

Ministry of Foreign Affairs – Embassy in Dar es Salaam

Meeting in the Council for Development Policy on 7 April 2022

Agenda Item No. 2

- 1. Overall purpose:** For discussion and recommendation to the Minister
- 2. Title:** Phasing Out Plan - Tanzania
- 3. Presentation for Programme Committee:** 10 February 2022

Draft Phasing Out Plan for the Tanzania Country Programme and the Expanded Partnership with Tanzania

The decision to phase out the bilateral development cooperation with Tanzania is a consequence of an adjustment of the Danish government's priorities for development cooperation as laid out in the new global strategy, 'The World We Share'. The strategy has a strong emphasis on addressing fragility, countries in conflict or crisis, displacement and irregular migration. In Africa, this entails an increased geographical focus on the Sahel and the Horn of Africa and neighbouring countries. Against this background, the Danish government has decided to phase out the bilateral development cooperation in Tanzania and close the Danish Embassy in Dar es Salaam in 2024. The latter was part of a global restructuring of Denmark's diplomatic presence, which entailed upscaling some diplomatic missions and making the difficult decision to close others.

Denmark has been and will continue to be engaged in Tanzania in a number of different ways and through different channels. The Danish bilateral country programme constitutes only one form of development cooperation, other types include assistance channelled through multilateral organisations like the EU and UN organisations, international NGOs and Danish civil society organisations. In addition, Danish businesses invest in Tanzania and Danish and Tanzanian citizens have an elaborated interpersonal exchange. The focus of this phasing out plan is the Danish bilateral country programme, as it is this form of cooperation that will be phased out.

The phasing out plan for the Tanzania Country Programme (TCP) describes the rationale behind the design of the phasing out process and the considerations behind the suggested allocation of remaining funds under the TCP and the additional DKK 200 million for 2022 and 2023. The objective is to ensure a responsible phasing out of the TCP and consolidation of the results achieved. In addition to the TCP a number of associated engagements and projects will be affected by the phasing out of development cooperation in Tanzania. The phasing out plan will also briefly describe the considerations behind the potentially most challenging - the Danish engagement in the CRDB Bank.

1. Phasing out strategy - overall considerations regarding the phasing out process of bilateral Danish Development Cooperation with Tanzania

The national context in Tanzania

Tanzania was the first African country that Denmark initiated a long-standing development cooperation with. Throughout the years, the relations between Denmark and Tanzania have been strong and amicable. Since the 1960's, there has been a continuous partnership with development cooperation as the corner stone. Denmark has supported most sectors and achieved notable results in relation to building and strengthening national institutions and systems but also in relation to service delivery within e.g. health, education, water, agriculture and roads. Denmark has made lasting contributions to improved access to quality health care services, access to clean water, and to education by building numerous schools all over

the country. Denmark has also contributed to a strengthened civil society advocating for democracy and human rights and provided millions of farmers access to finance and agricultural services.

Both economically and politically, Tanzania is a relatively stable country in an otherwise unstable region. The economy has shown steady growth in recent years, with real GDP growth averaging 6-7% over the past decade (prior to the pandemic), and Tanzania became a lower middle-income country in 2020. Many Tanzanians have been lifted out of poverty but poverty is still widespread. 26.4% of the population live below the national poverty line of TZS 49,320 a month (approx. DKK 150), while around 49% live below the international poverty line of USD 1.90 a day, and according to UN standards, Tanzania still has the characteristics of an LDC. In the current financial year (FY2021/22), on-budget development cooperation constitutes 8% of the public budget.

In spite of substantial progress, there is still a lack of social service delivery, which has a negative effect on the life prospects and well-being of Tanzanians. Preventable and treatable diseases, such as malaria, pneumonia and diarrhoea, still cause the death of 270 children under five years every day, and close to half of the population does not have access to clean drinking water. Even though primary school enrolment is high (97%), school-going children often do not achieve the fundamental abilities, such as literacy, numeracy and life skills, and secondary school enrolment is only 31%. The agricultural sector continues to employ around 65% of the population, which makes Tanzania vulnerable to the effects of climate change. Rising temperatures are leading to intense rainfall events and flooding but also dry spells and droughts, which especially impact the agricultural sector and supply of water and electricity. A recent economic slowdown has mainly been due to the collapse in tourism in the wake of the COVID-19 pandemic. Like most African countries, Tanzania has a young population with 70% below 30 years of age. On the one hand, such an age composition imposes critical challenges on society, but on the other hand, it also constitutes an enormous development opportunity.

President Samia Suluhu Hassan's coming to power in March 2021 has resulted in Tanzania once again more actively engaging regionally and internationally. President Samia has shown clear intention to open up civic, democratic and media space and to improve the business climate. This is a positive development from the policies of the former president Magufuli, who pursued a protectionist and nationalist policy approach, imposed restrictions on civil society, and adopted restrictive laws on freedom of speech and assembly. However, President Samia has a long and potentially difficult way ahead of her as she faces intraparty resistance questioning her leadership and approach, and human rights and civil society are still under pressure. The change in power has created renewed interest in Tanzania from traditional bilateral and multilateral partners as well as non-traditional actors.

Danish development cooperation

To support the development potential of Tanzania the Danish development cooperation has evolved over time to address some of the most critical challenges and support the opportunities. Denmark has until recently been among the top 4-6 largest bilateral development partners in Tanzania. Denmark has been a long-standing partner within public financial management and tax modernisation initiatives and has contributed to increased transparency and accountability in the public sector at national and local level. This directly affects the framework conditions for the private sector, and here Denmark has played

an important role in enabling pro-poor investments especially within agriculture and agribusiness. An example of this is that PASS, one of the partners, provides guarantees for about 30% of the total lending to the agricultural sector through partnerships with commercial finance institutions.

Currently, the Embassy is implementing the Tanzania Country Programme (TCP) with a total financial envelope of DKK 2.05 billion (1.95 billion + 100 million transitional appropriation) that originally was planned for 2014-2019. The TCP was the first country programme to be formulated and historically it has been the largest Danish country programme. The TCP has four thematic programmes, 1) the Health Sector Programme Support, 2) Development Contract later reformulated to the Economic Management and Fiscal Governance Programme, 3) the Business Sector Programme Support and 4) the Good Governance and Human Rights Programme. The overall strategic objective of the TCP is “to reduce poverty and inequality and ensure equitable delivery of quality social services, especially within health” with supporting objectives for the different thematic programmes.

Back in 2018, the Embassy started developing a new country programme but due to several factors including political developments in Tanzania, the process was postponed. In 2020, it was decided to extend the current TCP until end of 2021 with an additional transitional appropriation in 2021 of DKK 100 million. The allocation of these additional funds represented an adjusted continuation of the current TCP pivoted more towards the Danish Government’s priorities within climate/green, health/SRHR, and youth/jobs. No additional funds were allocated to the governance programme as it was formulated later than the rest of the TCP and was running until the end of 2021.

Denmark has been a strong partner in Tanzania and is considered a trusted and reliable partner. Denmark and Tanzania’s strong relationship is valuable and will be transformed into a new type of relationship through a targeted partnership. The new partnership will be based on opportunities and cooperation through platforms outside of the bilateral country programme and will be further defined at a later stage. However, other engagements including through civil society and multilateral organisations will continue and form part of a new partnership.

Considerations for phasing out the TCP

Currently, the Embassy is implementing 31 engagements - 26 engagements under the TCP and five engagements under the Local Grant Authority (LGA). They are implemented by capable partners and are delivering good results. Denmark has been very active within governance and human rights and is one of the main development partners in the governance sector. This has contributed to important results, more capable organisations and enhanced awareness of rights in the population. The Danish phasing out will leave a sizable gap both in terms of funding but also in terms of political presence but the results achieved over the years will leave important lasting footprints.

The Embassy has communicated the rationale for the phasing out in a transparent and timely manner to the Government, national and international development partners. The confirmation that all formal commitments will be honoured and that the exit will not be abrupt but be handled by providing sufficient time for partners to rearrange and seek alternative funding opportunities has been highly appreciated.

The plan focuses on a responsible phasing out, and therefore efforts are made to promote and support financial sustainability of a number of the partners and/or to bring other development partners on board to the extent possible. In the initial phase, a number of development partners have expressed interest in some of the partnerships under the TCP. However, it is too early to specify which development partners would be interested and if they can commit themselves in the short term as they already have their own partners and sector priorities. As part of a global reduction last year, the UK considerably decreased its previously substantial programme in Tanzania, which affected many of Denmark's partners but currently no other development partner is phasing out. Denmark continues to play an active role in EU coordination and the EU is currently programming its new multi annual indicative programme. The EU is expected to continue in key Danish focus areas like domestic resource mobilisation, PFM, gender, and climate change and it is the expectation that the EU can somewhat off-set the impact of the Danish phasing out from those areas. However, the EU is not engaged in the health sector, and agriculture is not part of the new programme.

It is therefore the assessment that it is unlikely that other development partners can replace Denmark's engagements on a one-to-one basis and it is to be expected that in some engagements, Denmark's support will not be replaced. This will have major implications for several organisations, the important and valuable work that they do and for their beneficiaries. It is also to be expected that to the extent Denmark's support is replaced, those funds will be funds already dedicated to Tanzania's development and thus not given to other partners, who would otherwise have received them. In the phasing out process a number of risks will be mitigated but regardless of this it is to be expected that in any phasing out process some risks cannot be mitigated.

From the Aid Management Guidelines for Danish country engagements, it is clear that the number of partners under a country engagement being formulated now is considerably smaller than the number of partnerships entered into under the current TCP signed in 2014. Therefore, the Embassy had already initiated a process of assessing and making some difficult decisions regarding partnerships that would be phased out with the current TCP prior to the decision to phase out Danish development cooperation to Tanzania. The large number of partnerships and the reduced human resources at the Embassy has also prompted some difficult decisions concerning extension of current programmes. Several programmes have earlier been granted a no-cost extension but some have been unable to utilise the funds within the granted extension. No additional extension will be granted to these programmes and they will be phased-out and closed. The five projects funded under the LGA are considered to be more defined, shorter term projects and are therefore not considered for additional funding. More detailed information about the 26 engagements under the TCP can be found in Annex 2.1-2.26.

To ensure a responsible phasing out of bilateral Danish development cooperation in Tanzania the Danish Government has allocated DKK 150 million for FL2022 and DKK 50 million for FFL2023. This gives a very ambitious timeline for the phasing out process. Further, with planned spending in 2023 this timeline will result in considerable TCP activities and Embassy work-streams in 2022, 2023 and first half of 2024.

To consolidate many of the results achieved and handle potential reputational risks the approach for phasing out has been carefully considered.

It has been reconfirmed to all partners that no programmes will be shorter than originally planned and that financial commitments within the period will be honoured. In designing the proposed phasing out plan a number of principles has been established to guide the process. Focus is on responsible phasing out and safeguarding of results. In this regard, no new partners are suggested; emphasis is on continuing to deliver results by building on existing activities; to focus on consolidating achievements; and quickly limit the number of engagements going forward. In a Tanzanian context, it is assessed fruitful to maintain a balance of partnerships across important actors and sectors during the phasing out and the Embassy therefore suggests to support civil society (focus on human rights, good governance and health, including SRHR), the private sector (focus on agri-financing) and the public sector (focus on health system strengthening and service delivery). This also means that some areas will not receive additional support.

To inform the process of deciding which engagements to grant exit funds, it has actively been considered if:

- Denmark is the sole donor or one of very few.
- Denmark has claimed considerable programmatic or political space.
- Denmark has played a key role in starting the institution/facility/organisation.
- The institution/facility/organisation risks closing in the very short run.
- The partner will have to downscale its service delivery considerably with significant consequences for the beneficiaries.

Based on those principles and parameters the Embassy is suggesting to support and transform eight partnerships under the TCP in 2022-23 with exit funding and to support additional three organisations with a reallocation under the current TCP. In total, the Embassy is suggesting to provide additional funding to 11 partnerships. These 11 partnerships are briefly described below under the headlines “Suggested way forward”. The remaining 20 engagements will be phased out with no additional funding. In addition to the above principles, Danish policy priorities with an emphasis on human rights, gender and access to services have been prioritised, rather than Government reform programmes within public financial management and domestic resource mobilisation. Within each of the thematic programmes, risk limitation and mitigation have been considered. The ability of other partners or the Government to offset the impact of the Danish phasing out has been an important consideration. Further information about all partnerships and analysis of the recommendations to phase out or provide additional support can be found in Annex 2.

2. Timeline and specific issues including proposals for support under the phasing out grants

Under the current TCP, several partnerships have already ended implementation and have been closed or are in the process of being closed. That include Local Investment Climate (LIC), Best Dialogue and the Economic and Fiscal Governance Programme. Of the current 31 partnerships, implementation stopped for 10 of them by the end of 2021, 10 will stop during 2022 and finally, 11 partnerships come to an end in 2023.

The table below highlights the partnerships that the Embassy suggests will receive additional funding under the phasing out appropriation or through a reallocation under the current TCP. An overview and comprehensive description and assessment of all the 26 partnerships under the TCP can be found in Annex 2, the projects under the Local Grant Authority are not included, as they have not been considered for further funding. The consolidated process action plan (PAP) for all programmes including previous engagements that remain unfinished can be found in annex 1. Annex 4 presents an updated commitment and disbursement schedule towards 2024.

Table 1. Overview of engagements where additional funding is suggested

Country Programme	Commitment 2022 DKK mill.	Commitment 2023 DKK mill.	Reallocation within TCP DKK mill.	Total funding
Good Governance and Human Rights Programme	30	25	13	68
1. Foundation for Civil Society	13	10		
2. Legal Services Facility	15	15		
3. Policy Forum	2			
4. Femina Hip			10	
5. TAMWA - Zanzibar			3	
Health Sector thematic programme	80	20		100
6. Health Basket – Mainland	60			
7. CCBRT	10	10		
8. Marie Stopes Tanzania	10	10		
Business support thematic programme	40	5		45
9. AMDT	20			
10. PASS	20	5		
Economic Management and Fiscal Governance Programme			3	3
11. REPOA			3	
Total	150	50	16	216

Suggested way forward for engagements under the good governance sector thematic programme

In prioritising amongst the engagements under the governance programme there has, besides the overall principles, been a focus on supporting engagements with a strong gender focus. To reduce the risks associated with the Danish phasing out, the financial sustainability of the organisations and the support of other partners to offset the impact of the Danish phasing out have been considered.

1. Foundation for Civil Society (FCS) is an advocate organisation and the main source of funding for many small and medium-sized Tanzanian CSOs, especially those engaged within women's rights. Phasing out Danish funding will risk closing or dramatically scaling down the activities of FCS and consequently many smaller CSOs. FCS is in a particular difficult funding situation as currently only Switzerland and Denmark provide core funding. As a general requirement, Switzerland can only provide 50% of funding to an organisation, and therefore an abrupt stop of Danish funds in 2022

would imply a stop of Swiss funding as well. To try to address the issues and explore other income generating opportunities as well as to allow other DPs sufficient time to join and bridge the gap left by Denmark it is suggested to provide DKK 23 million in exit funding for FCS in 2022 and 2023. FSC will be able to continue supporting and capacity building small CSOs to help thousands of Tanzanians within women's rights, land rights, gender-based violence (GBV), female genital mutilation and inclusion for children, youth and people with disabilities.

2. Legal Services Facility (LSF) facilitates provision of access to legal services for women, girls and vulnerable groups all over Tanzania. LSF's network of trained paralegals covers the entire country, reaching more than six million people every year. The facility was started by Denmark 10 years ago and Denmark is the main donor. Currently, the only other donor is the EU through a delegated cooperation agreement with Denmark. The existence of the facility would be at risk with an abrupt Danish exit. To address this, allow for other DPs to bridge the gap left by Denmark, and to promote LSF's sustainability it is suggested to allocate DKK 30 million to LSF in exit funding for 2022 and 2023. The funding will secure that thousands of Tanzanians via paralegals can get access to legal justice and obtain their rights in matters relating to children, land, matrimonial issues, and GBV.
3. Policy Forum is an umbrella organisation for a network of 64 Tanzanian civil society organisations focused on equitable and transparent use of public resources. Lack of accountability and transparency in the use of public resources is still a challenge in Tanzania and Policy Forum targets these challenges through capacity building of both rights holders and duty bearers. It is suggested to allocate DKK 2 million in exit funding in 2022 to facilitate implementation of a fundraising strategy to address financial sustainability.
4. Femina Hip is a CSO focusing on educating young people within sexual and reproductive health and rights (SRHR), economic empowerment, citizen engagement and gender equality. Femina Hip facilitates school clubs with approximately 230.000 students taking part giving young people information and skills within SRHR. Femina Hip distributes magazines and makes radio and TV campaigns, reaching more than 13 million people from 2016-2021. Denmark is currently the main donor supporting Femina Hip and a sudden Danish phasing out risks jeopardising the organisations existence in the very short run. No exit funding is suggested, but a reallocation of DKK 10 million within the TCP will be made in the beginning of 2022. The funds will uphold activities in 2022 and contribute to finalise changes in the governance structure as a consequence of a recent restructuring of the institution and will provide time to identify and attract other development partners. With the support the distribution of the very successful Fema magazine and the Fema clubs can continue benefitting young people with a focus on SRHR, economic empowerment, citizen engagement and gender equality.
5. TAMWA Zanzibar is a CSO working to end GBV through media campaigns, strengthening of legal framework and supporting public and community action. Denmark is the main funder of TAMWA Zanzibar and a sudden Danish phasing out risk jeopardising the organisations sustainability in the short run. No exit funding is suggested, but a reallocation of DKK 3 million will be made to ensure a responsible phasing out of the Danish engagement, to uphold activities in 2022 and part of 2023

and find other possible sources of income. The support will enable promotion of gender equality and fighting GBV through cooperation with the media and by upholding the network key stakeholders all over Zanzibar to combat GBV.

The principles mentioned above have guided the analysis of which partners should receive exit funds. Many partners will not receive additional funding, including Twaweza and the Legal and Human Rights Centre (LHRC) that receive support from other development partners and are not in immediate financial risk. The Danish funding to the Commission for Human Rights and Good Governance (CHRAGG) and the Legislative Support Project (LSP II) has been through UNDP projects, which came to an end in December 2021. The Danish funding to the Tanzania Human Rights Defenders Coalition (THRDC) was seen as a strategic one-off contribution running until September 2022. It is suggested, that no additional funding is provided for these five engagements, given the limited amount of exit funding available. For further information and analysis of this recommendation, see annex 2.1-2.10.

Suggested way forward for engagements under the health sector thematic programme

Under the health sector programme the prioritised engagements have a strong focus on system strengthening for increased sustainability and providing health services to the most vulnerable and services within SRHR. It is suggested that almost half of the total phasing funds are allocated to the health sector programme.

6. Health Basket Fund (HBF) Mainland is a pooled funding arrangement created to support health system strengthening and increase equal access to quality primary health care services to all Tanzanians. Funds are channelled directly to more than 6,600 primary health facilities to secure equal access to health services. Extra focus has been given to improving maternal health, upgrading more than 300 primary facilities to provide comprehensive emergency obstetrics and newborn care. The funding gap that Denmark will leave is likely to have a considerable impact on the availability of primary health services to Tanzanians, especially for the poor and marginalized in the hard to reach areas. In order to consolidate results and give the Government time to explore additional resource mobilisation opportunities it is suggested to allocate DKK 60 million in exit funding to the HBF to gradually phase out of the Danish support. The suggested support would result in Denmark's contribution being reduced by DKK 20 million a year.
7. The Comprehensive Community Based Rehabilitation (CCBRT) offers free or subsidised care and treatment to the poorest in Tanzania. It is the biggest provider of disability and rehabilitative services and also transfers skills to public health facilities to raise the quality of maternal and newborn care. As the largest donor, Denmark will leave a sizable funding gap and there is a risk that more Tanzanians will have to live with disabilities if the financial gap cannot be filled. It is therefore suggested to provide DKK 20 million in exit funding to CCBRT to allow time for them to fundraise and attract new development partners but also to promote their self-financing model. The Embassy is already in dialogue with CCBRT on sustainable ways to increase funding for subsidised and free services. This could make CCBRT more sustainable and help thousands of Tanzanians each year to get life changing disability and rehabilitative services.

8. Marie Stopes Tanzania (MST) is the largest private provider of family planning services in Tanzania, providing free services to the poor and underserved population in hard-to-reach areas. Unmet family planning continues to be a substantial challenge in Tanzania. As the only partner providing core-funding to MST, Denmark will leave a gap, which would result in a reduction in the amount of services provided to vulnerable Tanzanian women and girls. It is suggested to provide DKK 20 million to MST in exit funding. This will allow MST time to identify other development partners to collaborate with but also time to develop and implement a financial sustainability plan building on self-generated income. The funding will enable MST to serve additional approx. 80,000 clients a year with family planning, sexuality education and post-abortion care.

In the preparation for a new country programme in 2019/20, it was clear that the number of partners had to be reduced. The above prioritised engagements are aligned to Danish priorities, and given the limitations in the number of partners under the new guidelines, the Association of Private Health Facilities in Tanzania (APHFTA), Sikika, and the Christian Social Services Commission (CSSC) were already in 2020 informed about the Danish decision to stop funding from July 2021. This allowed them time to pursue alternative funding to fill the gap left by Denmark. Further, the current Danish support to the Health Basket Fund Zanzibar was designed as an exit phase. The decision to end Danish support to these four partners has not been revisited in the context of this plan. For further information and analysis of this recommendation, see annex 2.11-2.17

Suggested way forward for engagements under the business sector thematic programme

Under the business sector programme priority has been given to two trusts that have job creation and improved income generation as their main objectives. Both are established by Denmark and their future existence/sustainability depend to a large degree on how Denmark phases out.

9. Agricultural Markets Development Trust (AMDT) is an independent trust set up to assist public and private market actors to respond to the barriers found in selected agricultural value chains and to improve coordination and investment. As co-founder and currently the largest funder, Denmark's exit could jeopardise the future of AMDT as AMDT currently is only supported by Sweden and Denmark. An unexpected stop of Danish support would impact the ongoing work to improve income and resilience of smallholder farmers. Therefore, given the current funding situation and AMDT being an independent trust, it is deemed necessary to undertake a review to assist in developing operational options for the phasing out of Denmark's support. It is suggested to provide DKK 20 million in exit funding to AMDT but the review could provide alternative suggestions. If the review finds that no additional funding or less funding is necessary it is suggested to allocate the funds for PASS transformation as described below. The review will be important to help identify potential options for the future of AMDT or establish the need to close the organisation in a responsible way.
10. Private Agricultural Sector Support Trust (PASS) was set up by Denmark as an independent trust providing credit guarantees and business development services to stimulate investment and increase the growth of private commercial farming and agribusiness. Through partnerships with commercial financial institutions, PASS provides credit guarantees for about 30% of the total lending to the

agricultural sector in Tanzania with a strong pro-poor and employment effect. As the only partner providing grant funding, Denmark contributes 99.6% of the budget. Denmark's phasing out could impact the future of the many beneficiaries, and it could jeopardise PASS as an institution before it is self-sustainable. Given the magnitude of PASS' impact in the sector there are substantial risks associated with the Danish phasing out. PASS has reached a size and maturity that warrants a transition to a fully private entity and it is therefore suggested that the organisation is transformed with strategic investment capital. In this regard, the Embassy is engaging with IFU to further explore the different possibilities for future IFU engagement in PASS. To facilitate and enable the transformation it is suggested to provide DKK 25 million in exit funding and additional DKK 7.2 million which was reallocated to the thematic programme in 2020. Further, technical support will assist the initial thinking around the transformation and it could establish that additional funding, on top of the anticipated DKK 32.2 million, might be required (see section 3 for further information about possible reallocations under the current TCP).

With the Danish phasing out, it is suggested to further pursue the transformation potential of PASS and carefully assess the best way forward for AMDT. It is suggested that no additional funding is allocated to the Financial Sector Deepening Trust (FSDT) as it is the assessment that other development partners can offset the impact of the Danish phasing out. The two remaining engagements the skills development project implemented by Stichting Nederlandse Vrijwilligers (SNV) and the project on alternative energy resources implemented by Danish Refugee Council (DRC) - were funded under the 2021 transitional appropriation and run until end of 2023, and it is the intention that activities do not expand beyond the current agreements. For further information and analysis of this recommendation, see annex 2.18-2.22.

Suggested way forward for engagements under the Economic Management and Fiscal Governance programme

Under the Economic Management and Fiscal Governance programme, Denmark has, together with other partners, supported implementation of the national 5-year Development Plan, management of public funds, administration and mobilisation of revenues, expenditure management for improved service delivery, and economic research for policy-making. This has contributed to improving the framework conditions for the private sector and citizens alike. Although these efforts are important for sustainable development, it has been necessary to prioritise, and the Government is well positioned together with other development partners to continue the important work. Priority has therefore been given to economic research for policy-making.

11. REPOA is an independent think tank focusing on promoting socio-economic transformation for poverty reduction through inclusive development. No exit funding is suggested but a reallocation of DKK 3 million will be made for 2022 to support REPOA's financial sustainability efforts and promote evidence-based policy-making within key Danish priority areas like inclusive growth, gender equality and climate change.

As a consequence of the phasing out it is suggested, that no additional funding is allocated to engagements with the Ministry of Finance and Planning (Public Financial Management Reform Programme), Tanzania Revenue Authority (Tax Modernisation Programme), and University of Dar es Salaam (Growth and

Development Research Project) and that activities do not expand beyond the current agreements. For further information and analysis of this recommendation, see annex 2.23-2.26.

Danish engagement in the CRDB Bank – outside the TCP but high complexity and large impact

The Danish cooperation with the CRDB Bank Plc (Cooperative Rural Development Bank) commenced in 1971 when it was established as a state bank (under a different name) with the aim of providing loans for cooperative unions and others in the agricultural sector to support rural development. Total Danish support during a 20-year period amounted to just over DKK 200 million, and Denmark was the second largest contributor to the CRDB bank after the World Bank. The collapse of the cooperative system and the agricultural sector as a whole, and the associated losses on creditors became an ever-greater challenge for CRDB during the 1970s and 1980s, and in the early 1990s the CRDB was insolvent and close to bankruptcy. That is why the Government requested Denmark to support a restructuring of the CRDB. In 1994, Denmark agreed to support with DKK 45 million, of which 20 million was placed in a Tanzanian fund - Danida Investment Fund (DIF) with the two countries as founders. The sole purpose of DIF was to inject share capital and loan capital into CRDB. The restructuring and privatisation was a success and today CRDB is one of the three largest banks in Tanzania.

DIF was never supposed to remain a permanent shareholder. It was the intention that in due time the CRDB shares should be sold off - preferably to private investors. The framework conditions for exiting and subsequently dissolving DIF in a transparent and justifiable manner are laid down in two addendums (in 2008 and 2017) to the original 1994 agreement. The 2008 addendum agreed upon a three stage gradual sale of the shares over 3-5 years. The 2017 addendum specifies the use of the proceeds from the sale of the shares and the accumulated interest¹ and dividend, which for the latter part is allocated to the Mainland Health Basket Fund, which Denmark is a long-term partner to. Until now, only 1/3 of the shares have been sold, and therefore DIF remains the owner of 21.5% of the shares in CRDB.

The dialogue with relevant stakeholders to identify an appropriate and realistic way forward is on-going. Work related to this engagement will be intensified in the second quarter of 2022.

3. Budgetary considerations

The phasing out plan will be funded by the phasing out appropriation and reallocations within the current TCP. The split allocation of the phasing out appropriation for the Finance Act 2022 and 2023 implies that the maximum amount that can be disbursed in 2022 is DKK 150 million and that the remaining funds will be disbursed for implementation of activities in 2023. Currently, it is estimated that DKK 141 million will be disbursed under the phasing out appropriation in 2022 and the remaining DKK 59 million in 2023. In addition, there will also be disbursements to on-going engagements under the TCP (see annex 4 for full overview) in both 2022 and 2023, amounting to DKK 60.4 million and 8.8 million, respectively. The major part of these disbursements relates to grants that were committed as part of the transitional appropriation in 2021, of which two new engagements run until the end of 2023. As illustrated in table 2, the total disbursement level will already in 2022 decrease compared to disbursements levels in former years and is expected to be around DKK 200 million decreasing sharply to DKK 70 million in 2023. The

¹ Interest from a subordinate loan from DIF to CRDB, which has now expired.

phasing out plan is designed with the clear ambition that no disbursement for programme implementation will take place in 2024. However, disbursements related to technical assistance might continue until the TCP is fully closed.

Table 2: Expected disbursement levels

	DKK million			
	2020	2021	2022	2023
Commitments	5	100	150	50
Disbursements – phasing out appropriation			141	59
Disbursement – current TCP	266	280.5	60.4	8.8
Total disbursement	266	280.5	201.4	67.8

As of January 2022, under the current TCP including the transitional appropriation, there is a balance of provision of approx. DKK 63 million when planned disbursements under ongoing engagements have been deducted. The suggested phasing out plan includes a planned reallocation of DKK 16 million to three partners in early 2022, of which DKK 6.2 million come from unallocated funds. Additional DKK 7.2 million of the balance of provision has earlier, by minister approval, been earmarked to the business sector programme as part of the decision of ending the sector budget support to Ministry of Finance and Planning in 2020.

This leaves a balance of provision of approx. DKK 40 million. A sizeable share of the funds is on budget lines for technical assistance, reviews and M&E. Funding for technical assistance and external reviews in connection with developing and implementing the phasing out plan will be financed from unspent funds under the TCP. Moreover, if it turns out during elaboration and implementation of the phasing out plans, especially for PASS and AMDT, that additional funds are needed, it is suggested that these would be reallocated from the unspent funds under the TCP by reallocating between thematic programmes with the necessary approval. The remaining balance of provision will be reversed concurrently with the administrative closing of the different project and programmes.

4. Management of the phasing out-process

The phasing out plan is designed within the scope and timeframe given. The plan is made on the premise that 1) programming and implementation of additional DKK 200 million supports a responsible phasing out, 2) the Embassy will close in 2024, and 3) no phasing out unit will be established. Compared to earlier phasing out processes, Tanzania stands out both in terms of programme size (DKK 2.05 billion), complexity (31 active partnerships), and available time before closure of the Embassy. It has been a general challenge for Denmark when phasing out bilateral development cooperation that delays may affect the residual remaining after the Embassy closes. This will also be the case for Tanzania.

The coming two years, the Embassy will work in two different modes simultaneously - implementation and finalisation. As soon as the phasing out plan has been approved, new commitments amounting to DKK 150 million will be entered. Simultaneously, the implementation of on-going engagements under

the TCP will continue as will the process of phasing-out and closing other engagements. In the second half of 2022, the Embassy will shift more towards a finalisation mode as half of the current active engagements will end. This focus will increase further, as almost two-thirds of the engagements will have ended ultimo 2022. The Embassy plans to finalise the required reporting, including financial and administrative closure of a large majority of engagements during 2022 and especially 2023. The Embassy will be proactive in ensuring that required reports and audits etc. are delivered according to the agreed timeframes. However, it is unavoidable that some delays will occur. To reduce this risk, funding of Government programmes will end by mid-2023 the latest. Only eight engagements are expected to be under implementation until the end of 2023, of which two are funded by the transitional appropriation from 2021 and the remaining five have commitments in 2023. In the beginning of 2024 the mode will shift completely to finalisation.

The need for technical assistance will be re-assessed during the phasing out process. Based on the suggested phasing out plans for the engagements, it is anticipated that technical assistance will be needed to assist with further developing the phasing out plans for a couple of engagements including AMDT and PASS. Moreover, handling Denmark's exit from CRDB will require sourcing expert knowledge from the financial sector. Finally, technical assistance will be sought to assist with M&E and communication of results to strengthen these efforts throughout the phasing out process.

The phasing out process is sequenced as described above with the aim to limit outstanding tasks after closure of the Embassy in 2024. However, it is deemed likely that there will be residuals in terms of different work streams to be concluded after the Embassy closes. This is expected in relation to the final administrative closing of some of the engagements that run into late 2023, including handling of outstanding progress/completion reports, audits, final results reports, and in relation to closing of accounts. Engagements like PASS and Denmark's engagement in CRDB Bank will require a transformation and might have a longer timeframe than the time remaining until Embassy closure in 2024. Given the timeframe for the phasing out, delays or unforeseen developments will likely add to the expected residual. This will be considered in more specific terms and at an on-going basis to establish a well-managed process. The expected residual will also be further defined, as implementation of the Danish phasing out progresses. A review mission is suggested towards the end of 2022 or beginning of 2023 to take stock of the implementation of the phasing out plan and assess the need for adjustments including decisions on potential reallocations.

5. Issues related to the financial and administrative management of the phasing out of development programmes

The Embassy will finalise the reporting and administrative closure for the majority of engagements under the current TCP in 2022 and 2023. There are currently 53 open accounts, of these 29 are expected to be closed by the end of 2022, 10 in 2023 and finally 11 in 2024. Further, the Embassy is working on closing 13 old engagements that still have a balance of provision. Closing of all the current and old accounts is in itself a comprehensive task. During implementation of the phasing out plan the Embassy will continuously assess if the necessary resources are available or if more or different skills are needed.

In the dialogue with partners the Embassy will focus on avoiding delays and getting the relevant documentation and reporting from the organisations as agreed. The partnership with PASS is expected to change due to the anticipated transformation of PASS. Based on experience from transformation of aBi Finance in Uganda this process is likely to be time consuming and might span a number of years depending on several circumstances including the approach chosen by the local authorities. It is therefore a possibility that administration and finalisation of PASS's transformation also would need to be handled after the closure of the Embassy.

Concerning the Danish engagement in CRDB and the eventual dissolution of DIF the timeframe will also depend on the developments over the coming years. It will continuously be assessed how this matter is best handled.

6. Risk Assessment

The Danish phasing out of bilateral development cooperation in Tanzania and subsequent closure of the Embassy in 2024 comes with certain risks that need attention and mitigation efforts. This is in part based on the long-standing Danish engagement, the perception of Denmark in Tanzania and the importance of some of the Danish supported actors for national development. The phasing out plan focuses on a responsible phasing out and on consolidation of results and has in this respect been designed also to reduce and mitigate overall reputational risks for Denmark. However, it is unlikely that Denmark's engagement will be replaced on a one-to-one basis. This will have implications for several organisations and the important and valuable work that they do. In any phasing out process, some risks cannot be mitigated, and it is therefore possible that Denmark will be criticised for the decision to phase out, the speed with which it is implemented and its timing.

At the institutional and reputational level, risks are to be expected, given that Denmark's phasing out is going to leave a substantial vacuum in certain sectors, especially within governance and human rights. Significant and lasting results have been achieved through-out the Danish engagement in Tanzania but it is relevant for the Danish phasing out to take into account the risk of leaving certain partners in a difficult position, if new funding cannot be secured. It is unlikely that the development partners present in Tanzania, on a short notice, can fill the gap that Denmark leaves. These risks are sought mitigated by a thorough analysis of the implications and subsequent action within the defined financial frame and period available as presented in this plan. Focus is on consolidating results and achievements. Further, high level engagement is sought in the phasing out process and the development of the new targeted partnership between Tanzania and Denmark. A transparent and engaging dialogue with the partners and with the Government is seen as a relevant tool in further mitigating some of the identified risks.

At the contextual level, the political situation in Tanzania is still in a transitional and somewhat uncertain phase, since the presidential change in March 2021. The change in Government also changed the country's stance on COVID-19, which was largely ignored or belittled before March 2021. There is still uncertainty about the economic and social impact of the pandemic as well as the time it will take the tourism sector to recover. Moreover, challenges persist in relation to corruption, violations of human rights, narrow political focus on economic growth, and equal access to quality social services, which all

constitute certain levels of risk. The opposition is weak and civic space remains under pressure with few actors able to hold the Government accountable.

Both fiduciary risks and risks of delays in implementation are likely at the programmatic level. These can be mitigated by continuing an active dialogue with the partners, close monitoring and follow-up and insistence on submission of the required narrative and financial reporting within the stipulated timeframes (see Annex 2 for timeframes of each engagement). Given the size and complexity of the current TCP and associated engagements it is to be expected that there will be a residual after the closure of the Embassy in 2024. The foreseen stocktaking mission in late 2022/early 2023 will also provide additional relevant information to ensure an agile and relevant process in addressing the residual throughout the phasing out process. Geographical distance is likely to add to the complexity as follow-up and finalisation is more difficult from outside the country. Annex 5 presents a more elaborate and comprehensive overview of the risks and mitigating efforts.

7. Documentation of results and lessons learned

The Embassy will seek technical assistance in developing a communication plan further and also in connection with results communication and reporting. Following the development of a communication plan, the Embassy will intensify communication efforts using especially local media and Embassy social media platforms.

It is early in the phasing out process and a decision on which tools to use to document the Danish engagement in Tanzania is yet to be finalised. It has however been decided that an evaluation will be carried out. The concept and scope for the evaluation will be further defined going forward but it is foreseen that an initial study will provide relevant information regarding learning and scope for the evaluation.

ANNEX 1: PLAN FOR PHASING OUT DEVELOPMENT COOPERATION AND CLOSING THE EMBASSY IN TANZANIA 2022-2024

OBJECTIVES	2022				2023				2024			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
APPROVAL OF EXIT PLAN	PC, UPR, Minister approval											
MISSIONS	GDK/IFU: PASS Review: AMDT		CRDB Mission	Mid-term review/ stock-taking								
IMPLEMENTATION OF COUNTRY PROGRAMME AND EXIT GRANTS	Primo 2022: 20 active engagements				Primo 2023: 11 active engagements				END			
LAST DISBURSEMENT	9 engagements with last disbursement in 2022				9 engagements with last disbursement in 2023							
PCR FROM PARTNER	2022: 17 PCR's				2023: 7 PCR's				2024: 10 PCR's			
RECEIPT OF FINAL AUDIT REPORTS	2022: 8 final audit reports				2023: 10 final audit reports				2024: 11 final audit reports			
CLOSE REMAINING C-CASES	Primo 2022: 11 active c-cases (1)											
FRRS FINALISED BY DESK OFFICERS	2022: 13 FRRs finalised				2023: 11 FRRs finalised				2024: 11 FRRs finalised			
ENGAGEMENTS CLOSED IN MFA SYSTEMS	2022: 29 engagements closed in MFA systems				2023: 10 engagements closed in MFA systems				2024: 11 engagements closed in MFA systems			
COMMUNICATION ON LONG-TERM RESULTS OF TCP AND LESSONS LEARNED	Continuous focus on communicating the long-term effects and sustainability of DKs 60 years in Tanzania											

Notes: Each colour indicates a new phase in regard to the specific activity. One colour indicates an ongoing process. The hatched areas indicates objectives yet to be decided.

(1): The embassy is working focused on following up and closing c-cases and working closely with FRU on complicated c-cases.

ANNEX 1A: PLAN FOR PHASING OUT DEVELOPMENT COOPERATION IN TANZANIA PER ENGAGEMENT 2022-2024

ENGAGEMENTS	2022				2023				2024			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
EAC SUPPORT TO PF		FRR + closed in systems										
TWaweza		PCR from partner + Final audit + FRR + closed in systems										
COMMISSION FOR HUMAN RIGHTS AND GOOD GOVERNANCE		PCR from partner + Final audit + FRR + closed in systems										
LEGISLATIVE SUPPORT PROJECT (LSP II)	PCR from partner	Final audit + FRR + closed in systems										
SUPPORT TO CHRISTIAN SERVICE COMMISSION	PCR from partner	Final audit + FRR + closed in systems										
CRDB/WAFI		PCR from partner + Final audit + FRR + closed in systems	Guarantee fund clarification									
SECTOR BUDGET SUPPORT TO ECONOMIC MANAGEMENT		FRR finalised	Closed in systems									
SUPPORT TO PRIVATE HEALTH PROVIDERS	PCR from partner	Final audit + FRR finalised	Closed in systems									
SUPPORT TO CIVIL SOCIETY (SIKIKI)	PCR from partner	Final audit + FRR finalised	Closed in systems									
IMPROVING ACCESS TO AND QUALITY OF BASIC HOSPITAL CARE FOR COVID-19 PATIENTS, 2020	FRR finalised	Final audit	Closed in systems									
SUPPORT TO HEALTH BASKET FUND ZANZIBAR		End of implementation		PCR from partner + FRR finalised	Final audit + closed in systems							
JAMII FORUMS	Last disbursement + end of implementation	PCR from partner	FRR finalised			Final audit + Closed in systems						
CENTRE FOR STRATEGIC LITIGATION (CSL) 2020-2021			End of implementation	PCR from partner	FRR finalised	Final audit + Closed in systems						
SUPPORT TO TRA		End of implementation	PCR from partner	FRR finalised		Final audit + closed in systems						
SUPPORT TO PFM REFORM			PCR from partner	FRR finalised		Final audit + closed in systems						
RESEARCH SUPPORT TO REPOA	Last disbursement			End of implementation	PCR from partner	Final audit + FRR + closed in systems						
RESEARCH COLLABORATION DEPARTMENT OF ECONOMIC - UDS	Last disbursement			End of implementation	PCR from partner	Final audit + FRR + closed in systems						
FEMINA HIP		Last disbursement		End of implementation	PCR from partner		Final audit + FRR + closed in systems					
UN WOMEN		Last disbursement		End of implementation	PCR from partner	Final audit + FRR finalised	Closed in systems					
IFAKARA HEALTH INSTITUTE		Last disbursement		End of implementation	PCR from partner	Final audit + FRR finalised	Closed in systems					
FOUNDATION FOR CIVIL SOCIETY						Last disbursement	End of implementation	PCR from partner	Final audit + FRR + closed in systems			
LEGAL SERVICE FACILITY (LSF)						Last disbursement	End of implementation	PCR from partner	Final audit + FRR + closed in systems			
POLICY FORUM				Last disbursement		End of implementation		PCR from partner	Final audit + FRR + closed in systems			
TANZANIA MEDIA WOMEN'S ASSOCIATION - ZANZIBAR					Last disbursement	End of implementation	PCR from partner		Final audit + FRR + closed in systems			
CORE SUPPORT TO COMMUNITY REHABILITATION					Last disbursement	End of implementation	PCR from partner		Final audit + FRR + closed in systems			
MARIE STOPES TANZANIA					Last disbursement	End of implementation	PCR from partner		Final audit + FRR + closed in systems			
BSPS IV - AMDT						Last disbursement	End of implementation	PCR from partner	Final audit + FRR + closed in systems			
DRC						Last disbursement	End of implementation	PCR from partner	Final audit + FRR + closed in systems			
SNU						Last disbursement	End of implementation		PCR from partner + Final audit + FRR + closed in systems			
HEALTH BASKET			Last disbursement			End of implementation		PCR from partner	FRR finalised + Final audit	Closed in systems		
PASS						Last disbursement	End of implementation	PCR from partner	FRR finalised + Final audit	Closed in systems		

Notes: Each colour indicates a new phase/period in regard to the specific engagement. One colour indicates an ongoing process. Dark green indicates the last closing phase of the engagement.

ANNEX 1B - PROCESS ACTION PLAN FOR THE PHASING OUT OF DEVELOPMENT COOPERATION IN TANZANIA 2022-2024 (AS PER OF JANUARY 2022)

		All amounts are in DKK				Exit Grants		Date									
Budget Account, programme, job_id	Filter/search:	Commitment (Note 1)	Disbursement	Balance of Provision (BoP) (Note 2)	Remaining BoP to be re-allocated or reversed	2022	2023	Last disbursement	End of implementation	Final audit	PCR from partner	FRR finalised by desk officer	Closed in UM systems	GRAM link	Open C-case No.	Comment	
06.32.01.10 - Tanzania		2,614,850,000	2,475,341,473	-132,650,027	-63,166,384	150,000,000	50,000,000										
Andet		14,850,000	12,519,097	-2,330,903		0	0										
EAC Support to PF July 2018 to June 2020		4,850,000	4,003,768	-846,232				Q4 2020	Q1 2021	Q2 2021	Q3 2021	Q2 2022	Q2 2022	57221			
Jamil Forums 2019 to 2020		1,900,000	1,798,972	-101,028				Q1 2022	Q1 2022	Q2 2023	Q2 2022	Q3 2022	Q2 2023	56479			
Centre for Strategic Litigation CSL 2020 2021		4,100,000	4,100,000					Q3 2021	Q3 2022	Q2 2023	Q4 2022	Q1 2023	Q2 2023	56804			
UN Women 1325 NAP 2021-2022		1,700,000	1,000,000	-700,000				Q2 2022	Q4 2022	Q2 2023	Q1 2023	Q2 2023	Q3 2023	57286			
Ifakara Health Institute		2,300,000	1,616,357	-683,643				Q2 2022	Q4 2022	Q2 2023	Q1 2023	Q2 2023	Q3 2023	57235			
God regeringsførelse (CP 3)		274,000,000	268,550,361	-5,448,524		30,000,000	25,000,000										
Good Governance Programme Unallocated		1,149,280		-1,149,280													
Legislative Support Project (LSP II)		16,000,000	16,083,673	83,673				Q3 2020	Q4 2021	Q2 2022	Q1 2022	Q2 2022	Q2 2022	53179			
Foundation for Civil Society		51,350,720	51,350,720	0		13,000,000	10,000,000	Q3 2023	Q4 2023	Q2 2024	Q1 2024	Q2 2024	Q2 2024	53172			
Legal Service Facility (LSF)		105,157,879	105,157,835	-4,044		15,000,000	15,000,000	Q3 2023	Q4 2023	Q2 2024	Q1 2024	Q2 2024	Q2 2024	52864	No.1611		
Femina Hip		30,000,000	29,925,643	-74,357				Q3 2022	Q4 2022	Q2 2023	Q1 2023	Q2 2023	Q2 2023	52773			
Tanzania Media Women Association (TAMWA)		10,000,000	8,784,632	-1,215,368				Q4 2021	Q2 2022	Q2 2022	Q2 2022	Q1 2022		53128	No.1600		
Technical assistance, reviews etc		6,342,121	3,305,187	-3,036,934													
Twaweza		30,000,000	29,938,065	-61,935				Q3 2021	Q4 2021	Q2 2022	Q2 2022	Q2 2022	Q2 2022	52792			
Policy Forum		11,000,000	10,998,773	-1,227				Q4 2022	Q3 2023	Q2 2024	Q1 2024	Q2 2024	Q2 2024	53010			
Commission for Human Rights and Good Governance (C ...)		7,000,000	7,006,206	6,206				Q2 2021	Q4 2021	Q2 2022	Q2 2022	Q2 2022	Q2 2022	56408			
Tanzania Media Women's Association - Zanzibar		6,000,000	5,999,627	-373		2,000,000		Q1 2023	Q3 2023	Q2 2024	Q4 2024	Q2 2024	Q2 2024	56320			
Offentlig Forvaltning (CP 1)		422,000,000	378,099,004	-44,481,649		0	0										
Sector Budget Support to Economic Management and F (...)		247,000,000	239,790,323	-7,209,677				Q1 2020	Q2 2020	Q4 2021		Q2 2022	Q3 2022	53442			
Support to TRA		70,000,000	48,171,490	-21,828,510				Q1 2022	Q2 2022	Q2 2023	Q3 2022	Q4 2022	Q2 2023	52810			
Support to PFM reform		66,000,000	58,996,376	-7,003,624				Q2 2021	Q2 2021	Q2 2023	Q3 2022	Q4 2022	Q2 2023	44411			
Unallocated funds		1,370,000		-1,370,000													
Studies reviews etc.		5,000,000	1,161,072	-3,838,928													
Support to Research Collaboration Department of Ec (...)		10,000,000	9,815,631	-184,268					Q4 2018				Q1 2022	44490			
Support to DPG Secretariat PFM		630,000	583,358	-46,643												Closed	
Research support to REPOA		12,000,000	12,000,000	0				Q1 2022	Q4 2022	Q2 2023	Q1 2023	Q2 2023	Q2 2023	53908			
Research Collaboration Department of Economics-UDS (...)		10,000,000	7,000,000	-3,000,000				Q1 2022	Q4 2022	Q2 2023	Q1 2023	Q2 2023	Q2 2023	56634			
Sundhed		689,000,000	674,156,431	-14,843,569		80,000,000	20,000,000										
Health Basket Fund		360,000,000	359,962,268	-37,732										57264		Merged HBF	
Support to Private Health Providers		19,500,000	19,479,154	-20,846				Q1 2021	Q3 2021	Q2 2022	Q1 2022	Q1 2022	Q3 2022	44313			
Core Support to Community Rehabilitation		70,000,000	69,894,431	-105,569		10,000,000	10,000,000	Q1 2023	Q4 2023	Q2 2024	Q1 2024	Q2 2024	Q2 2024	44312			
Support to Christian Service Commission		18,000,000	17,956,400	-43,600				Q2 2021	Q3 2021	Q2 2022	Q1 2022	Q2 2022	Q2 2022	44311			
Support to Marie Stopes Tanzania		65,000,000	64,912,840	-87,160										44337		to be merged MST GRAM 57305	
Support to Civil Society (Sikika)		26,000,000	25,988,181	-11,819				Q4 2021	Q3 2021	Q2 2022	Q1 2022	Q1 2022	Q3 2022	44317			
Technical Assistance incl reviews studies and cont (...)		25,084,145	16,796,299	-8,287,846													
Unallocated funds		5,043,130		-5,043,130													
Mission for Essential Medicines (MEMS)		356,870	361,592	4,722												Closed	
BRN Support to MOHSW through APHFTA		3,600,000	3,375,344	-224,656												Closed	
Support to Health Basket Fund - Zanzibar		40,000,000	39,017,213	-982,787				Q4 2021	Q2 2022	Q2 2023	Q4 2022	Q4 2022	Q1 2023	53554			
Health and Refugee support I under HBF		11,000,000	11,000,000	0										57264		Merged HBF	
JPO PH for UNAIDS 2018		1,780,980	1,780,858	-122				Q3 2019	Q3 2019				Q1 2022	55049			
UNICEF Contribution to the MTR of HSPSP IV		334,875	331,850	-3,025				Q2 2019	Q4 2019				Q1 2022	56407			
Improving access to and quality of basic hospital (...)		8,300,000	8,300,000	0				Q2 2020	Q4 2020	Q2 2022	Q4 2021	Q1 2022	Q3 2022	56846			
Health Basket		20,000,000	20,000,000	0		60,000,000		Q3 2022	Q2 2023	Q2 2024	Q1 2024	Q2 2024	Q3 2024	57461		Merge with HBF 57264	
Marie Stopes Tanzania		15,000,000	15,000,000	0		10,000,000	10,000,000	Q1 2023	Q4 2023	Q2 2024	Q1 2024	Q2 2024	Q2 2024	57305		Merge with MST 44337	
Vækst i landbrug og erhverv		1,215,000,000	1,141,846,800	-65,545,382		40,000,000	5,000,000										
BSPS III - Programme Coordination		8,813,757	9,778,937	-31,917													closed
BSPS III - Reviews, Monitoring and Audits		5,563,243	4,577,890	-15,242													closed
BSPS III - Unallocated		123,878	0	-123,878													closed
BSPS III - Improved Business Environment		-45,000,000	-998,824	-998,824													closed
BSPS III - Exit Support for CRDB Bank		8,840,525	8,296,123	-593,030	0			Q4 2021	Q2 2022	Q2 2022	Q2 2022	Q2 2022	Q2 2022	38833		CRDB overall review 2022	
BSPS III		8,839,145	8,723,611	-115,534													closed
BSPS III - Trade and Business Education		88,326,473	60,789,133	-1,718,345													closed
BSPS III - International Trade Negotiations		-1,363,126	23,973,577	-482,292													closed
BSPS III - PSCP Grant World Bank		29,911,337		-88,663													closed
BSPS III - PASS Trust		-4,596,400	128,188,653	-2,214,947	0												closed
BSPS III - FSDT		83,296,400	83,296,400	0											No.1551, No.	See also FSDT BSPS IV	
BSPS III - SCF		217,717,945	52,668,594	-49,351													closed
BSPS III - Gatsby Trust		9,217,830	8,681,850	-534,062				Q1 2020	Q2 2020	Q1 2022	Q1 2022	Q1 2022	Q1 2022	41876		Awaiting approval og audit PCR	
BSPS III - REPOA		4,000,000	4,000,000	0													closed
Land Tenure Support - Public		23,000,000	15,350,788	-7,649,212				Q4 2019	Q3 2021	Q1 2020	Q3 2021	Q1 2022	Q1 2022	46363		Awaiting audit and PCR approvals	
Land Tenure Support - CSOs		7,000,000	5,720,369	-1,279,631													closed
Land Research		3,500,000	3,498,181	-1,811													closed
BEST - AC		7,430,700	32,924,523	-249,177													closed
Association of Tanzania Employers			17,981,128	-245,660													closed
Trade Union Congress of Tanzania		125,289,630	36,317,791	-2,051													closed
BSPS IV		5,166,809	472,896	-4,693,913													closed with few matters to be resolved
BSPS IV - REPOA/UN WIDER Research		5,079,081	5,069,642	-9,439													closed
BSPS IV - LIC Management Contract DC3139		24,538,608	24,211,454	-327,154				Q2 2023	Q4 2023	Q2 2024	Q1 2024	Q2 2024	Q2 2024	52664	No.1640		
BSPS IV - AMDT Grant		139,920,919	127,486,426	-12,434,493		20,000,000		Q4 2019	Q3 2020			Q1 2022	Q1 2022	43408	No.1573		
BSPS IV - Local Investment Climate (LIC) Grant		86,291,764	85,481,066	-810,698				Q4 2019	Q3 2020			Q1 2022	Q1 2022	43736			
BEST-dialogue Grant		75,322,129	74,117,328	-1,204,801													closed
BEST-Dialogue Management Contract DC 3148		22,447,914	22,447,914	0													

Annex 2: Phasing Out Plans for the Individual Engagements

Annex number	Project	Commitment 2022 DKK mil.	Commitment 2023 DKK mil.	Reallocation TCP DKK mil.	Total funding DKK mil.
	Good Governance and Human Rights Programme	30	25	13	68
2.1	Foundation for Civil Society	13	10		33
2.2	Legal Services Facility	15	15		30
2.3	Policy Forum	2			2
2.4	Femina Hip			10	10
2.5	TAMWA - Zanzibar			3	3
2.6	Commission for Human Rights and Good Governance (CHRAGG)				
2.7	Legislative Support Programme				
2.8	LHRC				
2.9	THRDC				
2.10	TWAVEZA				
	Health Sector Thematic Programme	80	20		100
2.11	Health Basket - Mainland	60			60
2.12	CCBRT	10	10		20
2.13	Marie Stopes Tanzania	10	10		20
2.14	APTHA – Private Health Providers				
2.15	CSSC				
2.16	SIKIKI				
2.17	Health Basket - Zanzibar				
	Business Support Thematic Programme	40	5		45
2.18	AMDT	20			20
2.19	PASS - Private	20	5		25
2.20	FSDT				
2.21	SNV				
2.22	DRC				
	PFM and Budget Support	N/A	N/A	3	3
2.23	REPOA			3	3
2.24	PFMRP				
2.25	TRA				
2.26	Research Collaboration - UDSM				
	Various Engagements (LGAs)	N/A	N/A	N/A	N/A
	EAC Support to PF 2018-2021				
	Jamii Forums 2019-2020				
	Centre for Strategic Litigation CSL 2020-2022				
	Ifakara				
	UN Women				
	Total	150	50	16	216

Annex 2.1 Phasing out plan: Foundation for Civil Society

Program/project description

Main Objective

Foundation for Civil Society (FCS) supports civil society organisations (CSOs) at the grass-root level in Tanzania. FCS was established in 2002 to increase CSOs engagement in national poverty reduction programmes, as well as streamline development partners' support to CSOs. FCS provides grants and capacity building to locally based small and medium-sized CSOs, which play a vital role in supporting citizens at the local level to improve their lives. FCS is currently one of the main sources of funding for small and medium-sized Tanzanian CSOs.

Often, grassroots CSOs have limited capacity to engage in decision making processes at local level. Further, development partners often don't have the capacity to administer support to smaller CSOs at the grassroots level. FCS secures outreach to

small CSOs with countrywide coverage by providing grants and capacity building especially to CSOs within women's rights, land rights, inheritance rights and ending gender based violence (GBV) including female genital mutilation (FGM). The support has resulted in positive developments within governance, public accountability, and inclusiveness for enhanced social and economic development. FCS focuses on strengthening smaller organisations at the grass-root level, and the benefits can particularly be identified at the local level. The FCS has also been able to strengthen civil society networks and coalitions.


Danish engagement over time and relative importance of Danish support

To strengthen the voice of civil society as a whole as well as contributing to the ability for local communities to engage in civil society, Denmark has supported FCS with core funding since 2011 to. Since it was established FCS has supported over 6,000 CSOs through grants and capacity building.

Currently, Denmark and Switzerland are the only development partners supporting FCS with core funding following the withdrawal of Sweden (2021) and UK (2020). Other development partners provide earmarked support and presently Denmark contributes around 40% of the annual budget. A Danish phasing out now would leave a significant funding gap and would presents a dilemma as Switzerland has a general requirement of only being able to provide 50% of the annual budget to any organisation.

Results

FCS is recognised as a leader in the CSO sector due to its influence and ability to engage with the Government and other development actors. FCS's work has influenced changes at different levels, from bottom to the top. For the past 19 years, FCS has achieved its objectives as it has contributed to strengthening democracy, good governance, rule of law and respect for human rights including protection of human rights defenders. The FCS support has enabled CSOs to challenge governance performance at local and national level, contest laws, support dialogue with the government and build resilience for CSOs and citizens.

File No.	104.Tanzania.CP.01-3 F2: 2016-26169		
Title of engagement	Foundation for Civil Society		
Partner	Foundation for Civil Society		
Other key development partners / funders	Switzerland		
Desk officer	Fortunata Frederick Kitokesya		
SDG			
Funding modality	Core funding		
Duration of current support	2016-2021		
Budget	Commitment	Disbursements	Balance of provision
DKK	44,300,000	44,300,000	0
Exit funds	Yes – 23,000,000		
Expected last disbursement	Q3 2023		
Final audit	Q2 2024		

Through the support to over 6,000 CSOs, FCS build capacity to advocate for more accountable governance, transparency, participation in leadership, women's rights, land rights, campaigning against GBV and FGM as well as respect for rights of children, youth and people with disabilities.

An important result is that the number of reported and resolved GBV cases has increased significantly, from 537 in 2017 to 1,446 in 2020 (cumulative). This progress shows that FCS's activities contribute to a changing attitude in society towards women. As this number continues to increase, it impacts positively on reporting GBV cases by victims and responsible citizens.

FCS reports a cumulative number of 3,409 women in 2020 who have obtained Community Certificate of Right of Occupancy (land title) as a result of grantee efforts. FCS' capacity building have also resulted in improved ways of working. 72% of grantees that took part in a survey for the period 2016-2020 mentioned that they had become better at financial or grants management.

Furthermore, FCS has enabled citizens to demand accountability and transparency from the Government by enabling the financial tracking of 350 public projects worth USD 37.5 million which led to recovery of TZS 605 million in various projects due to documentation of irregularities. 380 officials have been held to account. Now 61% (524 villages) of the villages are publishing or reading up-to-date income and expenditure reports to citizens, which has led to increased transparency and accountability in public financial management at local level.

Risk and challenges

The Danish phasing-out will affect the operation of the FCS and is likely to have serious consequences for the CSOs in the governance sector as Denmark has been a significant player in the sector. As FCS is the main funding mechanism for small grass root CSOs, it is a risk that the majority of these CSOs, will not be able to secure funding from other sources if FCS has to close or scale down considerably.

The future funding for FCS is currently uncertain as Switzerland in general cannot provide more than 50% of the funding. The current Swiss funding agreement ends in 2022 and they have expressed interest in together with Denmark to continue funding as a way of stabilising the organisation, enabling its continued funding of grass root CSOs and allowing time to find new co-funders.

For the past six years the CSOs have been operating in a challenging environment due to unfavourable laws limiting their operations in the country. With the new Government it is possible to observe positive developments but it is still unclear if there is willingness to change the laws that cause the 'shrinking' of civic space. With FCS as a strong organisation which offers a platform to represent civil society, it will affect the strength of civil society as a whole, if FCS cannot push against such laws.

Suggested way forward

It is suggested to allocate additional DKK 23 million in exit funds to FCS for 2022-23. Often small and medium sized CSOs do not have the capacity to seek funding directly from development partners and without funding from FCS many of them cannot uphold their activities and therefore will have to close. In order to off-set and mitigate the negative consequences at the grass-root level of an immediate Danish phasing out, it is suggested to support FCS's new strategic plan (2022-2026) for two years. During the two years, the Embassy will work closely with FCS to explore other income generating opportunities and advocate for other development partners to engage. This will allow FCS time and capacity to - to the extent possible - become more self-sustaining and also seek other donor opportunities while upholding their current level of activity and ensure its position as a strong voice for civil society in Tanzania.

Key timeline and milestones

Implementation will end Q4 2023, and final reports, including financial audit will be received in Q2 2024.



Annex 2.2 Phasing out plan: Legal Services Facility

Program/project description

Main Objective

In 2011 Denmark founded Legal Services Facility (LSF) because of the need to promote democracy, good governance, rule of law and respect for human rights in Tanzania. In particular, there was a need to address women's and girls' access to justice and legal empowerment.

LSF aims to provide access to legal services for women, girls and vulnerable groups in all of Tanzania. LSF trains paralegals and provides them with the necessary capacity to assist with legal issues. As a result of the work that LSF is doing millions of people have experienced increased access to legal justice and have been able to obtain their rights in matters regarding land rights, matrimonial issues, gender based violence (GBV) and child maintenance cases (in 2020 it was almost 100,000).

File No.	104.Tanzania.CP.01-3 F2: 2016-26169		
Title of engagement	Legal Services Facility		
Partner	Legal Services Facility		
Other key development partners / funders	EU delegated partnership		
Desk officer	Jamila Hoka Lugembe		
SDG	 		
Funding modality	Core funding		
Duration of current	2016-2021		
Budget	Commitment	Disbursements	Balance of provision
DKK	105,000,000	105,000,000	0
Exit funds	Yes – DKK 30,000,000		
Expected last disbursement	Q3 2023		
Final audit	Q2 2024		

Danish engagement over time and relative importance of Danish support

Denmark was the founding development partner and has been a key financial funder of LSF since the beginning. Currently, Denmark is contributing 65% of LSF's annual budget, with a contribution of DKK 105 million from 2016–2021, approximately DKK 17.5 million annually.

Currently, the EU supports LSF through a delegated partnership with Denmark under their access to justice programme. The possibility of a 6 months extension of the delegated partnership is being explored.

LSF is sub-granting funds and is now one of the largest funding mechanisms for CSOs and paralegals working with legal empowerment. Furthermore, it also works at both national and local level to combat GBV and to create awareness in communities and to engage in political advocacy for gender sensitive laws.

Denmark is one of the largest contributors to the governance sector in Tanzania, with specific support to civil society organisations and especially in promotion of human rights and gender equality, having also held the seat as co-chair of the Development Partners Governance Working group (GWG) 2018-2020, coordinator of all development partners in the governance sector. Denmark will therefore leave a significant gap when phasing out. Denmark is also a key development partner in supporting gender equality.

Results

LSF has become a key actor in ensuring access to justice for women, children and marginalised groups. It is also a strong voice in advocating for access to legal services. Its network of trained paralegals are covering the entire country, in all 31 regions and 4420 wards (small administrative unit). Because of this outreach, LSF is able to reach and assist more than 6 million people each year.

Through its advocacy work, LSF successfully advocated for legal aid legislation, resulting in the ‘Legal Aid Act’ in 2017, which ensures formal recognition of paralegals in Tanzania.

LSF has increased accessibility of legal aid for women and has expanded the choice options as part of empowerment on land rights, GBV, matrimonial issues and child maintenance annually. It contributing to a conducive environment for legal aid and legal empowerment, reaching 6,500 active traditional and religious leaders.

LSF has increased awareness about GBV by active campaigning to create awareness and coordination amongst key stakeholders, this includes the 16 Days of Activism against GBV working on the campaign supporting the coordinating organisation WILDAF and other stakeholders.

Risk and challenges

There is increasing awareness of and political will to provide access to legal services in Tanzania. There is good coordination with the relevant ministry - Ministry of Constitutional and Legal Affairs. The Government sees LSF as a key partner in ensuring access to justice and also relies on LSF data concerning the number of people who have accessed legal services. The work and continuation of LSF is therefore in line with the current political environment and not least Danish priorities.

An immediate Danish phasing out would lead to a decrease in LSF’s level of activities, maybe even a collapse of the organisation. Being the founder of LSF, there is a significant reputational risk for Denmark if LSF collapses. So far, Denmark has been the main contributor to the LSF basket fund with the delegated partnership from EU, ending in December 2021. This poses a funding challenge for LSF and could have negative consequences for the people they assist with legal aid, jeopardising millions of Tanzanians access to legal aid.

Suggested way forward

It is suggested to allocate DKK 30 million to LSF as exit funds.

In order to enable the important continuation of LSF’s activities, it is suggested to provide funding to LSF for the next two years – DKK 15 million annually. The LSF support during the phasing out period should include institutional strengthening to ensure more efficient implementation in order to attract other development partners. In addition to this, the already developed sustainability plan should be reviewed and implemented to enable the LSF to operate beyond the Danish phase-out.

Denmark will further assist LSF in ensuring visibility and connections and advocate for other development partners to join the LSF basket fund. It is positive that other development partners have shown interest in joining the basket. It is also likely that LSF can continue to receive support from the EU through their new Gender Action Plan programme.

Key timeline and milestones

Implementation will end Q4 2023. Final reports, including financial audit in Q2 2024.


Annex 2.3 Phasing out plan: Policy Forum

Program/project description

Main Objective

Policy Forum is a network of 64 Tanzanian civil society organisations established in 2003 and drawn together by their specific interest in amplifying the voice of ordinary citizens to influence the policy processes to contribute towards poverty reduction, equity and democratisation. The overall goal is to improve quality of life through equitable use of public resources and to ensure inclusive governance.

Policy Forum works in a challenging political environment as Tanzania still struggles with lack of accountability, transparency and corruption. Policy Forum targets these challenges through capacity building of both the rights holders and duty bearers. They enable CSO's to hold officials accountable and participate in decisions making processes and they enhance the capacity of Government officials and National Assembly, and provide them with research and analysis relevant to their duties. Therefore, Policy Forum is enabling key actors to push for accountable governance and transparency.

File No.	104.Tanzania.CP.01-3 F2: 2016-26162		
Title of engagement	Policy Forum		
Partner	Policy Forum		
Other key development partners / funders	Swiss, and Well Springs Foundation		
Desk officer	Fortunata Frederick Kitokesya		
SDG			
Funding modality	Basket fund		
Duration of current support	2016–2021		
Budget	Commitment	Disbursements	Balance of provision
DKK	11,000,000	11,000,000	0
Exit funds	Yes - 2,000,000		
Expected last disbursement	Q4 2022		
Final audit	Q2 2024		

Danish engagement over time and relative importance of Danish support

Denmark has supported Policy Forum with core funding since 2016 to engage, mobilise and build capacity of their 64 CSO members to engage and influence the policy processes. The support has been around DKK 2 million annually. This covers 31% of Policy Forum's total annual basket fund budget. Aside from Denmark, Policy Forum is also funded by Switzerland and Wellspring. Swiss funding is coming to an end in 2022.

Results

Policy Forum is a strong actor in Tanzania in their work to improve accountability and transparency concerning the use of public resources. The CSOs in their network have been capacitated with skills on budget analysis and policy analysis to support evidence based policy advocacy. This has enabled the network members to assist with policy analysis which has contributed towards greater awareness and capacity for stakeholders, one way of doing this is through monthly policy debates. Policy Forum has provided technical capacity to government institutions and the National Assembly (NA) by training members of parliament, parliamentary committees and government officials to enable them to improve the policy landscape and scrutinise policies and national budget tabled in parliament. Thus, Policy Forum is highly regarded by members of parliament for their technical assistance and resources which include provision of policy and budget analysis and briefs.

They produce policy analysis and briefs covering different topics from national budget, extractives, youth engagement, and gender equality on the following sectors education, health, water, agriculture and youth.

At the grass root level, Policy Forum trains and builds capacity of local government officials and CSOs to follow up with public expenditure tracking as well as social accountability monitoring which also facilitates a bottom up approach to evidence based advocacy.

This capacity building is combined with working to improve collaboration between state and non-state actors. For example, Policy Forum organizes monthly debates, which provides a platform for information sharing and dialogue between the state, non-state actors, and the citizens on different policy issues, such as extractives industries and domestic resource mobilisation to boost up the realisation of sustainable development in Tanzania. Thus, both duty-bearer and right holders jointly work to identify accountability challenges and discuss possible ways of addressing them. Policy Forum has been providing a platform to share experiences, challenges and best practices for enhanced accountability practices in the country. The Forum has contributed to improved management of public resources because of its accountability interventions at the subnational level.

Furthermore, in the extractive industry, Policy Forum in collaboration with other stakeholders managed to commission a study that explored 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. 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. The findings of the study will be used for advocacy with the relevant stakeholders such as Ministry of Finance and Planning, Mineral Commission, Tanzania Revenue Authority, Ministry of Minerals and members of the Parliamentary Committee on Minerals. It is hoped that they will find the findings useful and consider the recommendations to ensure improved revenue mobilization from the sector.

Risk and challenges

Lack of accountability and transparency in the use of public resources is still a problem in Tanzania and is a challenge for sustainable development. Despite a more positive attitude towards CSO's from the new Government, there is still a greater need to proceed with evidence based policy advocacy in order to improve the policy landscape.

Even though Policy Forum is also funded by other development partners, Switzerland will stop their support in 2022. Therefore, it is not a given, that the 30% funding gap will be filled when Denmark phases out. This gap in funding poses a risk to Policy Forum's ability to engage in policy advocacy and capacity building of key partners and stakeholders.

Suggested way forward

It is suggested to allocate DKK 2 million to Policy Forum for additional 18 months.

As Policy Forum has good working relationships with the Government and other stakeholders, continuing to fund them enables them to evolve these partnerships and make a new fundraising strategy. There is trust within the donor community that Policy Forum will continue to be involved with the accountability agenda, which may help in opening new funding streams.

Key timeline and milestones

Implementation will end Q3 23 and final reports and financial audit will be received Q2 2024.

Annex 2.4 Phasing out plan: Femina Hip


Program/project description

Main Objective

Femina Hip is a civil society organisation focused on fostering healthy lifestyles by educating and connecting young people. The organisation aims to have young people adopt the “Femina family agenda” by changing their behaviours with regards to sexual and reproductive health and rights, economic empowerment, citizen engagement and gender equality.

In Tanzania girls and boys have limited access to information on sexual, reproductive health and rights (SRHR) as well as life skills. This is due to the cultural norms and practices which make it taboo to talk about SRHR and discriminate towards young people’s access to information.

Femina Hip is a very strong and well-known brand in Tanzania for youth empowerment and education. Femina Hip supports and educates young people within life skills, gender, sexual and reproductive health and rights, economic empowerment and citizen engagement. It does this through digital platforms such as social media and radio and its own printed quarterly magazine. The 60-page Fema magazine includes sections on sexual and reproductive health, economic empowerment, and citizen engagement with a gender perspective, and plenty of youth voices. Femina Hip has a significant outreach - the Fema magazine has been printed in almost 2.5 million copies and reached more than 13 million young people in the period from 2016-2021.

File No.	104.Tanzania.CP.01-3 F2: 2016-2616826168		
Title of engagement	Femina Hip		
Partner	Femina Hip		
Other key development partners / funders	Sweden		
Desk officer	Jamila Lugumbe		
SDG			
Funding modality	Core funding		
Duration of current support	2017-2021		
Budget	2016-2021	Disbursements	Balance of provision
DKK	30.000.000	29.900.000	-74.000
Exit funds	No – but DKK 10,000,000 reallocation within TCP		
Expected last disbursement	Q3 2022		
Final audit	Q2 2023		

Danish engagement over time and relative importance of Danish support

Denmark has supported Femina Hip since 2006. During the current country programme from 2016-2021 the Danish support was scaled up to DKK 30 million, approximately DKK 6 million annually. The Danish support has been core funding.

Since 2016, Danish funding has contributed between 20% and 83% of Femina Hip’s annual budget. Previously, Sweden was the leading donor for the Femina Hip basket fund. In 2020 the Swedish contract ended and in 2021 they started implementing a phase out support only to Femina Hip’s institutional structure which lasts until December 2022. Currently, Denmark is the main donor and in 2021 the Danish contribution is 83% of Femina Hip’s budget. Denmark is the only donor providing core support.

Results

In addition to the very successful Fema magazine, Femina Hip also facilitates the Fema clubs, which are extra-curricular clubs, primarily in secondary schools where students meet and discuss and participate in entrepreneurial activities. The Fema clubs have in the same period grown extensively from 1.200 to 2.365. Femina Hip estimates that 230.000 current students are members of Fema Clubs. Furthermore, people who participated in Fema Clubs when they were in school, have now formed Fema Alumni clubs. Femina Alumni now play an important role in shaping the civil society sector with youth voices and advocacy. An example is Rebecca Gumni with her founded

organisation Mschana Initiative advocating for girls' rights, she instituted the case against the Government, which had the landmark decision to amend the Law of Marriage Act of 1971 an order to ban child marriages.

During COVID-19, Femina Hip is amongst the partners, whose activities were affected the most due to their many outreach activities. Especially the Fema Club activities were affected. The number of Fema Clubs and Club networks that take collective actions to promote the Femina family agenda went from the average of 400 (2019) to 66 (2020). Other core activities were not affected, such as the printing and distribution of Fema magazines.

Risk and challenges

Denmark is currently the main core donor of Femina Hip. Sweden is unlikely to continue support to Femina Hip after December 2022. As a result, there is high risk for the organisation's sustainability with reduced budget in 2021 and 2022 and no funds beyond that. As for now, there are no funds for activities from beginning of 2022, which means that the organisation will not be able to retain many full time staff, leaving the organisation in a vulnerable position regarding the work to attract new donors. Lack of stable funding leaves little or no room for strategic planning and development of activities. Femina Hip has to attract new development partners, funds and/or partners in order to stay alive.

Femina Hip is currently undergoing institutional changes and governance restructuring following the founder stepping down including a succession plan implementation. This process has not been finalised.

Femina Hip's organisation and strategic plan is aligned to government plans specifically the National Action Plan to Accelerate Investment to Adolescents (NAIA) and National Action Plan to End Violence against Women and Girls towards improving life skills for youth, empowerment and utilisation of school clubs as a strategy. The Government depends on Femina Hips intervention and activities to complement their reporting for the progress against the plans. Therefore, the Government would lose a key stakeholder if Femina Hip were to stop operations. If Femina has no funds many girls and boys would not be reached therefore, there will be a significant gap in SRHR information and life skills which will be a setback for SRHR and gender equality in Tanzania.

Suggested way forward

It is suggested that Femina Hip will not receive any exit funds. However, DKK 10 million will be reallocated from the country programme to strengthen and support Femina Hip's institutional development. This will accommodate the immediate need for support as they currently do not have sufficient funds for planned activities in 2022. The support could also include an institutional capacity assessment to ensure an appropriate structure. Furthermore, it will secure Femina Hip visibility and give them time to develop strategic plans to ensure core funding in the future.

Denmark is currently the main donor contributing core funding to Femina Hip. Even though there has been indications from other donors, this is still not confirmed.

Key timeline and milestones

Implementation will end Q4 2022. Final documents, including financial audit in Q2 2023.


Annex 2.5 Phasing out plan: Tanzania Media Women’s Association (TAMWA), Zanzibar

Program/project description

Main Objective

Tanzania Media Women’s Association (TAMWA) was established in 1987 by 12 women media practitioners who saw a need to organize and form a non-profit membership-based organisation to promote women and girls’ issues. TAMWA Zanzibar was registered in 2007 and currently has more than 40 members. TAMWA Zanzibar promotes gender equality and parity, empowerment of women, democracy, good governance and respect for human rights in Tanzania. It furthermore focuses on working to stop Gender Based Violence (GBV) through media campaigns, strengthening of legal framework and supporting public and community action.

Tanzania has progressed in terms of gender equality during the last decades. Yet Tanzania is still a patriarchal society and the gender gap remains substantial, both GBV and Violence Against Children (VAC) is a widespread problem and 42% of women experience domestic violence.

File No.	104.Tanzania.CP.01-3 F2:2016-2616726167		
Title of engagement	Tanzania Media Women’s Association, Zanzibar		
Partner	Tanzania Media Women’s Association, Zanzibar		
Other key development partners / funders	Smaller projects funded by Norway, UN Women and EU-Agri-connect.		
Desk officer	Jamila Hoka Lugembe		
SDG			
Funding modality	Core funding		
Duration of current support	2019-2021		
Budget	Commitment	Disbursements	Balance of provision
DKK	6,000,000	6,000,000	0
Exit funds	No – but DKK 3,000,000 reallocation within TCP		
Expected last disbursement	Q1 2023		
Final audit	Q2 2024		

TAMWA Zanzibar lives by the rule that without knowledge and attention to a problem, it is invisible and thereby it is impossible to provide solutions. TAMWA Zanzibar is promoting visibility about gender gaps, VAC and GBV in Zanzibar, one of the regions in Tanzania most exposed to these problems. TAMWA Zanzibar helps reduce GBV and VAC as well as make perpetrators accountable. By doing so, the organization empowers women, enables citizens to take action and promotes political awareness and advocate for gender sensitive laws.

Danish engagement over time and relative importance of Danish support

TAMWA is present at both mainland Tanzania and Zanzibar and is split into two separate organisations. Denmark’s initial support was to the overall TAMWA organization including the mainland organization and Zanzibar, until end of 2018 when Denmark terminated the contract with TAMWA mainland because of irregularities and signed a renewed contract with TAMWA Zanzibar. The partnership with TAMWA Zanzibar is a contribution of DKK 6 million from 2019-2021 with a contribution of DKK 2 million annually.

Denmark has had a long term partnership with TAMWA. It is one of the key organisations in the women’s movement and has had a great contribution historically in changing the trajectory of gender equality in the country. Currently and during the span of the programme, Denmark funds approximately 65% of the annual budget of TAMWA Zanzibar through core funding, which makes Denmark a very important partner for TAMWA. Norway, UN Woman and EU (through their Agri-connect programme) fund smaller earmarked projects.

Results

TAMWA Zanzibar has been promoting gender equality and combatting GBV through pro-active use of the media. Supported by Danish funds, TAMWA established a youth media fellowship with 10 fellows who were trained to support GBV survivors and engage in media advocacy, five in mainland and five in Zanzibar. They produce over

200 stories a year in Zanzibar alone covering mainly GBV and gender equality issues, which are ongoing or investigated in the communities. TAMWA also engages in advocacy initiatives regarding media reviews of GBV laws as well as working and engaging political and religious actors. It has experienced an increase in political attention towards gender equality and GBV issues also recently being amongst the key NGOs who have contributed to the Zanzibar NGO Act review. Further, TAMWA Zanzibar has supported the development of GBV networks all over Zanzibar with the participation of local communities and government officials.

Aside from working with media engagement and advocacy, TAMWA also works with women's financial empowerment and entrepreneurship. Economic empowerment is important as a means to combat GBV. The organisation managed to mobilize 1,379 women and 373 men to implement village savings and loan schemes. They were equipped with trainings, mentorship, market links and production equipment to facilitate their production towards quality products.

Risk and challenges

Gender inequality and gender based violence remains a widespread problem in Tanzania. Based on norms and traditions it is often difficult to target for example GBV directly and publically, since the problems are 'handled' within the family. Through its media engagement, TAMWA Zanzibar ensures awareness about problems that would otherwise not get attention. It facilitates a platform for women and communities to share stories about GBV. Without this organisation, there is a risk that GBV would get less media, public and political attention and fewer victims would get justice.

Denmark is currently the main core support contributor to TAMWA Zanzibar and only smaller project contributions are received from other donors. As a result there is a high risk that the organization cannot continue its organisational development, projects and current level of activity if Denmark stops funding abruptly.

Working towards gender equality and against GBV is a priority for Denmark and TAMWA Zanzibar has delivered good results with its work in this area. TAMWA Zanzibar is an important stakeholder in promoting gender equality and fighting GBV in Zanzibar and ensuring the continuation of the organisation has great value.

Suggested way forward

No suggested exit funds for TAMWA Zanzibar, but instead a reallocation of funds from the current country programme.

In order to ensure time for finding other possible sources of income as well as attracting new partners the Embassy will reallocate DKK 3 million to TAMWA Zanzibar for a period of 18 months, based on the importance of the organization and the weight of Danish support to the organisation. This will allow TAMWA Zanzibar time to develop a sustainable plan and fundraising strategy for finding other funding possibilities.

Denmark will act as a facilitator in linking the organisation with potential new development partners.

Key timeline and milestones

Implementation will end Q3, 2023. Final reports and financial audit in Q2, 2024.

Annex 2.6 Phasing out plan: Commission for Human Rights and Good Governance (CHRAGG)

Program/project description

Main Objective

The Commission for Human Rights and Good Governance (CHRAGG) is an independent Government department entrusted with a broad mandate to promote and protect human rights in Tanzania. Its functions include handling complaints on violation of human rights and contravention of good governance principles, advising the government on human rights issues, dealing with systemic human rights issues through research, public enquiry, monitoring and carrying out public education and other sensitization programmes.

Denmark supports CHRAGG through the Access to Justice Project under UNDP. CHRAGG has for several years been under-performing, not having the necessary capacities, resources and room for manoeuvre and its independence is questionable. Denmark supports the programme to, amongst others, capacity build CHRAGG to live up to its aim and mandate to provide citizens, especially the marginalised groups, including women and children, with responsive and accountable justice and human rights protection mechanisms.

The UNDP Access to Justice Project includes other government institutions like the Ministry of Constitutional and Legal Affairs (MoCLA), the Attorney General Chamber and the National Prosecution Service (NPS), Director of Public Prosecution (DPP), yet Danish funding has been earmarked to CHRAGG.

Danish engagement over time and relative importance of Danish support

Denmark has funded CHRAGG since 2019 and the current project contract runs out end of 2021. The contract amount is DKK 7,000,000. Denmark is the only development partner who is funding CHRAGG under the Access to Justice Project. Although few other partners have been looking to fund them, so far nothing has materialised.

Outside the country programme, CHRAGG receives small project funding from two other Danish actors: the Danish Institute of Human Rights for capacity building on business and human rights and Dignity - Danish Institute against torture for capacity building in preventive monitoring of places of detention.

Results

A well-functioning CHRAGG would be an important human rights institution in Tanzania. Although there has been a lack of capacity and clear-cut independence, CHRAGG has been implementing its mandate with UNDP support, for example inspection monitoring visits to places of detentions (police station, jails etc.) every quarter. These inspections are being done in collaboration with MoCLA, DPP and NPS with the aim of establishing the extent to which rule of law and principles of good governance are upheld during the time of arrest and detention. During these visits more than 1,000 people who were wrongful arrested and detained were release every year especially in the rural areas.

File No.	104.Tanzania.CP.01-3 F2: 2019 – 12956		
Title of engagement	Commission on Human Rights and Good Governance		
Partner	UNDP – Access to Justice Programme		
Other key development partners / funders	No other partners in this programme		
Desk officer	Darius Cosmas		
SDG			
Funding modality	Core funding		
Duration of current support	2019-2021		
Budget	Commitment	Disbursements	Balance of provision
DKK	7,000,000	7,000,000	0
Exit funds	No		
Last disbursement	Q2 2021		
Final audit	Q2 2022		

CHRAGG's Zanzibar office has been renovated and refurbished to make it more visible and accessible to the public and in return this has attracted more people to take their grievances to the commission.

Through Danish support, CHRAGG has been able to develop different working documents, which are essential for their operation. These documents include CHRAGG's Five Years Strategic Plan (2018/19-2022/23), Training Strategy and Action Plan for CHRAGG, and a Communication and Visibility Strategy. Furthermore, CHRAGG also developed a report ahead of Tanzania's Universal Periodic Review. However, the report was not very accurate or objective in depicting the human rights situation in the country. CHRAGG has also signed MoUs with 20 local CSOs, who are located in remote areas where they are working on issues of human rights and good governance to create a feedback loop for information.

Risk and challenges

The UNDP Access to Justice Project is ending December 2021, therefore Danish support comes to a natural end. The cooperation with UNDP had challenges as the modality did not work out as well as planned or expected.

UNDP is in the process of designing a successor project to the current Access to Justice Project with stronger advocacy focus, where there is a possibility of other partners to fund CHRAGG. The more vocal and independent CHRAGG is, the higher the possibility of other donors funding them, even outside the project.

The phasing out of Danish support to the UNDP programme poses the risk that CHRAGG will not be able to carry out as many activities going forward, unless other donors provide the necessary support.

Suggested way forward

No suggested exit funds for UNDP's Access to Justice Project and CHRAGG.

The analysis of which partners should receive funds in 2022-2023 was guided by the principles mentioned in the phase-out plan. Within the available exit funds and in the prioritization of partners, it was decided that no further funds should be given to UNDP's Access to Justice Project and CHRAGG.

Key timeline and milestones

Final reports, including financial audit will be received by Q2 2022.

Annex 2.7 Phasing out plan: Legislative Support Project II

Program/project description

Main Objective

The Legislative Support Project (LSP II) was a project implemented by UNDP and the National Assembly, which aimed to strengthen parliamentary oversight by enhancing parliamentary institutional capacity, while also addressing the specific need of strengthening the capacity of women parliamentarians and the engagement with civil society.

The National Assembly in Tanzania has a high turnover of parliamentarians. Often the new members of parliament could benefit from a deeper understanding of how to fulfil their role and duties. The Government does not provide for adequate training and capacity building for new parliamentarians when they join the National Assembly. The parliamentarians often also lack

adequate information and analytical capacity to assist with their parliamentary debates and scrutiny. The UNDP project supported the National Assembly to be more effective, transparent and inclusive in fulfilling its constitutional mandate and to be operating in accordance with international good practices for democratic parliaments. The project focused on building capacity for parliamentary committees, parliamentarians and to strengthen their skills for performing their roles as well as ensure gender mainstreaming.

Danish engagement over time and relative importance of Danish support

Denmark started supporting LSP II in January 2017 as part of the accountability and transparency focus in the thematic Governance and Rights programme under the Tanzanian Country Programme. The project is a basket fund which has been funded by Denmark, Ireland, United Kingdom, Sweden, and UNDP Tanzania. The project was implemented directly by the National Assembly with the technical support from UNDP and UN Women and came to an end in December 2021.


Denmark has supported the project with DKK 16 million, approximately DKK 3.2 million annually. The Danish contribution to LSP II amounted to 30% of the annual budget.

The main aim of Denmark's support to the project has been to strengthen duty bearers - the National Assembly as an oversight mechanism, and also to promote women leadership through gender mainstreaming and to strengthen relationship between parliamentarians and civil society actors.

Results

The LSP II project achievements include improved capacity for parliamentary committees and parliamentarians to exercise their duties especially with engagement from CSOs. The National Assembly also saw improved information and communication technology (ICT) in their operations.

The LSP II project contributed to significant milestones in its gender mainstreaming and women's empowerment work. Following the gender audit and needs assessment, this led to the development of the Gender Strategy for

File No.	104.Tanzania.CP.01-3 F2: 2016-26166		
Title of engagement	Commission for Human Rights and Good Governance		
Partner	UNDP		
Other key development partners / funders	UK, Ireland and Sweden		
Desk officer	Fortunata Frederick Kitokesya		
SDG			
Funding modality	Basket funding		
Duration of current support	2017-2021		
Budget	Commitment	Disbursements	Balance of provision
DKK	16,000,000	16,000,000	0
Exit funds	No		
Expected last disbursement	Done		
Final audit	Q2 2022		

the National Assembly, and the Gender Mainstreaming Handbook. The project also supported the training and convening of the Gender Equality Male Member of Parliament Champions Group. This is in addition to the Train-the-Gender Trainer programme (for staff) and the National Assembly's adoption of gender responsive budgeting and gender budget statements as primary analytical lens for budget proposals and expenditure reports. Based on feedback from members of parliament and civil servants, significant progress was made for the use of gender tools, research and legal analysis.

The Budget Committee – supported by an improved Parliamentary Budget Department (office) - demonstrated growing influence and capacity to conduct effective budget oversight with instructive recommendations on budget proposals. A number of the committee's recommendations, including the need for a national evaluation policy, were accepted by the Ministry of Finance and Planning. Likewise, watchdog committees, like the Public Accounts Committee, the Local Authorities Accounts Committee and the Public Investments Committee, used the knowledge and skills gained from the project to examine the General Audit Report on expenditures of central Government.

Risk and challenges

The entire project came to an end in December 2021 and a possible next phase is expected to run from 2022-2025. There is a possibility the project will not continue with the same structure, since other development partners are also unlikely to continue funding the project. An end line evaluation is planned and if the evaluation shows good results, other bilateral development partners and UNDP might be encouraged to continue their work with the National Assembly.

The major risk linked to the closure of the project is the weakening of parliamentary oversight in the current parliament where the governing party CCM has a super-majority (94%), a situation that already affects the effectiveness of the parliament to scrutinise and hold the Government accountable due to party loyalty.

Furthermore, there is still limited public access to and awareness of parliamentary activities due to the Tanzania Broadcasting Centre's (TBC) reduced live coverage of parliamentary proceedings. This is a significant risk to the National Assembly's visibility and also for the accountability of members of parliament to their constituencies.

Suggested way forward

It is suggested that no additional funds are allocated to the new phase of the LSP as the ending of the current project makes a natural termination for Denmark's support. The analysis of which partners should receive funds in 2022-2023 was guided by the principles mentioned in the phasing out plan. Within the available exit funds and in the prioritisation of partners, it was decided that no further funds should be given to LSP.

Key timeline and milestones

Final reports, including financial audit will be received by Q2 2022.


Annex 2.8 Phasing out plan: Legal and Human Rights Centre

Program/project description

Main Objective

The Legal and Human Rights Centre (LHRC) works to promote legal and human rights by creating awareness and empowerment to marginalised groups and the general public. It is one of the strong push back organisation in Tanzania on issues pertaining to human rights, rule of law, democracy and good governance.

Denmark has funded an earmarked project to the LHRC and Tanzania Civil Society Consortium on Election Observation TACCEO for the Local Elections 2019 and General Elections 2020. The LHRC is the secretariat for TACCEO which is a coalition of 21 NGOs engaging in the electoral processes by providing civic education, election monitoring and observation. The Danish support has been important due to increased suppression of political activities and civic space occurring since the general election in 2015. The LHRC is one of the key organisations in democratic governance and electoral processes. However, like other strong CSOs LHRC was not granted election accreditation by the National Electoral Commission to engage in the elections in 2019 and 2020 and therefore the funds were used to implement post-election activities to strengthen democratic governance including support to the revival of the Tanzania Centre for Democracy (TCD) and the Universal Periodic Review (UPR) process.

File No.	104.Tanzania.CP.01-3 F2 2016-26169		
Title of engagement	Legal and Human Rights Centre		
Partner	Foundation for Civil Society (FCS)		
Other key development partners / funders	Sweden, Norway		
Desk officer	Fortunata Frederick Kitokesya		
SDG			
Funding modality	Earmarked project through FCS		
Duration of current support	2019 – 2021		
Budget	Commitment	Disbursements	Balance of provision
DKK	2,000,000	2,000,000	0
Exit funds	No		
Expected last disbursement	Done		
Final audit	Q2 2022		

Danish engagement over time and relative importance

Denmark has supported LHRC since 2019 through an earmarked grant to the Foundation for Civil Society for the TACCEO Elections project. Denmark contributed a total of DKK 2,000,000. LHRC is funded by a number of other development partners, including Norway and Sweden.

The conditions for CSO's working with democracy and political participation have been very difficult since the general election in 2015. The Danish support has been very important as the LHRC is one of the key pushback organisations advocating for civic space.

Results

LHRC is an important player for democracy in Tanzania. Since their inception in 1995, LHRC has been a key organisation in the promotion of democracy, rule of law and good governance in Tanzania. They are the pioneer organisation in strategic litigation cases in the country, with a track record of successful cases brought against the Government. For example, with regards to the elections, LHRC, The Tanganyika Law Society (TLS) and Reverend Christopher Mtikila filed an application on private election candidacy - 'the Mtikila's case (2013)', which was won in the African Court on Human and Peoples' Rights.

LHRC has coordinated the TACCEO election coalition, to provide media monitoring reports and briefings for development partners during the election cycle 2019–2020, even though LHRC was not granted accreditation to observe the local and general elections in 2019 and 2020 respectively. Through local partners such as trained

human rights monitors at the grass root level and media experts, LHRC was able to strategise and engage during the elections. Weekly reports and feedback were provided to development partners on the election processes.

LHRC, together with Tanzania Human Rights Defenders Coalition and Save the Children, coordinated the CSO engagement of 130 CSOs in the UPR process with the submission of the CSO shadow report on status of human rights in Tanzania. The report touched on the limitations of freedom of expression and information, freedom of assembly, the need for a review of the current constitution, gender equality, access to justice and shrinking space of both civic and political.

Following the general elections 2020 which were tainted by criticism on the process and outcome as well as high political polarisation, LHRC has supported TCD to bring together key political parties in strategic discussions and consultations on the strategic plan for and the revival of the dialogue platform for political parties in addition to advocating for the electoral law and political parties' law to be amended.

Risk and challenges

LHRC receives core support from Sweden and Norway, with clear indication of continuation. Therefore, LHRC is not in immediate financial risk. The contribution from Denmark was merely project funding and hence would not cripple the organisation after coming to an end in 2021.

However, lack of Danish funding could pose a risk to the continuation of the reignited platform - the Tanzania Centre for Democracy - for political dialogue for all parties.

Suggested way forward

It is suggested that no exit funds are allocated for LHRC. The analysis of which partners should receive funds in 2022-2023 was guided by the principles mentioned in the phasing out plan. Within the available exit funds and in the prioritisation of partners, it was decided that no further funds should be given to LHRC.

Denmark will to the extent possible help advocate for other development partners to fund LHRC and TCD to keep up activities.

Key timeline and milestones

Final report, including financial audit Q2 2022


Annex 2.9 Phasing out plan: Tanzania Human Rights Defenders Coalition

Program/project description

Main Objective

Tanzania Human Rights Defenders Coalition (THRDC) is a coalition of over 100 human rights organisations. THRDC works to ensure the safety of people and organisations defending human rights in Tanzania.

Denmark has supported THRDC since 2019 as a response to increased pressure on human rights defenders (HRDs) in Tanzania. HRDs have been in an increasing vulnerable position due to a hostile environment and Government actions that have been shrinking civic space, such as increased control on media and social media, freedom of speech and assembly, freezing bank accounts, confiscating passports and arbitrary arrests of human rights defenders.

File No.	104.Tanzania.CP.01-3 F2 2016-26169		
Title of engagement	Tanzania Human Rights Defenders Coalition		
Partner	Foundation for Civil Society		
Other key development partners / funders	Sweden, Finland and Well Spring Foundation		
Desk officer	Fortunata Frederick Kitokesya		
SDG			
Funding modality	Basket funding		
Duration of current support	2019–2022		
Budget	Commitment	Disbursements	Balance of provision
DKK	5,000,000	5,000,000	0
Exit funds	No		
Expected last disbursement	Done		
Final audit	Q2 2023		

THRDC mobilizes its members to address human rights and protection issues. They advocate for HRDs, international human rights standards and commitments and raise awareness on human rights violations. Denmark has supported the THRDC protection mechanism, to provide legal services and protection to HRDs facing threats or attacks. THRDC is the key local protection organisation for HRDs in the country and is as a strong, vocal organisation.

Danish engagement over time

Denmark has supported THRDC with a contribution of DKK 5 million since 2019 through an earmarked grant to the Foundation for Civil Society. Denmark's contribution constitute approximately 15% of THRDC annual budget. THRDC is funded by a number of development partners, including Sweden, Finland, and Wellsprings Foundation.

In August 2020, just prior to the General Elections 2020, THRDC's bank accounts were frozen by the Government, which made it inoperative for nine months. The change of administration and presidency saw the release of the accounts in April 2021. THRDC requested and was granted a no cost extension until September 2022 to implement the stalled activities.

Results

THRDC is among the strong push back organisations in the country, and it has a strong voice when it comes to human rights violations. Danish funding has contributed to THRDC's work with human rights under very challenging circumstances.

THRDC has been documenting and running strategic cases and cases of violations against HRDs' rights. They work in different thematic areas, like freedom of expression and media freedoms, indigenous rights and gender equality/sexuality. Most of the cases relate to arbitrary arrest, malicious prosecution, threats, attacks, and curtailment of freedom of expression. Likewise, THRDC captures incidents of violations of media freedom.

THRDC works to strengthen the capacity of human rights organisations and has coordinated security management sessions, dialogues and trainings in both Tanzania mainland and Zanzibar.

THRDC further works to coordinate engagement of national CSOs in the Universal Period Review (UPR) process. With other co-partners, THRDC has been leading in ensuring that the UPR process was inclusive and that a CSO UPR shadow report was developed and submitted as part of the UN process.

Risk and challenges

The environment for human rights organisations continues to be challenging and unpredictable. Despite the positive signals shown by the new administration on fundamental freedoms, the laws are still the same and operational. The operating context is very stringent coupled with unfavourable laws that make it difficult for CSO's to operate in the country.

Even though THRDC has been able to produce important results in promoting human rights in Tanzania, the coalition has been challenged due to the freezing of its bank account, and many of its activities could not be carried out especially during the crucial elections period. This experience weakened THRDC, as it is now more cautious and strategic in engaging with Government agencies. Hence, more need for development partners support during this transition period.

Currently, THRDC is funded by three other development partners in the basket fund modality.

Suggested way forward

It is suggested that no exit funds will be allocated to THRDC. The Danish support is seen as a strategic one off contribution to respond to the challenging context. With the agreed no-cost extension the support to THRDC will come to an end in September 2022.

Key timeline and milestones

Implementation will end Q3, 2022. Final reports and financial audit will be submitted in Q2 in 2023.


Annex 2.10 Phasing out plan: Twaweza

Program/project description

Main Objective

Twaweza means “we can make it happen” in Swahili. Twaweza began operations in 2009, working on enabling citizens to exercise agency, promoting Governments to be more open and responsive and improving basic learning for children in Tanzania, Kenya, and Uganda. Twaweza believes in a society that is built on human desire to make a difference, where information and ideas flow, citizens engage and authorities are accountable to people.

Twaweza is targeting the problem of lack of accountability and transparency in Tanzania. Many citizens do not have the knowledge or the capacity to hold the Government accountable, this is also due to the limited civic space for media and journalists to operate. During the former administration the media and CSO landscape tightened with the enactment of laws which suppressed access to information, media independence and freedom of expression.

File No.	104.Tanzania.CP.01-3 F2 2016 -26165		
Title of engagement	Twaweza		
Partner	Twaweza		
Other key development partners / funders	UK, Sweden, AJWS, Hewlett Foundation, Ford Foundation, Switzerland, Finland		
Desk officer	Darius Cosmas		
SDG			
Funding modality	Core funding		
Duration of current support	2016-2021		
Budget	Commitment	Disbursements	Balance of provision
DKK	30,000,000	30,000,000	0
Exit funds	No		
Last disbursement	Done		
Final audit	Q2 2022		

Danish engagement over time and relative importance

Denmark has supported Twaweza since 2016 with DKK 6 million annually in core funding and has contributed to important and effective work of Twaweza. Twaweza is a key pushback organisation working innovatively to undertake evidence based advocacy to engage in the policy process. For example application of citizens’ research in provision of evidence for advocacy through the citizen poll on key issues such as public health, education and governance for increased transparency and accountability.

In 2021 Twaweza had 10 development partners (up from 5 in 2016), of which Denmark, Hewlett Foundation and AJWS/WPF provide core funding, i.e. Twaweza is not dependent on Danish funding.

Results

Twaweza has equipped local change agents with skills to unearth underlying community problems and developed action plans to guide interactions of citizens and their local authorities to address the problems. They have also been able to produce 17 episodes of “Mbunge Live” where members of parliament (MP) are recorded performing their role as MP and fulfilling the requirement of bringing development to their constituencies. These short films are broadcasted in their constituencies and on national television. The aim is to change citizen perception of MP work and to encourage MPs to improve in areas such as representation, accountability, collaboration, interactions and feedback. This work has helped to hold MPs accountable by making sure they deliver on the promises they made during the election campaign and also to change perceptions of citizens toward the work of MPs.

Twaweza has earlier produced “Sauti za Wananchi” (Voices of Citizens in Swahili) polls, until the polls were suspended by the government in mid-2019. Twaweza used to publish results of the polls with a different topics each months. The results were launched in a debate form where key experts in that month’s topic were called to

a panel discussion on the results, to allow citizens to get more insights and provoke dialogue between policy makers, citizens and experts. Currently, the polls are being carried out by Twaweza, but results are disseminated with less fanfare to avoid confrontation with the Government. Twaweza is using channels such as social media to release results to the public in semi-official way.

The fact that Twaweza has both national and regional outreach, as well as strong international partners, provides opportunities for establishing best practices in citizen-driven advocacy and policy dialogue.

Risk and challenges

Twaweza is among the few CSOs who are well funded and is in a position to attract more partners if needed. Hence, it is unlikely that the phasing out of Danish funding will have a very negative impact on Twaweza's sustainability.

However, there are some reputational risks associated with a Danish withdrawing now, as more push back is needed at this time to make sure the new Government repeals all the draconian laws, which were passed under the former President.

Suggested way forward

It is suggested that no exit funds are allocated for Twaweza. Twaweza already has several other development partners, and there is a general interest in funding the organisation.

Key timeline and milestones

Key documents like audit report and final narrative report will be submitted to the Embassy by Q2 2022.

Annex 2.11 Phasing out plan: Health Basket Fund - mainland


Program/project description

Main Objective

The Health Basket Fund (HBF) is a pooled funding arrangement created in 1999 to support health system strengthening and increase equal access to quality primary health care (PHC) services to all Tanzanians. The HBF has a strong ethos of reaching underserved populations and 'Leaving No One Behind'.

Preventable and treatable diseases, such as malaria, pneumonia and diarrhoea, still cause the death of 270 children under five years every day. Almost 0,6%¹ off all women die during pregnancy or delivery (in Denmark it is 0,006%), maternal deaths counts for 18% of all deaths of women aged 15-49, and according to the Ministry of Health 16% of maternal deaths are due to complications from abortion. An increased number of women give birth at a health facility, but only 64% of all births are attended by skilled personnel.

In 2017, Direct Health Facility Financing (DHFF) was introduced with the goal of improving PHC services through fiscal decentralization. The core of the DHFF is the direct transfer of funds to frontline PHC facilities (smaller public health clinics and district hospitals) to improve service delivery efficiency by reducing leakages and enhancing predictability and timeliness of funds. By channelling 90% of HBF funds directly to over 6,600 PHC facilities, the HBF further promotes involvement of communities in the oversight of planning and budgeting to increase governance and social accountability in health service delivery at local level. The HBF contributes between 61% to 82% of the PHC facilities' operational costs and thereby enhancing people's access to health care service delivery all over Tanzania.

File No.	104.Tanzania.CP.01-2 F2: 2015-57336		
Title of engagement	Health Basket Fund		
Partners	Ministry of Health, President's Office Regional Administration and Local Government		
Other key development partners / funders	Ireland, South Korea, Canada, Switzerland, UNICEF, UNFPA, World Bank		
Desk officer	Darius Cosmas		
SDG			
Funding modality	Basket fund		
Duration of current	2015-2021		
Budget	Commitment	Disbursements	Balance of provision
DKK	360,000,000	360,000,000	0
Exit funds	Yes - DKK 60,000,000		
Expected last disbursement	Q3 2022		
Final audit	Q2 2024		

Danish engagement over time and relative importance of Danish support

Denmark has been providing support to HBF since its inception more than 20 years ago and has played an active role in the governance of the basket. Under the Country Programme, Denmark has contributed with DKK 60 million annually (from 2015 to 2020), representing around 16-17%² of the total budget. In addition to funds under the Country Programme, Denmark has since 2018 also contributed funds from the Danida Investment Fund (from CRDB bank) making the Danish share of the total budget approx. 24%³. Other bilateral donors are Ireland, South Korea, Canada, and Switzerland.

Results

During the programme period from 2015 to 2020, there have been great achievements in the health sector, which can also be contributed to the impact of the HBF.

Primary health facilities with at least one skilled staff have increased from 80% in 2014 to 98% in 2020 even though the number of health facilities has increased as well. The percentage of primary health care facilities with

¹ The number is from the latest Demographic Health Survey from 2015. The newest Government estimate is 0,4%

² In 2015/2016 it was 20% and in 2017/2018 it was only 6,6%.

³ In 2021/2021 the total Danish contribution is currently 49%, since the World Bank and Canada have not yet committed.

the most basic medicine, vaccines and medical devices for essential health interventions in a facility increased from 31% in 2015 to 94% in 2020. An important result in order to effectively being able to deliver basic health care at community level.

The introduction of the DHFF has been a success. It has enhanced the quality of health service delivery and increased service utilisation resulting in improved health system performance. It has further contributed to reduced stock out of medicines and medical supplies. The DHFF has enabled citizens to take ownership of the health sector at community level, being responsible for planning and managing implementation of the activities in the PHC facilities.

In addition, the HBF has focused on improving maternal health in Tanzania, contributing to the upgrading of more than 300 PHC facilities to provide ‘Comprehensive Emergency Obstetrics and Newborn Care’. From 2015, the percentage of pregnant women who attend at least four antenatal care visits before giving birth has increased tremendously from 43% to 80.5% in 2020. The same projection is seen for how many women are giving birth in health facilities as compared to home (not necessarily being assisted by a skilled midwife), increasing from 45% in 2015 to 83% in 2020.

Risk and challenges

Contributions to the HBF has been declining steadily over the years with a peak in 2016-2018:

Finance year	2015/16	2016/17	2017/18	2018/19	2019/2020	2020/2021	2021/2022
Amount USD	51,569,700	73,710,000	78,495,194	54,637,380	55,230,000	52,750,000	19,359,500

The huge decline in the current finance year (FY 2021/22) is partly because of the Danish reduction (from DKK 60 million annually to DKK 20 million) and partly because large donors like the World Bank and Canada has not yet signed the new Memorandum of Understanding (2021-2026) due to their internal approval process.

Even though the risk for the HBF collapsing is minimal, there is a direct line between the level of funding and the service delivery that the PHC facilities are able to provide. So the gap Denmark leaves, will have great impact on the availability of primary health services to Tanzanians, especially the poor and marginalized, who traditionally are the main users of public health care. Many other large donors are active in the health sector, but most of the support is off-budget and committed as earmarked funding to specific projects.

Suggested way forward

It is suggested to allocate DKK 60 million to the HBF in exit funds: An additional DKK 20 million for the FY 2021/22 making Danish contribution a total of DKK 40 million and DKK 40 million for the FY 2022/23.

Even though DKK 60 million is a large share of the exit funds, it is still a steep decrease in Danish funding from DKK 60 million annually, to DKK40 million annually for the next two years and then to zero.

Danish engagement in the next FY, will allow time to consolidate results and give the GoT time to explore additional resource mobilisation opportunities. Further, it will be possible to continue the dialogue with the Government about the possibility of channelling government funds directly to PHC facilities through the DHFF modality instead of only channelling funds via the Local Government Authorities.

Key timeline and milestones

Last disbursement will be Q3, 2022. Final documents including financial audit report will be provided by Q2, 2024.

Annex 2.12 Phasing out plan: Comprehensive Community Based Rehabilitation

Program/project description

Main Objective

The Comprehensive Community Based Rehabilitation (CCBRT) was established in 1994 as a non-profit NGO to reach the poorest in Tanzania by offering free or subsidised care and treatment and is the largest provider of disability and rehabilitative services in the country. The main objective of the Danish support to CCBRT is to improve access to quality disability- and maternal health services for the poor.


CCBRT provides a variety of disability services, such as clubfoot treatment and cleft lip/palate surgeries. These services annually prevent hundreds of children from a life with disability, exclusion and stigmatisation. Other services like eye surgeries, production of prosthetic and orthotic devices (legs and eyes), rehabilitation treatments and physiotherapy for children with Cerebral Palsy further helps thousands of Tanzanians improve their life quality.

CCBRT also makes hundreds of fistula surgeries annually. As many as 3,000 Tanzanian women and adolescent girls gets obstetric fistula each year, a condition that leaves them incontinent, leaking urine and/or feces uncontrollably. As a result, they are outcasts in their own communities, stigmatised and excluded from society. The fistula surgery does not only help women and adolescent girls get physically well, it helps them to be included into society again and regain their lives. Several of the patients also get economic empowered and get a chance to earn their own living by receiving training in sewing, knowledge and skills to establish small businesses and thereby become financially independent.

Through the Maternal & New-born Health Capacity Building Programme, CCBRT transfers skills and capacity to health staff in 22 public health facilities, and since 2021 also the national hospital in Dar es Salaam, thereby raising the quality of maternal and new-born care and save the lives of women and children by reducing mortality.

Danish engagement over time and relative importance of Danish support

Denmark first engaged with CCBRT in 2012, when the midterm review of the Health Sector Programme Support (HSPS) IV found that support to reproductive health was inadequate. This resulted in a DKK 40 million (2012-2013) grant to support CCBRT's work to expand early identification and referrals of specialized services, improve service delivery and provide capacity building in disability inclusion, maternal health care and rehabilitation. Results were good and Denmark continued support to CCBRT as part of the current HSPS V. Denmark provides core funding to CCBRT's free/subsidized services. Danish funding has helped thousands of poor Tanzanians to a life without disability and saved the lives of thousands of mothers and babies.

File No.				104.Tanzania.CP.01-2 F2: 2015-57323			
Title of engagement				Core Support to Community Rehabilitation			
Partner				Comprehensive Community Based Rehabilitation Tanzania			
Other key development partners / funders				Canada, Ireland			
Desk officer				Lena Hothes			
SDG							
Funding modality				Core funding			
Duration of current support				2015-2021			
Budget		Commitment		Disbursements		Balance of provision	
DKK		70,000,000		70,000,000		0	
Exit funds				Yes - 20,000,000			
Expected last disbursement				Q1 2023			
Final audit				Q2 2024			

Denmark is the largest donor with 28% of partner contributions and 15% of the total income in 2020. Other large donors are Ireland, Christian Blind Mission and the Fistula Foundation. Through its revenue-generating private clinic CCBRT provides approx. 39% of the annual income.

Results

With Danish support, CCBRT has throughout the HSPS V (2015-21) provided services to hundred thousands of Tanzanians, helping them to live (survive), live lives free of disability and live better lives with disability. In the programme period, CCBRT has provided free disability health services to 115,673 patients as well as subsidized services to 463,548 patients. Moreover, 48,066 Tanzanians had eye surgeries, 8,749 orthopedic surgeries, 5,386 fistula surgeries and 2,395 cleft lip/palate surgeries, 2,896 club foot treatments with support from CCBRT. In addition, more than 580,000 babies were delivered at CCBRT's Health Capacity Building Programme (MHCB) partner facilities and maternal- and new-born deaths we reduced with more than 50% from 2014 to 2020. Through advocacy and training, CCBRT also assisted with registration of job seekers living with disabilities, assisted in finding jobs and trained teachers, parents, and employers in disability awareness and rights.

Risk and challenges

Disability is still a large challenge in Tanzania for individuals, families, communities and the country as a whole. In Tanzania, 13.2% of all homes have at least one member with a disability and unattended disabilities costs Tanzania USD 480 million every year. Similarly huge challenges exist within maternal- and new-born mortality. Each year, 11,000 Tanzanian women die due to complications when giving birth and 66,000 children do not make it past the first month in life.

Phase-out of Danish funds will not close CCBRT, but will have significant impact on the level of services provided to vulnerable Tanzanians, especially women and children. As a core funding partner, Denmark will leave a sizable funding gap, which means that CCBRT will have to downscale activities. This will no doubt mean that more Tanzanians will have to live with disabilities, fistula and there will be an increase in the maternal- and new-born mortality rates due to reduced capacity building of staff in the 23 public health facilities that have benefited from the CCBRT capacity building programme.

Suggested way forward

It is suggested to provide DKK 20 million in exit funding to CCBRT (DKK 10 million for 2022 and DKK 10 million for 2023). This will give CCBRT time to secure funds from other sources, including opportunities for boosting its business plans to increase self-funding from the private clinic and kick-start the new maternal and new-born hospital wing that was opened in 2021. Denmark has begun the first initial dialogue with CCBRT to explore ways that Danish exit funds can help sustain the organisation.

Key timeline and milestones

Implementation will end Q4, 2023. Final key documents like audit report should be submitted to the Embassy by Q2, 2024.

Annex 2.13 Phasing out plan: Marie Stopes Tanzania

Program/project description

Main Objective

Marie Stopes Tanzania (MST) was established in 1989 to fulfil the rights of Tanzanians to sexual and reproductive health (SRH) services. This includes sexuality information and education, contraception, comprehensive post abortion care, and screening for HIV, sexually transmitted diseases and cervical cancer. The main strategic objectives for Marie Stopes Tanzania are to expand access to modern contraceptive choice and to bring family planning and safe post abortion care closer to all citizens.


Tanzania has a very high fertility rate with 5.2 children per woman. It continues to be a challenge that only 32% of women use modern contraceptive and the overall unmet need for family planning is 22%. Almost a third of all pregnancies are unintended and close to 40% of these end in abortion, the vast majority through clandestine and unsafe procedures. Maternal deaths in Tanzania represent 18% of all deaths of women aged 15-49, and according to the Ministry of Health 16% of maternal deaths are due to complications from abortion. 27% of girls under 20 years have begun childbearing and only 9% of this group is using a modern method. So there is a huge need for family planning, sexuality education and SRH-services in general, and especially in the rural and hard-to-reach areas.

MST is the largest private provider of family planning services in Tanzania, providing 30% of the contraceptives (modern methods) used and approximately 70% of the long acting and permanent methods. MST works through clinics, mobile outreach, and public sector support. Through the mobile team, MST provides free, quality and comprehensive SRH-services to the poor and underserved population in hard-to-reach rural and peri-urban areas, where clients do not have many other possibilities for access to family planning or SRH-services. MST also transfers SRH-skills through the embedded nurse programme, where MST-trained nurses work in a public health facility for three-four months to capacity build public health staff.

By the support to MST, Denmark has contributed to improving the general basic health care in Tanzania through training of public health staff in order to improve public SRH services and the delivery of sexual and reproductive (SRH) services to more than five millions of Tanzanians since 2015.

Danish engagement over time and relative importance of Danish support

Denmark began funding MST in 2015 and is the only partner providing core funding, contributing between 3%-19% of MST's budget since 2015 (3% was in 2019). Other large donors include Canada, UK and the Government of Tanzania. The government is providing health commodities to MST's operations, which amounts to 17%-27% of their total budget. This support depends on the number of outreach teams MST send to the field as they use government facilities to provide services, i.e. the amount changes depending on how many facilities MST will be able to reach. MST highly appreciates Danish core funding that has made MST able to strengthen the organisation

File No.	104.Tanzania.CP.01-2 F2: 2015 - 51275		
Title of engagement	Support to Marie Stopes Tanzania		
Partner	Marie Stopes Tanzania		
Other key development partners / funders	Canada, UK, Government of Tanzania (health commodities)		
Desk officer	Darius Cosmas		
SDG			
Funding modality	Core funding		
Duration of current support	2015-2021		
Budget	Commitment	Disbursements	Balance of provision
DKK	80,000,000	80,000,000	0
Exit funds	Yes - DKK 20,000,000		
Expected last disbursement	Q1 2023		
Final audit	Q2 2024		

and internal systems and procedures as well as try out innovative pilot projects, such as the introduction of youth friendly SRH-services in facilities.

Results

MST has successfully provided services to some of the most hard-to-reach communities. Hard-to-reach clients are those that fall into at least one of four groups: women not currently using FP, adolescent girls aged 15-19, women living in poverty (under USD 1.90 per day), and women who cannot access any other services than those delivered by MST. Around 43% of MST's clients are hard-to-reach clients.

MST has increased its family planning services to annually more than one million clients and more than three million couple years of protection (CYP) using different modern methods such as implants, short term, intrauterine device, and tubal ligation, which contributed to reduced maternal complications and deaths from unwanted pregnancies.

MST also focus on meeting the needs of young people. MST has organised youth events in areas with high unmet need for family planning among youth and adolescents and high teenage pregnancy rates. All MST's team members further receive values clarification and attitude training to ensure they treat young people seeking services with respect and without judgement, and to challenge any prejudices about who should be accessing contraception. In average, 14% of MST's clients are below 20 years.

MST has also provided trainings to 5530 health care providers in the country, both private and public. The training includes quality assessment, certification on provision of long-acting methods, permanent methods, comprehensive post-abortion care, and other relevant topics related to SRH. Support on quality assessments and assurance is also included. MST has also trained community volunteers on family planning. All trainings help build capacity amongst health staff to provide better SRH services.

Risk and challenges

As the only partner providing core funding to MST, Denmark will leave a sizable funding gap which means that MST will have to downscale activities in Tanzania unless it can find new donors to fill the gap, is able to get more funding from MSI (Marie Stopes International) or create profit that can go into the charitable activities. Even though the risk of MST collapsing due to Denmark's phase out of core funding is minimal, it will result in a decrease in the amount of services provided to vulnerable Tanzanian women and girls. And will thereby all cause a decrease in government funding, since this is depended on the number of outreach activities. Without core funding, MST is also forced to 'chase' project grants, call for proposals etc. Taking up time and not providing funding for organisational and strategic development or innovative pilots.

Suggested way forward

It is suggested to provide DKK 20 million in exit funding to MST (DKK 10 million for 2022 and DKK 10 million for 2023) in order to secure availability of SRH- and family planning services.

This will give MST a chance to further explore opportunities to develop a sustainability plan, where MST can use its own hospital and clinics to make profit and later invest that profit to free services to the rural poor and deliver quality SRH services. Other potential development partners have also shown interest. Due to MST's focus area, donors like UK, Ireland, Switzerland, UNFPA, USA and several philanthropic funds could be potential donors.

Key timeline and milestones

Implementation will end Q4, 2023. Final key documents like audit report will be submitted by Q2 2024.

Annex 2.14 Phasing out plan: Association of Private Health Facilities in Tanzania (APHFTA)

Program/project description

Main Objective

The Association of Private Health Facilities in Tanzania (APHFTA) was established in 1994 as an umbrella organisation for more than 900 private health sector facilities all over Tanzania. APHFTA builds the capacity of its members in order to create a strong private health sector delivering sustainable high quality healthcare services. APHFTA further mobilises resources for service delivery and acts as the voice of its members in health sector fora and in dialogue with the Government to strengthen and sustain the PHF's influence at district and national levels.

The private health care providers – who also include many of the Christian health facilities – complement the public health sector and play a significant role in improving access to health care services for all. Together with church-based facilities, the PHF deliver 40% of all health services in Tanzania. The PHF begun experiencing challenges during the former administration, where they were increasingly alienated in sector funding streams, and public health facilities were build close to the PHF, which created unnecessary duplication of efforts and competition on provision of services to the same population.


Danish core support to APHFTA has mainly supported institutional strengthening, so it could organize, give voice, and enable bringing a fragmented private health sector under regulation. In addition, the goal has been to further the Public-Private Partnership (PPP) agenda in Tanzania. APHFTA has been an important player on bringing together the private and public health sectors to work together and respect each other on provision of health care services to the citizens. Before, there were a lot of mistrust to each other.

Danish core support to APHFTA has mainly supported institutional strengthening, so it could organize, give voice, and enable bringing a fragmented private health sector under regulation. In addition, the goal has been to further the Public-Private Partnership (PPP) agenda in Tanzania. APHFTA has been an important player on bringing together the private and public health sectors to work together and respect each other on provision of health care services to the citizens. Before, there were a lot of mistrust to each other.

Danish engagement over time and relative importance of Danish support

Denmark began supporting APHFTA in 2010. Since 2015 Denmark annual contribution has approximately been DKK 3 million ranging between 32% and 58% of the total annual budget.

Denmark is the only partner providing core funding to APHFTA. Other partners such as UK, the Global Fund and USAID provide earmarked programme support, i.e. APHFTA channels these funds to its members in order to provide services within e.g. HIV/AIDS, malaria, diabetes and reproductive health services. The core funding has provided an opportunity for APHFTA to strengthen its organisational structures and improve creativity and innovations, which could enable the organisation to sustain its operation after the end of Danish support.

File No.	104.Tanzania.CP.01-2 F2: 2015-51277		
Title of engagement	Support to Private Health Providers		
Partner	Association of Private Health Providers in Tanzania (APHFTA)		
Other key development partners / funders	USAID, the Global Fund, UK		
Desk officer	Gradeline Minja		
SDG			
Funding modality	Core funding		
Duration of current support	2015-2021		
Budget	Commitment	Disbursements	Balance of provision
DKK	19,500,000	19,500,000	0
Exit funds	No		
Last disbursement	Q1 2021		
Final audit	Q2 2022		

Results

During the programme period, APHFTA has enhanced the private health sector's influence at national level and strengthened the capacity of its members to provide better health care services. APHFTA - on behalf of the private health sector - is one of the main actors in the national health dialogue.

APHFTA has strengthened members' involvement in private health sector delivery of quality services to the citizens within for example diagnostics, HIV/AIDS and malaria prevention and treatment, and sexual and reproductive health services. The number of PHF providing these services have continuously increased throughout the project period. In the past before Danish support to APHFTA, these services were only available in the public health facilities. To support this, APHFTA provides need-based capacity building to the health care workers and ensures continued provision of short courses customized to address existing skill gaps in the PHF (the services offered will in the future be fee-based thus helping in filling the gap caused by the Danish exit).

APHFTA established Afya Microfinance as a private company to improve health services in Tanzania by providing affordable loans to private health providers. One aspect of Afya Microfinance is to support the distribution of drugs in rural and peri-urban areas to insure availability of essential medicines at affordable price at all time.

APHFTA has also helped members sign a Memorandum of Understanding and Service Level Agreements (SLAs) between the private health sector and the Government. These agreements defines how the two parties will work together to ensure equitable availability of quality health care services to the private and public health facilities. Over 330 SLAs were signed between councils and PHF for provision of services. The signing of the SLAs further led to increased joint training, supervision missions, and technical meetings involving both representatives from the private and public health sectors.

APHFTA and the Christian Social Service Commission in collaboration with the Ministry of Health, Community Development, Gender Elderly and Children together with the President Office Regional Administration and Local Government have jointly established a Public-Private Health Forum, where the private and Government come together to discuss PPP policy issues and other related issues to support the PPP agenda in the health sector.

Risk and challenges

Denmark has been the only core contributor to APHFTA. Even though APHFTA will not collapse when Denmark phased-out, the funding gap will significantly impact its ability to implement activities. Without core funding, APHFTA will in the near future be dependent on project funding, which is less reliable, takes many resources to run after call for proposals, and often gives no room for organisational development etc. APHFTA's fundraising strategy has different components for sustaining the organization. This includes user fees and paid services to fill some of the gap from the Danish exit. Further, APHFTA will seek additional funding from other development partners.

Suggested way forward

No exit funds are suggested for APHFTA. Denmark has been happy with APHFTA's work and results, but as a consequence of the preparations of a new country programme (before the phase- out of bilateral development cooperation was announced), the number of partners had to be reduced drastically. APHFTA was therefore informed about the Danish decision to stop funding from July 2021 (with a three months no-cost extension to September), giving it time to develop an exit plan with an overview of planned left activities, staffing needs, different fund-raising strategies, and plans for alternative funding sources to fill the gap left by Denmark. In connection with decision to close the Embassy and provide exit funds, the decision to stop funding APHFTA in 2021 was not revisited.

Key timeline and milestones

Denmark is currently finalizing the partnership with APHFTA (finished 30 September, 2021). Final financial audit will be submitted Q2, 2022.

Annex 2.15 Phasing out plan: Christian Social Services Commission (CSSC)

Program/project description

Main Objective

The Christian Social Services Commission (CSSC) is an umbrella organisation established in 1992, but its roots can be traced back to the colonial era of Tanzania. Its purpose is to facilitate the delivery of quality education and health services by member churches through advocacy, capacity building, partnership and cost-effective interventions. CSSC wants a society in which all people have equal access to quality health services.


CSSC supports a network of 970 church based health facilities (overlapping with members of the Association of Private Health Facilities in Tanzania). The churches are the largest health provider after the public facilities and together with other private facilities account for 40% of all health services in Tanzania. For historical reasons

(missionary times), about 80% of church based facilities are located in in the rural hard to reach areas mostly serving the poor population – complementing the public health facilities. The church-based facilities begun experiencing challenges during the former administration, where they were increasingly alienated in sector funding streams, and public health facilities were build close to the church-based, which created unnecessary duplication of efforts and competition on provision of services to the same population.

CSSC advocates for a conducive environment for the provision of health services, and promotes effective engagement of church health facilities in health service delivery. For example by advocating for Public-Private Partnerships (PPP) between the Government and Church facilities at all levels and representing church positions, interests and needs in dialogue with relevant government ministries. CSSC further works to strengthen health systems of church health facilities through leadership & governance, human resources, service delivery, financing, technology and health information. In addition, CSSC owns several training institutions educating health professionals at middle level and graduates from its two medical universities. The church-based higher learning institutions contribute to about 40% to the overall training of medical professions in the country.

Danish engagement over time and relative importance of Danish support

Denmark began supporting to CSSC in 2010 and is the largest donor providing core funding. Denmark has since 2015, disbursed DKK 3 million annually, which has been between 2%-26% of the budget (2%-3% the first years). CSSC has other small partners, such as the Norwegian Church Aid, who provide smaller funding. In addition, the Global Fund and USAID provide earmarked support to specific health interventions such as HIV/AIDS and malaria.

File No.	104.Tanzania.CP.01-2 F2: 2015-50872		
Title of engagement	Support to Christian Service Commission		
Partner	Christian Social Services Commission.		
Other key development partners / funders	USAID, Norwegian Church Aid, the Global Fund.		
Desk officer	Gradeline Minja		
SDG			
Funding modality	Core funding		
Duration of current support	2015-2021		
Budget	Commitment	Disbursements	Balance of provision
DKK	18,000,000	18,000,000	0
Exit funds	No		
Last disbursement	Q2 2021		
Final audit	Q2 2022		

Results

The Danish support has enabled CSSC to successful implement many of its strategic interventions from its 5-years strategic plans.

CSSC is an important voice in the national health sector dialogue to advocate for the inclusion of church-based facilities and training institutions into the Government's health plans and service delivery.

CSSC's capacity building support was provided to senior and middle management in the fields of general management & operations, human resources management, financial management and safety & quality of healthcare.

CSSC also helped broker and develop Service Agreement (SA) contracts that enable church facilities to access Government resources – in terms of finances, materials and personnel. By the end of 2016, 85 out of 103 church hospitals had SAs with their respective district/regional authority.

CSSC collaborates with the Government on addressing outbreak of infectious diseases. During the outbreak of COVID-19, CSSC was able to reallocate funds received from Denmark to support its members with protective gear, and carry out awareness campaigns and sensitization training to the health workers and to the public. Currently, CSSC facilities are also providing COVID vaccines to their clients, which makes it possible for the people living in the rural and far to reach areas to access vaccines.

CSSC has further improved the quality of health care services provided by its member facilities by establishing a quality improvement unit, which oversees quality assurance activities and provide technical support to its network. Adherence to the international quality improvement standards has led to improved performance of the church facilities and increased client satisfaction of the users, which contributes to increased attendance to the health facilities. The improvement of services in these facilities has further contributed to increased child immunisation services and reduction of both maternal mortality and under five mortality in the surrounding communities.

Risk and challenges

Denmark was the main core supporter to CSSC. Even though CSSC will not collapse due to Denmark's phase-out, the funding gap will significantly impact its ability to implement activities. Without core funding, CSSC will depend on project funding, which is less reliable, takes many resources to run after call for proposals, and often gives no room for organisational development etc. If CSSC will not be able to raise adequate resources to maintain its core operations to support the faith-based health facilities to deliver quality health care services, the people of Tanzania will have reduced access to quality health care. Most of the church based health facilities are facing difficulties to finance their operations including provision of health services to their clients.

CSSC's sustainability plan involves securing additional funding from other donors such as USAID, and is still in consultation with other international agencies including religious institutions to finance operations.

Suggested way forward

No exit funds are suggested for CSSC. Denmark has been happy with CSSC's work and results, but as a consequence of the preparations of a new country programme (before the phase-out of bilateral development cooperation was announced), the number of partners had to be reduced drastically. CSSC was therefore informed about the Danish decision to stop funding from July 2021 (with a three months no-cost extension to 30 October), giving it time to develop an exit plan with an overview of planned left activities, staffing needs, different fund-raising strategies, and plans for alternative funding sources to fill the gap left by Denmark. In connection with decision to close the Embassy and provide exit funds, the decision to stop funding CSSC in 2021 was not revisited.

Key timeline and milestones

Denmark is currently finalizing its partnership with CSSC (finished 30 September, 2021), and the final audit report will be submitted in Q2, 2022.

Annex 2.16 Phasing out plan: Sikika

Program/project description

Main Objective

Sikika is a NGO with a vision of a transparent and accountable government that ensures citizen's right to quality health services is fulfilled. Sikika works to enhance health- and public finance systems through Social Accountability Monitoring (SAM) and advocacy at all levels, for example monitoring of public spending, availability and accessibility of quality medicines and medical supplies, the human resource gap, and the equitable distribution of health workers according to needs and workload.

Sikika works at both central and local government levels with partners such as policy makers, parliamentarians, services providers, oversight bodies, media, civil society organisations and citizens as community representatives.

Sikika applies research and analysis, dialogue and networking, SAM, and media engagement to develop evidence-based

advocacy aiming to influence stakeholders to facilitate changes and to increase government accountability. Sikika trains civic actors in SAM's, which refers to a broad range of actions and mechanisms that give them the possibility to hold elected government officials and public servants accountable. SAM helps to monitor accountability through assessment of plans and resource allocation, and tracking expenditures to examine whether there are any inappropriate spending. The approach also tracks performance and identifies mechanisms that exist to prevent and/or take corrective actions in response to the misuse and abuse of public funds in the health sector. Also, it includes assessment on how oversight bodies play their roles to call officials to account for their performance.

Danish engagement over time and the relative importance of Danish support

Denmark has supported Sikika since 2015 with an annual disbursement of DKK 4 million (only DKK 2 million in 2021). The Danish contribution has constituted about 38%-65% of Sikika's total budget since 2015 (in 2017 it was a 100%). Danish core support has helped Sikika to strengthen its organisation and expanded its interventions to 37 districts and more than 700 health facilities. Further, Sikika grew from focusing on health governance programs only to include public finance management.

Denmark was the largest funder and the only partner, which provided core funding to Sikika. Sikika has other partners that provide earmarked project support. Current funders are the Global Fund, GIZ, and the African Centre for Global Health and Social Transformation.

File No.	104.Tanzania.CP.01-2 F2: 2015-51231		
Title of engagement	Support to civil society		
Partner	Sikika		
Other key development partners / funders	Global Fund, GIZ		
Desk officer	Darius Cosmas		
SDG			
Funding modality	Core funding		
Duration of current	2015-2021		
Budget	Commitment	Disbursements	Balance of provision
DKK	26,000,000	26,000,000	0
Exit funds	No		
Last disbursement	Q2 2021		
Final audit	Q2 2022		

Results

Sikika has been an important player in order to secure public accountability in the health sector. A major achievement is the enhancement of citizens' activeness through the SAM. Sikika has held trainings on SAM in 37 districts for 570 citizens, including women, people with disabilities, youth, leaders and health workers. Through years of implementing the SAM, a main result is the activeness of citizens seen through monitoring of health services and getting their voices heard through several local platforms like community meetings. This has the indirect impact on all community members that get increased access to quality health services. In addition, more than 2,000,000 citizens were indirectly reached through publications, social media, and community radio.

Sikika has also engaged citizens in monitoring availability and accessibility to health commodities and medicine at the health facilities through an open data kit (ODK), an open-source software for collecting, managing and using data in resource-constrained environments. It allows for offline data collection with mobile devices in remote areas, submitting the data when the internet connectivity is available. The ODK was developed for monthly monitoring of health commodities, including medicines, supplies, and equipment using a tracer list. Sikika trained citizens and provided them with a smartphone with the collection tools downloaded. Citizens collect data on health commodities from at least five health facilities in each district and upload it to Sikika's database. The data is analyzed and brief reports are produced every quarter. The reports have been helpful to hold service providers and Council Health Management Teams accountable for improving the availability of health commodities at the health facilities. About 50 citizens have been trained, monitoring 133 facilities to date.

Since 2015, Sikika has produced about 20 analytical and research studies on health governance and finance; human resources for health; health commodities; HIV/AIDS; public financial management; and accountability. Examples are 'Human Resource for Health Tracking Study', 'Where are the Doctors?', and 'Workload Indicators of Staffing Need', which have influenced changes on policies and guidelines. Moreover, Sikika has conducted yearly health sector budget analysis, contributing to the parliament budget discussion and used existing avenues to conduct evidence-based advocacy towards politicians, policymakers and oversight bodies.

Risk and challenges

Denmark has been the main contributor to Sikika since 2015. Even though Sikika will not collapse when Denmark phase-out, the funding gap will impact its ability to implement activities. For example, the work that has been done at the district level, particularly the engagement of communities in the planning and monitoring of health services, may continue at a slower and much more reduced pace. SAM activities will be conducted in fewer communities and follow up will be smaller scale due to budget constriction.

Without core funding, there will be less funds for strategic and organisational development, and innovation and Sikika will be depended on less predictable project funding. Sikika's fundraising strategy has different components for sustaining the organization that include proposal writing, partnership/skills sharing, and the development of a profit organization. Sikika has responded to call for proposals, written concept notes requesting financial support, and engaging in the country dialogues and writing process for the Global Funds and PEPFAR. As a result of these efforts, it has by now secured USD 863,000 to implement projects.

Suggested way forward

No exit funds are suggested for Sikika. Denmark has been happy with Sikika's work and results, but as a consequence of the preparations of a new country programme (before the phase-out of bilateral development cooperation was announced), the number of partners had to be reduced drastically. Sikika was therefore informed about the Danish decision to stop funding from July 2021 (with a three months no-cost extension to September), giving it time to develop an exit plan with an overview of planned left activities, staffing needs, different fund-raising strategies, and plans for alternative funding sources to fill the gap left by Denmark. In connection with decision to close the Embassy and provide exit funds, the decision to stop funding Sikika in 2021 was not revisited.

Key timeline and milestones

Denmark is currently finalising the partnership with Sikika (finished 30 September, 2021). Final financial audit will be submitted Q2, 2022.


Annex 2.17 Phasing out plan: Zanzibar Health Basket Fund

Program/project description

Main Objective

The objectives of the Danish assistance to the Zanzibar Health Basket Fund (ZHBF) are to ensure equitable access to quality health services, in particular at the district level and below, and to facilitate a health system that is more responsive to people's needs and demands. Throughout the supporting period, the focus has been on improving reproductive, maternal, neonatal and child health at the primary health care level. Another main focus has been ensuring equitable access to health services with a pro-poor focus.

Zanzibar still have many challenges in the health sector with too little funding, shortages of staff, and poor access to family planning. Further, Zanzibar has a high maternal deaths, with 166 women dying out of a 100,000 giving birth (in Denmark it is 6) and almost 2% of all babies are still birth and almost 1% die within the first week. Even though the number has increased, it is still only around 65% of all women who deliver with the assistance of a skilled birth attendance. Around 21% (366,886 out of 1,717,608) of Zanzibar's population is adolescents and young people aged 10-19 years and experience show that the risk of pregnancy-related death is five times higher for girls aged 10-14 compared to women in their twenties.

File No.	104.Tanzania.CP.01-2 F2: 2017- 8206		
Title of engagement	Support to Health Basket Fund - Zanzibar		
Partner	Ministry of Health		
Other key development partners / funders	UNICEF, HIPZ		
Desk officer	Lena Hothes		
SDG			
Funding modality	Core funding		
Duration of current support	2017-June 2022		
Budget	Commitment	Disbursements	Balance of provision
DKK	40,000,000.00	39,000,000	1,000,000
Exit funds	No		
Expected last disbursement	Q4 2021		
Final audit	Q2 2023		

Danish engagement over time and relative importance of Danish support

Danish support to the Zanzibar health sector dates back to the early 1980s. However, the Danish funding to the sector was discontinued after questionable elections in 1995, but resumed again in 2004. In 2004 the Ministry of Health and Denmark established the Health Service Fund to address the issues of severe district underfunding and lack of implementation effectiveness, and to pursue equity in access to health care services. This later evolved into the ZHBF. In 2016, the Danish support was designed as an exit strategy with the objective of facilitating the transition of the Zanzibar health sector towards more sustainable, diversified, and adequate financing while ensuring that the results achieved remained steady or improved.

Denmark is currently the only bilateral donor to the ZHBF and by far the largest. Since the finance year 2017/2018, Denmark's actual annual contribution as well as share of the annual budget has decreased from 82% to 41% as part of the exit plan. Opposite, the contribution from the Government of Zanzibar has increased both in actual contribution and in share of the budget from 10% to 45% in the finance year 2021/2022. The actual contributions from the two other smaller donors, UNICEF and HIPZ (UK NGO), have remained the same. ZHBF supports the operational costs of the primary health facilities in Zanzibar and thereby helps providing access to health services to all in Zanzibar.

Results

The ZHBF modality has been a success in proving predictable funding to the operational cost of health facilities at district level, ensuring access to better and more health services to the people in Zanzibar.

ZHBF has had a focus on maternal and child health and progress has been seen within these areas. Mothers dying while pregnant or giving birth have fallen from 276 women per 100,000 births in 2016 to 166 in 2019 (only facility based deliveries have been measured). Also the percentage of women who deliver with assistance of a skilled birth attendant has increased from 53% in 2016 to nearly 65% in 2019. More than 88% of children are vaccinated with Penta 3, protecting against five major diseases: Diphtheria, tetanus, pertussis (whooping cough), hepatitis B and Haemophilus influenza type b, helping to reduce child mortality.

With major support from Denmark, Zanzibar was able to start using the Health Management Information System (HMIS), from where the Ministry of Health each year produces a reports assessing the health sector's performance numbers and identifying areas, localities and facilities, which are underperforming. The reports take stock of progress and the HMIS is meant to provide information to support all decision making processes.

Risk and challenges

Even though there has been many improvements there are still challenges. As regards to the goals of the exit strategy, it has not yet been possible to diversify the funding and thereby make the ZBHF sustainable. There is therefore still a need to attract new donors in order to future-proof the ZHBF. With a decrease in funding, service provision will drop, which will negatively impact the general health of citizens, especially the poor people living in Zanzibar. Inefficiency in service delivery as a results of lack of resources, qualified staff, and inefficient referrals of critical cases to health facilities at a higher and more specialized level, impacts the quality of health care.

With Danish funding, an assessment of the ZBHF has been made with the purpose of improving the modality to make it more attractive to new donors.

Suggested way forward

No exit funds is suggested for ZHBF.

Since Denmark already in 2016 designed the last phase of support to the health sector in Zanzibar, the decision to phase out has not been revisited in connection with allocation of the exit funds. Denmark will in the remaining programme period work with the Zanzibar Ministry of Health to consolidate results and promote a sustainable ZHBF.

Key timeline and milestones

Implementation will end Q2, 2022 and all necessary documents including an audit report will be submitted in Q1 2023.

Annex 2.18 Phasing out plan: Agricultural Markets Development Trust (AMDT)


Program/project description

Main Objective

Agricultural Markets Development Trust (AMDT) was established in 2014 by Denmark, Ireland, Sweden, and Switzerland in cooperation with the Government of Tanzania. It was set up as an independent trust to help public and private market actors respond to the barriers found in selected agricultural value chains and to improve coordination and investment. This was an innovative approach and AMDT is a pilot but with a long-term perspective of 10+ years given the systemic challenges it seeks to address. The goal of AMDT is to increase income and employment opportunities for poor women, men, and young people in Tanzania.

AMDT aims to address the problems experienced in past market development interventions. It

responds to the Government's call for "business unusual" by applying new, innovative approaches to the development of agriculture markets. AMDT promotes growth, facilitates value chain development and multiply successful approaches across value chains in agriculture and agro-industries. Applying the Making Markets work for the Poor (M4P) approach, AMDT aims to motivate private and public sector players to take on new functions, while avoiding the temptation of becoming an active market player itself. AMDT does this by providing strategic advice (coordination, advocacy and knowledge management) and market facilitation services.

File No.	104.Tanzania.809-400 F2: 2015 – 50869		
Title of engagement	Agricultural Markets Development Trust (AMDT)		
Partner	AMDT		
Other key development partners / funders	Sweden		
Desk officer	Ihunyo Boniface Nzogere		
SDG			
Funding modality	Trust Fund		
Duration of current support	2014-2022		
Budget	Commitment	Disbursements	Balance of provision
DKK	140,000,000	127,500,000	12,500,000
Exit funds	Yes - DKK 20,000,000		
Expected last disbursement	Q2 2023		
Final audit	Q2 2024		

Danish engagement over time and the importance of Danish support

Denmark was one of four initial founders and is currently the major funder of AMDT. Following withdrawal of Switzerland (2017) and Ireland (2021) and with no new partners coming in, AMDT is only receiving funding from Denmark and Sweden. Currently, Denmark contributes around 70% of the annual budget. An unexpected stop of Danish support would leave a sizable funding gap and would presents a dilemma to AMDT and Sweden about the future of the trust given the original longer-term perspective applied when establishing AMDT.

Results

AMDT's initial work mainly focused on building fundamental principles of the Market Systems Development approach following the establishment of the institution. From 2016 through to 2020, the work mainly focused on design and testing of holistic innovative business models and service delivery mechanism with the market facilitators and market actors. Some of these innovative business models are centred on pro-poor contractual arrangements, access to finance, access to improved inputs markets, extension services, and business development services for SME. Findings from the sunflower end-line study form primo 2021 show many positive changes.

AMDT has had most success in the sunflower value chain and has been able to;

- Stimulate the sunflower seed system. Directly supported 6 hybrid seed varieties now sold in Tanzania. This has increased production and productivity boosting the incomes of the farmers and SME processors.
- Link SME processors and farmer groups to credit access using the Tanzania Agricultural Development Bank (TADB) loan guarantee in Mbeya, Songwe and Ruvuma regions. This has enabled smallholder

farmers, agribusiness, and SMEs to access the most needed business development services and capital required to undertake their production activities.

- Private sector led organic certification of 2500+ sunflower farmers in the 2020-2021 season. The goal for 2021-22 season is 5000+ smallholder sunflower farmers and hence contributing to a more climate friendly production, less soil erosion and farmer's income increases from organic premium.
- More than 375,000 smallholder farmers has been reached. They have received a range of benefits from market facilitators and market actors including; capacity building, access to improved seeds, bundled services including finance and structured markets in form of contract farming arrangements.
- Village-based-agents introduced in maize and sunflower provide last mile delivery of agricultural inputs on timely basis whilst providing jobs to the agents. Without these agents it would have been difficult to supply the needed farm inputs to remote, difficult to reach locations where production takes place.

Risk and challenges

Denmark's phasing out is likely to impact the future of AMDT and the ongoing work to improve income and resilience of smallholder farmers. AMDT was set up as a pilot but given the systemic challenges it seeks to address the time perspective was originally thought as a minimum of ten years.

Phasing out of Danish support to AMDT is associated with substantial reputational risks and therefore the approach to this needs to be properly assessed and coordinated with stakeholders to ensure a responsible phasing out that looks at consolidating achievements and reducing associated risks including incomplete intervention cycles related to seed, access to finance and other services for smallholder farmers, poor women and men.

AMDT's value chains - sunflower, pulses and maize, are the key pro-poor crops grown by the majority of Tanzanian smallholder farmers. AMDT's support to these three value chains therefore has a significant bearing on inclusive green growth in Tanzania. Recently, there has been increased interest and engagement with the Government on the value chains supported by AMDT and balancing stakeholder expectations through a considered phasing out will be vital.

Suggested way forward

It is suggested to provide DKK 20 million in exit funding for 2022-23 to off-set the negative impacts of Denmark's phasing out. To move forward, the embassy will engage external assistance to assess the status of the interventions, achievements and challenges. The review will assist in developing operational options for the Danish phasing out and describe the possible implications for the organisation.

It is foreseen, that the suggested additional funds would support implementation of the ongoing work and enable completion of key interventions impacting smallholder farmers. Extending the implementation period with additional two growing seasons will positively benefit the smallholder farmers and the concerted efforts to improve the income and resilience of poor women, men, and youth. However, based on the analysis the review could provide alternative recommendations in terms of the funding level and timeframe for the Danish phasing out. If the review finds that no additional funding or less funding would be necessary it is suggested to allocate the funds to PASS's transformation as described in annex 2.19. The review will be important in providing input to a responsible Danish phasing out which could result in AMDT closing and the trust being dissolved.

Key timeline and milestones

Implementation will end Q4, 2023. Final audit report will be submitted in Q2 2024.

Annex 2.19 Phasing out plan: Private Agriculture Sector Support - PASS TRUST

Program/project description

Main Objective

In 2000 the Private Agricultural Sector Support (PASS) was established by Denmark as a pilot project facility under the first phase of the Agriculture Sector Programme Support. The aim was to increase the growth of private commercial farming and agribusiness with a special focus on improving access to finance. About 10 years earlier the state-owned banking sector had collapsed and created a vacuum and reduced credit to agriculture as the new private financial institutions were highly risk-conscious and hesitant to lend to agriculture. By 2007 PASS was transformed into an autonomous Trust with the main objective of stimulating investments and promoting growth of commercial agriculture and agri-businesses in Tanzania.



The overall rationale is that PASS through the provision of credit guarantees in combination with business development services, including feasibility studies and development of business plans, assists financial institutions in moving out of their comfort zone and increase lending to farmers and agribusiness. PASS thereby combines technical assistance with financial services delivered through existing financial institutions. By issuing loan guarantees to reduce the risk of the financial institutions PASS motivates them to broaden and deepen credit provision to agricultural enterprises by vetting potential borrowers, assisting borrowers developing financeable business plans and guaranteeing parts of the loans from financial institutions to the borrower.

In addition to providing credit guarantees and business development services PASS also accommodates the Agribusiness Innovation Centre (AIC), mandated to provide business development services to growth-oriented agro-enterprises. It specifically focuses on growing value adding enterprises and has established two agricultural incubation centres within horticulture and goats, giving special attention to skills development of young and female entrepreneurs in Tanzania. Moreover, in January 2021 a new innovative financing instrument, PASS Leasing Company, was granted a license to carry out leasing services by the Bank of Tanzania with the aim of supporting the agricultural sector through provision of competitively priced lease financing.

In Tanzania the agricultural sector continues to play an important role in national development. Besides being a source of food for the population it employs around 65% of the population, accounts for around 25-30% of the GDP and a significant share of foreign exchange earnings. Agriculture is important for inclusive growth that is pro-poor and generates employment opportunities for youth, especially in rural parts of Tanzania.

Danish engagement over time

Denmark played a decisive role in the establishment of PASS and since 2008 Denmark has contribute more than DKK 330 million. In addition to the original funding under the current programme, Denmark has contributed additional DKK 15 million focusing on Women and Youth implemented through the AIC (2019) and DKK 20 million under TechVelopment (2019). In 2021 additional DKK 30 million was allocated to PASS to accelerate

File No.	104.Tanzania.809-400 F2 2015 – 51275		
Title of engagement	Private Agricultural Sector Support - PASS TRUST		
Partner	PASS TRUST		
Other key development partners / funders	Sweden (paper credit guarantee)		
Desk officer	Jema Jacob Ngwale		
SDG	 		
Funding modality	Trust Fund/Grant		
Duration of current support	2014-2022		
Budget	Commitment	Disbursements	Balance of provision
DKK	190,200,000 Incl. digitalisation	179,200,000	11,000,000
Exit funds	Yes - DKK 25,000,000		
Expected last disbursement	Q2 2023		
Final audit	Q3 2024 – to be confirmed		

PASS' efforts within inclusive green growth, as part of the transitional appropriation. In addition to the financial contributions, Denmark also provides strategic programme oversight via the Joint Technical Committee and the Founders Committee.

Relative importance of Danish support

The main purpose of the Danish support to the private sector focusing in on agri-business has been to facilitate development of the private sector as an engine for pro-poor economic growth by creating jobs and income. Tanzania has undergone significant changes, moving away from a state-led economy towards a more market-led economy with the private sector playing an increasingly important role. Denmark has supported this transformation for more than 20 years in the form of four generations of Business Sector Programme Support programmes.

Denmark is and has been the only partner providing funding to PASS Trust and contributes 99.6% of PASS' entire budget. Sweden has since 2017 supported PASS with a paper credit guarantee of USD 20 million and only contributes 0.4% to PASS operations cost.

Results

PASS has attained a very high status in key agricultural development circles both within government, bilateral/multilateral organisations and private sector and is considered a successful innovator with a long track record of managing credit guarantees. Many commercial farmers (including smallholders) and agro-industries appreciate the support provided by PASS, especially in enabling them to access loans, which has contributed to improved quantity and quality of production. Without a feasibility study, a business plan and the credit guarantee, many commercial smallholder farmers and agro-industries would not have been able to access loans from banks.

- PASS provides about 30% of the total lending to the agricultural sector through credit guarantees. A collapse of PASS will therefore severely impact the sector.
- The total employment effect has been more than 2.5 million jobs created of which women owned businesses account for 45% with a total of 1.7 million beneficiaries.
- The Government of Tanzania considers PASS a critical partner in the further development of the agriculture sector and PASS is well positioned to continuously search for and develop new, innovative products and partnerships that can further expand PASS' outreach and facilitate access to finance in the agricultural and agribusiness sector.
- Partner banks benefit from a good relationship with PASS, as they are able to get a large number of high quality and tailor-made business plans (for the agro-sector) with an agreement for a partial credit guarantee, that increases the banks turnover and revenues and provides services to its clients under a comfortable risk sharing agreement.
- PASS has been able to facilitate financial support to a wide range of clients from pastoralists, small and medium farmers and enterprises to larger agri-businesses dealing with processing and value adding of agricultural goods.
- The high level of dependency on hand hoes in primary production makes farming a very arduous occupation. It restricts expansion of farm sizes and timeliness of farm activities and does not attract enough young people. PASS Trust focuses on this aspect and facilitates mechanisation of various farming tasks through PASS Leasing Company, which encourages investment and better technological operation and maintenance of farm equipment.

Risk and challenges

It is crucial that a credit guarantee scheme is free of political interference in its day to day operations. Political patronage and targeted services based on something besides commercial acumen, and the goals to develop viable value chains, would render the services non-feasible. So far, PASS has enjoyed such a lack of interference in its daily operations and this has contributed positively to its success. Equally, PASS has not been micromanaged by the development partners. Given the size and strategic importance of PASS, the services it delivers, and the employment impact it generates - Denmark's phasing-out, needs to be handled carefully to avoid vested interests and undue external interference in the process and the associated reputational risks for Denmark.

With Denmark phasing out of bilateral development cooperation and PASS having reached the size it has, it is necessary to analyse the different possibilities for ensuring PASS' sustainability free from political interference. An uncoordinated and abrupt Danish exit risks jeopardising the future of the many beneficiaries leaving them vulnerable, and it could jeopardise PASS as an institution before it is self-sustainable. This could result in that PASS could be forced to reduce services and over time close.

Suggested way forward

It is suggested to provide DKK 25 million in exit funding to PASS. PASS is in the process of analysing different perspectives of sustainability and the board is developing its thinking around different options for PASS operations in the future.

To move forward with the programming of the exit funds the Embassy will:

- Continue the established dialogue with PASS management and the board about the future of PASS.
- Explore lessons learned from the transformation of aBi Trust in Uganda from a Trust to a company guaranteed by shares.
- Schedule a mission to Tanzania to further develop relevant scenarios for Denmark's exit.
- Further explore the opportunities for future engagement of IFU in PASS.
- Contract an external consultant to assist with the process including legal and financial implications of the different scenarios.
- Engage in a dialogue with the Ministry of Finance and Planning, who together with Denmark are co-founders, about the future of PASS.

These are considered necessary steps before it is possible to identify the best way forward given the importance of PASS for inclusive development in the agricultural sector in Tanzania and for pro-poor growth.

Key timeline and milestones

- Primo 2022, mission to identify relevant scenarios for PASS sustainability given Danish phase out.
- Based on finding and recommendations of the mission engage PASS board of trustees and the Ministry of Finance and Planning on the way forward.
- Reach agreement on the way forward for PASS including programming of potential exit funding.
- Last disbursement, final audit, project completion report and final results report will depend on the agreed way forward for PASS.




Annex 2.20 Phasing out plan: Financial Sector Deepening Trust (FSDT)

Programme/project description

Main Objective

The Financial Sector Deepening Trust (FSDT) was launched in 2004 with a long-term goal to help create a pro-poor financial sector in Tanzania with a focus on enhancing financial inclusion. Through its work, FSDT aims to develop market systems that benefit underserved individuals, households and enterprises, offering them capacities and opportunities to improve their lives. This involves addressing challenges, and supporting innovations and market interventions in the financial sector through partnerships with financial sector stakeholders.

Lack of access to finance and financial inclusion has negative impacts on growth, income distribution and poverty levels and is a significant underlying challenge to job creation and economic empowerment. FSDT works to achieve improved capacity and sustainability of the financial sector to meet the needs of MSME's and poor men and women and to contribute to economic growth. The FSDT efforts are directed to ensure that more, better and appropriate solutions are accessible, affordable and used by enterprises and low-income people in Tanzania.

File No.	104.Tanzania.809-400. F2: 2021-8710		
Title of engagement	Financial Sector Deepening Trust (FSDT).		
Partners	FSDT		
Other key development partners / funders	Sweden, Canada, Bill and Melinda Gates Foundation (BMGF).		
Desk officer	Ihunyo Boniface Nzogere		
SDG	  		
Funding modality	Basket funding		
Duration of current support	June 2014–June 2021		
Budget	Commitment	Disbursements	Balance of provision
DKK	75,000,000	75,000,000	0
Exit funds	No		
Expected last disbursement	Done		
Final audit	Q1 2022		

Danish engagement over time and relative importance of Danish support

To enhance access to finance Denmark has been supporting FSDT since 2014 with a financial contribution of DKK 75 million. Denmark has been one of four development partners supporting FSDT with an annual contribution of between 11-40 % and an average of 25% over the period. Through the support to FSDT, Denmark has contributed to the achieved impact where development of new financial policies, improvement in financial regulations, development of financial platforms, and innovation targeting financial services and products have been achieved to enhance financial inclusion especially among MSMEs, women and youth. Through the support to FSDT Denmark has actively contributed to targeted improvements in the country's financial system aimed at making it more inclusive through regulatory reforms and piloting innovative financial products. Danish support has had an impact on opening new opportunities for more Tanzanians to better access financial services and products to enable business growth and investments for economic empowerment.

Results

FSDT has been a key driver in the considerable progress made in financial inclusion in Tanzania over the past decade. Emphasis has especially been on i) to gather and share essential market data to map demand and supply of financial services and enable product and service development, ii) to facilitate collaboration between principle players in the evolution of new thinking to address consumer needs and iii) to drive innovative policy by working with regulators to create a supportive regulatory environment for mobile financial services and agency banking.

Some of the results towards enhancing financial inclusion, increasing access to and use of financial services and products by MSMEs, women, youth and other underserved individuals include;

- Eight different regulations targeting improvement of the financial sector in Tanzania. The regulations have improved the business environment by simplifying processes and increasing opportunities for MSMEs, women and youth to access financial services for strengthening their businesses and overall economic activities. One key change in this regard is that the new regulations and policies have made it easier for businesses to formalise and therefore it is now easier for them to access finance from financial institutions for growing their businesses and investments. At national level, the gender policy has streamlined ways in which specific environments and needs of both men and women can better be served in order to create equal opportunities especially when it comes to access to finance.
- 17 studies have been undertaken to enrich the understanding of the financial sector's opportunities and challenges for action by relevant stakeholders. Some of these studies include; FINSCOPE Study, Rural Youth Inclusive Finance Study, and Cost of Transaction Study.
- 38 million Tanzanians have gained access to National Identification registration, giving them better opportunities to access financial services from financial institutions. Financial institutions have identification requirements in accordance with the Bank of Tanzania's guidelines. FSDT provided financial and technical support to facilitate the process.
- Three types of financial infrastructure developed and implemented to ensure better access to financial services that also deliver value for the users. They include; Financial Service Registry, Mfumo Jumuishi (Inclusive Payment System), and Enterprise Acceleration Platform.
- 25 financial solutions developed and in operation within the financial sector to offer financial solutions better tailored to the needs of the users. Some of these solutions include; Microhealth Insurance product, Crop Insurance product, Digital Kibubu Savings product, Automated Bank Account opening, and School Management System.

Risk and challenges

The risks and challenges associated with Denmark phasing out support to FSDT are considered small. The decision to not continue funding FSDT has been considered for some time given the need to reduce the number of partners under a Country Programme. At some stage during late 2020/early 2021 it was uncertain how many of the partners would be able to support FSDT going forward, making it relevant to consider institutional sustainability. However, this issue seems to have been resolved and Denmark has been able to phase out and to exit the support without too many negative consequences.

FSDT is finalising its new strategy for 2022–2026 and BMGF has committed USD 12 million for the new strategy. Other development partners are also working on their respective plans towards supporting FSDT including Sweden and Canada. Also new funders have shown interest in supporting FSDT.

Suggested way forward

It is suggested that no exit funding is provided. It is assessed that existing and possibly new funders will provide the necessary support to FSDT.

Key timeline and milestones

Denmark's support to FSDT came to an end in June 2021. The Programme Completion Report was submitted in October 2021. The final results report will be developed and the final audit is due in Q1, 2022.



Annex 2.21 Phasing out plan: Opportunities for Youth Employment in Tanzania (OYE)

Programme/project description

Main Objective

The project, Opportunities for Youth Employment (OYE) aims to improve livelihoods and future prospects for youth in rural areas in Singida and Morogoro, Tanzania.

Vulnerable employment or underemployment, continues to be a main challenge in Tanzania. Especially youth between 15 to 24 years, are at the highest risk of unemployment and underemployment, and disproportionately so for young women. Experience shows that unemployed youth often lack relevant skills or are not provided with meaningful opportunities. The OYE project focuses on assisting young people to fulfil their entrepreneurial aspirations by developing their skills, including basic life and business skills, and technical knowledge through training and by facilitating access to finance and financial services.

File No.	104.Tanzania.809-400. F2: 2021-8710		
Title of engagement	Opportunities for Youth Employment (OYE)		
Partner	SNV (originally - Stichting Nederlandse Vrijwilligers)		
Other key development partners / funders	Switzerland		
Desk officer	Anthony Gideon Mhagama		
SDG	 		
Funding modality	Project funding		
Duration of current support	2021–2023		
Budget	Commitment	Disbursements	Balance of provision
DKK	10,000,000	3,000,000	7,000,000
Exit funds	No		
Expected last disbursement	Q3 2023		
Final audit	Q2 2024		

The second phase of the project is based on robust markets scans and lessons learned from the previous phase. OYE uses the push-match-pull approach and goes beyond training, as it actively connects young people to markets, access to finance and provides longer-term coaching and mentoring to facilitate establishment and maturing of (self-)employment. The main sector under the project is horticulture where there are significant opportunities of stimulating green enterprises and employment. The project has a robust qualitative gender approach to ensure equal opportunities and will utilise opportunities in value chains that are particularly accessible, attractive and safe for young women.

Danish engagement over time and the relative importance of Danish support

The OYE project is in its second phase in Tanzania but for Denmark the partnership with SNV, to support OYE, is new. On their part Switzerland also supported phase I of the project in Tanzania. Denmark and Switzerland are jointly funding the project each contributing 50% of the total project budget of DKK 20 million. The project is funded under the 2021 transitional appropriation for Tanzania, focusing on skills development as a Danish priority.

Results

Since implementation of the second phase only started in April 2021, tangible results are yet to be reported. However, findings from the first phase of OYE in Tanzania (2016-2019) show that at the end of the phase, around 90% of the beneficiaries had entered gainful self-employment and the average monthly income had increased from USD 17 to USD 98 per person.

The expected project results include:

- Improved employability of 4,250 youth in rural Singida and Morogoro.
- 90% of the targeted youth (3,825) access gainful and sustainable (self-)employment and catalyse benefits for 15,300 indirect beneficiaries.

- Increased income for the participating youth and indirect beneficiaries.
- Increased green employment within horticulture.
- Improved youth-inclusive market-system with enhanced youth employability and employment opportunities. Enhanced access to finance, land, inputs, extension services, and formal and informal markets is a key factor.
- Enhanced learning and knowledge development disseminated to stakeholders including Local Government Authorities (LGAs).

Risk and challenges

The risks and challenges associated with a phase out of the Danish support to OYE after the second phase are assessed to be limited as it is project funding and the OYE project design integrates and reinforces sustainability as a central part of the core activities. Youth leadership, which is an integrated part of the project, will be key in the ecosystem that inevitably should amplify solutions for the youth *with* the youth.

Agribusiness in general is a clear priority for the Government and several other development partners are engaged and active in this area.

Suggested way forward

It is suggested that no exit funding is provided. The project is time-limited and Denmark's support will end in December 2023. Denmark will provide the agreed funding for the agreed project period and there will be good opportunities to bring other development partners on board in a potential next phase of the project.

Key timeline and milestones

Denmark's support to the project will end in December 2023. Switzerland will continue funding until March 2024 where the second phase of the OYE project ends.

The draft end of project report is expected by Q3 2023 with an end-line survey by March/April 2024. The final annual report and the final audit report is expected in Q2 2024.

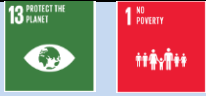
Annex 2.22 Phasing out Plan: Improving access to alternative energy sources and promoting environmental conservation in refugee camps and hosting communities in Kigoma Region, Tanzania

Programme/project description

Main Objective

The overall objective of the project, which is implemented by Danish Refugee Council (DRC), is to improve access to and usage of more sustainable alternative energy sources and promoting environmental conservation in refugee camps and hosting communities in Kigoma Region, Tanzania.

Kigoma Region is one of the poorest regions in Tanzania with 35% of its population living below the basic needs poverty line (TZS 49,320 approx. DKK 150 a month) while hosting around 240,000 refugees from Burundi and DR Congo. The impact and effects of climate change has had a considerable impact on rivers, water catchment areas and intensified deforestation, which is further perpetuated by the influx of refugees. Around 90% of households across all three refugee camps in the Kigoma Region use firewood for cooking, and they collect it from the forests within and around the refugee camps.

File No.		104.Tanzania.809-400. F2: 2020- 32311	
Title of engagement		Improving access to alternative energy sources and promoting environmental conservation in refugee camps and hosting communities in Kigoma Region, Tanzania	
Partner		Danish Refugee Council (DRC)	
Other key development partners / funders		DK is the only development partner	
Desk officer		Helen Diyu Masele	
SDG			
Funding modality		Project funding	
Duration of current support		March 2021–December 2023	
Budget	Commitment	Disbursements	Balance of provision
DKK	25,000,000	14.700.000	10.300.000
Exit funds		No	
Expected last disbursement		Q3 2023	
Final audit		Q2 2024	

Firewood collection has been a source of tension between refugees and host communities, and it is subjecting the women and children to different risks, including sexual and gender based violence. The population density in the camps intensifies the scarcity of firewood, causing over-exploitation of nearby forest resources resulting in high deficiency in supply. There is an acute need to provide solutions for more sustainable alternative sources of energy, especially to the most vulnerable populations in both the refugee camps and the host communities. This project adopts the technology used to produce bio-briquettes at household level to address the issue. Bio-briquettes can be produced from most green waste and other organic materials and the composition varies depending on the availability of raw materials in an area. To further support sustainability, the project also has activities within increased forest protection, and capacity building on environment and forest management in refugee hosting areas.

Danish engagement over time and the relative importance of Danish support

DRC is a strategic NGO partner to the Danish MFA, and the strategic partnership contributes to strengthening emergency relief and more long-term initiatives to support protection, resilience and improve living conditions for those effected by conflict and displacement. The engagement between Denmark and DRC at country level in Tanzania is new and project implementation started in March 2021 and is ending December 2023. A total of DKK 25 million is allocated for the entire duration. The project is funded under the 2021 transitional appropriation for Tanzania, focusing on green interventions.

Denmark is the sole supporter of this project but already now the Danish support may have served as a catalyst for other development partners (DPs) as both Belgium and WFP have indicated interest in the project to expand the number of beneficiaries. It would be very positive if the Danish support could facilitate additional funding and

investment in more sustainable and green solutions and employment opportunities in a relatively poor area.

Results

As project implementation only commenced in March 2021 tangible results are yet to be reported.

The expected project results include:

- 16,000 households will actively be engaged in bio-briquette production and this will increase access to alternative energy sources for cooking.
- Micro-and small-scale business and income generating opportunities.
- Increased forest protection with additional 750,000 trees planted.
- Capacity building on environment and forest management in refugee hosting areas through training.
- Reduced tension between refugees and host communities.
- Reduced risk of sexual and gender based violence.

Risk and challenges

This engagement has been formulated as a scale-up of a pilot project with additional elements for increased sustainability. It is a stand-alone project with a defined target group but with scalability. Already now other DPs have expressed interest in the project which also compliments efforts of the government and other DPs within environmental protection and climate change.

Approvals from relevant ministries have taken a lot longer than expected and has resulted in delays of activities within the refugee camps. The relevant agreements have been made but the delay have indicated how difficult this area is to operate within. DRC's good relationship with the local authorities will be key in seeing the expected results materialise.

Suggested way forward

It is suggested that no additional exit-funding is provided but rather continuing implementation within the agreed timeframe until December 2023. Efforts will be made to share results and experiences with those interested during project implementation to enable further scalability of the project.

Key timeline and milestones

Implementation will end Q4, 2023. Final audit report, end of project evaluation, and Final Results Report are all to be finalised in Q2 2024.

Annex 2.23 Phasing out plan: Research support to REPOA

Programme/project description

Main Objective

REPOA is a think tank established in 1994 with a mandate to contribute to the alleviation of poverty through research and capacity building. Over time, REPOA's mandate has expanded beyond alleviating poverty to encompass growth and promoting socio-economic transformation for poverty reduction through inclusive development.

The challenges facing any country need adequate action from policy- and lawmakers to implement sustainable changes in society. Decision-makers in Tanzania need analytical research and policy analyses to better inform the planning process and ensure the implementation of adequate and relevant economic development policies and interventions for lasting socio-economic transformation and poverty reduction.

REPOA produces and promotes independent research for evidence-based policy-making and the Danish support has underpinned REPOA's efforts in being a leading research institution in the production of knowledge that will contribute to improving the lives of the people in Tanzania.


Danish engagement over time

Denmark has engaged with REPOA in different ways. Back in 2001, Denmark provided funds for the rehabilitation of REPOA's current office. This has enabled REPOA to continue operation also during financially difficult times and has increased their operational efficiency. In 2012, Denmark first provided core funding (DKK 4 million) to support REPOA's strategic plan. However, towards the end of 2014, core funding to REPOA was limited and REPOA experienced financial challenges and had to rely increasingly on collaborative research projects and commissioned works. Core funding is considered key for institutional capacity, stability, and independence and in 2018, Denmark and Sweden agreed to provide core funding for three years (DKK 3 million and SEK 4 million annually), to support this and enable implementation of REPOA's Strategic Plan.

Relative importance of Danish support

Since 2018 Denmark has been one of REPOA's core funders along with Sweden, Ireland in 2019 (annual commitment of €500,000) and Norway since 2020 (NOK 15 million over three years). In addition to the core funding REPOA receives earmarked, often short-term project funding which accounts for around 25-30% of the budget. In June 2021, Denmark provided a costed-extension of the support with additional DKK 3 million to enable implementation of the 2021 annual work plan. Since 2018 Denmark's support has accounted for between 12-21% of REPOA's annual income.

In addition to the direct financial support from Denmark REPOA has been able to tap in to other funding platforms as a strong and sought-after partner for Danish research institutions. At present, a research programme is run in collaboration with Aarhus University and a new four year research programme with DIIS has just started.

File No.	104.Tanzania.CP.01-1 F2: 2018-15671		
Title of engagement	Research support to REPOA		
Partner	REPOA		
Other key development partners / funders	Sweden, Ireland and Norway		
Desk officer	Helen Masele		
SDG			
Funding modality	Core funding		
Duration of current support	July 2018 - June 2022		
Budget	Commitment	Disbursements	Balance of provision
DKK	12,000,000	12,000,000	0
Exit funds	No – but reallocation of DKK 3,000,000 under TCP		
Expected last disbursement	Q1 2022		
Final audit	Q2 2023		

REPOA has expressed interest in perusing this approach in the light of Denmark phasing-out of bilateral development cooperation.

REPOA is a capable and renowned think tank and Denmark has directly benefitted from REPOA's expertise. REPOA's Executive Director played an active and prominent role in the Task Force on Job Creation and Skills Development in Africa and in 2019 REPOA undertook the Nordic Business Survey to provide important information on the Nordic experience of doing business in Tanzania.

Results

REPOA has firmly established itself as a leading research institution in the provision of independent research to enhance inclusive sustainable growth for socio-economic transformation and poverty reduction. Furthermore, REPOA was ranked as the leading think tank in Tanzania for the last six years and as number 4 in Sub-Saharan Africa in 2020 by the Global Go To Think Tank Index conducted by the University of Pennsylvania.

The Government has requested REPOA to participate in formulating national development plans and reviews of various sectorial policies. REPOA has successfully managed to position itself as an independent voice while still enjoying access to policy- and decision-makers for greater impact.

Risk and challenges

REPOA continues to reach out to potential and current partners to reduce the funding gap of the strategic plan (2020-2024). However, if the funding gap remains REPOA will, in the short run, have to reduce the planned activities in line with the available funding envelope. They will have to diversify funding sources by expanding efforts to develop proposals in response to competitive calls, and increase the number of smaller engagements. The current government has shown increased interest in engaging with REPOA and at present they are uniquely placed to move important agendas including inclusive growth, skills development and employment, gender and human development, and climate change (adaptation and mitigation) forward in line with Danish priorities.

An increased focus and dependency on earmarked funding, can impact the strategic research themes identified for socio-economic transformation and could also jeopardise the independence of the institution as a think tank. In the longer run and as a last resort, REPOA would have to either reduce staff compensations, restructure and/or reduce the workforce. Without core funding institutional integrity is jeopardised and going forward stakeholders might not be able to lean on REPOA for strategic research for evidence based policy-making.

Suggested way forward

It is suggested that no exit funding is allocated but that DKK 3 million under the thematic programme is reallocated to support implementation of REPOA's strategic plan in 2022 and to support REPOA's financial sustainability efforts.

As Denmark is phasing-out bilateral development cooperation it is important to ensure a conducive environment for a constructive and relevant dialogue with the Government on national development. Additional core funding to REPOA in 2022 would contribute to this while also pushing key Danish priorities at a strategic level. It would further support stakeholder engagement in implementation of the national development plans and sector policies and contribute to socio-economic transformation.

Key timeline and milestones

Implementation will end Q4, 2022. Final audit report by Q2, 2023.

Annex 2.24 Phasing out Plan: Public Finance Management Reform Programme (PFMRP)

Programme/project description

Main Objective

The Public Financial Management Reform Programme (PFMRP) is a longstanding programme between the Government of Tanzania and different development partners (DPs). The programme has been running since 1998 with an aim to promote sustainable public finance management (PFM) reforms in Tanzania that will enable economic development and improved public service delivery.

The importance of PFM, has become increasingly clear over the years. A sound PFM system is important for democratic governance and macro-economic stability. The effective use of available resources a necessary condition for achieving development outcomes and poverty reduction. The effective delivery of public services is closely related with poverty reduction and growth.

Countries with strong, transparent, and accountable PFM systems tend to deliver services more effectively and equitably and regulate more efficiently and fairly.


Tanzania's PFM development has been good in a long-term perspective but seems to have slowed over the last years and despite the progress made, further advancement is needed. The PFM challenges in Tanzania mainly relate to budget credibility, a mismatch between approved budgets and expenditure outturns, misuse of public finances, inadequate financial allocations to development budget, and cash-rationing systems that inhibits effective budget execution with funds not flowing in a timely and predictable manner to spending entities. The PFMRP is a reform programme designed to positively impact planning and budgeting processes, budget execution, reporting, accountability and transparency, resource mobilisation, and budget control.

Danish engagement over time and the relative importance of Danish support

Denmark has supported the PFMRP since 2004, when the programme was in the second phase. Over the years, PFMRP has received support from a number of different DPs. Together with other DPs, Denmark has managed to provide strategic oversight guidance and direction to the implementation of PFMRP under the Ministry of Finance and Planning. Institution-building and strengthening of systems has been a key priority in the Danish development cooperation with Tanzania.

Under the current Country Programme Denmark had committed DKK 65 million through the basket fund arrangement (2015-2019). Due to some delays in implementation, also as a consequence of the COVID-19 pandemic, the programme was given a no-cost extension to June 2021. The current PFMRP, has been supported by Norway, UK, and Denmark and co-financed by the Government of Tanzania. Denmark's annual contribution to the PFMRP budget has been between 11-31% during the period.

The support through the PFRMP has given Tanzania a strong basis to pursue the visions set out in the national development plans and it has supported implementation of key reform priorities within; i) macro-economic

File No.		104.Tanzania.CP.01-1 F2: 2017-6974	
Title of engagement		Public Financial Management Reform Programme (PFMRP)	
Partner		Ministry of Finance and Planning	
Other key development partners / funders		Norway and UK	
Desk officer		Christine John	
SDG			
Funding modality		Basket fund	
Duration of current support		2015/16 – 2020/2021	
Budget	Commitment	Disbursements	Balance of provision
DKK	66,000,000	59,000,000	7,000,000
Exit funds		No	
Expected last disbursement		Done	
Final audit		Q2 2023	

management (fiscal and tax policies) and financing of the budget; ii) budget preparation and credibility; iii) budget execution, accounting, and reporting; iv) financial accountability-internal controls and procurement, and v) external oversight.

Results

Support to PFMRP has assisted the Government of Tanzania in strengthening its fiscal and tax policies for revenue mobilisation, improving efficiency in public spending, and building greater financial accountability and transparency.

The PFMRP has underpinned a number of achievements and contributed to:

- Sustained GDP growth and macroeconomic stability
- Significant improvements in revenue generation from domestic sources
- The legal and regulatory framework for PFM has been updated and strengthened
- Debt management policies, processes and institutional capacity have been strengthened
- The budget preparation process has steadily become more orderly and participatory
- The scope and coverage of the Integrated Financial Management Information System (IFMIS) has been increased, providing a stronger platform for PFM
- Considerable progress has been made in the transition to IPSAS Accrual Accounting Standard basis
- The internal audit function has been established as an independent entity. Internal audit units and audit committees in all ministries, departments and agencies and local government agencies
- Institutional capacity has been strengthened in many PFM organisations including the National Audit Office of Tanzania, the Public Procurement Regulatory Authority, Ministry of Finance and Planning and office of the Treasury Registrar.

Risk and challenges

The number of partners supporting PFMRP has been going down and it is currently uncertain how many DPs, if any, will continue to support the Government's reform programme PFMRP in the next phase. However, in addition to the PFMRP there is a number of DPs who are supporting other PFM initiatives also with Government institutions including the African Development Bank, IMF – EAST-AFRITAC, GIZ, and USAID.

Based on this and given the need to reduce the number of partners under the country programme framework the Danish phasing out has been considered for some time and the decision to phase-out has been communicated to partners to allow for a well-managed exit.

Suggested way forward

It is suggested that no exit-funding is provided. Denmark's support to PFMRP came to an end in June 2021 after being given a no-cost extension of two years.

Key timeline and milestones

The current phase of the PFMRP will close in June 2022 and the final audit is expected in Q2 2023. As the programme is funded through a basket fund modality it will only be possible after the closure of the programme to calculate Denmark's share of the total grant and any unspent funds can be refunded to the Embassy for the closure of the accounts.

Annex 2.25 Phasing out Plan: Tax Modernisation Programme

Programme/project description

Main Objective

The Tanzania Revenue Authority (TRA) was established in 1996 charged with the responsibility of managing the assessment, collection and accounting of all central government revenue. Denmark supports tax policy and systems strengthening in TRA through the Tax Modernisation Programme (TMP), which is a basket fund modality supporting implementation of TRA's Corporate Plan (currently Corporate Plan 5 (CP5)). The TMP focuses on implementation of strategic modernisation initiatives under the CPs, capacity building and strengthening of TRA, to develop a secure, modern and fair public revenue collection.

TRA plays a key role in relation to domestic resource mobilisation, and thereby in ensuring revenue for development expenditures and improved service delivery. An enhanced ability to collect tax in Tanzania by broadening the tax base, enhancing transparency and accountability and reducing corruption is vital for inclusive growth and development.

The objective of the CP5 is to enhance domestic resource mobilisation through enhanced voluntary compliance in line with national and international good practises. The CP5 supports national priorities and attainment of the Sustainable Development Goals. TMP is co-financed with other development partners (DPs) and supports modernisation, automation and integration of tax systems which in turn helps to reduce tax evasion and avoidance, allows for more efficient and fair tax collection. Denmark's support has enabled TRA to strengthen and improve the implementation of tax reforms and policies regarding revenue laws and administration.

Danish engagement over time and relative importance of Danish support

Danish's support to TRA goes back to 1998/99 when TRA implemented a Tax Administration Project (TAP) (1998/99 to 2002/03) using a project-based approach. TAP was reorganised to the Tax Modernisation Programme (TMP), which is a more integrated technical cooperation with a basket funding arrangement. TMP has supported implementation of TRA's Corporate Plans since 2003/04. TMP is currently co-financed by Denmark, the EU (through delegated cooperation with Denmark), Finland and Norway. Denmark has provided around 25% of the DPs share of the basket fund for implementation of CP5.

Results

Overall, Denmark's support has contributed to institutional strengthening and an enhanced focus on resource mobilisation and financing for development. Important progress has been made to building a tax culture, which is important in underpinning the aim of voluntary compliance, but it has a long term perspective and continuous efforts are needed.

Throughout the support period TRA has enhanced domestic revenue mobilisation through reducing tax exemptions, counteracting tax evasion, identifying new resources of revenue and increasing efficiency in the tax administration. As a result the Government of Tanzania is able to provide better social services and improve lives of its citizens. Some of the tangible results achieved include:

File No.	104.Tanzania.CP.01-1 F2: 2016-41052		
Title of engagement	Tax Modernisation Programme (TMP)		
Partner	Tanzania Revenue Authority (TRA)		
Other key development partners / funders	Finland, Norway and EU		
Desk officer	Christine John		
SDG	All the 17 SDGs		
Funding modality	Basket fund		
Duration of current	2015-2022		
Budget	Commitment	Disbursements	Balance of provision
DKK	70,000,000	48,200,000	21,800,000
Exit funds	No		
Expected last disbursement	Q1 2022		
Final audit	Q2 2023		

- **Increased domestic revenue collection.** During the period from FY 2013/14 to FY 2017/18 total revenue collection increased by 88% totalling TZS 17,622 billion (approx. DKK 50.4 billion).
- **Increased compliance.** Better services to taxpayers has increased the voluntary compliance. It has become possible and easier for taxpayers to file returns electronically. Now 80% of returns are filed electronically and the time it takes has been reduced enhancing transparency and reducing transaction costs.
- **Reduced lead-time in the port** by streamlining the processes and procedures through strengthened IT systems. This has reduced the average time taken to clear goods in the Dar es Salaam port from 13.5 days in FY 2016/17 to 6.6 days in FY 2019/20 and at the same time an increase in the percentage of customs clearance made within 24 hours.
- **Reduced corruption** through enhancement of risk management and good governance. TRA has managed to increase accountability and integrity among staff and IT systems and automated procedures has increased transparency. The number of staff involved in integrity cases has gone down by 87% in the period of four years.
- **Broadened the tax base.** Increase in the number of registered taxpayers from 1.02 million in FY 2016/17 to 3.2 million in FY 2019/20.

Risk and challenges

Denmark has been a long-term supporter of tax policy and administration through the TMP. The remaining DPs to the basket have all expressed interest in supporting tax initiatives going forward. However, the funding modality to be used is yet to be decided.

TRA has prepared a draft Corporate Plan VI (CP6) which is yet to be approved by TRA's Board of Directors. The proposed budget for CP6 is USD 189 million where DPs are expected to contribute 26% of the total budget for strategic initiatives. Given the current landscape of DPs in tax it is uncertain if this will materialise. This could pose a challenge to Government led tax reforms and administration but with the low financial implementation of the TMP as seen over the last years this might result in a renewed look at cooperation within tax policy and administration.

Suggested way forward

It is suggested that no exit funding is provided. TMP was given a two year no-cost extension until the end of CP5 (30 June 2022). The programme has experienced low financial implementation with some difficult procurement and political processes but the programme has great reform potential.

Denmark is funding a near-end review of TMP's support to implementation of the strategic initiatives under CP5. It is expected that important recommendations and lessons learned will stem from the review. This will also assist other DPs within tax in Tanzania deciding on the way forward. It is assessed that the Danish phasing out will not have a significant negative impact on tax policy and administration and other likeminded development partners will continue to support this important policy area.

Key timeline and milestones

Implementation will end Q2, 2022. Final audit in Q2, 2023.

Annex 2.26 Phasing out plan: Growth and Development Research Project

Programme/project description

Main Objective

Analytical capacity in economic policy-making is a critical factor for social-economic development of any country. The Growth and Development Research Project (GDRP) is set up as a research collaboration between the Department of Economics, University of Dar es Salaam (DoE-UDSM) and the Development Research Group of the University of Copenhagen. The project focuses on research within the field of economics which can support inclusive growth and development.

The project aims to address the continued need for improved rigorous analytical work that can feed into the ongoing policy-dialogue and policymaking in Tanzania. The project focuses on improving quality of the research outputs, while maintaining policy relevance. The project aims to influence high-level policy stakeholders and disseminate the research findings to inform the policy process. Moreover, the project seeks to make room for more junior staff in all elements of the research processes, to build capacity of young researchers.

Further, emphasis is placed on teaching by providing high quality, relevant and up-to-date courses and teaching materials for postgraduate students (MA, PhD).

File No.	104.Tanzania.CP.01-1 F2: 2018-35899		
Title of engagement	Research Collaboration with Department of Economics, University of Dar es Salaam - Growth and Development Research Project (GDRP)		
Partner	Department of Economics, University of Dar es Salaam (DoE-UDSM)		
Other key development partners / funders	None		
Desk officer	Oscar Mkude		
SDG			
Funding modality	Project funding		
Duration of current support	2019-2022		
Budget	Commitment	Disbursements	Balance of provision
DKK.	10,000,000	7,000,000	3,000,000
Exit funds	No		
Expected last disbursement	Q1 2022		
Final audit	Q2 2023		

Danish engagement over time and relative importance of Danish support

Denmark has supported the UDSM since its establishment in 1970 and numerous Danish professors have lectured at the university. Over the years, collaboration has covered capacity building in teaching and research through training and PhD scholarships, as well as support to teaching facilities including buildings and equipment. The GDRP is in its second phase which commenced in 2019. The longstanding relationship and Danish contribution to the university is well recognised.

In addition to its core activities the DoE-UDSM undertakes commissioned work or consultancies but in terms of project funding the Danish funding through the GDRP accounts for about 92% of total projects funds. In addition, researchers at the DoE-UDSM have succeeded in collaborating with colleagues at Danish universities in various calls-for-proposals. The DoE-UDSM has expressed interest in pursuing this track in the light of Denmark phasing-out of bilateral development cooperation. Denmark has generally benefited from the collaboration and the strong ties to UDSM through access and participation by researchers in various events and more indirectly through the goodwill created by the historical ties.

Results

During project implementation DoE-UDSM has strengthened research capacity to accumulate, impact and exchange knowledge in the field of economics through research and publications, teaching and learning,

participation in national and international policy debates, as well as providing advisory or consulting services to the Government and civil society.

The DoE-UDSM has successfully built a conducive environment for a constructive and relevant dialogue with the Government on national development. Through its research and consultancy works, the DoE-UDSM has a unique relation with various ministries, departments and agencies and the Government continues to consult various members of staff of the department, on various development policies and strategies. This provides the department with a unique opportunity of informing the policy making process with conclusions from the research works.

Risk and challenges

As part of a public university there is limited institutional risks to the DoE-UDSM due to Denmark phasing-out bilateral development cooperation.

However, Denmark's exit will result in a decrease in research activities also those focusing on analytical capacity building of junior researchers. Currently, no other development partner has been identified to step in but as the project only ends in December 2022 time is still available for DoE-UDSM to identify other partners or for the Development Research Group of the University of Copenhagen to secure funding from other sources.

Suggested way forward

It is suggested that no exit-funding is provided.

UDSM has expressed interest in and could look into the possibilities for continued funding through other types of collaboration i.e. FFU or DFC. This could serve to safeguard and sustain the analytical capacity created by the current support. However, this depends on the future possibilities within these areas given the closure of the Embassy.

Key timeline and milestones

Implementation will end Q4, 2022. Final audit report and exit meeting by Q2, 2023.

Annex 3: Results Framework for the Phasing out Appropriation

	Phasing out appropriation 2022-2023
Overall objective	Ensure a responsible phasing out of Danish development cooperation by consolidating results and supporting partners' sustainability efforts.

A. Thematic Programme: Good Governance and Human Rights

Thematic Programme	Good Governance and Human Rights
Thematic Programme Objective	Contribute to the promotion of democracy, good governance, rule of law and respect for human rights with a special focus on women.

Engagement	Foundation for Civil Society (FCS)		
Outcome	Increased participation of citizens and CSOs in governance processes		
Outcome indicator	Number of CSOs engaged in governance processes		
Baseline	Year	2021	1,800 (tbc)
Target	Year	2022	1,300 (tbc)
Target	Year	2023	1,300 (tbc)

Output 1	Enhanced citizens' participation, voice and inclusion with a particular focus on women, children, youth and people with disabilities (PWDs)		
Output indicator	Number of CSOs supported to promote citizens' participation, voice and inclusion, disaggregated by type of activity/themes (e.g. PWDs, GBV, youth)		
Baseline	Year	2021	44
Target	Year	2022	34
Target	Year	2023	34 (in each year)

Output 2	Improved advocacy to address FGM, child pregnancy, physical abuse and early marriage		
Output indicator	Number of CSOs supported to address FGM, child pregnancy, physical abuse and early marriage		
Baseline	Year	2021	27
Target	Year	2022	60
Target	Year	2023	60 (in each year)

Engagement	Policy Forum		
Outcome	Enhanced ability among Policy Forum members to promote equitable use of public resources and inclusive governance through applied knowledge and adaptation		
Outcome indicator	% of Policy Forum members using the advocacy tools (policy briefs and position statements) to engage with decision makers at national and local government level		
Baseline	Year	2021	18%
Target	Year	2023	54%

Output 1		Policy Forum members are equipped to adaptively apply knowledge to influence policies and processes	
Output indicator		Number of Policy Forum members influencing policies through applied knowledge	
Baseline	Year	2021	10
Target	Year	2022	15
Target	Year	2023	20
Output 2		Policy Forum members have access to and use tools and platforms, to effectively engage on budget and policy issues	
Output indicator		Number of Policy Forum members who access the six major Policy Forum platforms (breakfast debates, community radios, zonal reflection meetings, annual learning events, working groups and engagement meetings with policy makers and technocrats) to engage on budget and policy processes	
Baseline	Year	2021	20
Target	Year	2022	25
Target	Year	2023	30

Engagement		Femina Hip*	
Outcome		Youth are empowered to change their behaviours with regards to sexual and reproductive health and rights, economic empowerment, and citizen engagement	
Outcome indicator		Number of active Fema Clubs	
Baseline	Year	2021	2,374
Target	Year	2022	2,374

Output 1		Youth and mentors are actively involved in Fema Clubs	
Output indicator		Number of Fema Clubs and Club networks that take collective actions to promote the Femina Family agenda	
Baseline	Year	2021	338
Target	Year	2022	250

Output 2		Increased consumption among youth and mentors of Femina Hip's media products	
Output indicator		Number of youth readers of Fema magazine	
Baseline	Year	2021	7,579,267
Target	Year	2022	8,000,000

Output 3		Enhanced organisational sustainability	
Output indicator		Sustainability plan is developed.	
Baseline	Year	2021	No sustainability plan
		2022	Sustainability plan developed

* The funding envelope for Femina Hip is smaller in 2022 compared to previous years. Therefore, some targets are below baseline.

Engagement		Tanzania Media Women Association Zanzibar (TAMWA ZNZ)	
Outcome		Prevention of Gender Based Violence (GBV)	
Outcome indicator		% of women and men, within the project area, taking actions against GBV including reporting of GBV incidences, follow-up of GBV cases, provision of evidence before the legal authorities and support others towards accessing legal justice	
Baseline	Year	2021	33%
Target	Year	2023	70%

Output 1		Increased media coverage on GBV in the five targeted Districts (North A, Mkoani, West, South Unguja and Wete Pemba)	
Output indicator		Number of media stories on GBV covered and published through mainstream, community and social media	
Baseline	Year	2021	2,489
Target	Year	2022	3,000
Target	Year	2023	4,000 (cumulative 7,000 over the two years)
Output 2		Increased engagement on GBV by organisations and Ministries, Departments and Agencies (MDAs)	
Output indicator		Number of individual and collective actions taken by the trained GBV networks and committees on fighting against GBV issue	
Baseline	Year	2021	3
Target	Year	2022	5
Target	Year	2023	10 (cumulative 15 over the two years)
Output 3		TAMWA's institutional capacity and sustainability is improved to ensure better and sustainable services to the communities	
Output indicator		TAMWA develops a sustainability plan	
Baseline	Year	2021	No sustainability plan in place
Target	Year	2022	Organisational capacity is reviewed to inform the sustainability plan
Target	Year	2023	TAMWA sustainability plan in place

Engagement		Legal Services Facility (LSF)	
Outcome		Accessibility of quality legal aid services to the marginalised in particular women enhanced in Tanzania	
Outcome indicator		% of cases reported to the programme that have been resolved	
Baseline	Year	2021	65,070 (73%)
Target	Year	2023	211,500 (75% of all cases)

Output 1		Socio-economic justice empowerment to women and marginalized communities	
Output indicator		Number of women who secured their properties through inheritance rights	
Baseline	Year	2021	5,240
Target	Year	2022	5,000
Target	Year	2023	5,000 (cumulative 10,000 over the two years)
Output 2		Enhanced legal awareness for women and marginalized communities to enable them to collectively seek redress through the justice system	
Output indicator		Number of people benefited from legal education interventions	
Baseline	Year	2021	7,007,641
Target	Year	2022	7,000,000 (4,200,000 women)
Target	Year	2023	8,000,000 (4,800,000 women) (cumulative 15,000,000 over the two years)
Output 3		Enhanced operational sustainability	
Output indicator		LSF owns their offices in Dar es Salaam	
Baseline	Year	2021	LSF does not own office premises
Target	Year	2022	Identification of potential office premises

Target	Year	2023	LSF has a realistic plan on how to own office building in Dar es Salaam by 2025
--------	------	------	---

B. Thematic programme: Health Sector Support

Thematic Programme	Health Sector Support		
Thematic Programme Objective	To strengthen the health system and provide primary health services to the poor and most vulnerable and services within sexual and reproductive health and rights.		

Engagement		Health Basket Fund, Mainland	
Outcome		To improve the health and well-being of the poorest sections of the Tanzanian society by strengthening national systems to enhance the delivery of and equal access to quality health services for all	
Outcome indicator		% of institutional deliveries	
Baseline	Year	2021	83%
Target	Year	2023	84%

Output 1		Reduction in teenage pregnancies	
Output indicator		% of pregnant women above 20 years attending first ANC visit	
Baseline	Year	2021	83%
Target	Year	2022	85%
Target	Year	2023	86%

Output 2		Increased awareness of non-communicable diseases amongst Tanzanians	
Output indicator		% of hypertension amongst attendees in the out-patient department at primary health care facilities	
Baseline	Year	2021	6.4%
Target	Year	2022	6.3%
Target	Year	2023	6.2%

Output 3		Increased in the use of modern family planning methods	
Output indicator		% of women of reproductive age (15-49 years) using modern family planning methods	
Baseline		2021	43%
Target		2022	44%
Target		2023	46%

Engagement		Marie Stopes Tanzania (MST)	
Outcome		Improved access to quality family planning services	
Outcome indicator		Number of clients at MST's clinics	
Baseline	Year	2021	1,312,980
Target	Year	2023	2,010,000

Output 1		Delivery of quality sexual and reproductive health (SRH)-services to the poorest part of the population	
Output indicator		Proportion of clients living on less than USD 1.9 per day	
Baseline	Year	2021	50%
Target	Year	2022	52%
Target	Year	2023	53%
Output 2		Delivery of quality youth-oriented SRH-services	
Output indicator		% of clients below 20 years of age	
Baseline	Year	2021	16%
Target	Year	2022	16,5%
Target	Year	2023	17%
Output 3		Improved quality of SRH-services by public service providers	
Output indicator		Number of service providers trained	
Baseline	Year	2021	1,162
Target	Year	2022	1,773
Target	Year	2023	1,400 (cumulative 3,173 over the two years)

Engagement		Comprehensive Community Based Rehabilitation in Tanzania (CCBRT)	
Outcome		Increased utilization of quality disability or rehabilitative health services by the most vulnerable	
Outcome indicator		Number of disabled services provided for free and at subsidised cost (combined)	
Baseline	Year	2021	81,882
Target	Year	2023	100,500
Output 1		Delivery of fistula surgeries for the poorest women to help them out of a life with disability and stigma	
Output indicator		Number of fistula surgeries performed	
Baseline	Year	2021	493
Target	Year	2022	480
Target	Year	2023	480 (cumulative 960 over the two years)
Output 2		Improve the quality of maternal and new-born care	
Output indicator		Number of deliveries at facilities included in the 'Maternal & Newborn Health Capacity Building Programme (MHCB)'	
Baseline	Year	2021	75,422
Target	Year	2022	85,000
Target	Year	2023	85,000 (cumulative 170,000 over the two years)
Output 3		To be determined - indicator on the financial sustainability of CCBRT's social enterprise model	
Output indicator		TBD	
Baseline	Year	2021	TBD
Target	Year	2022	TBD
Target	Year	2023	TBD

C. Thematic Programme: Business Sector Support

Thematic Programme	Business Sector Support
Thematic Programme Objective	To increase employment and income opportunities for farmers and micro, small and medium enterprises (MSMEs) through green inclusive growth.

Engagement	Agricultural Markets Development Trust (AMDT)		
Outcome	Productive poor women, men and youth take advantage of more inclusive, resilient and competitive market systems		
Outcome indicator	% of AMDT beneficiaries with access to productive assets and services critical for performance of their enterprises (disaggregated by sex, age and type of productive assets)		
Baseline	Year	2021	51%
Target	Year	2023	90%

Output 1	Innovative pro-poor productive assets and services targeting constraints of a large majority of productive poor developed, tested, and validated		
Output indicator	Number of new or improved services and productive assets available for productive poor (segregated by type of productive assets)		
Baseline	Year	2021	10
Target	Year	2022	10 (new in 2022)
Target	Year	2023	TBD (pending review findings)

Output 2	Indicator to be developed after the review (15-24 March) and dialogue with partner and stakeholders (see annex 2.18) focusing on future organisational structure		
Output indicator	TBD		
Baseline	Year	2021	TBD
Target	Year	2022	TBD
Target	Year	2023	TBD

Engagement	Private Agriculture Sector Support (PASS TRUST)		
Outcome	Support a transformation of PASS Trust to a private entity that in a long-term sustainable way will enable PASS to continue to promote productive green investments among agribusiness entrepreneurs		
Outcome indicator	Number of new strategic investors		
Baseline	Year	2021	No new strategic investor
Target	Year	2023	One new strategic investor
Output 1	Agreement among key stakeholders (PASS, GoT, DK and SE) on the transformation of PASS Trust to a private entity		
Output indicator	Development of an agreement/plan for the transformation of PASS from an independent Trust to a private entity (limited by shares)		
Baseline	Year	2021	No agreement/plan in place
Target	Year	2022	Draft agreement/plan
Target	Year	2023	Endorsed agreement/plan in place
Output 2	Well managed transformation process		
Output indicator	Number of reviews/studies undertaken to enable a successful transformation process		
Baseline	Year	2021	No reviews/studies undertaken

Target	Year	2022	2 review/studies undertaken
Target	Year	2023	1 review/study undertaken (cumulative 3 reviews/studies over the two years)
Output 3		Increased capacity of small and medium sized agribusiness entrepreneurs to access financial products and business development services	
Output indicator		Number of beneficiaries (entrepreneurs) accessing financial products and business development services (broken down by sex)	
Baseline	Year	2021	416,108
Target	Year	2022	516,108
Target	Year	2023	600,000

D. Thematic Programme: Economic Management and Fiscal Governance

Project	Support to REPOA Strategic Plan		
Project Objective	To be the leading research institution in the production of knowledge that will contribute to improving the lives of people in Tanzania.		
Outcome	Evidence-based knowledge disseminated to stakeholders, including decision and policymakers, for impact		
Outcome indicator	Number of national advisory and or technical assistance provided to the Government of Tanzania per year		
Baseline	Year	2021	13
Target	Year	2022	14 (assistance provided during 2022)
Output 1	Undertake quality, relevant and high impact research		
Output indicator	Number of REPOA's work published in international journals		
Baseline	Year	2021	2
Target	Year	2022	2 (published in 2022)
Output 2	Impactful capacity building of the researchers and research users		
Output indicator	Number of researchers training workshops		
Baseline	Year	2021	6
Target	Year	2022	8 (held during 2022)
Output 3	Enhanced organisational sustainability based on impactful evidence-based, stakeholder-led research		
Output indicator	Financial sustainability plan developed		
Baseline	Year	2021	0
Target	Year	2022	1

Annex 5: Risk Management Matrix for Phasing Out Danish Bilateral Development Cooperation in Tanzania

Contextual risks

Risk Factor	Likelihood	Impact	Risk response	Residual risk	Background to assessment
Political instability and limited viability of the new administration (democracy and political environment).	Unlikely	Minor	The Embassy will closely monitor the situation and keep existing channels of dialogue open with all partners. A transparent and engaging dialogue with the Government is seen as a relevant tool in further mitigating some of the identified risks. Joint efforts among key partners in Tanzania to encourage and underpin the more engaging efforts within democracy and civic space.	In spite the risk response, there could be residual risks outside the Embassy's control e.g. no or slower than expected reforms.	Since the new administration came into power in March 2021, Tanzania has more actively re-engaged in the region and in international fora. The President has shown clear intentions to open up civic, democratic and media space and to improve the business climate – to bring it back to the pre-Magufuli era. However, it is still unclear whether the President will be able to carry out relevant reforms. Tanzania's already fragmented opposition has dissolved further after the 2020 elections. The elections were largely criticised as not being free and fair, with limited possibilities for electoral observation and several concerns were raised including reports of inconsistencies and disruption of social media before, during and after the election. After the 2020 elections, the Parliament almost exclusively consists of members from the ruling CCM party. Discussions focusing on new legislation on elections and political parties as well as constitutional reform have resurfaced. Due to the relatively fragmented opposition, it is still difficult to carry the discussion forward. The Government does however seem to be willing to engage in parts of this discussion.
Regional instability.	Likely	Minor	The Embassy will closely monitor the situation and discuss it with partners. Promote and encourage Tanzania's engagement in the sub-continent through regional organisations but also encourage substantial contributions to regional security.	Short-term risks are deemed to have been reduced due to increased regional cooperation on the matter and with an increased international focus on the security situation. However, the security situation is dynamic and a general risk of emergence of insurgence cells prevails	Both economically and politically, Tanzania is a relatively stable country in an otherwise unstable region. The threat from different terrorist networks is increasing on the African continent. For Tanzania especially the Cabo Delgado-crisis in Northern Mozambique just South of the Tanzanian border is concerning. Already there has been a spill-over to the Tanzanian side of the border. Tanzania is generally a stabilising factor in the region and has just been elected to the AU Peace & Security Council.

				due to the situation in neighbouring countries.	
Further violations of democracy and human rights.	Unlikely	Major	The Embassy will continue the close dialogue with Government, partners and other donors to follow the situation.	Short-term risks are reduced due to partners' own coping and mitigating strategies. However, general risk prevails, but can be acted upon due to close monitoring.	The new administration has signalled that it wants to open up and so far, it has been possible to identify progress in terms of civic space, gender equality, human rights and press freedom. However, instances of human rights violations related to discrimination against indigenous groups and LGBTQI, abuse by military and police, gender-based violence, and tension over land rights, are still taking place. Major instability is not expected, but temporary disruptions of law and order could be seen.
Reduced equity and unequal access to quality services.	Likely	Major	Through choice of partners and close dialogue with the Government, the Embassy will try to address the issue and work to mitigate the increasing gap by focusing on strengthening systems and the sustainability efforts for a number of partners.	Risks are mitigated by the risk response, but underlying risks remain e.g. increasing poverty, inequality, and corruption.	The 2018 National Household Budget Survey shows that poverty levels continue to decline in Tanzania. However, the trend is not as steep as in the past and due to the population growth, the absolute number of poor people is increasing in Tanzania. Further, the Gini coefficient is increasing indicating an increased income inequality. It is uncertain, if the new administration will continue to focus primarily on economic growth, which is likely to keep the reduction of income poverty low. The Government is allocating a significant share of the public budget to flagship projects within infrastructure, and the social sectors and service provision are further stretched by the current age composition of the population (50% under 18 years) and the high population growth. The middleclass, especially in urban areas, is growing, but major improvements in public sector capacity to deliver in underserved regions will be required to address the unmet needs. Unequal access to basic services remains a challenge. For education, water, and health services, inequities exist based on wealth, gender, geographical location and urban/rural areas. Petty corruption to access many services (also in the health sector) is still common and further marginalises poor Tanzanians who cannot afford it.

<p>Negative economic and social impact of COVID-19.</p>	<p>Likely</p>	<p>Minor</p>	<p>The Embassy will closely monitor the situation and keep close contact with the Government, CSO and other development partners. Continue to build on lessons learned throughout the pandemic.</p>	<p>Risks are to a large degree mitigated but underlying risks remain e.g. reduced tourism, increased prices, and opportunity costs. The Government has utilised the opportunities under the IMF's RCF-RFI to address the balance of payment needs.</p>	<p>From an economic perspective, Tanzania has managed the pandemic fairly well and large-scale lock-downs were not introduced. However, it is estimated that the pandemic has led to an increase in the poverty rate driven by urban areas and with large employment losses in the tourism sector (especially in Zanzibar). The significant reduction in tourism has affected the economy and has left people more financially vulnerable. Many Tanzanians work in tourism or tourism related sectors. Further, the Debt Sustainability Analysis from September 2021, indicates that Tanzania's risk of external debt distress has increased to moderate, mainly due to the effects of the pandemic on exports. Tanzania has further felt the impact of shortage of transportation opportunities and thereby increased prices on many goods. Implications of the pandemic have further interrupted the supply chains of agricultural inputs and commodities, increasing the storage time for produce, decreasing income and purchasing power, and reducing labour availability. In addition, COVID-19 related prevention and treatment has put additional stress on financial resources as funds has been channelled towards COVID-19 instead of other social services.</p>
<p>The negative impact of climate change.</p>	<p>Likely</p>	<p>Major</p>	<p>Through programmes in agri-business and dialogue with relevant Government authorities mitigating efforts are sought at the local and individual levels. There is an increasing national focus on the negative consequences of climate change but it is only one among several challenges in Tanzania.</p>	<p>Risks at the lower levels are mitigated, but longer-term risks remain and could increase at the national level.</p>	<p>With the new administration, there is a larger political focus on the environment and climate change. Climate change and variability remain key challenges in Tanzania, as it affects livelihoods of many vulnerable communities especially in the semi-arid and pastoral areas. Climate change can cause drought, flooding etc. which, amongst other things, has a negative impact on agricultural production, water shortage etc. Around 65% of the population earn an income from activities in the agricultural sector. The adaptive capacity of many vulnerable communities is low due to inadequate preparedness mechanisms. In case of a food shortage, there is a major risk that this can cause social instability - prompting serious damage or disruption. Further, in a more long-term perspective the negative impact of a destabilised</p>

					agricultural sector and increased food insecurity can create a high risk of internally displaced people in Tanzania. Tanzania is also facing increased water stress in some parts of the country, as water demands exceed available resources. With climate change effects and a rapidly growing population, Tanzania might become water stressed during the next few decades. In 2021, Tanzania developed a new National Climate Change Response Strategy (2021-2026), but the associated costs are high and currently not funded.
--	--	--	--	--	---

Programmatic risks

Risk Factor	Likelihood	Impact	Risk response	Residual risk	Background to assessment
A constrained political environment with limited civic space.	Almost certain	Major	Continued focus on strengthening organisations and build capacity to demand human rights, democracy and civic space. Work with key partners to navigate the political environment to implement planned activities and pursue core objectives.	Risks remains, but the new administration seems to be more inclined to change the practice of the draconian laws. Further, the partners use their relations with Government partners to mitigate impact.	The draconian laws passed and implemented by the former administration significantly impacted partners' ability to operate freely and implement planned activities. These laws are still in place, however, under the new administration they are implemented differently and civil society organisations work towards having the laws amended.
Increased fiduciary risks connected with phasing out.	Likely	Major	Close monitoring through the established financial monitoring framework, including follow-up on financial and audit reports and more frequent financial monitoring visits. On-going dialogue with partners to ensure increased focus on guidelines, mitigation measures etc. regarding mismanagement and corruption.	Risks are substantially reduced by having strong systems in place. However, underlying risks remain and could affect implementation.	Experiences from other countries indicate that as the bilateral development cooperation is phased out, the risk of cases of corruption, embezzlement, misuse and/or mismanagement of funds might increase.

Collapse of partners due to reduced level of funding (before 2024).	Unlikely	Significant	Working with partners to develop sustainability plans and pursuing opportunities with both multilateral- and bilateral donors. The phase-out plan has carefully assessed which partners to continue to support against rigorous criteria and analysis.	Risks are mitigated through the risk response, but since success partly depend on other donors' programmatic cycles and focus areas, some risks remain.	Given the magnitude of Denmark's funding, especially in the governance sector, it is unlikely that it can be replaced 1:1. Denmark mostly provides core funding to partners, which gives them the possibility to develop the organisation programmatic and strategic and make innovative choices. If they only receive earmarked funding, they do not necessarily have funds for the core mandate. Further, they have to spend increased resources to pursue other types or short-term or earmarked funding.
Reduced incentive of partners to ensure timely implementation and reporting.	Likely	Major	Continue an active dialogue with the partners, close monitoring of performance and follow-up on submission of the required narrative and financial reporting within the stipulated timeframes. Further, Government partners will only have funding until summer 2023 giving sufficient time to receive the required reports.	Risks are partly mitigated by the risk response, but the risk of unforeseen delays remain.	Experience shows that once a donor is phasing out, there is a tendency for partners to change focus towards future funding opportunities and partners.

Institutional risks

Risk Factor	Likelihood	Impact	Risk response	Residual risk	Background to assessment
Reputational risk to Denmark caused by the phasing out.	Almost certain	Minor	Continued dialogue with development partners, civil society and the Government about the reasons for phasing out and the continued Danish global engagement. A continued analysis of the implications and assessment of the need to adjust subsequent actions within the defined financial frame	Risks are mitigated substantially by focusing on a responsible phasing out where financial commitments are honoured and additional funds provided to a number of key strategic partners – focusing also on their sustainability. However, during any phasing out process, some risks cannot	Denmark has been a trusted partner for almost 60 years and it came as a surprise to all (the Government, CSO partners, UN organisations, other development partners and the citizens of Tanzania) when Denmark announced its phasing out of bilateral development cooperation and closure of the Embassy. Where Denmark is main donor, the worst-case scenario is that partners have to close, if no new funding sources can be found. This can leave many Tanzanians less well off with lack of access to services (legal, health, loans in agri-business etc.).

			<p>and period available. The phasing-out plan is designed to reduce and mitigate overall reputational risks and ensure a responsible phasing-out.</p> <p>High-level engagement is further sought in the phasing out process and development of the new targeted partnership between Tanzania and Denmark.</p>	<p>be mitigated and it is therefore possible that Denmark will be criticised for the decision to phase out, the speed with which it is implemented and its timing.</p>	<p>Even though Danish development cooperation during the last 60 years has left a lasting footprint, Danish phase-out will almost certainly leave both a funding gap and a programmatic vacuum in some sectors.</p> <p>The phasing out can have a negative impact on the trust between the Government of Tanzania and the Embassy.</p>
<p>Reduced human resources for phasing out activities.</p>	<p>Almost certain</p>	<p>Significant</p>	<p>Make good plans for back-up colleagues, use HR tools like retention bonuses etc.</p> <p>During implementation of the phasing out plan the Embassy will continuously assess if the necessary resources are available or if more or different skills are needed.</p>	<p>Risks reduced by having a strong HR plan in place, however, it is also important to recognize that colleagues need to focus on their future and seek new endeavours when opportunities arise.</p>	<p>As the phasing out progresses, Embassy staff will increasingly leave the Embassy for other jobs/opportunities, which could lead to a misalignment between workload and the right resources.</p>