EQ1.2 How relevant are the CSs to Finnish Development Policy priorities and principles?</p> <p>CSM evaluation sub-questions</p> <p>EQ1.3 How relevant is the CSM to MFA management and country programme managers' needs?</p> <p>EQ1.4 How has CSM ensured Finland's strategic choice relevance to key stakeholders and development country contexts?</p> <p>EQ1.5 Is the CSM aligned to OECD DAC/international best practices?</p> | <p>The strategic choices made in the CSs in terms of interventions and how they are undertaken</p> <ul style="list-style-type: none"> are aligned to country development policies, priorities and programmes target development objectives that are a priority / issues for country stakeholders and beneficiaries, especially easily marginalized groups take into account what donor partners perceive as priority take into account the development context of the country are aligned with aid effectiveness commitments / principles are aligned to the objectives and principles of the 2012 DPP and take appropriate account of sector / thematic guidance / papers and other Finnish guidance <p>The CSM fulfils the needs of senior management in MFA and country teams related to country programming and management of country programmes</p> <p>The CSM – through its approach, rules, information requirements and processes – contributed to the relevance of CS strategic choices as measured (see all CS evaluation sub-questions)</p> <ul style="list-style-type: none"> The CSM is flexible in responding to different country context, e.g. countries in transition/phase-out of bilateral aid vs fragile countries <p>The CSM – through its approach, rules, information requirements and processes – facilitates the alignment of country programmes with aid effectiveness principles as measured</p> <p>The CSM is aligned to OECD/DAC country programming best practices</p> | <p>Evaluation criterion: Relevance</p> <ul style="list-style-type: none"> Partner country development strategy and policy documentation, national sector/thematic, ODA policies/frameworks Finnish DPP, guidance documentation and sector/thematic guidelines CSM documentation (instructions, templates) CSs, engagement plans and related results reports CS planning/updating process documentation Existing evaluations, reviews and reports on the country programme, and other Finnish evaluations, reviews and reports Country development statistics Secondary literature on country development status and priorities OECD/DAC guidance, studies and reviews Studies and reviews from other sources Documentation on country programming practices of selected bilateral donors Interviews with MFA actors and stakeholders in CSM design and implementation at MFA level with country teams, including desk officers and in-country officers (current and past members) with other relevant government officials with selected non-MFA sources with direct relevant knowledge on the CSM (e.g. relevant global implementation partners) with country implementing partners with country stakeholders/programme beneficiaries, incl. also private sector, civil society, academia & the media as relevant with other in-country development partners |

| KEY EVALUATION QUESTION & SUB-QUESTIONS | JUDGEMENT CRITERIA | SOURCES OF INFORMATION |
|--|--|---|
| <p>EQ 2: Are Country Strategies and the CSM effective?</p> <p>CS evaluation sub-questions</p> <p>EQ2.1 What are the actual interventions undertaken by the Finland country programme as framed by the CS?</p> <p>EQ2.2 Did the CS interventions achieve their planned purposes?</p> <p>EQ2.3 What development results are observed relevant to CS interventions, intended and unintended?</p> <p>EQ2.4 What contribution have CS interventions made to the specific development objectives and development result areas?</p> <p>EQ2.5 How aid-effective is the country programme as framed by the CS?</p> <p>CSM evaluation sub-questions</p> <p>EQ2.6 How effective is the CSM/CSM processes?</p> <ul style="list-style-type: none"> Was the introduction of CSM managed inclusively (including key stakeholders), and well? What are CSM programming, monitoring, reporting and accountability practices, in principle and in practice? Do these present effective RBM: do they facilitate learning and accountability? Does the CSM contribute to better targeting and measuring of results by MFA? <p>EQ2.7 Has the CSM contributed to more effective (including aid effective) country programming?</p> | <p>Effectiveness assesses the contribution of the CS interventions to Finland's specific objectives</p> <p>Planned interventions took place and their purposes were/are being achieved as evidenced by existing reports, reviews and evaluations</p> <p>The Theory of Change causal chain implied by the Country Strategy from these target results to specific Finnish objectives, and the underlying assumptions is valid, taking into account social, political and institutional factors</p> <ul style="list-style-type: none"> Contribution can be argued from the Finnish interventions (targeted at policy influence and direct interventions) to the specific objectives targeted, given other factors <p>The Finnish country programme as framed by the CS is aid-effective: the programme facilitates the leveraging of project and programmatic intervention results towards development effectiveness against the specific objectives.</p> <ul style="list-style-type: none"> Direct interventions and efforts to achieve policy influence are mutually reinforcing <p>The management of the switch to CSM from CEPs at country level was inclusive and contributed to more effective CSs as measured. Change management was effective.</p> <p>The CSM contributes to effective results-based management in MFA</p> <ul style="list-style-type: none"> Reporting and management responses against the CSs is regular, accurate and appropriate for learning & accountability The CSM facilitated the selection of appropriate indicators, given targeted results in CSs At country & MFA level the CSM facilitates learning & accountability The CSM has facilitated more effective aid management at a corporate level and better upstream results reporting within MFA | <p>CSs, engagement plans</p> <p>Annual and semi-annual (results) reports, synthesis reports</p> <p>Possible upstream results reporting</p> <p>Existing evaluations, reviews and reports on the country programme</p> <p>Project annual report/completion reports</p> <p>Other relevant Finnish global and regional evaluations, reviews and reports</p> <p>Country development statistics and secondary literature on country development status and priorities</p> <p>OECD/DAC guidance, studies and reviews</p> <p>Comparison of the quality of CSM and country engagement plan guidance and annual results reporting</p> <p>Studies and reviews from other sources</p> <p>Interviews</p> <ul style="list-style-type: none"> with MFA actors and stakeholders in CSM design and implementation at MFA level with country teams, including desk officers and in-country officers (current and past members) with relevant government officials with selected non-MFA sources with direct relevant knowledge on the CSM (e.g. relevant global implementation partners) with country stakeholders, incl. in civil society, academia & the media as relevant with programme beneficiaries with country implementing partners with other in-country development partners |

SOURCES OF INFORMATION

Evaluation criterion: Effectiveness

JUDGEMENT CRITERIA

| KEY EVALUATION QUESTION & SUB-QUESTIONS | JUDGEMENT CRITERIA | SOURCES OF INFORMATION |
|---|---|--|
| EQ 2: Are Country Strategies and the CSM effective? | <p>The approach, rules, information requirements and processes of the CSM has facilitated a <i>feasible</i> Theory of Change results chain / country programme logical model taking into account country social, political and institutional circumstances</p> <ul style="list-style-type: none"> • The CSM has contributed to appropriate targeting of results and objectives given Finland's (small) relative financial contribution as a development partner • The CSM has contributed to better results-based thinking on on-going interventions at the time of the CS, and has resulted in appropriate (past, current, expected) changes to the country programme • The CSM has contributed to better incorporation of the findings of project/programme monitoring reports, reviews and evaluations in CS review, reporting • The CSM has contributed to appropriate implementation of aid-effectiveness commitments and principles | <p>Evaluation criterion: Effectiveness</p> |

| KEY EVALUATION QUESTION & SUB-QUESTIONS | JUDGEMENT CRITERIA | SOURCES OF INFORMATION |
|--|--|---|
| <p>EQ 3: What is the impact of the CSs and does the CSM contribute to this?</p> <p>CS evaluation sub-questions</p> <p>EQ 3.1 What are evidence or signals of impacts from CS interventions?</p> <p>EQ 3.2 To what extent does the CS TOC pathway support likely contribution to impacts?</p> <p>CSM evaluation sub-questions</p> <p>EQ3.3 Do existing CSM instructions and templates provide adequate guidance to build feasible CS impact pathways and to identify and report on appropriate impact indicators?</p> | <p>Impact assesses the upper end of the result chain, from Finnish specific objectives to the development goal</p> <p>Impact is accurately reported</p> <p>In the absence of timely data against relevant impact measures, documentation and key respondents highlight signals of evidence of impact</p> <p>The implied pathway from specific objectives to the development goal in the Theory of Change and underlying country programme logic model is feasible.</p> <p>The CSM guidance and its implementation have contributed to better country team thinking on impact, and best pathways to impact.</p> | <p>Evaluation criterion: Impact</p> <p>Country social and economic statistics</p> <p>Independent secondary articles, reports, reviews and evaluations relevant to the Finnish country programme, as framed by the CS.</p> <p>Finnish country and relevant regional and global reports, reviews, evaluations</p> <p>Interviews</p> <p>CS documentation, including reports and management responses</p> <p>CSM guidance documentation</p> <p>Interview with</p> <ul style="list-style-type: none"> • with MFA actors and stakeholders in CSM design and implementation at MFA level • with country teams, including desk officers and in-country officers (current and past members) • with relevant government officials • with selected non-MFA sources with direct relevant knowledge on the CSM • with country stakeholders, incl. in civil society, academia & the media as relevant • with programme beneficiaries • with country implementing partners • with other in-country development partners |

| KEY EVALUATION QUESTION & SUB-QUESTIONS | JUDGEMENT CRITERIA | SOURCES OF INFORMATION |
|---|---|--|
| <p>EQ4: Are CSs complementary, coordinated and coherent and does the CSM contribute to this?</p> <p>CS evaluation sub-questions</p> <p>EQ4.1 Are CSs/CS interventions aligned to country systems?</p> <p>EQ4.2 How well coordinated are CSs/CS interventions with other development partners?</p> <p>EQ4.3 How complementary are CSs/CS interventions to non-CS Finnish development cooperation in long-term partner countries?</p> <p>EQ4.4 How internally coherent are CSs (inter- and intra-sector)?</p> <ul style="list-style-type: none"> Are CS interventions mutually reinforcing so that the sum of CS intervention results is more than the parts? <p>CSM evaluation sub-questions</p> <p>EQ4.5 Does the CSM contribute to better alignment with partner country systems and coordination with development partners?</p> <p>EQ4.6 Does the CSM contribute to complementarity between channels/instruments in Finnish development cooperation in country?</p> <p>EQ 4.7 Does the CSM result in a coherent (inter and intra sector) CS and a CS coherent with other relevant Finnish policies??</p> | <p>CS interventions are implemented using country systems to the maximum extent</p> <ul style="list-style-type: none"> Including systems for planning, budgeting, disbursement, implementation, reporting, monitoring/reviewing and auditing If systems are not used directly, comprehensive and timely information on Finnish country programme is available to country partners <p>Finland participates regularly and effectively (in terms of the resulting degree of coordination of the Finnish country programme) in donor coordination structures</p> <p>The CSs specific objectives and interventions are well coordinated with inputs from other development partners, in other words they represent an appropriate division of labour between the MFA and other development partners in country</p> <p>CSs and CS intervention take into account and complement other (non-CS) channels of Finnish development cooperation, and vice versa so that they contribute coherently to DPP objectives, including the CS development goal</p> <p>The CS leverages the results of specific interventions to contribute coherently to the specific objectives targeted</p> <p>The country programme as framed by the CS does not (overly) fragment Finnish development resources</p> <p>CSM guidance and actual CS design, monitoring and reporting processes and documentation appropriately emphasize complementarity with other Finnish aid channels, coordination with development partners, alignment with country systems and internal CS coherence.</p> | <p>CSs, engagement plans and all reports against strategies</p> <p>Existing evaluations, reviews and reports on the country programme</p> <p>Other relevant Finnish global and regional evaluations, reviews and reports</p> <p>Country development statistics and secondary literature on country development status and priorities</p> <p>OECD/DAC guidance, studies and reviews</p> <p>CSM guidance documentation</p> <p>Studies and reviews from other sources</p> <p>Interviews</p> <ul style="list-style-type: none"> with MFA actors and stakeholders in CSM design and implementation at MFA level with country teams, including desk officers and in-country officers (current and past members) with relevant government officials with selected non-MFA sources with direct relevant knowledge on the CSM (e.g. relevant global implementation partners) with country stakeholders, incl. in civil society, academia & the media as relevant with programme beneficiaries with country implementing partners with other in-country development partners |

| KEY EVALUATION QUESTION & SUB-QUESTIONS | JUDGEMENT CRITERIA | SOURCES OF INFORMATION |
|---|--|---|
| <p>EQ 5 Do CSs and the CSM contribute to efficient Finnish Development Cooperation?</p> <p>CS evaluation sub-questions</p> <p>EQ5.1 How well are risks identified and managed?</p> <p>EQ5.2 How efficiently are resources (money, people, partnerships) deployed in the CS country programme to deliver results?</p> <p>CSM evaluation sub-questions</p> <p>EQ5.3 How efficient are CSM processes?</p> <ul style="list-style-type: none"> • How clear are CSM frameworks & guidance? • How costly are CSM processes to manage CSs given the observed results from CSM? <p>EQ5.4 How has CSM contributed to Finnish development policy implementation efficiency and risk management?</p> | <p>The risks identified in the CS represent a thorough assessment of risks and the management of risks is appropriate given development goals and objectives</p> <p>Disbursements of Finnish resources have been predictable / timely</p> <p>The CS represents the most cost-effective choice of objectives and interventions, given Finnish resources (including financial, human and partnership resources)</p> <p>CSM processes use MFA resources (financial, human, time) efficiently to produce the RBM outcomes observed</p> <p>CSM guidance is clear, comprehensive and coherent, resulting in efficient and effective processes and documentation</p> <p>CSM prescribed processes are appropriate to be fit for purpose in different contexts</p> <p>The CSM has contributed to efficient implementation of Finnish development policy and sound risk management, i.e. balancing risks and benefits of intervention choices appropriately</p> <p>CSM has contributed to the selection of interventions with most value-for-money considering expected impacts.</p> <ul style="list-style-type: none"> • CSM has contributed to resource-constrained planning and targeting of results | <p>Evaluation criterion: Efficiency</p> <p>Country strategies, engagement plans and all reports against strategies</p> <p>Existing evaluations, reviews and reports on the country programme + other relevant Finnish global and regional evaluations, reviews and reports</p> <p>CSM guidance documentation</p> <p>Studies and reviews from other sources</p> <p>Interviews</p> <ul style="list-style-type: none"> • with MFA actors and stakeholders in CSM design and implementation at MFA level • with country teams, including desk officers and in-country officers (current and past members) • with relevant government officials • with country stakeholders, incl. in civil society, academia & the media as relevant • with country implementing partners • with other in-country development partners |

| KEY EVALUATION QUESTION & SUB-QUESTIONS | JUDGEMENT CRITERIA | SOURCES OF INFORMATION |
|--|--|---|
| <p>EQ6: Do CSs and the CSM contribute to sustainable results from Finnish Development Cooperation?</p> <p>CS evaluation sub-questions</p> <p>EQ6.1 To what extent do specifically local partners/stakeholders own the CS and participate in CS interventions?</p> <ul style="list-style-type: none"> • How inclusive was the process to develop the CS? • Is there sufficient participation by local partners/stakeholders across programme/project cycles to support sustainability? <p>EQ6.2 How sustainable are interventions and their results (ecologically, financially, politically, institutionally)?</p> <p>CSM evaluation sub-questions</p> <p>EQ6.3 Does the CSM contribute to more sustainable Finnish DC?</p> <p>EQ6.4 How sustainable are CSM processes?</p> <ul style="list-style-type: none"> • Is CSM human resource capacity building and systems adequate? • Are there in-built mechanisms to enable learning on CSM? <p>EQ6.5 Does the CSM ensure CS responsiveness to better ensure sustainability in changing contexts</p> | <p>The Human Rights-based approach is integrated into the CS</p> <ul style="list-style-type: none"> • The process to develop the CS, as well as processes to report on and revise the CS are inclusive of local partners and stakeholders • Beneficiaries, particularly marginalized groups, participate in Finnish country programme processes across the project/programme cycle so that local ownership is built • The country programme as framed by the CS contributes to rights awareness and the ability of rights-holders to claim their rights, and country duty bearers to fulfil the rights <p>The results targeted and achieved in the country programme as framed by the country strategy are sustainable, given institutional and financial factors.</p> <p>The Finnish country programme and its interventions as framed by the country strategy is ecologically sustainable and contribute to ecological sustainability</p> <p>CSM guidance and implementation prioritise sustainability (ecological, financial, institutional) of Finnish Development Cooperation results</p> <p>Capacity building at MFA and country level has been sufficient to sustain CSM processes</p> <p>Result information management systems are well developed, build on national development/result indicators to the extent possible, and will sustain CSM</p> <p>The CSM is flexible and has adapted to implementation experience, changing country contexts</p> <p>The CSM has contributed to better reporting on results from Finnish aid, which has supported the sustainability of Finnish DC</p> | <p>Evaluation criterion: Sustainability</p> <ul style="list-style-type: none"> - Country strategies, engagement plans and all reports against strategies - Existing evaluations, reviews and reports on the country programme, and other Finnish evaluations, reviews and reports - Studies and reviews from other sources on country programmes - Interviews • with MFA actors and stakeholders in CSM design and implementation at MFA level • with country teams, including desk officers and in-country officers (current and past members) • with relevant government officials • with country stakeholders, incl. in civil society, academia & the media as relevant • with programme beneficiaries • with country implementing partners • with other in-country development partners |

| KEY EVALUATION QUESTION & SUB-QUESTIONS | JUDGEMENT CRITERIA | SOURCES OF INFORMATION |
|---|--|---|
| <p>EQ 7: What improvements to CSs and the CSM are necessary to improve Finnish DC?</p> <p>EQ7.1 What improvements are needed relative to country priorities and changing contexts, <i>inter alia</i></p> <ul style="list-style-type: none"> • on sector/programme choices and strategically extending development cooperation to new sectors or thematic areas? • in modes and mechanisms of cooperation? • In transitioning and phasing out/ maintaining/scaling up bilateral aid? • to advance partnerships and cooperation in non-state sectors of the economy? <p>EQ7.2 What improvements in the CSM modality are necessary to ensure more relevant, effective, impactful, efficient, coherent complementary and sustainable CSs?</p> <ul style="list-style-type: none"> • What improvements are necessary? • Who should make these improvements? • When should improvements be made? • How should improvements be made? | <p>Improvements that will make the CS and related country programme more relevant, effective, impactful, efficient, complementary, coordinated, coherent, sustainable.</p> <p>Improvements to the CSM that will ensure that it contributes better to country programmes and to RBM in MFA.</p> <p>Improvements in the CSM that will make it more relevant to MFA needs, more efficient and more sustainable.</p> | <p>Country CS evaluation data and analysis</p> <p>Country CSM evaluation data and analysis</p> <p>Validation with key country and CSM actors and stakeholders</p> |

Addressing Tanzania-specific questions

The TOR for the Tanzania evaluation did not pose specific evaluation questions, but did call for recommendations on one important issue, as shown below.

Table 8: Tanzania: specific evaluation question

Tanzania is in a process of transitioning to the lower middle-income country level. Therefore the evaluation should make justified recommendations on how to advance broad based partnerships especially in trade and private sector development including interaction with civil society and public sectors in the future.

Evaluation criteria and other terminology

Table 9 shows the definitions used for the main evaluation criteria. Table 10 below explains other key terms, namely aid effectiveness, results-based management (RBM) and the human rights based approach (HRBA).

Table 9: Evaluation criteria

| Evaluation criterion | Definition |
|-----------------------------|---|
| Relevance | The extent to which the CS objectives and its implementation are consistent with the priorities and rights of partner country stakeholders and beneficiaries; partner country development policies and priorities; and Finnish development policies. The extent to which the CSM has been relevant to OECD / DAC best practices. |
| Effectiveness | The extent to which the CSM's and CSs' objectives were achieved, or are expected to be achieved, taking into account their relative importance, directly and indirectly. |
| Efficiency | A measure of how economically resources/inputs (funds, expertise, etc.) are converted to results. |
| Sustainability | The continuation of benefits from an intervention after major assistance has been completed. The probability of long-term benefits. The resilience to risk (ecological, financial and institutional) of the net benefit flows over time. |
| Impact | Positive and negative, primary and secondary long-term effects produced by the CS or likely to be produced, directly or indirectly, intended or unintended. |
| Coherence | The consistency of policy/programme elements of the CS with each other (do they complement each other in a positive, mutually reinforcing way?), as well as the consistency of the CS with non-development cooperation policies of Finland, such as trade, foreign and security and human rights policies, as appropriate. |
| Coordination | The complementarity, cooperation and division of labour of the CS in relation to other donors |
| Complementarity | The degree to which the CS complements and/or takes into consideration other instruments of Finnish development cooperation that are not incorporated into the strategy |

Table 10: Terms associated with approaches to development cooperation

| Term | Definition |
|---|---|
| <p>Aid effectiveness</p> | <p>Aid effectiveness is about delivering aid in a way that maximises its impact on development and achieves value for aid money.</p> <p>A narrow definition of aid effectiveness would refer simply to the relationship between aid and its outcomes, in other words aid effectiveness is an assessment of the effectiveness of development aid in achieving economic or human development. In common usage however, the term is strongly associated with the key principles in respect of how aid is delivered to achieve this outcome. These principles have been agreed between partner countries and development partners through a series of High Level Forums on Aid Effectiveness and include ownership, alignment, harmonisation, a focus on results, and mutual accountability. The evaluation will use the term to refer to the application of these principles towards effective use of development aid. This is in line with the MFA Evaluation Manual, according to which an assessment of aid effectiveness would focus on evaluating the implementation of Paris Declaration principles</p> <p><i>Source: Killian, B., 2011: How much does aid effectiveness improve development outcomes, Busan Background Papers, OECD DAC; MFA Evaluation Manual</i></p> |
| <p>Results based management</p> | <p>The MFA guideline on results-based management defines it as follows: Results based management therefore involves shifting management approach away from focusing on inputs, activities and processes to focusing more on the desired results. OECD/ DAC defines RBM as <i>“A management strategy focusing on performance and achievement of outputs, outcomes and impacts”</i>. In conclusion, results based management in development cooperation is simultaneously:</p> <p>An organizational management approach, based on a set of principles;</p> <p>An approach utilizing results based tools for planning, monitoring and evaluating the performance of development projects and programs.</p> <p><i>Source: MFA 2015: Results-based management in Finland’s Development Cooperation, Concepts and Guiding Principles, MFA.</i></p> |
| <p>Human rights based approach</p> | <p>HRBA means that human rights are used as a basis for setting the objectives for development policy and cooperation. In addition, it means that the processes for development cooperation are guided by human rights principles.</p> <p>Finland’s human rights-based approach is in line with the UN Statement of Common Understanding on Human Rights-Based Approaches to Development Cooperation and Programming (the Common Understanding) adopted by the United Nations Development Group (UNDG) in 2003, which stipulates that:</p> <ul style="list-style-type: none"> • All programmes of development cooperation, policies and technical assistance should further the realisation of human rights as laid down in the Universal Declaration of Human Rights and other international human rights instruments; • Human rights standards contained in, and principles derived from, the Universal Declaration of Human Rights and other international human rights instruments guide all development cooperation and programming in all sectors and in all phases of the programming process; • Development cooperation contributes to the development of the capacities of ‘duty-bearers’ to meet their obligations and/or of ‘rights-holders’ to claim their rights. <p><i>Source: MFA 2015a: Human Rights Based Approach in Finland’s Development Cooperation. Guidance Note 2015</i></p> |

ANNEX 3: PEOPLE INTERVIEWED

Ministry for Foreign Affairs of Finland

H. Airaksinen, Director, Department for Africa and the Middle East, Unit for Eastern and Western Africa, Helsinki

S. Antila, Ambassador, Trade and Development, Helsinki

P. Hellman, Senior Adviser, Development Policy, Department for Africa and the Middle East, Helsinki

H. Horn, Senior Adviser, Development Policy, Energy Questions, Helsinki

P. Hukka, Ambassador, Embassy of Finland, Dar es Salaam

V. Jutila, Counsellor, Department for Africa and the Middle East, Helsinki

O. Kass, Senior Specialist, Inclusive, Sustainable Economy that Promotes Employment, Embassy of Finland, Dar es Salaam

M. Kettunen, Senior Specialist, Economic Issues, Embassy of Finland, Dar es Salaam

K. Laukkanen, Desk Officer, Coordination of UN Humanitarian Relief and Natural Disasters, Unit for Humanitarian Assistance and Policy

M. Leppänen, Senior Specialist, Sustainable Management of Natural Resources and Land Rights, Embassy of Finland, Dar es Salaam

W. Nambiza, Coordinator, Development Cooperation, Embassy of Finland, Dar es Salaam

S-P. Parviainen, First Secretary, Deputy Head of Mission, Embassy of Finland, Dar es Salaam

C. Ruhara, Office Administrator, Development Cooperation, Embassy of Finland, Dar es Salaam

T. Särkioja, Senior Adviser, Development Policy, Unit for Administrative and Legal Development Cooperation Matters, Helsinki

M. Tervo, Programme Officer, Department for Africa and the Middle East, Helsinki

J. Toivonen, Ambassador, Development Policy Adviser, Helsinki

A. Valjas, Senior Adviser, Department for Africa and the Middle East, Helsinki

V. Voutilainen, Coordinator, Embassy of Finland, Dar es Salaam

Government of Tanzania

D. K. Bwoyo, Coordinator, Private Forestry Programme, Forest and Beekeeping Division, Ministry of Natural Resources and Tourism

D. Gabriel, Information Systems Analyst, Ministry of Communication, Science and Technology

C. Ichwekeleza, Director of Communications and TANZICT National Coordinator, Ministry of Communication, Science and Technology

M. Juma, Director, Department of Urban and Regional Planning, Zanzibar

N.S. Magonya Commissioner, External Finance Department, Ministry of Finance

H. Mshinda, Director General, Tanzania Commission for Science and Technology
F. Tibazarwa, Director, Life Sciences, Tanzania Commission for Science and Technology

Development Partners

E. Anderson, World Bank
M. von Berlekom, Head of Cooperation, Embassy of Sweden
A. Collins-Falk, Representative, UN Women
A. Corrigan, Senior Governance Adviser, Embassy of Ireland
O. Coupleux, Head of Section, Economics and Governance, Delegation of the European Union
M. Folkesson, Coordination Specialist, United Nations Resident Coordinator's Office, Dar es Salaam
T. Lamont, Senior Growth, Trade and Investment Adviser, East Africa, DFID
M. Melson, Counsellor, Embassy of Denmark
V. Misra, DFID
S. Moshy, Coordinator, Public Finance Management Development Partners' Group
A. Ngusaru, Country Director, WWF
A. Rodriguez, Resident Coordinator of the United Nations System, Dar es Salaam
A. Stefan, Private Enterprise Officer, United States Agency for International Development
T. Vopio, EU Social Protection Systems Programme

Private Sector

S. Ahlberg, Programme Director, Finnpartnership, Helsinki
O.J. Bakari, Director General, Small Industries Development Organisation
J. Kangasniemi, Chief Executive Officer, Finnfund, Helsinki
H. Lemm, Chief Executive Officer, Kilombero Valley Teak Company, Dar es Salaam
T. Wallenius, Senior Adviser, Finnfund, Helsinki

Civil Society Representatives

B.K. Bakar, Development Policy Officer, KEPA, Dar es Salaam
M. Hosain, Country Director, KEPA, Dar es Salaam
B. Ishabakaki, Legal and Protection Officer, Human Rights Defenders Coalition
K. Koivuporras-Masuka, KEPA, Dar es Salaam
E. Nilsson, Development Officer, KEPA, Dar es Salaam
O. Olungurumwa, National Coordinator, Human Rights Defenders Coalition

Project and Programme Staff, Consultants

M. Hawkes, Programme Manager, Private Forestry Programme
R. Kakuhenzire, Country Project Manager, Seed Potato Development Project in Tanzania

M. Komulainen, Chief Technical Adviser, LIMAS
M. Mgonja, Events and Partnership Lead, Buni Hub (TANZICT)
D. Msaki, Project Engineer, TANESCO
J. Mtambalike, Buni Hub (TANZICT)
J. Pekkala, Plantation Forestry Adviser, Private Forestry Programme
D. Sabokwigina, Associate Director, Centre for Entrepreneurship and Innovation; Project Coordinator, Team Academy, University of Iringa
T. Selänniemi, Chief Technical Adviser, National Forest and Beekeeping Programme
J. Semboja, Chief Executive Office, Uongozi Institute
T. Seppälä, Chief Technical Adviser, TANZICT
A. Siintola, International Junior Expert, Private Forestry Programme
K.L. Singo, Capacity Development Specialist, Uongozi Institute
Y. Ssessanga, Project Team Leader, Living Lab, Iringa
S. Sumari, National Private Forestry Adviser, Private Forestry Programme
L. Teervo, Chief Partnership Adviser, Uongozi Institute
H. Vaarala, Capacity Building and Communication Adviser, Private Forestry Programme

Other

N. Jensen, Independent consultant to LIMAS
B.K. Kaale, Coordinator, International Wood Culture Society, Tanzania
S. Kasemba, LIMAS Steering Committee
J. Kweka, Country Director, Trademark East Africa, Tanzania
M. Mäkelä, Senior Consultant, NIRAS
D. McGinty, Human Development Innovation Fund
I. Mfunda, Independent Consultant, Dar es Salaam
A. Mpanda, LIMAS Steering Committee
P. Mulungu, Former Permanent Secretary
T. Neuvonen, UNESCO Digital Village
A. Rusako, LIMAS Steering Committee
A-L. Simula, Managing Director, Asimula Ltd.

ANNEX 4: CHRONOLOGY OF KEY EVENTS AND FINNISH DEVELOPMENT COOPERATION WITH TANZANIA

Table 11: Chronology of Finnish development cooperation in Tanzania

| Year | Month | MFA engagement | Other events |
|-------------|----------|---|--|
| Early 1960s | | Cooperation between Finland and Tanzania started in the early 1960s as part of a joint Nordic initiative, and Tanzania became the first bilateral development partner of Finland. Tanzania enjoyed a special status as the main development cooperation partner of Finland until the beginning of the 1990s. Aid modalities have changed in the course of time. | |
| 1995 | | | Tanzania Development Vision 2025 created |
| 2000 | | Finland started direct support to Local Government Reform Program (LGRP) in 2000. | |
| 2005 | May | Sustainable Management of Land and Environment (SMOLE) programme of Zanzibar launched. Project was operational 2005–2009. | |
| | | | National Growth and Poverty Reduction Strategy 2005– 2010 (MKUKUTA I) |
| 2005–2008 | | During this period Finland made an intentional move from project modality towards sector-wide programmes and general budget support. | |
| 2006 | November | | The Joint Assistance Strategy for Tanzania (JAST) launched. JAST is a comprehensive framework for managing development cooperation in Tanzania between the GoT and the bilateral and multilateral donors. |
| 2008 | October | Country consultations between GoT and the Government of Finland (GoF) took place. | |

| Year | Month | MFA engagement | Other events |
|------|---------|--|---|
| 2009 | | The second phase of the LGRP program was challenging from its inception in 2009. There were continuous difficulties in planning, implementation and reporting. In addition, in 2013 serious misuse of funds was discovered in the program, and thus disbursements were frozen from early 2013. Finnish support to the Local Government Development Grant (LGDG) and LGRP programs have lately come to an end and in future Finland will support the development of local government service delivery capacity through other instruments, i.e. through general budget support and support to public financial management. | |
| 2010 | January | The Sustainable Management of Land and Environment Programme (SMOLE II) in Zanzibar launched. Programme was operational 2010–2013. | |
| | July | | Tanzania National Growth and Poverty Reduction Strategy 2010– 2015 (MKUKUTA II) |
| | | The Uongozi Institute (Institute of African Leadership for Sustainable Development) established. | |
| | October | | Zanzibar Strategy for Growth and Reduction of Poverty 2010–2015 (MKUZA II) |
| 2011 | | Mama Misititu campaign (2011–2016): a 5 year communications campaign aiming to improve the governance of Tanzania’s forests and improve the legality of forest harvesting, so that the people of Tanzania can increasingly benefit from sustainably managed forests. | |
| | January | Mama Misititu: Addressing Forest Governance in Tanzania. Report on appraisal of the Project Document | |
| | June | | Five Year Development Plan (FYDP) 2011/2012–2015/2016 |
| | August | Bilateral TANZICT (Information Society and ICT Sector Development Project programme) launched. It was a collaboration project between the Ministry of Communications, Science and Technology of Tanzania (MCST) and Ministry for Foreign Affairs of Finland. Programme was operational 2011–2015. | |

| Year | Month | MFA engagement | Other events |
|------|----------|---|--|
| 2011 | November | <p>Finnish-funded Seed Potato Development Project starts operations.</p> <p>The objective was improving potato producers' livelihoods in Tanzania. The project was implemented by the International Potato Centre (CIP). It also involved collaboration between research institutions and private companies from Tanzania and Finland.</p> | |
| | | Lindi-Mtwara Agribusiness Support project (LIMAS) launched (LIMAS was started in August 2010 with an inception phase of 6 months). Project was operational 2011–2015. | |
| 2012 | March | Evaluation: Finnish Support to Development of Local Governance of Tanzania | |
| | June | Mid-term Review (MTR) of SMOLE II | |
| | October | Review of Finnish Support to The Institute of African Leadership For Sustainable Development (Uongozi Institute) | |
| | December | | Tanzania was declared Compliant with the EITI Standard (Extractive Industries Transparency Initiative) |
| | | Evaluation of the Country Programme between Tanzania and Finland. Finland's strengths include trust, long-standing cooperation with the Government and proactive partnership within the donor community. Key weakness: fragmentation, which is mainly due to capacity constraints on the Tanzanian side (particularly in the forestry sector) and the weaknesses in the earlier Finnish programming and project identification processes. | |
| 2013 | February | Finland's Country Strategy 2013–2016 launched. CS is structured under three Country Development Results (CDRs). | |
| | | | <p>GoT launched a new Big Results Now (BRN) initiative.</p> <p>The aim is to narrow the focus and to speed up the implementation of Tanzania's FYDP and poverty reduction strategies MKUKUTA II and MKUZA II. The focus of BRN is on the bottlenecks for private sector growth, in particular the energy and transport sectors, attracting private sector investment into agriculture and on improving the business environment.</p> |

| Year | Month | MFA engagement | Other events |
|------|-------------|---|--|
| 2013 | | | Joint Evaluation Report of Budget Support to Tanzania: lessons learned and recommendations for the future. |
| | September | | JAST implementation report (2006–2011) |
| | September | Mid-Term Evaluation of Lindi and Mtwara Agribusiness Support (LIMAS) | |
| | End of year | Two major forest programmes – Private Forestry Programme and National Forestry Programme (NFBKP II) – were launched. | |
| 2014 | January | The latest country consultations took place. | |
| | April | Finland was elected as the Chair of the Budget Support Development Partners' Group of for the period of 2014–2015 (Finland took chairmanship in April 2014). In this role, Finland promotes the EU's contract-based approach, which emphasizes good governance, human rights, reduction of inequality and democratic values. | |
| | May | | Feedback from intra-government consultations and other stakeholders' recommendations was submitted to the Cabinet Secretariat of Tanzania for preparation of a new law, which would give the Tanzania Extractive Industries Transparency Initiative (TEITI) an independent status. |
| | October | Finland joined the Public Finance Management Reform Programme IV basket (PFMRP). Participating in this programme financing will provide an opportunity to support the improvement of the quality of budget planning and execution as well as tax revenue collection and development of budget oversight. | |
| | December | Uongozi Institute organised a highly successful National Forest Conference in collaboration with the Embassy and Tanzanian Ministry of Natural Resources and Tourism. | |

| | | | |
|---------------------------------------|---------|--|--|
| 2013 (delayed to 2014) | | <p>The Dar es Salaam electricity distribution network project is Finland's largest single development cooperation project in Tanzania with a budget of EUR 26.5m covering the period 2013–2016.</p> <p>The project came off to a solid start of its construction phase in 2014. The timetable has however been delayed by 8 months due to issues with construction permits and the problems with the contractor's organization. The project was granted EUR 1.5m additional funding in 2014 to cover extra costs accrued from the delays and more demanding construction techniques required by the environment.</p> | |
| 2015 | April | | Referendum on the new Constitution |
| 2015 | October | | Presidential elections: President Kikwete stepped down |

ANNEX 5: LOGIC MODEL FOR TANZANIA COUNTRY STRATEGY (FEBRUARY 2014)

| Country development goal: Middle income country, diversified competitive economy and high quality of life through accelerated economic growth and poverty reduction | | | | |
|--|---|--|---|---|
| Country Development result | Finland's objectives (strategic choice level 2) | Finland's specific objectives (strategic choice level 3) | Instruments, inputs and resources | Key assumptions |
| Good governance and equitable service delivery | Improved state accountability and transparency | Improved public financial management and audit systems | GBS, Uongozi Institute, GWG co-chair position, GBS chairmanship Policy dialogue with the gvt | Mechanisms and willingness for policy dialogue and reforms remain constant. |
| | | Improved transparency in the governance of budget resources and natural resources | GBS, Uongozi Institute, GWG co-chair position, GBS chairmanship Policy dialogue with the gvt | Mechanisms and willingness for policy dialogue and reforms remain constant. |
| | Reduction of inequality through improved service delivery | Citizen's wider participation in decision making and strengthened oversight in monitoring the government actions | More equitable and needs based allocation of budgetary funds at the local level | GBS, Uongozi Institute, support to civil society GWG co-chair position, GBS chairmanship Policy dialogue with the gvt |
| | | | GBS, Uongozi Institute support to civil society Policy dialogue with the gvt, GBS chairmanship | Mechanisms and willingness for policy dialogue and reforms on equal and pro poor policies remain constant |

| Country development goal: Middle income country , diversified competitive economy and high quality of life through accelerated economic growth and poverty reduction | | | | |
|---|---|---|--|---|
| Country Development result | Finland's objectives (strategic choice level 2) | Finland's specific objectives (strategic choice level 3) | Instruments, inputs and resources | Key assumptions |
| Sustainable management of natural resources and access to land | Improved planning and implementation of policies, laws and programs | Improved government capacity to make and implement the laws, regulations and policies | Policy dialogue with the government Support to forest and land use planning and registration Support to climate-smart natural resources management programmes Support to civil society campaigns | Continued decentralization of natural resources and environmental management. Freedom of civil society |
| | Sustainable use of natural resources by rural communities | Improved land and forest tenure rights | Policy dialogue with the government Support to community-based natural resource management Support to participatory forest management, tree plantation establishment and conservation agriculture Support to civil society and private sector Supporting the sector actors in organizational development | Continued government support to community-based natural resources management and private sector development Freedom of civil society |
| | | Improved and inclusive organizations of citizens and communities to manage the environment and value-chains in forestry and agriculture | | |

| Country development goal: Middle income country , diversified competitive economy and high quality of life through accelerated economic growth and poverty reduction | | | |
|---|---|---|--|
| Country Development result | Finland's objectives (strategic choice level 2) | Finland's specific objectives (strategic choice level 3) | Instruments, inputs and resources |
| Promotion of inclusive, sustainable and employment enhancing growth | Increased employment opportunities in agriculture and forestry especially for women and youth | Increased production and value-chain development for agriculture and forest products Increased grass-root level business development | Policy dialogue with the government Support to technology development and marketing of products Support to access to finance (loans, grants, carbon markets) Support to strengthen innovation and skills development and creation of decent work. |
| | Strengthened role of information technology and innovation systems for economic growth | Enabling policy environment and effective public institutions for information society and ICT sector Strengthened local innovation capacity and employment opportunities | Dialogue with the government Capacity development of key public and academic institutions of Tanzanian Innovation system Bilateral cooperation, ICI Development of national innovation funding mechanisms and Finnish Tanzanian joint initiatives. Support to community-based innovation initiatives Bilateral cooperation, ICI |
| | | | Continued macroeconomic and relative political stability |
| | | | Mechanisms and willingness for policy dialogue and reforms remain constant. |
| | | | Government's commitment and financing are adequate Interest for international partnerships |

ANNEX 6: CS BUDGET 2013–2017 BY SECTOR (EUR M)

| Budget year | 2013 | | 2014 | | 2015 | | 2016 | | 2017 | | Total | |
|--|--------------|------|--------------|--------------|--------------|--------------|--------------|--------------|------|--------------|---------------|--------------|
| CS edition | 2013 | 2014 | 2013 | 2014 | 2013 | 2014 | 2013 | 2014 | 2013 | 2014 | 2013 | 2014 |
| Project/intervention | | | | | | | | | | | | |
| 1. Good governance and equitable service delivery | | | | | | | | | | | | |
| Good governance, democracy and budget support | 11.00 | | 11.00 | 11.00 | 12.00 | 12.00 | 12.00 | 10.00 | | 10.00 | 46.00 | 43.00 |
| (Good governance, democracy: new) ⁵ | | | | | 3.00 | | 3.30 | | | | 6.30 | |
| LGRP, LGDG | 0.50 | | 3.00 | | | | | | | | 3.50 | |
| PFMRP | | | | 1.20 | | 1.20 | | 1.20 | | 1.20 | | 4.80 |
| Uongozi Institute | 3.00 | | 3.00 | 3.00 | 3.00 | 3.00 | 3.00 | 3.00 | | 1.50 | 12.00 | 10.5 |
| Election support/UN Women | | | | 1.00 | | | | | | | | 1.00 |
| Subtotal | 14.50 | | 17.00 | 16.20 | 18.00 | 16.20 | 18.30 | 14.20 | | 12.70 | 67.80 | 59.30 |
| 2. Sustainable use and management of natural resources and access to land | | | | | | | | | | | | |
| PFP | | | 2.86 | 0.98 | 8.57 | 4.07 | 3.52 | 5.00 | | 5.50 | 14.95 | 15.55 |
| New forest sector programme | 0.40 | | | | 1.00 | | 3.00 | 1.00 | | 2.00 | 4.40 | 3.00 |
| NFBKP II (to be continued in 2014 and 2015 with funds from 2013) ⁶ | | | | | | | | | | | | |
| SMOLE II ⁷ | 3.00 | | | | | | | | | | 3.00 | |
| Mama Misisu | 0.33 | | 0.33 | 0.33 | 0.33 | 0.33 | | | | | 0.99 | |
| Subtotal | 3.73 | | 3.19 | 1.31 | 9.90 | 4.40 | 6.52 | 6.00 | | 7.50 | 23.34 | 19.21 |
| 3. Promotion of inclusive, sustainable and employment enhancing growth | | | | | | | | | | | | |
| TANZICT ⁸ | 1.00 | | 1.00 | 1.80 | 1.00 | 0.50 | 3.00 | 1.00 | | 2.00 | 6.00 | 3.50 |
| LIMAS | 0.60 | | 5.00 | 1.00 | 1.50 | 1.50 | 3.00 | | | | 10.10 | 2.50 |
| Dar es Salaam electricity ⁹ | 6.90 | | 4.70 | 4.71 | 0.40 | 1.90 | | | | | 12.00 | 6.61 |
| Seed potato development project ¹⁰ | | | | | | | | | | | | |
| Subtotal | 8.50 | | 10.70 | 7.51 | 2.90 | 3.90 | 6.00 | | | | 28.10 | |
| Other interventions | | | | | | | | | | | | |
| Programme planning, Governance Working Group and GBS chairmanship ¹¹ | 0.17 | | 0.11 | 0.50 | 0.20 | 0.50 | 0.18 | 0.30 | | 0.50 | 0.66 | 1.80 |
| ICI GTK ¹² | | | | | | 0.20 | | 0.20 | | 0.20 | | 0.60 |
| ICI METLA ¹³ | | | | | | 0.20 | | 0.20 | | 0.20 | | 0.60 |
| Subtotal | 0.17 | | 0.11 | 0.50 | 0.20 | 0.90 | 0.18 | 0.70 | | 0.90 | 0.66 | 3.00 |
| TOTAL | 26.90 | | 31.00 | 25.52 | 31.00 | 25.40 | 31.00 | 23.90 | | 25.10 | 119.90 | 99.92 |
| Fund for Local Cooperation ¹⁴ | 0.60 | | 0.60 | 0.60 | 0.60 | 0.60 | 0.60 | 0.60 | | 0.60 | 2.40 | 2.40 |

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- 5 As envisaged in the 2013 edition of the CS.
 - 6 Line item in the budget presented in the 2014 edition of the CS.
 - 7 The budget presented in the 2014 edition of the CS said that SMOLE II would be continued in 2014 and 2015 with funds from 2013.
 - 8 Shown in the 2013 edition of the CS as a new intervention 2015-2016.
 - 9 Shown under 'other interventions' in the 2013 edition of the CS.
 - 10 Not mentioned in the 2013 edition of the CS: shown in the 2014 edition as to be continued in 2014 and 2015 with funds from 2013.
 - 11 Governance Working Group chairmanship not mentioned in the 2014 edition of the CS.
 - 12 Institutional Cooperation Instrument, Geological Survey of Finland.
 - 13 Institutional Cooperation Instrument, Finnish Forest Research Institute.
 - 14 In both editions of the CS, the FLC is shown as a separate line item, not included in the total budget of the CS.

ANNEX 7: KEY CS INTERVENTIONS: OBJECTIVES, SCOPE, INTENDED RESULTS

This annex presents further detail on the key interventions comprising the Tanzania CS, amplifying the outline presented in section 4.2 of the report.

General budget support was the largest element in the budget until it was terminated in 2015. It involved active engagement by Finland in the relevant donor groupings and their consultative structures with government - including Finnish chairing of the GBS group in 2014-2015. As stated in the 2014 CS, Finland's aim through GBS was "to push forward especially more robust financial management systems, more transparent governance systems in natural resources management at national and local levels (including EITI¹⁵ institutionalisation) as well as the strengthening of the domestic revenue collection" (MFA 2014: 16). The GBS evaluation (covering 2006-2012) reconstructed an intervention logic that led from GBS and sector budget support (SBS) inputs to direct outputs in the form of "improvement in the relationship between external assistance and the national budget and policy processes"; to "induced outputs", i.e. "positive changes in the financing and institutional framework for public spending, public policy and public service delivery"; through to outcomes, stated as "positive responses by beneficiaries - service users and economic actors - to government policy management and service delivery"; and, finally, impacts, described as "sustainable growth and poverty reduction" (ITAD 2013: 13).

Local Government Reform Programme (LGRP) and the **Local Government Development Grant (LGDG)**: the 2013 edition of the CS included an allocation of EUR 3.5m for these activities, but the funds were not used, as Finland (with other donors) had left the LGRP and ceased support for the LGDG in 2012 due to concerns about irregularities in financial management that the GoT did not satisfactorily resolve. Expectations in 2013 that funding for these activities might be resumed were not fulfilled.

Public Finance Management Reform Programme: the development objective of Phase IV of the PFMRP (2012-2017) was "to ensure improved public service delivery by enhancing public financial management in the areas of revenue management, planning and budgeting; budget execution, accountability and transparency; budget control and oversight; change management and programme monitoring and communications" (GoT 2012: 51). This phase of the PFMRP aimed at outcomes in six key result areas (KRAs) by June 2017:

- KRA 1: revenue management: strengthened systems, processes and procedures for improving the operational capability of revenue collection;
- KRA 2: budgeting and planning: strengthened capacity of planning and budget management, including results and programme based budgeting, within the Ministry of Finance (MOF), Ministries, Departments and Agencies (MDAs) and LGAs;
- KRA 3: budget execution, transparency and accountability: improved use of public resources in a more efficient, effective and transparent manner;
- KRA 4: budget control and oversight: "improved adherence and enforcing of MDAs and LGAs to financial internal controls, rules, laws, regulations and audit recommendations";
- KRA 5: change management, programme management and communication: "improved management practices with increased accountability and leadership to better manage performance of PFMRP" (GoT 2012: 52-53).

¹⁵ Extractive Industries Transparency Initiative.

- KRA 6: LGA reform sub-programme: "improved LGA PFM as well as central-local government transfers".

Uongozi Institute: as stated in the draft project document of 2013 (following the initial phase of Finnish support, 2010-2012), the purpose of collaboration with the Institute was:

- "the Uongozi Institute developed into a centre of excellence in building leadership capacity to meet current national and global challenges with focus on sustainable development;
- Uongozi's position as a highly regarded think-tank and forum for exchange of ideas among African leaders further strengthened".

To achieve these purposes, eight results were defined for the Finnish support project, linked to the Institute's overall strategic plan, 2011-2015:

- **Result 1:** the leadership capacity building programmes continue to correspond to the needs of the target groups and observe the changes in the operating environment.
- **Result 2:** the knowledge gained through the events, seminars and research programmes developed and implemented in the focus areas of the Institute is systematically incorporated in the modules and training programme structure.
- **Result 3:** the sustainable development issues crosscut the training programme contents.
- **Result 4:** Uongozi's existing strategic partnerships further strengthened and materialized in mutual cooperation. New partnerships are created.
- **Result 5:** Uongozi's reputation as an acknowledged think-tank and an independent forum for policy dialogue in Africa further developed.
- **Result 6:** Partnerships established for Uongozi to contribute to and benefit from international expertise and knowledge in accountable governance.
- **Result 7:** A system created to
 - identify and anticipate emerging issues on the national and global agenda;
 - help leaders share their knowledge improved through further development of Institute's information /resource centre services.
- **Result 8:** Uongozi's business continuity plan incorporates
 - a financing plan based on diversified sources of income;
 - measures to ensure that the Institute can maintain the qualified staff and remains an attractive working place (MFA and GoT 2013: 7-8).

Election support/UN Women: in 2014-2015, Finland contributed to UN Women's Tanzanian Women's Leadership and Political Participation project, which aimed at three outcomes:

- **Outcome 1:** the Constitution, electoral and political participation laws advance and promote women's rights and gender equality in political participation;
- **Outcome 2:** participation of women, youth and people with disabilities in political party structures and electoral processes enhanced;
- **Outcome 3:** gender equality and social inclusion advocates effectively influence media, faith-based and community leaders and grassroots organisations and networks to promote gender equality and social inclusion in leadership and participation (UN Women nd: 3).

Private Forestry Programme: the overall objective of what is seen as potentially a four-phase programme is "sustainable and inclusive private forestry that contributes to Tanzania's economic growth and pov-

erty alleviation”. The project purpose for the first phase, 2014–2017, is “economically viable, sustainable and inclusive plantation forestry and related value chains provide employment and increase income for private forest owners, SMEs [small and medium enterprises] and vulnerable households in the programme area” (PFP, 2016). The programme has three result areas:

- **enabling environment:** development of legislative, institutional and financial support structures, establishing capacity to produce high quality seeds and clones as well as development of mechanisms and structures for capacity building;
- **plantation forestry development:** practical development and management of plantations, along with establishment of social and environmental safeguards;
- **SME development and product innovation:** improved market mechanisms and development of the value chain (MFA and GoT 2014: 35–36).

National Forestry and Beekeeping Programme, Phase II: the extension phase of this programme, 2013–2015, had the overall objective of achieving socio-economic empowerment of communities in 16 districts through sustainable forest management and conservation and enhanced national capacity to manage and develop the forest sector in collaboration with stakeholders. Four key results were planned:

- **Key result 1:** an improved pro-poor model for community-based forest management (CBFM) is operational in 16 districts;
- **Key result 2:** increased support to CBFM both politically and through improved training, advocacy and other services;
- **Key result 3:** good governance, transparency and rule of law increased in CBFM villages;
- **Key result 4:** increased benefits and income to villagers from sustainable forest management and adoption of business approach (GoT and Indufor 2014: ii, Annex 1).

SMOLE II: this phase of the programme had three objectives:

- The Zanzibar Ministry of Land, Housing, Water and Energy (MLHWE) regulates satisfactorily all land registrations and administration based on sound legal basis and recognised registration procedures;
- The Zanzibar Department of Surveys and Mapping (DOSM) serves a hub of Spatial Data for potential customers through spatial data sharing mechanisms and systems;
- The Zanzibar Department of Forestry and Non-Renewable Natural Resources (DFNRNR) and Department of Environment (DOE) deliver high quality services and regulate satisfactorily all forest use and economic activities affecting the Zanzibar environment through appropriate and efficient use of accepted instruments (Land Equity International 2012: iv).

Mama Mimitu: the goal of the campaign was “to improve the governance of Tanzania’s forestry resources, so that the people of Tanzania can increasingly benefit from sustainably managed forests.” Its purpose was “to bring positive change in forest governance and reduce illegal forest harvesting in forests to increase legitimate benefits from forests to adjacent communities”. As amended in January 2015, it aimed at five outcomes:

- public debate generated on the need for improved forest governance;
- national government and government agencies provide more support to improving forest governance and combating forest crime;
- district authorities and local law enforcement agencies improving their standards of forest governance;

- forest-adjacent communities are effectively governing forests resources, equally benefiting, advocating for their rights, and involved in combating forest crime;
- forest-based businesses actively engaged to improve forest governance and effectively complying to forestry trade regulations (Mama Misitu 2015: 5).

Tanzania Information Society and ICT Sector Development: the overall development objective of the project was “a strengthened Tanzanian information society with enhanced capacities to contribute to the achievement of the government’s socio-economic development goals”. The project purpose was “a reviewed and improved Tanzanian ICT policy framework and strengthened arrangements for its implementation”. Results were stated in the logical framework as components:

- “1. Review of the national ICT policy and start of the implementation;
- 2. Strengthening of the institutional capacity of MCST;
- 3. Tanzanian innovation programme involving key stakeholders from university, business and government” (GoT and MFA, 2010: 61-66).

Lindi and Mtwara Agribusiness Support: the logical framework was amended in 2011 and in 2013, with the latter changes reducing the number of planned results from 18 to nine, and the number of key result indicators from 64 to 24 (Komulainen 2016: 4). The project objective was to contribute to economic development in the targeted districts through agriculture and forestry production, processing and marketing enterprises. The project purpose was to generate increased income for rural population in targeted districts through exploiting sustainable opportunities for competitive agribusiness. The revised design comprised three components:

- “1. Enhancing business environment and improving production potential;
- 2. Sustainable agribusiness development;
- 3. Sustainable forest management and utilisation” (Komulainen 2016: 4-7).

Dar es Salaam electricity: the objective of this project was “to improve the reliability of the 33 kV distribution network for five regions... in Dar es Salaam”. The project document stated activities and outputs rather than outcomes, setting out eight sub-projects; the central element was the installation of a SCADA (supervisory control and data acquisition) system for enhancement of power management across the city (MFA 2010: 11).

Seed Potato Development Project: the project objective was “to improve the livelihoods of potato farmers through increased potato production in Tanzania”. The project purpose was that “relevant Tanzanian agencies and authorities improve their capacity to ensure and sustain production, supply and use of clean seed potato”. Four results were planned:

- strengthened capacity for pathogen testing, cleaning, and potato genetic resource improvement;
- capacity for pre-basic potato production improved;
- increased capacity of certified potato production in Tanzania;
- field management and potato production practices at farm level improved (International Potato Centre 2015: 5).

Fund for Local Cooperation: in Tanzania, the FLC was aligned with the CS, so that project grants were made in each of the three cluster areas - complementing the larger-scale interventions in each cluster with smaller projects assigned to local NGOs and community-based organisations (CBOs). Within this framework, the Embassy has emphasised use of the FLC to help such grantees promote human rights in Tanzania. In 2015, according to data supplied by the Embassy, there were five FLC projects under the good governance cluster; four under sustainable use and management of natural resources and access to land; and four under the promotion of growth cluster.

EVALUATION

TANZANIA COUNTRY REPORT 2016



MINISTRY FOR FOREIGN
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