



policy forum



ANNUAL REPORT

January – December 2020

ABSTRACT

An account of Policy Forum interventions and progress made from January to December 2020 and highlights of the mitigation measures undertaken to be resilient and adjust to the new pandemic reality.

Policy Forum Secretariat

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Abbreviations

AGM	Annual General Meeting
ALE	Annual Learning Event
AMV	African Mining Vision
ANSAF	Agriculture Non-State Actors Forum
APF	Africa Philanthropic Foundation
APNAC	African Parliamentary Network Against Corruption
BD	Breakfast Debate
BO	Beneficial Ownership
BOSEDA	Biharamulo Originating Socio-Economic Development Association
BOT	Bank of Tanzania
BWG	Budget Working Group
CAG	Controller and Auditor General
CB-CPD	Competence- Based Councillor's Professional Development programme
CHRAGG	Commission for Human Rights and Good Governance
CODEFA	Community Development For All
COVID 19	Corona Virus Disease discovered in 2019
CSO	Civil Society Organisation
CSR	Corporate Social Responsibility
D by D	Decentralisation by Devolution
DANIDA	Danish International Development Agency
DRM	Domestic Resource Mobilisation
DTA	Double Taxation Agreement
EALA	East Africa Legislative Assembly
EGM	Extraordinary General Meeting
ERP	Enterprises Resource Planning
EU	European Union
FCS	Foundation for Civil Society

FYDP II	Five Year Development Plan II
GESI	Gender Equality and Social Inclusion
GRBA	Gender Responsive Budgeting Analysis
HaKE	Haki Elimu
HIVOS	Humanist Institute for Cooperation with Developing countries
IDFI	Development of Freedom of Information
IFFs	Illicit Financial Flows
IGFT	Intergovernmental Fiscal Transfers
KEPA	Karpathian Educational Progressive Association
LAFM	Local Authority Finance Manual
LGAs	Local Government Authorities
LGTI	Local Government Training Institute
LGWG	Local Governance Working Group
MEL	Monitoring, Evaluation and Learning
MEMARTS	Memorandum and Articles of Association
MIICO	Mbozi Ileje & Isangati Consortium
MIS	Management Information System
MNCs	Multinational Companies
MoHCDGEC	Ministry of Health, Community Development, Gender, Elderly and Children
MoU	Memorandum of Understanding
MPs	Members of Parliament
NAOT	National Audit Office of Tanzania
NGOs	Non- Governmental Organisation
O&OD	Opportunity and Obstacles for Development
OBI	Open Budget Index
OBS	Open Budget Survey
OMT	Open Mind Tanzania
PAYE	Pay-As-You-Earn
PBO	Parliamentary Budget Office

PCCB	Prevention and Combating of Corruption Bureau
PETS	Public Expenditure Tracking Surveys
PF	Policy Forum
PMEL	Participatory Monitoring, Evaluation and Learning
PORALG	President's Office – Regional Authorities and Local Government
PPRA	Procurement Regulatory Authority
PSAM	Public Service Accountability Monitor
REPOA	Research on Poverty Alleviation
RLGSP	Regional and Local Government Strengthening Program
RSs	Regional Secretariats
SA	Social Accountability
SAM	Social Accountability Monitoring
SDGs	Sustainable Development Goals
SP	Strategic Plan
SWFF	Smallholder Women Farmers Federation
TACOSODE	Tanzania Council for Social Development
TANePS	Tanzania National Electronic Procurement System
TAWASANET	Tanzania Water and Sanitation Network
TJNA	Tax Justice Network Africa
TNRF	Tanzania Natural Resources Forum
ToR	Terms of Reference
TPPR	Transparent Public Procurement Rating
TRA	Tanzania Revenue Authority
TTJC	Tanzania Tax Justice Coalition
UN	United Nations
UNAT	United Nations Association of Tanzania
VAT	Value Added Tax
WHO	World's Health Organisation
WIPA	Wajibu Institute of Public Accountability

YPC Youth Partnership Countrywide
ZRM Zonal Reflection Meeting

Executive Summary

To remark that 2020 was an extraordinary year would be an understatement. The year saw the outbreak of the Coronavirus pandemic (COVID-19) wreak havoc across Africa and the world at large widely destabilising civil society operations including those of Policy Forum. Despite this challenge disrupting planned interventions, PF managed to adapt while remaining focused on its strategic parameters. This report highlights Policy Forum interventions and progress from January to December 2020 and notes some of the mitigation measures undertaken to adjust to the new reality.

Some of these measures included not only the use of technology to hold important debates through video conferencing to safeguard its stakeholders but programme-related whereby the PF working groups produced position statements on the policy prescriptions needed to combat and mitigate against the economic and social impacts of the pandemic at the local level and the national economic sphere at large like on domestic resource mobilisation.

Despite disruptions caused by the pandemic, it was reassuring to note that policy gains in advocacy areas where PF works in were also made. For quite some time, policymakers have been supportive of PF's agenda related to transparent, equitable use of public money and increased Domestic Resource Mobilization. Through policy engagements and analyses, PF has long championed for specific inclusion of Beneficial Ownership (BO) regulation in Tanzania, that is the disclosure of the natural persons who ultimately own or control a legal entity such as a company. Hence it was rejoicing that The Finance Bill 2020 tabled in parliament amends the Companies Act 2002 and the Anti-Money Laundering Act 2006, the Trustees Incorporation Act 2002 and the Income Tax Act to introduce BO requirements. BO disclosure rules will not only help bring transparency in the extractive sector but will also improve tax information and curb Illicit Financial Flows which will result in a strengthened domestic resources mobilization. Policy Forum through current and previous strategic plans postulate that if the government is transparent and there is an accountable and equitable use of public resources and an increase of domestic resources, then there will be an enhanced governance which will improve the lives of Tanzanians.

This move reassures civil society that the government is committed to progressively enhancing transparency and has established an image as one of the foremost leading advocates of BO in the East and Southern Africa region. The example can give an insight into the possibilities even during an environment where a government is re-centralising and curbing civic space. Apart from the rationale for the BO provisions, it will be interesting to investigate in the future how implementable they are and what are the powers of vested interests and how they interfere with the regulations.

Similarly, PF has seen policy gains in another DRM aspect relating to the domestication of African Mining Vision (AMV) in the country. Working with like-minded organisations like Tax Justice Network Africa and HakiRasilimali, one of the recommendations submitted on "investment in the construction of a refinery" has begun to take shape. The first gold refinery based in Dodoma has started operations thus enabling the government to obtain more revenues and two more refinery plans will be established in Mwanza and Geita Regions in 2021. Seeing such policy outcomes in the current state of shrinking civic space for advocacy and political volatility is encouraging for those engaged in the advocacy contributions.

In terms of revisiting the fight to curb IFFs, PF took stock of the achievements and challenges of the 'Stop the Bleeding' campaign together with officials from the APNAC Secretariat. Beneficiaries to PF trainings acknowledged to have increased awareness on public revenues management as a result of the campaign which contributed significantly to the establishment of special parliamentary advisory committees on the management of natural resources such as the Special Committee on Tanzanite Business, the Special Committee on Diamond Business, the Special Committee on Deep Sea Fishing and the Special Committee on Gas Revenues Importance, all with the intent to maximize the contribution of the mineral sector to the national economy.

Initiatives towards promoting public access to budget information also saw progress. The Open budget survey, an international measurement of budget transparency, public participation and budget oversight, puts Tanzania at an Open Budget Index score of 17/100 in 2019. As compared to 2017 when the score was 10/100, the current score shows a slight increase that is mainly due to timely publication of the citizens budget online and an increase in information provided in the Pre-Budget Statement and Enacted Budget, all of which are PF budget advocacy issues.

Gains were also seen in PF efforts to institutionalise social accountability work. In its efforts towards augmenting citizen voices at the local level, a recommendation from an impact appraisal carried out in 2019 called for the scaling up of councillors training on SA to more LGAs than those PF previously worked in. As a result, PF with the support from key stakeholders is strategically developing a tailor-made councillors training module with LGTI that will be used to implement a cost-effective sustainable continuous Competence-Based Councillors' Professional Development (CB-CPD) programme.

Heading towards the end of 2017-2020 strategic plan, PF took stock of progress made and challenges encountered in view of developing the 2021-2024 strategic plan. This new SP incorporated previous iteration and learning experiences while acknowledging efforts by others working on similar issues to achieve these milestones. Formulation of the new SP involved a series of engagements with not only members but also non-PF members such as development partners and state officials who on one way or the other have effects to the work of PF. Out of all these discussions there was one thing that came out strongly: the imperative to engage Government strategically if we are to impact changes given the operating context during the fifth regime. A lesson learned was that state actors were supportive when engaged from the early stage of a given initiative rather than abruptly. It is our belief that the new SP will open up opportunities for members to fully engage with technocrats and decision makers to further impact meaningful policy changes that impact positively on Tanzanians.

Introduction

Policy Forum (PF) is a network of over 60 Tanzanian civil society organizations (CSOs) drawn together by their specific interest in augmenting the voice of ordinary citizens to influence policy processes that help in poverty reduction, equity and democratisation with a specific focus on public money accountability at both central and local levels.

In the course of working to influence policy processes in the county through enhanced governance and accountable use of public resources, an outbreak of COVID 19 has largely affected PF's advocacy work for the year 2020 especially the first half of the year. Regardless of the difficulties brought by an outbreak PF still managed to develop an adaptation strategy to implement its interventions.

This report highlights progress for the year 2020 to realizing Policy Forum potential roles reflecting on the three outcomes, notably:

- **Outcome 1:** Strengthened PF members' capacity to influence and monitor the implementation of policies relating to public resources.
- **Outcome 2:** Policymakers supportive of PF agenda related to transparent, equitable use of public money and increased DRM.
- **Outcome 3:** Institutional effectiveness and efficiency of the Policy Forum network is sustainably enhanced.

The report has four main chapters. Chapter 1 looks at the continued strengthening of the capacities of members to meaningful participation in policy spaces and the use of tools provided by Policy Forum to impact policies relating to public resources. How gender budget analysis skills imparted to working groups and adapting to COVID-19 realities are highlighted here. Chapter 2 details progress made in attaining support from policymakers on the transparency and enhanced DRM agenda of the network including the introduction of Beneficial Ownership regulations and developments in achieving the AMV.

Chapter 3 looks at the internal progress undertaken to strengthen the institutional effectiveness and efficiency through improved governance that is mostly contributed by members participation and enhanced financial system. Chapter 4 documents the lessons learned, and the challenges encountered in the course of PF's annual implementations. Through those learnings, this chapter highlights adaptations considered for meaningful engagements, particularly in the next strategic period.

1.0. Outcome 1: Strengthened PF members' capacity to influence and monitor the implementation of policies relating to public resources.

1.1. Deepened Applied Gender Responsive Budget Analysis for working groups

Members of PF's two working groups have constantly been provided with hands-on skills on budget analysis and advocacy and have gradually demonstrated improved application during the course of implementing the current strategic plan. In 2020, deeper and practical gender analysis skills were imparted that enabled members to analyse the 2020/2021 national budget and produce policy briefs that bring into focus the existing gender dimensions in the sectors they are working on. Two members MIICO and UNAT from LGWG worked to produce two policy briefs. For the case of MIICO, the focus was on the agricultural sector specifically on women access to extension services. On the other hand, UNAT focused on youth and gender detailing how women can harness existing opportunities for leadership and decision making in the economic and political arena.¹ Additionally, six BWG members namely HakiElimu, Sikika, ANSAF, CODEFA, OpenMind Tanzania, ActionAid and a Partner TAWASANET also took part in producing briefs on Education, Health, Water, Agriculture and Youth. The analyses collectively emphasize the need for the Government to finance and prioritize sectors through actual disbursement of the allocated funds for sustainable development. The briefs produced will be shared with relevant groups to raise awareness which will trigger discussion to influence change in budget and processes for the next financial year.

Overall, post-training evaluation and testimonies of the participants reveal improved understanding of key terms and concepts related to results-based gender-responsive planning and budgeting and appreciation of the use of visual images and simple language to further enhance the understanding and application of gender budget concepts. While participants appreciated new knowledge on the tools, they also expressed the need for additional training and coaching on the application of each of the tools and in particular gender-disaggregated public expenditure and tax incidence analysis. Although the participants² were able to identify the roles of CSOs in the budget cycle, there is still a need for deepening the understanding of this through implementing GRB analysis for each of the phases of the budget.

Given the importance of the knowledge and to cement what members have acquired from this training, PF intends to further equip members on the steps and technical tools which will assist in carrying out better GRBA and thus be able to form strong grounds of advocacy to influence policy changes. There will be on-going monitoring activities to ensure that the training has impact to attendees in their day-to-day activities. Policy Forum plans to track interventions from CSOs attending the training to document success stories.

¹ This effort was achieved mainly through a 3-day training between 16th and 18th March 2020 at Kingsway Hotel, Morogoro to equip members of the both the Budget Working Group and Local Governance Working Group with relevant gender analytical skills to analyse policies. Participants reflected on gender budget lenses/focus, gender responsive budget scope, tools and steps as well as CSOs roles in gender responsive budget analysis in the various phases of the budget cycle. Other areas covered during the training include packaging results of gender responsive budget analysis in a way that stimulates policy dialogue and change.

² The total number of the participants trained was 24 whereby 13 were females and 11 were males.

1.2. Contribution to COVID-19 mitigation through working group position statements

In contributing to the 2020/2021 national budget discussions and considering the effects of the Coronavirus that undoubtedly affected revenue mobilisation and spending, PF under its Budget Working Group and through the Tanzania Tax Justice Coalition produced two positions statements titled '**Adapting to New Realities in the Wake of COVID-19**' and '**Stability in Revenue Collection During the COVID-19 Pandemic**', respectively.³

Both statements placed heavy emphasis on COVID-19 pandemic. Some of the issues presented in the statement include the need for the government to revisit its existing plans to take into account the effects of the pandemic, need to consider businesses heavily hit by the pandemic to be allowed to reschedule their loan repayments or defer payments, investing in technology and modern facilities that can facilitate alternative learning, taking measures that shield the private sector from collapse, protect jobs and hence protect the government's vital tax base, etc.

In May 2020, the government through the Bank of Tanzania introduced several policy measures to safeguard the stability of the financial sector. Amongst the measures introduced include regulatory flexibility on a restructuring of loans. This permits regulatory flexibility for banks and financial institutions to discuss the restructuring of loans with borrowers who are facing financial difficulty due to the pandemic.

j) Instructing banks and other financial institutions to thoroughly assess financial difficulties experienced by borrowers due to COVID-19 in respect of loan repayments, re-negotiate the possibility of loans restructuring and agree with borrowers on loan rescheduling. The Government through Central Bank will provide regulatory flexibility to banks and other financial institutions that will carry out loan restructuring in a transparent and impartial manner. I would like to congratulate some banks such as Exim Bank, which have announced loan rescheduling to their customers whose businesses were affected by COVID-19 and I urge other banks to follow the suit;

Government statement on easing COVID-19 – induced difficulties for borrowers.

³³ The statements were published in two newspapers namely the Citizen and the Guardian on 21st April 2020 and 27th April 2020, respectively.

Beyond efforts of the BWG and the TJWG, the LGWG issued a position statement calling upon Local Government Authorities leaders to create and raise awareness to citizens at the local level on the effects of COVID-19 and the measures to be taken in order to prevent the spread of the virus. The position statement called upon government to actively invest in curbing the pandemic since it was not being prioritised in comparison to the magnitude of the problem. Moreover, it gave the group the opportunity to be innovative on the means of conveying the message to the targeted audience. From the traditional ways of delivering the statement by holding a press conference and issuing to newspapers, this time around due to COVID-19, the release of position statement was live-streamed through PF YouTube channel and disseminate it through the four community radio stations commissioned by PF. The new approach to disseminate the LGWG position statement brought about live engagement from the audience and reached more audience thus increased awareness to the communities on the global pandemic and which measures to take to protect ourselves.



Israel Ilunde of the LGWG speaking on behalf of PF regarding measures to be taken to combat COVID-19

In line with this, to reach out to a greater number of people to meet the intended targets, the position statement was shared to other PF's medium of communications including Twitter, Instagram, Facebook and Community Radios. All four⁴ contracted community radios were engaged to deliver the position statement to their audience within their localities and the response was good. For instance, coverage of the corona disease was 22% of programs aired by Safari FM and also Kahama FM, received four (4) direct calls and eleven (11) messages as a reaction to the position statement that was aired. Some of the responses received from the audience are stipulated below:

⁴ Safari FM, Kahama FM, Mashujaa FM and Nuru FM

Date	Time	Theme	Topic	Number of Calls received	Number of SMS received	Audience Response (please provide a summary of the audience response)
27/5/2020	16:30-17:15	COVID 19	LGWG Position Statement on the role of LGA leaders in educating citizens on measures needed to prevent themselves from COVID-19..	04	11	<p>- Most stakeholders said that in their localities Covid 19 education is well received and that their taking all precautions in fighting the virus.</p> <p>-- Local government chairpersons have been asked to reach to the peripheral areas.</p> <p>-Despite raising awareness to the Local Government Authority Leaders, audiences advised further that Parents and Guardians to impart knowledge and create awareness to their children on the impact/ effect of Covid 19.</p> <p>-Organizations with various projects should be involved in providing assistance to the Vulnerable Group.</p> <p>-some of the listeners argued that local government leaders at their localities do not raise nor create awareness of the corona virus rather rely on the efforts done by the central government leaders in the fight against covid 19.</p>

Apart from those media outlets used to reach the targeted audience, it was encouraging to learn that the position statement was also featured in the FCS’s Newsletter “Habari Jamii”⁵ on page 12 – something which increased our reach.

1.3. Adapting to COVID-19 using PF platforms to feed research into policy debates

Policy Forum has provided meaningful space to organisations to headline 44 of its breakfast talks by feeding their research and analyses into policy debates in the last 4 years. These events facilitate information sharing between the state, non-state actors, and the citizens on different systemic and policy issues to support the realization of Sustainable Development in Tanzania.

However, the outbreak of COVID-19 in March 2020 necessitated the government to introduce restrictions to curb the spread of the pandemic. As a result, Policy Forum deployed alternative solutions to the use of technology by holding the debates through video conferencing till June 2020 to safeguard its stakeholders and maintain the milestones set on retaining the discussions and disseminating policy issues to the public. PF stumbled upon challenges such as network instabilities and keeping track of the indicators and targets such as sex-segregated data for virtual participants; the process was burdensome to keep track off whereas and in late August, following the Government’s announcement on the demise of the novel coronavirus in Tanzania, PF once again commenced its physical gatherings.

In the reported period, the debates ensured access to reliable information and forged partnerships to further interventions between CSOs and Oversight Institutions like Prevention and Combating of Corruption Bureau (PCCB), National Audit Office of Tanzania (NAOT), Ministry of President’s Office – Regional Administration and Local Governance (PO-RALG) and the Legislature which has also offered linkages for the citizens to access information such as the six

⁵ https://thefoundation.or.tz/wp-content/uploads/2020/06/bulletin/BULLETIN%20COVID%2019_VOL%20III_FINAL.pdf

statutory audit reports and 12 performance reports produced for FY 2018/19 and submitted to the President by the Controller and Auditor General (CAG).

The platform has also performed a significant role in promoting space for dialogue to discuss reports and analysis produced by CSOs to the public and gather concrete recommendations for improvement.

In 2020, (8) eight PF members utilised the platform to hold dialogue to address key issues and offer useful proposals that are innovative and applicable in Tanzania such as **Shule Direct** on Artificial Intelligence for the Realization of Quality Education reflecting on SDGs Goal 4 on Equitable Quality Education and lifelong learning for all; Reforming and Restructuring Women Special Seats towards the 2020 General Elections; **Wajibu Institute of Public Accountability** presented the Analysis of CAG Report 2018/2019: Social Economic Issues Arising Therefrom; Tanzania Tax Justice Coalition (**TTJC**) on Analysis Report: Implementation of the African Mining Vision (AMV) in Tanzania 2017 – 2019; **SIKIKI and Save the Children** on 2020/21 Health Budget: Adapting to New Realities in the Wake of COVID-19; **HakiElimu** on Open Budget Survey 2019: Reflection on Transparency, Participation and Oversight in Tanzania; **ANSAF** on Operationalization of the National Environment Trust Fund; **SNV** on Monitoring and Evaluation: Inclusive and Adaptive programming for Sustainable Development and **UNA Tanzania** on Economic Rights Empowerment: Making 10% Loans work for Women, Youth and People with disability.

1.4. Augmenting the voice of women through Media

Media has been playing a significant role in challenging social norms that condone all forms of discrimination and oppression against women. PF has utilized both mainstream media and social media to emphasize the political presentation of women to address the challenges that face them and promote the presentation of women in political spaces. The voices of women are important because they bring their lived experiences to the table which allows policies regarding women to be shaped by women as they have in elsewhere in the continent.

Significantly, the community radio programs for 2020 focused on the general elections hence promoted women to contest for different positions and to vote during elections. Women voices bring a distinct voice on how to govern and support the realization of Tanzania Vision 2025 and the SDGs.



Newspaper clipping (The Guardian) on coverage of breakfast debate topic on political presentation of women and the challenges

A total of 103 community radio programs were aired through 4 media stations; Mashujaa Fm, Kahama FM, Safari FM, and Nuru FM. The programs were able to reach 1,693,956 unique users equivalent to 54.7% of the total media users in the 4 areas and 35.9% of the areas' Population. Mashujaa FM had the largest contribution to the audience reach, having reached 597,061 i.e 35.2% of the total media users reached by the programs. Each reached media user has been exposed to the programs on an average of 3.5 times, this has increased awareness and drive towards behaviour change among the target audience.

The programs were able to reach 899,810 males and 794,145 females, equivalent to 53.12% and 46.88% respectively. The age bracket 25-34 had the highest contribution to the number of media users reached with 611,525 users (36.1%), followed by the 35-44 bracket with 476,393 users (28.1%). The two age brackets formed over half of the reached audience.

Considerably, over the years Policy Forum has been disseminating information packages to members maintaining the bridge between the network and society at large. The strategy to involve members in this effort helps enhance the feedback loop and bridging the knowledge gap as they are the ones who best know what type of information is required in the societies they work in. For instance, in this year a PF member, Biharamulo Originating Socio-Economic Development Association (BOSEDA) distributed 400 copies of PF publications to 17 wards and 70 villages of Biharamulo District in Kagera Region. The association attests that:

"Biharamulo citizens are very fond of policy forum books because they have provided a better understanding of their role and responsibilities in society, things they did not fully fathom. For example, the people of Biharamulo ward who were given PF books on

issues of good governance including the responsibilities of councilors reported that in the past they did not know the responsibilities of their councilor, for instance, initially they were reporting gender violence to their councilor without involving the village chairperson or social welfare. 'Mjue Diwani' books have also been a great help to Biharamulo ward councilors by building their capacity to realize their responsibilities. There was an incident where a Biharamulo ward councilor was remanded in custody for going to the police station to defend a suspect thinking that is his responsibility."

Nonetheless, a wider knowledge of the usefulness of the materials produced by Policy Forum admittedly remains an information gap and the coming Strategic Programme should rigorously explore ways to solicit feedback from members.

2.0. Outcome 2: Policymakers supportive of PF agenda related to transparent, equitable use of public money and increased DRM is reflected in the policy process

2.1. Finance Act 2020 enhances transparency by establishing Beneficial Ownership

Policy Forum welcomes improved transparency and accountability in the extractives industry brought by the Finance Act 2020 which introduced commended changes in the Companies Act, the Trustees Incorporations Act, the Anti-Money Laundering Act and the Income Tax Act by establishing Beneficial Ownership (BO) rules. As one of the stakeholders, PF has been championing a specific inclusion of Beneficial Ownership in the regulations to enhance accountability by corporations.

Through policy engagements and analyses, the network has been championing reduced risks of conflict of interest, deterrence of corruption during the allocation of licenses, an equal playing field for all companies who intend to bid and reduced risk of transfer mispricing and tax evasion. The legal changes brought by the Finance Act 2020 will require all persons seeking to register new companies in Tanzania to identify the beneficial owners of such companies and submit their particulars to the registrar at the time of registration, one of the main recommendations provided in 2019/2020 PF's analysis entitled "**State of Beneficial Ownership Disclosure in the Tanzania Extractive Sector.**"⁶. Transparency will contribute to enhanced governance and accountable use of public resources which will strengthen and increase domestic revenues and if managed well, will improve service delivery.

⁶ <https://www.policyforum-tz.org/state-beneficial-ownership-disclosure-tanzania-extractive-sector>

Amendment of section 2	7. The principal Act is amended in section 2 by adding in the appropriate alphabetical order the following new definitions:
Cap. 332	<p>“arrangement” has the meaning ascribed to it under the Income Tax Act;</p> <p>“beneficial owner” means a natural person-</p> <p>(a) who directly or indirectly ultimately owns or exercises substantial control over an entity or an arrangement;</p> <p>(b) who has a substantial economic interest in or receives substantial economic benefit from an entity or an arrangement directly or indirectly whether acting alone or together with other persons;</p> <p>(c) on whose behalf an arrangement is conducted; or</p> <p>(d) who exercises significant control or influence over a person or arrangement through a formal or informal agreement;”.</p>
Cap. 423	“politically exposed person” has the meaning ascribed to it under the Anti-Money Laundering Act;”;

Finance Act 2020 establishing beneficial ownership

This establishment of BO disclosure law comes concurrently with the publication of Transfer Pricing guidelines issued by TRA aimed at issuing formal guidance on how to apply Regulation 16 of the Tax Administration (Transfer Pricing) Regulations 2018.⁷ The guidelines will help enhance DRM and reduce the risk of tax base erosion by multinational companies’ sophisticated ability to use transfer pricing to shift profits. This is also another encouraging development in the quest to curb IFFs.

This move reassures civil society that the government is committed to progressively enhancing transparency and has established an image as one of the foremost leading advocates of BO in the East and Southern Africa region. The example can give an insight into the possibilities even during an environment where a government is re-centralising and curbing civic space. Apart from the rationale for the BO provisions, it will be interesting to investigate in the future how implementable they are and what are the powers of vested interests and how they interfere with the regulations.

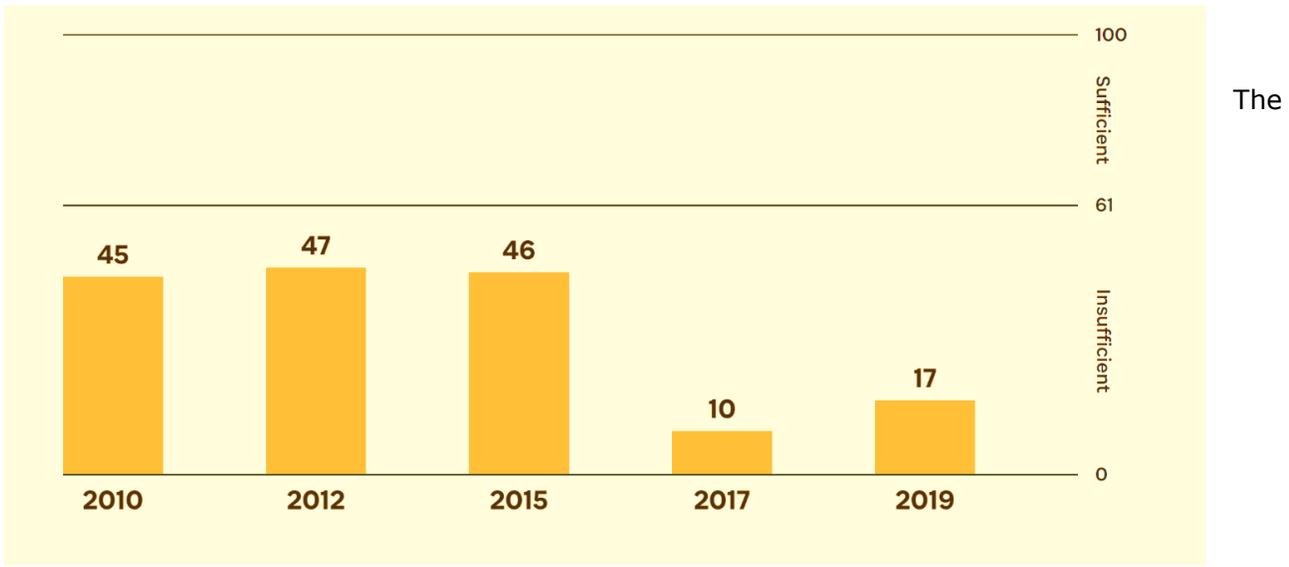
⁷ Tanzania Revenue Authority Transfer Pricing Guidelines, July 1, 2020. Source: <https://www.tra.go.tz/Images/headers/TPR-01072020- TRANSFER PRICING GUIDELINE.pdf>

2.2. Progress domesticating the Africa Mining Vision for increased revenue

For many years, Policy Forum together with other like-minded stakeholders such as Tax Justice Network Africa and HakiRasilimali has been advocating for the domestication of African Mining Vision (AMV) in the country. The primary goal has been to advise decision-makers to champion for mining sector policy changes to include aspirations of cluster one of the AMV which deals with mining revenues and mineral rents management. The analysis conducted by PF to assess the extent to which Tanzania's mining fiscal regime is aligned with the AMV indicates policy gaps that were part of the agenda in the engagement with the Parliamentary Committee on Energy and Minerals which took place in early March 2020 in Dodoma before the COVID-19 ban on gatherings. It is encouraging to see that one of the recommendations on "investment in the construction of a refinery" has begun to take shape. Currently, the first refinery plant has been established in Dodoma and it has a capacity of refining 30 to 50 kilograms of gold per day. Policy Forum continues to monitor implementation of the recommendations to address these policy gaps. These recommendations include development of guidelines on the use of local government levy from the mining sector, establishment of Minerals Development Fund as an own source of funds and establishment of sanctions where mining companies fail to implement the submitted CSR plan.

2.3 Slight but welcomed improvements in access to information on public money

One of the core objectives of PF under this outcome area is to improve public access to budget information including the acquisition, allocation and spending of public money. In this current PF's strategic plan 2017-2020, the budget working group (BWG) has witnessed a slight increase in public access to information on how the central government raises and spends public resources. An international survey that measures transparency, public participation, and budget oversight (Open Budget Survey) indicates that Tanzania has a transparency score (Open Budget Index score) of 17/100 in 2019 from 10/100 in 2017. The 2019 moderate increase of transparency score is due to the timely publication of the citizens budget online and an increase of the information provided in the Pre-Budget Statement and Enacted Budget. The slight increase motivated the BWG to hold a virtual meeting with the Parliamentary Budget Committee through which the BWG members asked the decision-makers to advise the government to improve budget transparency through publishing the executive's budget proposal, in-year reports and the mid-year review and year-end report online promptly.



Transparency score for Tanzania over time

working group also noticed that there is a need of reviewing its 2008 publication entitled 'Understanding the Budget Process in Tanzania: A Civil Society Guide' and use it to train the parliamentarians to enhance their understanding of budget processes and the importance of budget transparency in the country at both national and sub-national levels. The trainings will be vital to new MPs and those that struggle to understand budget processes and why it is essential to have transparent procedures which involve citizens. This suggestion emanates from some of the Budget Committee Members as well as the nature of the questions that were posed during the discussion.

Towards the end of the year PF developed terms of reference and identified the relevant resource personnel who will undertake the task in the coming year. It is PF's hope that this publication will continue not only to help CSOs but will also be an attempt to bridge the gap in public understanding and allow for more active involvement on the part of interested citizens and MPs in the budget process. The guide builds on previous efforts by the BWG and the Ministry of Finance and Planning to simplify the budget each year and conduct basic analysis through the annual policy briefs. PF is of the view that wider participation in the process will improve budget openness and scrutiny. Furthermore, we hope this guide will also be useful to the media reporting on budget issues.

2.4 Advocating to redress inequalities in the tax regime from a gender outlook.

Policy Forum commissioned a study entitled "Marginalisation and Gender Inequality within Tax Regimes in Tanzania." This was induced by the fact that women often have multiple identities that have varying implications on their ability to pay taxes especially considering the disproportionate distribution of unpaid care work. Also, gender issues continue to be downplayed, ignored, or repeatedly addressed at the periphery of policy dialogue and decision-making resulting in macroeconomic policy failures that have a clear correlation with the degree of gender inequality.

The study, completed early this year, examines the nature and the extent of gender inequality, the intersectionality and the emerging key issues that require redress within the tax regime in Tanzania. Findings from the study indicate tax incentives are largely not in favour of women as most of the consumption taxes do not have special gender-sensitive incentives. Also, there are a few women in decision-making bodies, and this implies lesser consideration of the issues hindering women in attaining fairness in taxation. The study recommends among others, lobbying for more participation of marginalized groups in decision making bodies and that the tax regime should be user-friendly on real estate taxes by focusing on individuals who occupy (owners) the properties (tax personum) instead of focusing on mere the property (tax in rem).

To further these findings and ensure the recommendations reach the government, the BWG members had a virtual meeting with the budget committee and the leaders of the group of women MPs from the Tanzania parliamentary women group. Members of the Parliament accepted the recommendations provided, however, they asked PF to analyse how agricultural taxes affect women and marginalized groups. This recommendation was provided by the Vice-Chairperson of the Group of Women MPs Hon Suzan Lyimo saying: "majority of women in Tanzania work in the agriculture sector, hence PF should analyze to see how agricultural inputs are taxed and how they affect women". Building on this, the plan is for PF to undertake an agriculture analysis that provides an in-depth description of the gender-specific challenges faced by women in the sector like access to land, market and finances to be shared through PF's social media outlets and the website.

2.5 Formalized efforts to encourage good governance and protection of human rights

One of the key areas that PF aimed to achieve in this strategic period, is to see government officials proactively engaging citizens in policy processes by ensuring access to information including information relating to human rights and good governance. To realise this and in the sense of amplifying partnership between CSOs and government institutions, towards the end of this year Policy Forum and Commission for Human Rights and Good Governance (CHRAGG) signed a Memorandum of Understanding (MoU) to formalize a long relationship between the two. Through sundry advocacy activities to be done jointly, the agreement envisages to promote and protect the human rights for Tanzanians as well as enhancing principles of good governance such as transparency and citizen participation in government policy processes.

The two institutions will jointly work in ensuring citizens' awareness on human rights and good governance is enhanced through providing spaces, information, and human resources who shall contribute to information creation and sharing. Also, the joint activities to be implemented will contribute to enhanced use of existing spaces by PF members to engage with decision makers.

Furthermore, this partnership will contribute to the attainment of PF 's advocacy goal which aims at strengthening efficient government engagement for inclusive decision-making that enhance equitable and accountable use of public resources.

2.6 Integrating SAM within Government Institutions

Results from an appraisal of the impact of the capacity enhancement to 106 councillors carried out in 2019 indicated that it has contributed to: a) institutional strengthening programmes, b) improved effectiveness at the LGAs, c) improved harmony and conflict resolution at the LGA level, d) improved revenue collection, e) accountability and efficiency and f) improved confidence of councillors in executing their mandate among others.

Looking into the future, PF envisions deeper accountable use of public money at all levels so these efforts will go beyond the Social Accountability trainings conducted to the councillors in four district councils of Kilwa, Mafia, Mafinga and Kiteto.

With Policy Forum's resources, however, it might take decades to reach 184 councils of Tanzania mainland where the network operates with no guarantee of sustainability. While strategising on the best approach to scale up these interventions and how to make them sustainable, PF sought collaboration with LGTI and PSAM. With the mandate that the LGTI has to train LGAs officials, Councillors and other stakeholders on principles, techniques and practical application in various aspects of Local Government Administration and Management, PF saw an opportunity of scaling up the social accountability monitoring by injecting SAM modules in the Local Government Training Institute Hombolo.

Experience shows that it requires basic understanding of principles of social accountability monitoring or other related tools to effectively promote public money accountability. Therefore, this collaboration will not only scale up SAM initiatives but also minimize duplication of efforts and resources while ensuring sustainability by including the process in government systems. PSAM and PF will provide technical support and monitor changes brought by such intervention given the expertise these two institutions have on social accountability monitoring.

Towards the end of the year in review, progress was seen in development of the strategy for collaboration between PF, LGTI and PSAM stating clearly the roles and mode of engagement. To cement on the commitment the MOU will be signed upon final agreement between parties. It is to PF's expectation that the collaboration will open doors for other learning institutions to adapt the SAM modules if we are to have a generation that value principles of good Governance.

2.7 Contributing to the development of the Improved O & OD and Decentralization Policy.

Policy Forum has continued working with PO-RALG and other actors in the development of the Improved Opportunities and Obstacles to Development (O&OD) that was finalized in February 2020. Additionally, PF was invited to participate in the training and to identify areas to contribute towards the implementation of improved O&OD. The improved O&OD fills gaps identified in the previous version such as citizens' inclusion and participation that was left out despite being important in social preparation and the community planning processes to identify needs and prepare people for developmental projects.

PO-RALG invited PF as one of the key partners to review the final version of the Improved O & OD and to help in its dissemination strategy including how it works and the levels of operation following which Policy Forum formulated an action plan which was submitted to PORALG. The

actions agreed included producing a simplified version of the same, to-date the simplified versions have been produced by the LGWG members awaiting approval by the ministry. The simplified version will be used by PF members to actively participate, engage, and contribute to the performance of the Improved O & OD.

Similar to this, PF participated in the formulation of the Decentralization Policy and Regional and Local Government Strengthening Program (National CSOs meeting) in collaboration with PO-RALG and other Non- State Actors. This was an opportunity to coordinate our inputs as a network of CSOs at the national level and submit them to PO-RALG for consideration while they were finalizing the document for operationalizing the Decentralization Policy. Though the two documents have not been approved by the Inter-Ministerial Technical Committee and the Cabinet, a follow up was done to take stock of how CSOs inputs were incorporated into the final draft. In five components of RLGSP namely community participation and local governance, service delivery, human and financial resource management, political decentralisation and central-local relations and coordination and program management, it was encouraging to learn that out of 23 inputs 14 inputs were taken by PO-RALG. Moreover, out of those 14, 7 inputs were incorporated word-for-word as submitted to the ministry. An example of the input taken word by word is summarised here; ***To support lower-level governments to improve participatory planning and budgetary process using improved O&OD guidelines and "Formula for improved equity, adequacy and discretionary space in IGFT to RSs and LGAs in place by 2022."***

This entails enhanced participation of citizens in local level policy processes as the new program has strengthened reforms made in phase I and II by adopting approaches to decentralization in form of devolution, de-concentration and delegation and, also their hybrid in facilitating service delivery and Local Economic Development. The programme has as well explicitly highlighted the roles that CSOs and community at large will assume in its implementation. These commitments are in line with PFs' goal of augmenting citizens voices through enhanced citizen participation in policy processes at local level.

2.8 2020/21 National Budget made less technical for the Citizens

Policy Forum has continued to collaborate with the Ministry of Finance and Planning to produce the Citizens Budget Document. The document is a simplified form of the government budget and plan for citizens and other stakeholders to understand and comprehend as it directly affects them. The booklet ensures citizens have a firm understanding of the many ways the budget affects their lives. By presenting budget information in a simple format than most standard budget documents, citizens will have a greater understanding of how public money is being managed and enable the citizens to hold the government accountable where necessary.

Through this, BWG is actively promoting transparency and accountability in the management of public funds through the inclusion of citizens' inputs in decision making particularly in the planning and budgeting process. This activity involved members providing inputs on the draft document that was prepared by the MoFP and proposed cartoons on the respective sections.

There have been delays on the side of the government in publishing the document. Despite the ongoing follow-ups with the Ministry of Finance and Planning to publish this document on time,

these efforts have not yielded good results yet. Policy Forum through its Budget Working Group is still exploring on the practical incentives that could help the officials from the Ministry of Finance and Planning to see the necessity of publishing this document on time before the planning process begins at the local level. The initial thoughts are that in the coming strategy, PF will conduct an evaluation of the document that will set evidence-based arguments of convincing MOFP on the relevance of timely publication. This will highly be done in partnership with the Ministry including setting the TORs and tools.

The document was eventually published and can be accessed online through the link below:

<https://www.mof.go.tz/index.php/budget/citizens-budget>

2.9 Efforts at Strengthening Oversight Role by the Parliament through PBO

Independent Oversight Institutions including the Parliament are seen as a means of raising the quality of debate and scrutiny, promote transparency and more generally enhancing public money accountability.

The PBO, being a PF agenda for many years, was established to provide independent, non-partisan and policy-neutral analysis on the full budget cycle, fiscal policy and the financial implications of proposals aiming at strengthening the Parliament's budgetary oversight. In the year under review, PF held meetings to broadly explore some practical mechanisms that can be deployed in enhancing the oversight role by the Parliament. Clear and precise roles by each actor were identified and agreed upon as a way of moving forward. This included acknowledgement from the Parliament on weakness in research and therefore requested support from PF to constantly share materials that will assist their day-to-day activities.

As PF was approaching the end of the 2017-2020 SP, it was important for the PBO staff and clerks to sit together to reflect and have a consensus on how they can collectively collaborate to improve the Parliament's oversight role, the challenges faced, and the way forward. PF arranged for the session, it came to light that the PBO is now a department that complements the Budget Committee and not an office by itself as it was initially set to be. Most of the activities conducted by the department such as research and analyses are presented before the committee for action. This was ascertained as one of the reasons why PF thinks the PBO is dormant since much of its work is brought to the public by the committee. With the new setup, one would question whether the PBO is as independent as it was designed to be and whether this raises another concern that needs advocacy of its own.

PF is of the view that probably if there was a specific law guiding its establishment which stipulates the structure, roles and duties it would not have been easy to tamper with the setup like has recently been the case. Therefore, PF is of the opinion that high level engagements with the relevant decision makers will prompt the enactment of the law unlike the engagements with MPs who have very little to say when it comes to this matter.

2.10 Enhanced Transparency and Public Money Accountability by CSOs in Tanzania

During the year under review, PF switched from carrying out a governance study that reflects government accountability issues to a study that reflects the state of CSOs particularly PF members. This idea was derived from the discussions of developing the PMEL strategy whereby PF was recommended to revise the Governance Study with the aim of making it less generic but instead focus on key aspects of governance, accountability and service delivery.

To achieve this, PF commissioned a study on governance focusing on ascertaining the role of CSOs by showcasing their interventions that have influenced transparency and public money accountability through advocacy work. This went hand-in-hand with describing how they went about obtaining the success stories i.e., the strategies and challenges as well as recommending relevant actions to be taken CSOs in the future interventions. The study provides detailed information which when effectively used by the target group which are the members of PF and CSOs in general will improve their advocacy abilities.

Transparency and accountability were assessed in terms of how active CSOs are in providing information, monitoring the effective implementation of laws, monitoring state compliance and tracking public revenue and expenditure. The study constituted CSOs that are under the auspices of Policy Forum and are intensively and intricately involved in advocacy to foster transparency and public money accountability but there was also room to include CSOs that are not affiliated with PF but have played a profound role in the themes. Among thirteen (13) CSOs studied, 66.7% were sharing their information with stakeholders, 67% assisted citizens to hold the Government accountable, 44.4% monitored the effective implementation of laws, and 33.3% were implementing programmes aimed at enhancing transparency and public money accountability in Tanzania. The implications of the findings suggest that CSOs were sharing their information with relevant stakeholders; some were instrumental in holding the government accountable through programmes that address transparency and public money accountability.

The report illustrates a case study on WAJIBU Institute of Public Accountability (WIPA), an active member of PF who conducted an assessment in collaboration with the Public Procurement Authorities using the Transparent Public Procurement Rating (TPPR), which was developed by the Institute for Development of Freedom of Information (IDFI). The assessment measured Efficiency, Transparency, Accountability and Integrity, Competitiveness and Impartiality, and Uniformity of the Legislative Framework, indicated that Tanzania's Public Procurement Framework scored 34.4%, which was the lowest score relative to other criteria.

To address the situation, Wajibu Institute, with further support from HIVOS East Africa, worked to demonstrate and convince the Government to prioritise open contracting in its approach to public procurement. In response to the findings raised, the Government resorted to retooling the Public Procurement Regulatory Authority (PPRA) to control corruption. The intervention centred on digitization of the public procurement process and the development of an online system – the Tanzania National Electronic Procurement System (TANePS), to reduce the likelihood of corruption through the minimization of human interaction in procurement processes and increase transparency in decision-making. A major conclusion from WAJIBU Institute's assessment was that efforts should focus on improving and strengthening the TANePS system as well as increasing its uptake and use across the sector. Wajibu Institute deployed a two-pronged strategy to build momentum behind this initiative

More of these case studies are found in the report and it is anticipated that the study will be a learning tool to those in the CSOs fraternity since it further describes the strategies/techniques used in advocacy.

2.11 Improved Governance and Poverty Reduction through the Extractive Industry

In recent years, Tanzania has witnessed a massive increase in investment in the extractive industry. The development is fuelled by the fact that the country is endowed with a vast amounts of natural resources including large reserves of oil, gas and minerals. While noticeable efforts have been quite evident in mobilising domestic resources and in trying to fix revenue loss loopholes, transparency and equity in spending have regressed. Spending has been concentrated more on large infrastructural sectors at the expense of the social sectors like health and education which to a large extent touch the lives of the poor majority directly. This adds more to inequalities in wealth and access to social services.

Having had this particular concern Policy Forum through TTJC in partnership with Save the Children Tanzania and under the support of the European Union commissioned a consultant to undertake a study that broadly explores taxation in the extractive sector with a particular focus on its relation to governance and poverty reduction.

The study has observed that the overall growth of the sector has recorded 17.7 percent in 2019. Also, the sector has a significant contribution to governance and poverty reduction as taxation improves the government revenue and hence the ability to finance public spending which in turn reduces poverty. The majority of taxes in the extractive sector, such as PAYE and production sharing of profit oil or profit gas are progressive; they usually enhance income equality. There is also a need to enhance the economic empowerment transfers to help the poor and other vulnerable groups.

Despite the commendable job that has been done by the 5th phase Government in opening mining markets in almost every district/region where mining is taking place, the study still emphasizes the need for the Governments of the United Republic of Tanzania and Zanzibar to continue fighting and stopping aggressive corporate tax avoidance and illicit financial flows by enhancing the capacity of the tax Audit and investigation units. In addition to that, they ought to also control transactions that erode the tax base, and which are designed to shift the profits to low tax rates or no tax jurisdictions.

The findings of the study will be used for advocacy with the relevant stakeholders in the first quarter of 2021. In particular, the findings will be shared with officials from the Ministry of Finance and Planning, Mineral Commission, Tanzania Revenue Authority, Ministry of Minerals and members of the Parliamentary Committee on Minerals. As responsible overseeing the extractive sector, it is expected that they will find the findings useful and work on the recommendations to ensure improved revenue mobilization from the sector. The link to read more on the study: <https://bit.ly/3b7BNIV>

2.12 Enhancement of Tax Justice Members capacity on various tax-related concepts

Policy Forum organised a training session for TTJC members that covered various tax-related areas including taxation of multinational companies, transfer pricing guidelines, tax exemptions, tax avoidance and evasion, contract transparency, country-by-country reporting and illegal capital flight. It is construed that thorough understanding of all the intricacies in the specified areas is required to better inform the TTJC members and pave way for them to effectively engage with the Government and the Parliament in various discourse aimed to achieve Tax Justice in Tanzania.

This provided context on how curbing IFFs is critical for the DRM efforts of developing countries such as Tanzania. Discussions were also held on various approaches used by researchers to estimate IFF and their ensuing challenges. It is within this context that various tax-related IFF components such as Mis-invoicing, Transfer Mispricing and Capital Flights were introduced and discussed.

An evaluation that was conducted before and after the training shows a significant increase in the knowledge of the participants. For instance, from a single concept of Multinational Companies (MNCs), results show that participants' knowledge about mechanisms through which multinationals companies use to avoid tax has increased after the training. Before the training, 81% of the participants were not aware of the mechanisms of tax avoidance by the MNCs but after the training, 100% had a good understanding of the concept.

The training has added value to the participants who would be ready to delve even more deeply into each of the focus areas covered in the training and that all participants would be able to use the knowledge obtained when engaging in tax justice discourse. In the 2021 plan for Tax Justice Working Group, strategic engagements with policy makers will be arranged for members of the group to engage and contribute to discussions around revenue mobilization suggesting practical recommendations to be adopted by these policy makers.

2.13 Improved DRM through the establishment of Special Parliamentary Committees

Domestic Resource Mobilisation has been an agenda for Policy Forum throughout 'Stop the Bleeding Campaign' seeking to mobilise resources from within the country to finance development projects for sustainable development. The campaign had several objectives and PF had set interventions that would help realise the set objectives. To a large extent, this campaign was carried in close collaboration with the African Parliamentary Network Against Corruption (APNAC)- Tanzanian chapter.

The fact that PF was approaching the end of its Strategic Plan at the end of the year and most of the TTJC members were embarking on developing plans for the year 2021, it was important that as partners brainstorm and reflect together on what have been the achievements and challenges.

The meeting offered an opportunity for the officials from the APNAC Secretariat to provide their achievements through the campaign who acknowledged to have had increased awareness on public revenues management as a result of the campaign which contributed significantly to the

establishment of special parliamentary advisory committees on the management of natural resources such as the Special Committee on Tanzanite Business, the Special Committee on Diamond Business, the Special Committee on Deep Sea Fishing and the Special Committee on Gas Revenues Importance with the intent to maximize the contribution of the mineral sector to the national economy.

The special committees significantly contributed to the enactment and review of different legislations such as:

- The Amendments of the Mining Act (2010) through the Written Laws (Miscellaneous Amendments) Act (2017);
- The Natural Wealth and Resources (Permanent Sovereignty) Act, 2017; and
- The Natural Wealth and Resources Contracts (Review and Re-negotiations of Unconscionable Terms) Act (2017).

Participants were in a collective agreement that the partnership benefited both sides and going forward PF as pioneers of the agenda on domestic resource mobilisation should further develop key interventions, this time with other key stakeholders on board like the Public Accounts Committee in the Parliament. Coming next year, PF will not necessarily engage with all the members of APNAC rather identify the ones with interest in the agendum. This will mean mapping out relevant technocrats and MPs beyond APNAC that are willing to amplify PF issues.

3.0. Outcome 3: Institutional effectiveness and efficiency of Policy Forum network is sustainably enhanced.

3.1 Documenting and Learning about flexibility during the Global Pandemic

Apart from being the most challenging, 2020 offered immense learning features to the CSO sector. As it has been reported, COVID 19 has largely affected PF's advocacy engagements as most of them were designed as physically meetings. Flexibility has enabled the network to navigate challenges such as moving from physical to virtual platforms such as webinars and live broadcasting to ensure targeted audiences are reached.

The virtual engagements that PF has been involved in during the ban on gatherings comprise a diverse number of stakeholders varying from parliamentarians and government officials to partner CSOs and citizens involved through policy talks, debates, validation meetings and dissemination sessions of findings to influence policy changes. It was noted that the virtual meetings that were being held increased meaningful discussions among participants which might be due to enhanced anonymity. A good example during the second quarter of the year the budget working group called upon Members of Parliament to discuss Open Budget Survey⁸

⁸ The Open Budget Survey (OBS) is the world's only independent, comparative and fact-based research instrument that uses internationally accepted criteria to assess public access to central government budget

findings of 2019 where Tanzania scored 17/100 under transparency, 9/100 under public participation and 33/100 under budget oversight. Apart from sharing the findings, the session also advised MPs to accept the OBS recommendations pressing on the importance of transparency and public participation in promoting public money accountability.

On the same note, PF in collaboration with Hakirasilimali held a virtual meeting to present the 2016/2017-2020/2021 analysis that looked into Ministry of Minerals budget trends with a focus on implementation of Five Years Development Plan (FYDP II). The analysis proposed on how to improve revenue collection and management in the mining sector, budget allocation and disbursement as well as transparency in the mining sector through beneficial ownership and open contracting which shows good progress as reported under section 2.1. Also, there are other engagements done through virtual meetings such as zonal reflection meetings for social accountability practitioners from the eastern zone, working group meetings and breakfast debates. Again, it was observed that virtual meetings have increased PF members' participation in digital spaces for policy engagement which is learning in itself.

3.2 Partnerships to reinforce Learning among SA Champions

Policy Forum managed to host a zonal reflection meetings virtually with the view of promoting learning among social accountability practitioners. The first ZRM was held virtually in collaboration with FCS and member organisations ANSAF, TACOSODE, HAKI ELIMU, SIKIKA, WAJIBU and Actionaid Tanzania to bring together key national Social Accountability players such as CSOs and those from academia and government institutions (e.g. PCCB, NAOT, PO-RALG and MoHCDGEC) to enhance learning among them. The discussions were on, but not limited to, the effects of the COVID-19 pandemic in the attainment of SA goals, how to strategically engage with the government when working in the SA arena, coordination of social accountability initiatives at national and sub-national levels as well as customisation and SA in the current environment.

A significant issue that was brought to light was the importance of not only informing the District Executive Director on the SA project to be undertaken in a district but also the PCCB district office on the same if we are to enhance strategic government institutions engagement. It was recommended that an understanding of SA among citizens and duty bearers should be deepened to influence behavioural change and make it sustainable. If SA actors want to make SA a society norm, then SA initiatives should be framed as 'processes' of citizen engagement to demand accountability as opposed to interventions.

In the spirit of inspiring social accountability initiatives in the country, in November 2020 social accountability practitioners from the PF network and partners from the lake zone, northern and southern zone got an opportunity to learn the Makole model of social accountability from PO-RALG. Makole model is an 'individual accountability model' that has been developed by PO-RALG as an accountability tool aimed at improving individual professional accountability in the health

information; formal opportunities for the public to participate in the national budget process; and the role of budget oversight institutions such as the legislature and auditor in the budget process.

service delivery points at primary health care facilities in Tanzania. This is a milestone witnessed in the country for the health sector in the long run of promoting public money accountability that PF and other actors have been preaching for ages.

After a long discussion with social accountability practitioners who attended the sessions, it was clear that much is being done on social accountability by many with little coordination, especially at the grassroots level. That being the case, participants that are comprised of both actors and non-actors urge PF to actively take that coordination role and map out all social accountability initiatives even beyond the network through its members who are scattered throughout the country.

"A lot is being done by CSOs on social accountability but there is no clear coordination to state who is where doing what as a result there is duplication of efforts on the same sectors. Policy Forum being a network of CSOs working on public money accountability can take a lead to coordinate beyond members to avoid congestion of similar initiatives in one place and hence widen up these efforts among CSOs" said Mrs. Mary Shedrack, coordinator for social accountability in the health sector from PO-RALG during one of the zonal reflection meetings hosted by PF.

Despite having the capacity, the commitment for PF to actively take the coordination role and map out all social accountability initiatives in the country could be too ambitious for the network for now given the funding landscape that CSOs are experiencing. Identifying and mapping out SA practitioners is one thing; the question is how we make them frame their interventions as a "process" of citizens engagement that infiltrates government systems and make these efforts sustainable rather than short term interventions. PF see a need for CSOs working around social accountability monitoring to inject accountability aspects in the Government system for it to be sustainable and to start with this can be done by enhancing capacity of the Officials at LGA level which is the primary level of planning.

3.3 Key Feats contributed by PF through the Fourth (2017-2020) strategic period

For the past years of working to influence policy reforms, PF has reinforced its reputation and partnership with the government at both national and subnational levels that have resulted in the acceptance of its agenda and paving way for future alliances. Among other things, the network has witnessed an increase in domestic resource mobilization at the LGAs level that was directly contributed by the Councillor's trainings done by PF, a case of Mafinga⁹.

On the same note, the network has also witnessed active SDGs discussions in parliamentary sessions that were partly due to the formation of SDG coccus and SDGs training to some Parliamentarians and parliamentary committees' clerks which was conducted in collaboration with APF and UNA TZ (Co-conveners of Tanzania Platform for Sustainable Development).

Major changes that CSOs have been constantly experiencing are the reflection of shifting of civic space in the country that restricts civil society organizations to fully engage in matters about

⁹ Social Accountability Monitoring Case Story (Mafinga, Iringa)
<https://www.youtube.com/watch?v=sDRTtS-DL5A>

questioning the state. Extending its efforts in voicing CSOs recommendations which also reflects the public needs to the state, together with other actors, Policy Forum has been at the forefront of identifying and advocating for a change of laws and even policies that are of harm to the public. Such amendments include the written laws (Miscellaneous Amendments) (No.3) Act of 2019 which has positively impacted the statistics Act of 2015 and allowing independent researchers/personnel to collect and disseminate statistical information¹⁰:

"Every person shall subject to the provisions of this Act, have a right to collect and disseminate statistical information"

For the reason that today's achievement is an accumulation of past commitments and efforts made, PF has never ceased paving way for its future engagements that with support from other actors anticipate seeing equitable and accountable use of public resources. Along with other initiatives with other key actors, PF managed to sign MOUs with PORALG in 2018 which has greatly strengthened collaboration between the two and facilitated social accountability interventions at the LGAs. PF is proud to share testimonies from members on how the MoU facilitated the accessibility of information and documents in councils where members conducted SAM. An example is from Catherine Mulaga from MIICO, she narrates:

"When we were conducting SAM in Mbarali and Mbeya district, during the meeting with the councillors, we were questioned what is our mandate to conduct such activity, luckily we had a copy of the MoU and when we showed the copy to the councillors they took us serious and offered us full support including facilitating the process of accessing information and council documents such as plans and budgets"

In line with this testimony, PF through the LGWG has successfully collaborated with PORALG in simplifying and producing a total of six guidelines and/or plans as one of the key functions which was described in the MoU. ¹¹The Swahili produced popular versions of government policies, plans and guidelines increases citizens understanding of the same and thus meaningful participation in policy processes within their locales.

¹⁰ THE WRITTEN LAWS (MISCELLANEOUS AMENDMENTS) (NO.3) ACT, 2019
<https://www.policyforum-tz.org/sites/default/files/Amendments-Analysis20062019-Consolidated-FINAL.pdf>

¹¹ A Guideline to Improved Opportunity & Obstacles to Development, 10% Loan Regulations, Local Government Election Regulations, District Agriculture Development Plan Manual, Industrialization Guideline to LGAs and Community Facilitation Manual for Improved Opportunities and Obstacle to Development.

3.4 Developing 2021-2024 Strategic plan on the pillars of learning

Findings from the midterm review conducted in mid-2019 did not only map out a strategic direction for Policy Forum but also identified the best practices as well as new strategies which need to be carried forward to the next SP. The 2021-2024 strategic plan resulted from collective efforts of Policy Forum members, developing partners, coordination office and key stakeholders that PF has been engaging with. PF hosted a good number of sessions to gather inputs for the new SP from multi-stakeholders.

Unlike previous years, this year's annual learning event (ALE) was held independently since the CSOs was postponed due to COVID19. Despite lower attendance as compared to past years, more time for discussion was allocated which resulted in fruitful and massive contributions from partners, members, state actors and other stakeholders attended. With the theme "Strategic Partnership and Learning for Inclusive Governance" broader discussion was based on the best practices CSOs like Policy Forum can carry forward and adapt to effect changes given the current context to contribute towards equitable use of public resources and inclusive governance. Following back and forth sessions, in November 2020 PF called upon its members to review the draft and submit comments that contributed to the reshaping and the release of the final document.



Representatives from PORALG, APNAC, CHRAGG and Policy Forum members during 2020 Annual learning event panels themed "Strategic Partnership and Learning for Inclusive Governance".

The 2021-2024 strategic plan will focus on three major programmatic outcomes namely; Enhanced PF members' influence in equitable use of public resources and inclusive governance through applied knowledge and adaptation; Strengthened efficient government engagement for inclusive decision-making that enhances equitable and accountable use of public resources and Cultivated participatory learning and adaptation that promote partnerships for evidence-based advocacy to improve inclusive governance, the three outcomes will be governed by the fourth outcome namely; Augmented PF institutional capacity to improve governance and management of resources that argue for a strong PF governance and members compliance to required

regulations. Unlike the previous SP, this anticipates enhancing knowledge application to members while promoting inclusive decision-making for equitable and accountable

3.5 Strengthening Policy Forum Governance

In 2020 COVID-19 had some impact on operations relating to governance aspects of the organisation. For example, the Annual General Meeting was rescheduled to the latter part of the year, conditions permitting. Three board meetings including the one that approved audit and annual report were done virtually. Despite all those challenges Policy Forum continued to function with board supervision and oversight.

Policy Forum was recently incorporated as a non-government organisation following changes to the NGO Act of 2002 and the Companies Act giving rise to a new PF constitution in 2019 and a review of the membership and their legal statuses as per the requirement on constitution submission in 2020. The exercise resulted on derecognition of some members that failed to submit their certificates as a result of being with other non-NGO legal framework or bogged down in the re-registration process. Policy Forum managed to submit its new constitution to the Registrar of NGOs with only 62 members certificates. Following this experience and desire to be in compliance with the legal requirements, Policy Forum will be proactively vetting its members on regular basis.

On another internal governance front, PF drafted and adopted a Board Charter towards the end of the year as a document to guide board members and set out their roles and responsibilities, as well as key aspects of its operation. The Board Charter gives rise to three standing committees comprised of board members and key staff from the secretariat as secretaries. The committees under the Board Charter are:

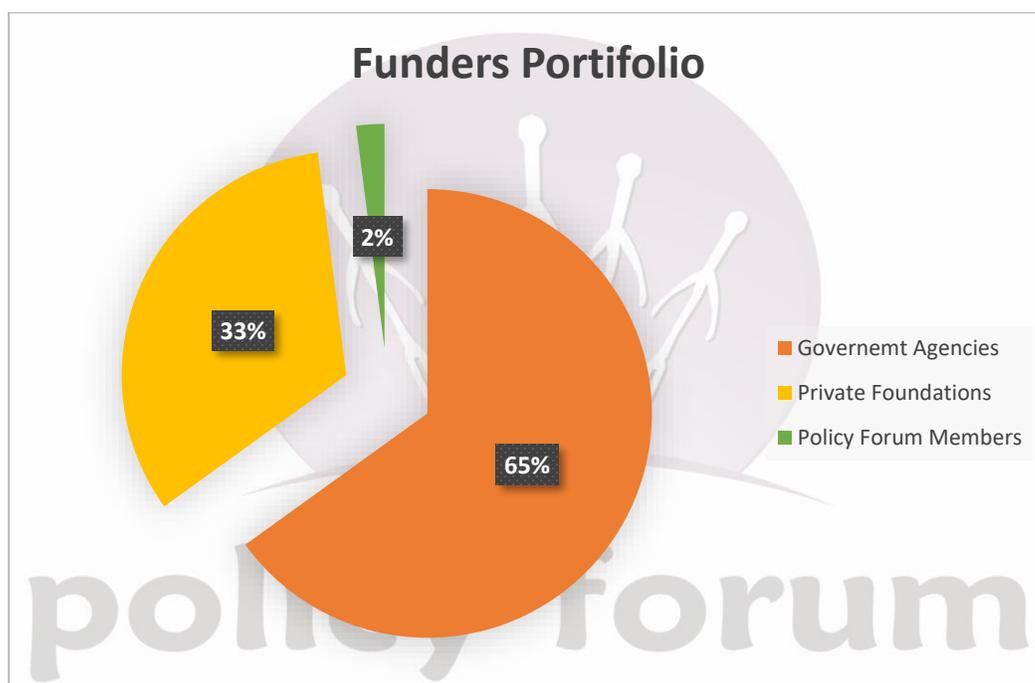
- a) Governance Committee: The Governance Committee helps the Board to improve its own structure, composition and functioning.
- b) The Finance, Risk and Audit Committee ('FRAC') to help the Board ensure that the Policy Forum operates within a sound ongoing financial situation and effectively manages risk.
- c) The Public Engagement and Stakeholder Committee to the Board engage with members and mobilise existing and new supporters to ensure an ongoing, active and effective supporter base.

3.6 Reliable financial support from our partners in realising our mission

Implementation of the Strategic plan has been successful from a financing point of view. For the four years, a total of TZS 10,258,384,455 was set as the budget while TZS 9,197,743,159 was secured to finance it for the period. While the baseline was 50% of resources mobilised for the implementation of the strategic plan and 100% was set out as the target. For four years, Policy Forum had secured about 90% of funds for its budget. In these challenging times of changes in the funding environment within the sector, it is still a very respectable accomplishment.

Concerning all these funds received during the period, the share of funds from international government agencies is large at 65%, comparing to others in a portfolio that includes 2% coming

from Policy Forum members and 33% from foundations. The work ahead is diversifying further and increasing the type and share of funding. All this support was realised through a number of international partners including DANIDA, Swiss Development Corporation, Foundation for Open Society through Open Society of East Africa, Tax justice network-Africa, HIVOS, Natural Resource Institute and European Union funding through DEVCO project. Some Policy Forum members' contributions have significantly made their mark including ActionAid, TNRF, KEPA, ANSAF and other network members through their membership fees.

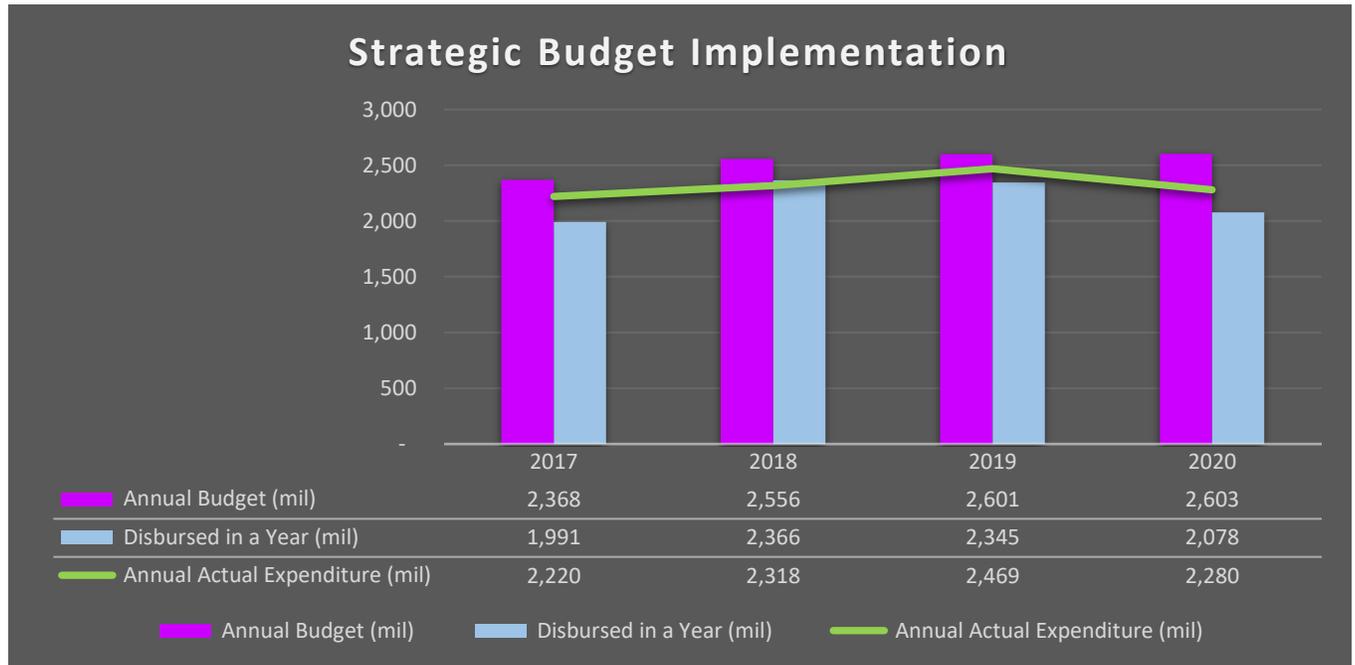


During the period not only has the funding been highly appreciated but also further non-direct transactional support was valuable. Specific support in organisational development, operational strengthening, monitoring and evaluation, gender and accountability strengthening are all very welcomed and recognised. This has led to a Policy Forum that is relevant to partners, responsive and helpful to the cause.

3.7 Budget Implementation enhanced with sound partnership, support and PFMIS.

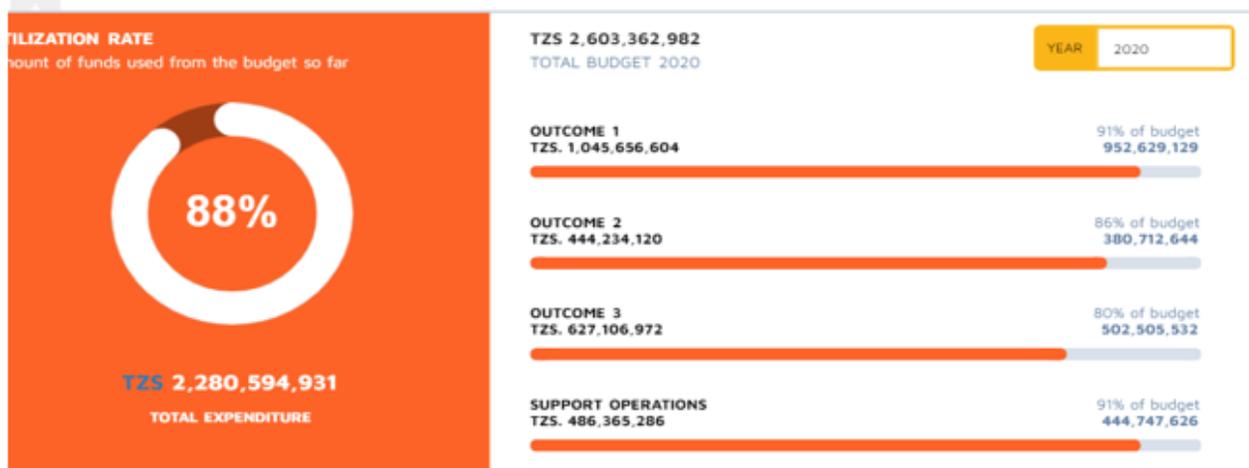
While the 2014-2016 strategic period budget expenditure averaged at 79.7%, the 2017-2020 strategic plan average consumption was at 92%. This tremendous progress is a result of more coordinated timelines for disbursement from PF's partners, the establishment of the mid-year budget review process that started in 2017 and a focused approach in program implementation. The graph below shows the effective utilisation of budget, funds procured and their utilisation during the implementation of the ending strategic plan. Policy Forum management information system was the biggest game changer that achieved during 2017-2020 strategic plan. It paved a way for a lot of improvements in managing information, improving monitoring, planning,

decision making and reporting. Further it sets as platform for further digital and organisation development.



Though this year we have seen the impact of COVID-19 on implementation, there was more predictable disbursement ensuring that Policy Forum focuses on its mission even during the unpredictable times of the pandemic lockdown. The manner and approach of implementing some of the activities might have changed and sometimes cancelled or shifted to another quarter especially the third. In doing so, the level of fund utilisation also changed.

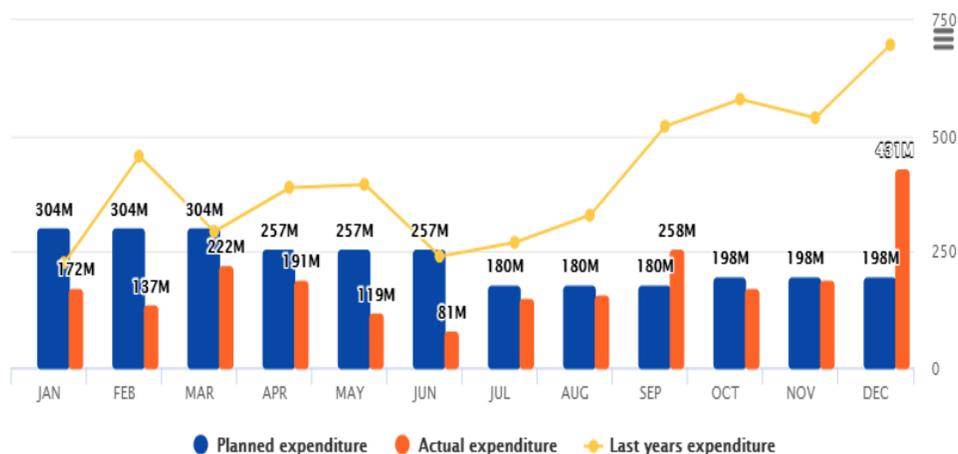
In 2020 the last year of 2017-2020 strategic plan implementation, PF continued to implement its annual plan despite the challenges brought by COVID 19. The overall expenditure for 2020 was 2,280 million which is equivalent to 88% of the TZS 2,603 million budget approved for the year as shown below. During the reported year Policy Forum received a total disbursement of TZS 2,077 million equalling 84% of the total planned disbursements during the year.



The PFMIS has made it possible for staff to seamlessly work remotely during an outbreak. While working from home, staff were able to access all necessary information needed to execute the planned activities which could have been difficult in the absence of this system. It is during this difficult time of the year that PF witnessed a significant role that MIS plays in facilitating program implementation as well as tracking progress towards achieving its goals. Still, timely implementation of activities was largely disturbed by the pandemic and being election year added more disruptions to PF advocacy agenda implementation.

TIMED EXPENDITURE

Expenses incurred by the organization each month of each quarter



The PFMIS might have helped with the execution of operations but it also shows the impact of COVID-19 on financial utilisation. Despite the impacts brought by COVID 19, Policy Forum managed to implement over 85% of its planned program activities that was partly due to flexibility and measures adopted.

With regards to the property (plot) that PF acquired in Dodoma in 2019, the next step is to seek permanent title deed.¹²

4.0. Challenges and Lessons Learned

4.1. Organisation's response plan is significant in times of emergencies

In early March 2020 when the first case of COVID-19 was reported in Tanzania, there was a state of fear among people and uncertainties on how best to respond to such a situation in our communities. Because this was the first time to experience such a catastrophic disaster, the Policy Forum network had to solely depend on national and international safety guidelines when protecting its staffers and stakeholders. Observation made from such a response was that safety procedures to respond to COVID-19 provided by national and international authorities are not entirely similar and to some extent, they did bring contradictions. A good example is a total lockdown and working from home approach that was adopted and encouraged by most of the international organizations such as WHO and UN agencies were not entirely adopted by our country whereby civil servants continued to report to work despite the outbreak. Responding to these inconsistencies, Policy Forum developed a memorandum to guide all its interventions during this time of COVID-19. This sets a precedent for the organisational emergency response plan for life-threatening events being natural like geological, meteorological and biological hazards like COVID-19 or other human-caused events.

4.2 Developing a Gender Equality and Social Inclusion Strategy to influence gender mainstreaming in the Strategic Plan 2021-24

PF has had a gender section integrated into the human resources and finance manual which is inadequate for programmes and has hampered planning, implementation, monitoring, evaluation, and budgeting with a gender lens.

The GESI strategy is not a standalone document with independent interventions as anticipated earlier on. It will chart out the approach that PF will employ to deepen the quality of its advocacy work on aspects of gender equity and inclusion and serve as a guiding framework for incorporating GESI into the next SP to create a common understanding for PF secretariat, members and stakeholders on how GESI objectives will be integrated during implementation as well as in the Monitoring, Evaluation and Learning (MEL) aspects. Thus, it will help focus the implementation of programmes that meet equity priorities.

¹² PF acquired plot of land in 2019 as allocated by Dodoma City Council. Secretariat has more detailed information on the property which is available upon request. This includes the plot distance from city centre (to the SGR station from city centre being 25.6 km, distance to the plot area being 28km, approximately 13 km to government city and near future army headquarters) and the plot no 333 with area of 1437 SQM and being acquired using PF membership fees balance set aside.

4.3 Aligning PF's Engagements with individual Member Activities supports Feedback

PF has been working to strengthen members capacity to influence and monitor implementation of policies relating to public resources. To facilitate this, the participatory monitoring evaluation and learning strategy was developed with an assumption that all members of the network will make use of it and hence providing feedback from their interventions on issues pertaining policies and accountable use of public money. Internal reviews conducted specifically the 2020 mid-year review among other things highlighted on the importance of strategic and joint implementation with individual members in strengthening feedback mechanism amongst network members.

While developing the 2021-2024 strategic plan it was realised that activity plans developed through the working groups gives the network focus and strong voice to influence policy changes and hence promotes transparency and equitable use of public money, but extending these activities to individual member organizations is key for effective feedback from them. The new PF's SP foresees to work with few individual member organizations to not only acquire feedback but to also create cases for other members to learn best practices from among the network as well as joining forces and avoid duplication of efforts.

4.4 Limited knowledge of the budget process by MPs

Policy Forum Budget Working Group conducted a virtual meeting with the Parliamentary Budget Committee to share and discuss the 2019 Open Budget Survey (OBS) which shows a slight increase of transparency in the budget processes from 10 (2017) to 17 (2019) and a drop of budget oversight from 41 (2017) to 33 (2019) as well a decrease of public participation from 15 (2017) to 9 (2019). During the discussion, PF observed inadequate understanding of budget processes in the country from the MPs especially the importance of having transparent processes and why it matters to make budget information publicly available. To enhance the MPs understanding, BWG shall review the booklet produced in 2008 which looked into budget processes in Tanzania and use it to train the MPs given the fact that there are new legislatures after the 2020 General Elections.

Conclusion

2020 was quite a peculiar year with unique and unforeseen challenges mainly caused by the pandemic and civil society's limited ability and unpreparedness to cope with them. These challenges and uncertainties offer long-term lessons on resilience of organisations during such situations. The impacts are undoubtedly to be felt for years with the pandemic's end nowhere in sight as the year comes to a close. Some rare positives will include the encouragement of wider and more frequent use of technology for convening virtual meetings even in the post-covid years. Decisionmakers such as Members of Parliament, local authority leaders and Ministerial Department Officials will need to be inspired to adapt as civil society has during these unprecedented times.

Civic space being constricted in Tanzania with the new laws coming into force is also another operating environment issue that CSOs must take time to evaluate as the trends threaten democracy and development. The drivers for this democratic backslide are by far and large about political power and less to do with legal and economic explanations. This means that CSOs must understand that those who hold power will not readily commit themselves to outcomes that may seemingly be not be in their favour. The government is seen within some CSO circles, however, as an ally in development although that notion might not be as prevalent within state spheres. Bridging this gap in understanding the role of civil society can only be achieved through persistent communication of the contributions made by non-state actors and these are not limited to service delivery but also include demanding accountability from government and the private sector and helping improve policies and laws. Some of the achievements in 2019 and 2020 so far show this is possible.

For PF, and through much encouragement in the policy gains seen during these times of which some are highlighted in this report, it must continue to be part of a Tanzanian civil society that challenges the status quo in constructive but less threatening ways while arguing for a more transparent and equitable country as it calls upon others to join in meeting these challenges. From what it has learnt in terms of being flexible and adapting to an everchanging environment and the shifting of civic space, resilience will only have to continue.