

Third Party Evaluation Report 2016
Ministry of Foreign Affairs of Japan

Country Assistance Evaluation of the United Republic of Tanzania

February 2017
KPMG AZSA LLC

Preface

This report, under the title of Country Assistance Evaluation of the United Republic of Tanzania, was undertaken by KPMG AZSA LLC entrusted by the Ministry of Foreign Affairs of Japan (MOFA) in fiscal year 2016.

Since its commencement in 1954, Japan's Official Development Assistance (ODA) has contributed to the development of partner countries, and has contributed to bringing solutions for international issues which vary over time. Recently, in both Japan and the international community, implementing ODA requires higher effectiveness and efficiency. MOFA has been conducting ODA evaluations every year at both the policy-level and the program-level with two main objectives: to improve ODA management; and to maintain accountability. The evaluations are conducted in the form of third-party evaluations, to secure transparency and objectivity.

This evaluation study was conducted with the objective of reviewing Japan's overall policies on assistance to the United Republic of Tanzania, including the Country Assistance Policy for the United Republic of Tanzania, 2008 and 2012, drawing on lessons from this review to make recommendations for reference in policy planning and its effective and efficient implementation of future assistance to the United Republic of Tanzania by the Government of Japan, and ensuring accountability by making the evaluation results widely available to the general public.

Kiyoko Ikegami, Professor, Graduate School of Social and Cultural Studies, Nihon University served as a chief evaluator to supervise the entire evaluation process, and Juichi Inada, Professor for International Political Economy at the Department of International Economics, Senshu University served as an advisor to share his expertise on governance and international aid coordination. They have made enormous contributions from the beginning of the study to the completion of this report. In addition, in the course of this study both in Japan and in the United Republic of Tanzania, we have benefited from the cooperation of MOFA, Japan International Cooperation Agency (JICA), and the ODA Task Force, as well as government agencies in the United Republic of Tanzania, donors, and non-governmental organizations (NGOs). We would like to take this opportunity to express our sincere gratitude to all those who were involved in this study.

Finally, the Evaluation Team wishes to note that opinions expressed in this report do not necessarily reflect the views or positions of the Government of Japan.

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Note: This English version of the Evaluation Report is a summary of the Japanese Evaluation Report of Country Assistance Evaluation of the United Republic of Tanzania.

Evaluation Report Overview

Evaluators (Evaluation Team)

Chief Evaluator: Kiyoko Ikegami, Professor, Graduate School of Social and Cultural Studies, Nihon University
Advisor: Juichi Inada, Professor, Dept. of International Economics, Senshu University
Consultant: KPMG AZSA LLC



Namanga OSBP

Period of the Evaluation Study: June 2016-February 2017

Field Survey Country: the United Republic of Tanzania

Background, Objectives and Scope of the Evaluation

The United Republic of Tanzania (hereinafter referred to as “Tanzania”) is a geopolitically important area offering access to the Indian Ocean to neighboring inland countries. Recently, it has achieved rapid economic growth at a higher rate than the sub-Saharan Africa’s average and possesses abundant natural resources; however, the poverty rate remains high. Japan’s basic stance is to support economic and social development toward sustainable economic growth and poverty reduction, with consideration of policy-planning and environmental protection. The purpose of the evaluation study is to evaluate Japan’s ODA policies and to obtain lessons learnt and make recommendations for future ODA policies. The scope of the evaluation is the Country Assistance Program for Tanzania (formulated in June 2000, hereinafter referred to as “Assistance Program (2000)”), the Country Assistance Program for Tanzania (formulated in June 2008, hereinafter referred to as “Assistance Program (2008)”), and the Country Assistance Policy for the United Republic of Tanzania (formulated in June 2012, hereinafter referred to as “Assistance Policy (2012)”).

Brief Summary of the Evaluation Results

● Development viewpoints

(1) Relevance of Policies: Japan’s ODA policies are consistent with Tanzania’s development strategies. The relevance of the policies is rated “very high”.

(2) Effectiveness of Results: In terms of the priority areas, there were no outstanding obstacles to achieve the expected results. The results were within the expectations; the effectiveness of results is rated “high”.

(3) Appropriateness of Processes: Regarding the processes of policy formulation and implementation, the following was confirmed: emphasis was placed on the policy dialogues through the donor meetings and Japan, as the leading donor in agriculture, transportation and the traffic sector, and Public Financial Management (PFM) (sub-group of internal auditing), actively communicated with the Government of Tanzania and other donors and reflected information attained on the assistance programs. The appropriateness of processes is rated “high”.

● Diplomatic viewpoints

Japan and Tanzania have an extensive strategic partnership and the leaders of the two countries frequently visit each other; therefore, Japan’s ODA has considerable diplomatic importance. As Japan’s ODA is also contributing to strengthening the economic relationship and personal and cultural exchanges, it can be evaluated as having a noticeable diplomatic impact.

Recommendations

(1) Reinforcement of economic growth foundation and promotion of industrialization

The infrastructure support provided by Japan was significant. Since industrialization and economic growth are the priority areas in Tanzania’s new Five Year Development

Plan that started in 2016, Japan needs to provide continuous support to contribute to the country's economic growth.

(2) Strengthening support for economic integration and vitalization in East Africa

Projects that cover an extensive area across neighboring country borders, including the Arusha-Namanga-Athi River Road Development Project, had a positive contribution to the economic integration and vitalization in the East African Community (EAC), livelihood improvement of residents in the areas adjacent to the road and poverty reduction. Such region-wide projects should be further expanded.

(3) Effective use of program approach in areas where outcomes emerge relatively slowly.

Although there were sufficient outcomes at the project level in the field of capacity development for local government, it cannot be said that the goal was achieved on the priority area level (Priority Areas) in the Rolling Plan for Tanzania. The assistance in such areas as capacity development for local government where outcomes emerge after a certain period needs to be managed by using the program approach effectively.

(4) Enhancement of assistance for health sector

Assistance from Japan to contribute to Tanzania's achievement of Universal Health Coverage (UHC) through the health administration system enhancement program is consistent with international initiatives, Japan's ODA policies and the development needs of Tanzania. Thus, assistance from Japan to Tanzania needs to continue to contribute to social development, particularly in the health sector.

(5) Review of long-term assistance and formulation of exit strategy

Needs and effectiveness of assistance that has been extended over a long time need to be reviewed periodically and an exit strategy should also be assumed and formulated. One way to review is to re-examine various forms of assistance based on the changing needs of the target country and sector by using JICA's program evaluations and the sector evaluations of the MOFA, in addition to JICA's project evaluation.

(6) Introduction of proxy indicators for quantitative evaluation of ODA policies

There is no outcome indicator to evaluate the achievement level of Basic Policy of Assistance, Priority Areas and Development Issues that are set up for the Country Assistance Policies and Rolling Plans for Tanzania. Proxy indicators are useful to complement the situation. For example, Sustainable Development Goals (SDGs) that Tanzania will choose can be found and used as proxy indicators for evaluation of Japan's ODA to Tanzania.

(7) Enhancement of public relations to ensure Tanzanian people to have better understanding of Japan's ODA

It is important for Japan to organize more effective public relations maintaining a proper frequency of communications for the peoples of Japan and Tanzania with even more consideration for its timeliness and accuracy. It is also important to conduct quality-related public relations and it will be effective to publicize the particulars of safety management, etc., as well as outcomes. One example is that securing community roads and consideration for safety of detours in a road project are characteristic features of well-thought-out planning in Japan's ODA.

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Chapter 1 Implementation Policy of the Evaluation

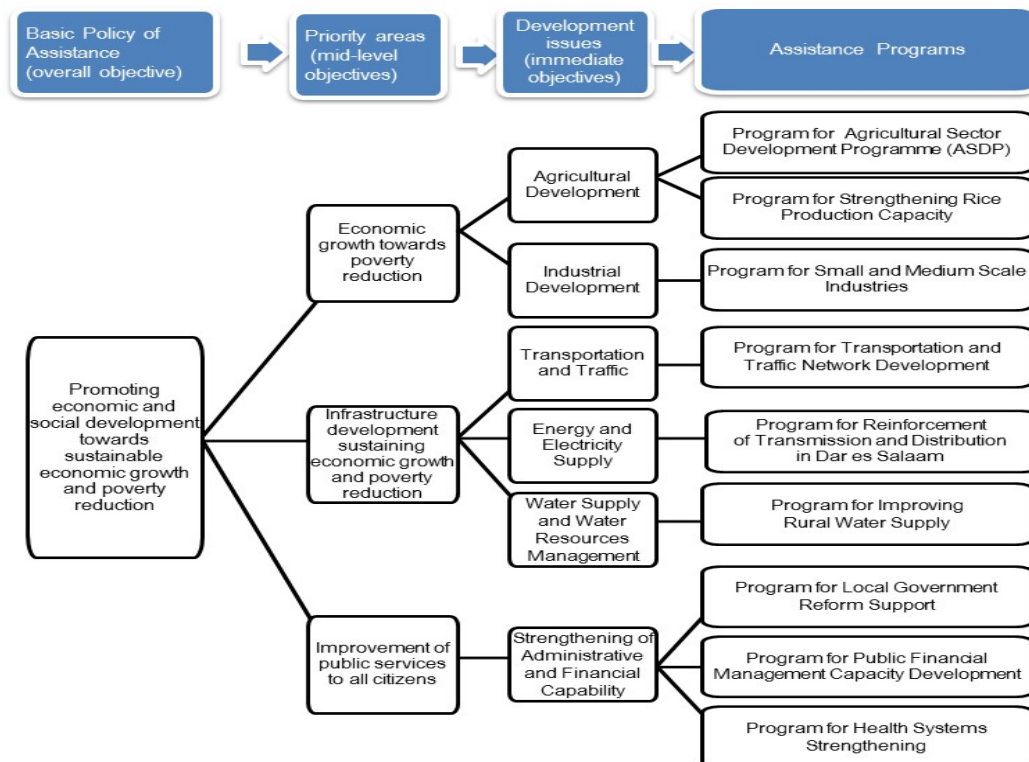
1-1 Evaluation Background and Objectives

Tanzania is a geopolitically important area offering access to the Indian Ocean to the neighboring inland countries. The national unity policy, “Ujamaa”, introduced by the first President Nyerere took root and domestic stability has been maintained. Recently, the country has also been experiencing rapid economic growth. As for the relationship with Japan, the volume of both exports and imports is increasing. However, the nation’s poverty rate remains high and the macroeconomic environment needs to be stabilized further. Active assistance for the above-mentioned issues from Japan will lead to stronger bilateral ties. Promotion of the economic and social development of Tanzania, which has a strong influence in East Africa, is also meaningful in terms of Japan’s diplomacy in Africa, as it contributes to peace consolidation and the economic development of the region. Studies and reports on ODA projects Japan implements for Tanzania are important as they contribute to future development of Japan’s ODA. This evaluation mainly aims to ensure improvement of ODA management (provide feedback for ODA policies) and accountability to the Japanese people.

1-2 Scope of Evaluation

As the scope of Japan’s ODA for Tanzania is the entire the United Republic of Tanzania including Zanzibar, the evaluation also covers the same scope for the 10 years from 2006 to 2015. The scope of evaluation is shown in the objective framework below.

Figure 1- 1 Objective framework



Source: Evaluation Team

1–3 Evaluation Methodology

This study aimed for an evaluation from both the development and diplomatic viewpoints in compliance with the ODA Evaluation Guidelines (10th Edition)¹ published by MOFA. From the development viewpoint, the evaluation focused on the relevance of policies, the effectiveness of results, and the appropriateness of processes. Each evaluation criteria is rated as “very high”, “high”, “moderate”, “marginal” or “low”. The evaluation results are described in the form of a narrative description rather than a grade evaluation. From the diplomatic viewpoint, the Evaluation Team conducted a qualitative evaluation of two criteria, namely “diplomatic importance” and “diplomatic impact”.

Based on the study results, the report will provide a positive assessment of areas that are found to be effective/efficient, while for any areas that are found to require improvement the report will provide “lessons learned” and recommendations for specific improvement actions based on objective information.

When assessing the impact of Japan’s ODA on the priority areas, qualitative evaluation methodology are used if quantitatively measurable indicators and baseline data are not available. It should also be noted that it is difficult to determine the direct causality between Japan’s ODA and Tanzania’s progress in development, because many other donor agencies are also providing assistance to the country. These limitations should be taken into consideration when analyzing and interpreting the evaluation results. Although Japan’s ODA projects in Zanzibar are also included in the evaluation targets, no interviews were conducted with the government officials of the Revolutionary Government of Zanzibar or projects there.

Chapter 2 Overview of Tanzania and Development Trends

2–1 Overview of Tanzania

Tanzania has achieved an annual economic growth rate of nearly 7%, exceeding the African average almost every year since the mid-1990s. Natural gas development is expected to bring further medium-term growth, and so the economy is expected to continue growing steadily. The country is also a geopolitically important area, offering access to the Indian Ocean to neighboring inland countries and contributing to peace consolidation in East Africa. Although poverty is diminishing steadily along with the economic growth, the poverty rate remains high in comparison with Sub-Saharan Africa and there is regional disparities in the country. The country also has unresolved issues in the health sector, particularly related to maternal and child health, and has been unable to achieve the Millennium Development Goals (MDGs).

Tanzania is a united republic that was formed when Tanganyika (mainland) united with the Islands of Zanzibar. It is one of the most stable countries on the African continent, which has been plagued with many conflicts. Diplomatically, Tanzania places importance on cooperation with African countries, mainly through the African Union. It is also active in the United Nations (UN) and other international communities and works to maintain friendly relations with Western and Asian countries. In its efforts to enhance cooperation in East Africa, Tanzania joined the EAC and takes an active part in promoting intraregional trade and economic activities.

2–2 Development Trends

The main development strategies during the period subject to the evaluation (2006

¹ ODA Evaluation Division, Minister’s Secretariat, MOFA, June 2016

to 2015, hereinafter called "Evaluation Period") are the Tanzania Development Vision 2025, the 1st National Strategy for Growth and Reduction of Poverty (NSGRP, or "MKUKUTA" in Swahili) (2005-2010), the 2nd NSGRP ("MKUKUTA II" in Swahili) (2011-2015), and the Five Year Development Plan 1 (FYDP1) (2011-2015).

2–2–1 Tanzania Development Vision 2025

In 1999, the Government of Tanzania announced a long-term plan, the Tanzania Development Vision 2025, which aimed to make Tanzania a middle income country by 2025 and stipulated the course of the country's development. The plan has five priority goals: High Quality Livelihood; Peace, Stability and Unity; A Well Educated and Learned Society; Good Governance; and A Strong and Competitive Economy.

2–2–2 MKUKUTA (2005-2010)

The MKUKUTA that was formulated as the 2nd Poverty Reduction Strategy Paper (PRSP) is a comprehensive framework for the five years from 2005 to 2010, which set poverty reduction as an overall objective and clearly outlined the course of commitment to achieve MDGs. Its features include an emphasis on national ownership of development initiatives, and a results-based cross-sectoral approach to development policies. MKUKUTA identifies three priority areas (clusters) that contribute to poverty reduction: (i) growth and poverty reduction; (ii) improvement in quality of life and social wellbeing; and (iii) governance and accountability—and has specific goals and strategies for each cluster.

2–2–3 MKUKUTA II (2011-2015)

The MKUKUTA II or the 3rd PRSP maintained the clusters of the MKUKUTA with revised goals. New goals include Leveraging Returns on National Resources (both within and outside) for Enhancing Growth and Benefits to the Country at Large and Communities in Particular, Especially in Rural Areas (Goal 5 of Cluster I), Developing Decent Human Settlements While Sustaining Environmental Quality (Goal 5 of Cluster II), and Promoting and Protecting Human Rights for All, Particularly for Poor Women, Children and Men, and the Vulnerable, Including People Living With the Human Immunodeficiency Virus and Acquired Immunodeficiency Syndrome (HIV/AIDS) (Goal 3 of Cluster III).

2–2–4 FYDP1 (2011-2015)

The review of the Tanzania Development Vision 2025 conducted in 2011 revealed bottlenecks to achieving the goals. To eliminate them, the Government of Tanzania decided to formulate three Five Year Development Plans from FYDP1 to FYDP3 for the 15 years from June 2011 to 2025 and announced main themes for each plan.

The FYDP1 outlines a strategy of achieving the structural reforms in production and trade through strengthening infrastructure and human resource, for the sake of increasing competitiveness. As its core, it has five priority areas: infrastructure; agriculture; industry; human capital development and social services; and tourism, trade and financial services. Furthermore, in 2013, the Cabinet of Tanzania decided to introduce "Big Results Now!" (BRN), which is a specific action under the FYDP1, as a part of the Tanzania Development Vision 2025. The BRN undertakes to strictly implement and manage activities in priority areas of the FYDP1 based on detailed process supervision, monitoring and evaluation, and clarifies the goals to be achieved by 2015 aiming to yield significant outcomes in a short period.

2—3 Trends in International Aid

Many countries and agencies are providing aid to Tanzania. In terms of aid schemes, the total amount of grant aid accounts for a large portion during Evaluation Period, while ODA loans are increasing more or less consistently.

Among the Development Assistance Committee (DAC) donor agencies, the United States Agency for International Development (USAID) was the biggest provider of bilateral aid for Tanzania during the evaluated period, followed by the Department for International Development (DFID) of the Government of the United Kingdom. Until 2010, the DFID had most actively provided general budget support (GBS) for the country. However, since 2011, it has reduced the GBS and stated its policy of focusing on sector budget support (SBS).

The international organization that provided the largest amount of assistance for Tanzania during Evaluation Period is the World Bank (WB), being the biggest donor among all donors including bilateral aid agencies and international organizations. The donor that provided the second largest amount of aid was the African Development Bank (AfDB), followed by the European Union (EU). In 2007, 2008, 2010 and 2012, the EU provided a larger amount of aid than AfDB, becoming the second biggest donor.

Aid coordination and budget support increased in Tanzania during Evaluation Period in response to the following background components: i) negative effects arising from an extremely large number of projects resulted in renewed emphasis on the importance of aid coordination; and ii) the failure of the uniformly implemented Structural Adjustment Facilities (SAF) resulted in recognition of the need for national ownership and administrative capacity of the partner country.

GBS was introduced in 2000 by DFID, and in 2001, WB began to provide GBS in the form of Poverty Reduction Support Credits (PRSC) as aid modalities to replace SAF. SBS is contributed to the general account budget (national treasury) but with designation of the sector it can be used for. There is also budget support in the form of aid contributed to a common basket fund set up for specific sectoral or cross-sectoral reform programs. In Tanzania, the largest amount of budget support was provided from around 2006 to 2010. Although it was limited to GBS during the first half of Evaluation Period, the ratio of SBS increased from 2008.

There are generally two major distinguishing aspects of budget support. Firstly, recipient countries are required to enhance governance and place importance on policy dialogues between the government and the donor agencies. Secondly, there is an expected reduction in the work load of the recipient country and, subsequently, reduction in aid transaction costs.

2—4 Trends of Japan's Assistance for Tanzania

Japan's ODA Charter, which was revised in 2003, outlined the following five basic policies: (1) supporting self-help efforts of developing countries, (2) considering the perspective of human security, (3) assurance of fairness, (4) utilization of Japan's experience and expertise, and (5) enhancing partnerships and collaboration with the international community. This revision was triggered by (i) increasingly diverse, complex, and widespread development issues of ODA, (ii) increasing role of non-ODA funds and activities in the development of developing countries, and (iii) progress in globalization.

The country assistance programs and policies that were effective during Evaluation Period were the Assistance Program (2008) and Assistance Policy (2012).

Chapter 3 Japan's Assistance for Tanzania: Evaluation from Development Viewpoints

3-1 Relevance of Policies

3-1-1 Consistency with Tanzania's development program

(1) Trends of Japan's assistance programs and Tanzania's development program

Japan's Assistance Programs (2000 and 2008) and Assistance Policy (2012) share poverty reduction and economic growth as their primary objectives and agriculture and infrastructure development as their priority areas. Assistance in education, however, was a priority area in the Assistance Program (2000), whereas it was no longer so in and after the Assistance Program (2008). Although the health sector was removed from the priority areas in the Assistance Program (2008), the strengthening of health systems is included as part of the Strengthening of Administrative and Financial Capabilities in the Assistance Policy (2012). There is also a change in the target of the assistance from traditional direct assistance to citizens in the field to assistance for governance.

As for the trends of Tanzania's development policies, MKUKUTA and MKUKUTA II share the same development objectives of poverty reduction and economic growth. The FYDP1 was formulated to eliminate the bottlenecks to Tanzania Development Vision 2025 and it can be said to share goals with the MKUKUTA.

(2) Consistency between Assistance Program (2000) and Tanzania Development Vision 2025

The Assistance Program (2000) specifies the assistance to be provided based on the direction of Japan's Medium-Term Policy on ODA, with such priority issues of assistance for Africa as poverty reduction, social development, and industrial support for economic independence. Meanwhile, the Tanzania Development Vision 2025 aims to achieve the long-term objectives of High Quality Livelihood, Good Governance and A Strong and Competitive Economy by 2025, and for Tanzania to become a middle income country as the overall goal of socioeconomic development. Thus, they are consistent in terms of their emphasis placed on poverty reduction and self-sustained socioeconomic development.

(3) Consistency between Assistance Programs (2000 and 2008) and MKUKUTA (2005-2010)

As the priority areas of the Assistance Program (2000) were sufficiently comprehensive, diverse sectors could be covered, and the program had some degree of flexibility in responding to Tanzania's policies. MKUKUTA, which was announced after the Assistance Program (2000), also shared the primary objective of socioeconomic development toward poverty reduction.

The overall goal of the Assistance Program (2008), formulated after the Assistance Program (2000), was "the creation and promotion of a virtuous cycle of sustained and stable growth and poverty reduction". MKUKUTA also emphasized poverty reduction as the ultimate goal, which is consistent with the Assistance Programs.

(4) Consistency between Assistance Policy (2012) and MKUKUTA II (2011-2015)

The three priority areas of the Assistance Policy (2012) were economic growth toward poverty reduction, infrastructure development sustaining economic growth and poverty reduction, and improvement of public services to all citizens. MKUKUTA II used

stipulations contained in MKUKUTA as its basis, while spelling out undertakings that put more emphasis on the improvement of growth and productivity as a means of poverty reduction and focusing resources on economic growth. Both place emphasis on economic growth led by productivity improvement and thus are consistent in their direction.

The "Points to be considered" section in the Assistance Policy (2012) explains that Japan had been engaging actively in policy dialogues and aid coordination based on GBS and such efforts yielded results. The document also states that Japan will implement effective and strategic cooperation combining appropriate aid modalities in response to the wide-ranging development needs in Tanzania. Thus, all clusters are subject to assistance indirectly through GBS.

(5) Consistency between Assistance Policy (2012) and FYDP1 (2011-2015)

The Assistance Policy (2012) emphasizes infrastructure development and strengthening of administrative and financial capabilities based on the basic policy of promoting economic and social development toward sustainable economic development and poverty reduction. FYDP1, on the other hand, stipulates a strategy of achieving structural reforms in production and trade by enhancing infrastructure and human resource for increasing competitiveness, and the direction of both is consistent. Also, similarly to item (4), all priority areas are indirectly subject to assistance through GBS.

(6) Field survey results

In the course of the field survey, the Evaluation Team visited ministries and agencies of Tanzania to conduct interviews and all of them responded that Japan's ODA policies are highly relevant. They shared the view that the two countries have a relationship in which they can have policy dialogues with Japan without difficulties and Japan clearly understands the needs of Tanzania. The outcome of aid coordination based on budget support, etc., and active policy dialogues was confirmed through the field survey. Additionally, the recognition of Japan's influential role in donor meetings, and the effects of assistance in the agriculture sector and infrastructure sector provided over a long period were mentioned.

3-1-2 Consistency with Japan's ODA policy

(1) Consistency between the Assistance Programs (2000 and 2008), the Assistance Policy (2012) and Japan's ODA Charter

The Assistance Programs (2000 and 2008) and Assistance Policy (2012) share poverty reduction and economic growth as their primary objectives, whereas the objectives of the Japan's ODA Charter are to contribute to the peace and development of the international community, and thereby to help ensure Japan's own security and prosperity, with priority issues being poverty reduction, sustainable growth, addressing global issues and peace-building. They are consistent in the sense that in both cases, poverty reduction and economic growth are emphasized.

Both Assistance Programs (2000 and 2008) consistently focus on agriculture and infrastructure development. In addition, the strengthening of administrative and financial management capabilities is also emphasized. The above-mentioned assistance policy is regarded as being consistent with Japan's ODA Charter's basic policies, namely supporting the self-help efforts of developing countries, considering the perspective of human security and assurance of fairness. Considering that

agriculture and infrastructure are areas in which Japan has experience and expertise, there is also consistency with the policy of utilization of Japan's knowledge and experience.

Regarding aid coordination, Japan's ODA Charter clearly states that "Mainly with the initiative of international organizations, the international community is sharing more common development goals and strategies and various stakeholders are increasingly coordinating their aid activities. Japan will participate in this process, and endeavor to play a leading role. In parallel with such efforts, Japan will pursue collaboration with UN organizations, international financial institutions, other donor countries, NGOs, private companies, and other entities." Meanwhile the Assistance Program (2000) states that Japan will coordinate with NGOs and other donor countries and organizations. The "Points to note" section in the Assistance Program (2008) and Assistance Policy (2012) also mention consideration to be given to collaboration with other relevant aid agencies and the intention to actively carry out aid coordination, which, in general terms, also ensures consistency between the Assistance Programs (2000 and 2008), the Assistance Policy (2012) and Japan's ODA Charter.

(2) Consistency between the Assistance Programs (2000 and 2008), the Assistance Policy (2012) and Development Cooperation Charter

The basic policies of the Development Cooperation Charter are stipulated to emphasize the basic policies of Japan's ODA Charter. One of the major changes is the emphasis on vigorously fulfilling Japan's responsibilities commensurate with its national strength and its standing in the international community. With regard to the basic policy of "Cooperation aimed at self-reliant development through assistance for self-help efforts as well as dialogue and collaboration based on Japan's experience and expertise" the new charter states that it will go beyond waiting for requests from partner countries by focusing on dialogue and collaboration with diverse actors not limited to governments and regional agencies of these countries, and will include proactively presenting proposals. Interviewees of the field survey voiced expectations for further assistance from Japan. Additionally in the interviews with local NGOs, requests were voiced for dialogue and collaboration with Japan. Thus, it is fair to conclude that Japan is expected to play an active role in supporting development in Tanzania while responding to changes of the trends in international aid.

(3) Consistency between Yokohama Declaration (June 2013) and Assistance Policy (2012)

The Yokohama Declaration (June 2013), which was adopted at the Fifth Tokyo International Conference on African Development (TICAD), makes infrastructure development through public-private partnership (PPP) and human resource development toward higher quality growth the priority areas. Meanwhile, the Assistance Policy (2012) states that infrastructure development is one of the priority areas and specifies assistance for infrastructure development utilizing Japan's technological advantage and human resource development for effective operation and self-reliant improvement of infrastructure, which is consistent with the Yokohama Declaration.

3 – 1 – 3 Consistency between the Assistance Programs (2000 and 2008), the Assistance Policy (2012) and international priority issues

As international priority issues, the eight goals of the MDGs to be achieved by 2015

were set, including eradicating extreme poverty and starvation, and these goals are succeeded by *The 2030 Agenda for Sustainable Development* adopted in the UN General Assembly in September 2015.

Tanzania's development policies, PRSP, MKUKUTA and MKUKUTA II, set their ultimate goal as poverty reduction, which means the achievement of MDGs. Like other donor countries, Japan has also provided GBS along with many other traditional forms of assistance and contributed to Tanzania's achievement of MDGs.

The Assistance Program (2008) and Assistance Policy (2012) stipulate the policy of GBS. Thus, Japan's ODA policies for Tanzania can be said to be consistent with international priority issues in terms of its contribution to Tanzania's achievement of MDGs.

3-1-4 Summary of the Relevance of Policies

Japan's assistance policies for Tanzania from 2006 to 2015, which is Evaluation Period, are consistent with the needs of the recipient country, Japan's high-level policies and international priority issues. The evaluation of the relevance of policies resulted in very high ratings in all aspects. Since the ODA policies are assessed to have been formulated strategically, it can be concluded that the relevance of the policies is rated "very high".

3-2 Effectiveness of Results

3-2-1 Japan's ODA to Tanzania (*inputs*)

(1) Trend of Aid in Tanzania

As budget support for Tanzania came to be provided actively during Evaluation Period, Japan began to provide GBS and common basket funding in line with the trend. Concurrently, Japan has also continued to provide traditional project-type intervention. Since 2008, GBS showed a decreasing trend in contrast to an increasing trend of SBS, and there was also a trend in increased preference in utilizing project-type intervention. In addition, the Government of Tanzania also placed more importance on other forms of fund utilization (including PPP, foreign direct investment and commercial borrowings) besides traditional ODA.

(2) Japan's ODA to Tanzania

Compared with the period subject to the previous evaluation, the ratio of Japan's ODA among the total aid in Tanzania is declining in comparison with other bilateral donor agencies. However, the ratio is increasing in comparison with international organizations. In fiscal year 2007, Japan provided 646 million USD of debt relief.

ODA loans refer to assistance in the form of loans mainly for development of developing countries with mild interest and repayment period conditions. ODA loans Japan extended during Evaluation Period were mostly PRSC. Japan participated in PRSC provided as GBS by WB as the co-financing party.

Grant aid represents an aid scheme that is provided for facility construction and equipment procurement necessary for the socioeconomic development of developing countries. With no repayment obligation, it is mainly extended to low income countries. By sector, Japan extended approximately 60% of grant aid during Evaluation Period to infrastructure-related projects for transportation and traffic management, electricity and energy, water resources and disaster prevention. Grant aid to the transportation and traffic management sector ranked first and was almost double the amount provided for the electricity and energy sector which ranked second.

Technical cooperation is a form of developmental support for human resource development, research and development activities and institution building for the economic and social development of developing countries. It typically involves receiving trainees, dispatching experts, and providing necessary equipment in order to enhance problem-solving capacity and encourage self-help efforts (ownership) in developing countries.

Japan's technical cooperation is categorized into Dispatch of JICA Experts, Acceptance of Technical Training Participants, Technical Cooperation Projects and Technical Cooperation for Development Planning.

The amount of technical cooperation has been declining during Evaluation Period and it accounts for a small share of the accumulated amount of aid to Tanzania until fiscal year 2014. However, the number of Acceptance of Technical Training Participants and Dispatch of JICA Experts is increasing and the number in the period accounts for a large portion of the total until fiscal year 2014.

When considering aid by sector, in particular in the transportation sector and water sector where emphasis is typically on support for infrastructure, Japan's use of technical cooperation is notable. Additionally, Japan also has the largest share of technical cooperation in the agriculture sector.

(3) Japan's budget support for Tanzania

Japan started contributing to GBS using the counterpart funds of grant aid for debt relief in fiscal year 2001 and began its direct contribution in Non-Project Grant Aid in March 2004. GBS started in the form of co-financing WB's PRSC through ODA loans in fiscal year 2006, which corresponds to Evaluation Period. Although Japan did not participate in GBS in some of the following years, the contribution continued until fiscal year 2014. Japan also began contributing to the common basket funds in fiscal year 2003 using the counterpart funds of Non-Project Grant Aid, just like in the case of GBS.

3-2-2 Economic growth towards poverty reduction

(1) Development Issues 1-1: Agricultural Development

The majority of Tanzanian people are engaged in agriculture, however productivity is low. Growth in agriculture therefore greatly affects the development of the entire country and is a key to poverty reduction. Japan supports the agricultural development of Tanzania through i) Program for Agricultural Sector Development Programme (ASDP) and ii) Program for Strengthening Rice Production Capacity.

Outcomes in the agricultural sector in Tanzania during Evaluation Period include both an increase in rice production volume and an increase in productivity. The total area of newly irrigated land also increased annually.

(i) Program for ASDP

The Program for ASDP aims to support ASDP, which the Government of Tanzania implements as a national program. The Evaluation Team divided projects under the Program for ASDP into (a) common basket funding, (b) projects for capacity development for the ASDP Monitoring and Evaluation (M&E) System, and (c) projects for capacity development for the formulation and implementation of the District Agricultural Development Plan (DADP), and analyzed the effectiveness of each.

(a) Common basket funding

Japan has contributed to the ASDP common basket fund from 2007 to 2011. In addition to providing funding, the approach was to participate in donor meetings of the agricultural sector and coordinate with other donor agencies and experienced

international organizations from the planning phase in order to increase the effectiveness of the development work. The outputs of the common basket funding are evaluated as high, because Japan's Technical Cooperation Projects contributed to effective utilization of the ASDP common basket fund. The project for the Formulation and Training of the DADP Guidelines on Irrigation Scheme Development also merits recognition as it was implemented in such a way that allowed for utilization of the common basket fund, thereby allowing the recipient country to bear local costs in a relatively flexible manner.

(b) Projects for capacity development for the ASDP M&E system

Capacity development projects for the ASDP M&E system aim to formulate the framework and support the operation of the ASDP Secretariat. The Project for Capacity Development for the ASDP Monitoring and Evaluation System is viewed as successful for supporting the construction of the Agricultural Routine Data System (ARDS) from villages to the central government thereby contributing to outputs needed for achieving the project objective. Furthermore, Phase 2 of the Project contributed to the nationwide dissemination of the ARDS that was implemented in the initial phase. The Project for Capacity Development on Data Collection, Analysis and Reporting under ASDP is additionally led to the nationwide deployment of the web portal of the ARDS.

(c) Projects for capacity development for the formulation and implementation of the DADP

Capacity development projects for the formulation and implementation of the DADP were intended to assist the districts in formulating and implementing the DADP and enhance the capacity of the central government to manage it. The Project for Strengthening the Backstopping Capacities for the DADP Planning and Implementation under the ASDP Phase 2 successfully contributed to an increase in farmers' income.

(ii) Program for Strengthening Rice Production Capacity

Japan supported mainly the training and capacity development of irrigation engineers. Irrigation engineers are necessary for expansion of irrigated rice production and improved productivity, and for capacity development. The program was implemented in line with the ASDP framework to support the Coalition for African Rice Development (CARD) and realization of the National Rice Development Strategy (NRDS).

The Evaluation Team largely divided the projects of the Program into (a) projects for disseminating DADP guidelines, (b) budget support for small-scale irrigation systems, and (c) human resource development for irrigation and rice production, and analyzed the effectiveness of their results.

(a) Projects for disseminating DADP guidelines

The projects for disseminating DADP guidelines aim to expand irrigated rice production through disseminating DADP guidelines.

The assistance is mainly meant for strengthening the capacity of the Zonal Irrigation Offices that are branch offices of the central government, as well as development of project formulation capacity of irrigation engineers. The targets of the project are the seven Zonal Irrigation Offices across the country and the District Offices under their jurisdiction.

(b) Budget support for small-scale irrigation systems

The Small-scale Irrigation Development Project is an ODA loan that provides support for small-scale irrigation development projects formulated by irrigation engineers in the districts. It is approved by the District Irrigation Development Fund

(DIDF) Committee in the form of sector loans. The DIDF is regarded as a sub-fund within ASDP.

(c) Human resource development for irrigation and rice production

Projects for human resource development for irrigation and rice production aim to increase the volume of rice production in Tanzania through disseminating rice production technologies, including irrigation technologies, and developing the capacity of farmers' organizations. Such projects are not limited to training farmers; they include the development of young specialists through specialized university education and deepening research activities, playing an important role in training irrigation specialists.

(iii) The effectiveness of results of Agricultural Development

Firstly, it can be concluded that Japan's ODA in the agricultural sector contributed to the development of the institutional management capacity in the ASDP Secretariat. It is fair to say that such efforts contributed to the strengthening of the agricultural development management system in Tanzania. These results were achieved due to the synergy effect of contributions to the common basket funding and technical cooperation. Secondly, it can be concluded that the use of the ASDP common basket fund contributed to the dissemination of the outputs of the Program for Strengthening Rice Production Capacity. The use of the ASDP common basket fund for dissemination of the DADP guidelines throughout the country allowed the government of the recipient country to bear local costs relatively flexibly, which made the DADP guidelines' nationwide rollout possible.

In addition to the above, Japan has taken the initiative in agricultural development of Tanzania in international initiatives such as TICAD and CARD. This consistency across ODA contributed to the rice production increase in Tanzania, which deserves high evaluation ratings.

(2) Development Issue 1-2: Industrial Development

Japan dispatches JICA Experts to the Ministry of Industry, Trade and Investment of Tanzania to assist with the formulation of the Integrated Industrial Development Strategy (IIDS) and to support industrial development through the Program for Small and Medium Scale Industries. It also engages in technical cooperation under the Project for Strengthening Manufacturing Enterprises through the Quality and Productivity Improvement (KAIZEN), conducts Knowledge Co-Creation Programs (Group and Region Focus) and dispatches Japan Overseas Cooperation Volunteers (JOCVs).

(i) Program for Small and Medium Scale Industries

The JICA Experts, the industrial development advisors played an important role in the formulation of IIDS and the introduction of initiatives including quality and productivity improvement (KAIZEN), cluster development, small business finance (credit-guarantee system) and implementation of investment promotion activities in the area of industrial development.

The Project for Strengthening Manufacturing Enterprises through the Quality and Productivity Improvement (KAIZEN) aims to assist manufacturing Small and Medium Scale Enterprises (SMEs) introducing KAIZEN for quality and productivity improvement. In the terminal evaluation, it is concluded that the project objectives are highly likely to be achieved in the near future.

(ii) Summary of the effectiveness of results of Industrial Development

Although the inputs in industrial development were relatively small during Evaluation Period, it can be concluded that they had sufficient outcome. The Ministry of Industry,

Trade and Investment of Tanzania voiced its opinion that the assistance from Japan was effective for the growth of SMEs. The Advisor for Cluster Development (individual JICA Experts) also received good evaluation.

3 – 2 – 3 Infrastructure development sustaining economic growth and poverty reduction

(1) Development Issue 2-1: Transportation and Traffic

With the progress in trade liberalization through regional integration by the EAC and the Southern African Development Community (SADC), it has become imperative to strengthen competitiveness through the development of infrastructure in the region.

Japan has assisted the entire sector including railways and ports by providing assistance mainly for the road sector and serving as the leading donor in the donor meetings. The amount of aid Japan provided for the transportation and traffic sector during Evaluation Period is the second biggest after the AfDB, accounting for 13% of the total number of donors.

(i) Results of the Program for Transportation and Traffic Network Development

The Evaluation Team largely divided the projects under the Program for Transportation and Traffic Network Development into (a) urban transportation, (b) regional and corridor assistance, (c) capacity development of maintenance, (d) regional scale infrastructure and (e) policy making through aid coordination, and analyzed their outputs to evaluate the effectiveness of the results.

(a) Outputs of assistance for urban transportation

In terms of hard infrastructure, Japan conducted the grant aid projects for the development and widening of such main trunk roads as the Kilwa Road, Morogoro Road, and New Bagamoyo Road mainly in the Dar es Salaam city area. As the soft infrastructure, Japan contributed to the completion of Dar es Salaam Urban Transport Masterplan. It has also engaged in technical cooperation for the improvement of the entire traffic system and effective policy-planning.

(b) Outputs of the projects for regional and corridor assistance

Japan implemented road development projects and during the Evaluation Period contributed to the completion of major transport corridors in Tanzania including the Northern Corridor and Mtwara Corridor. It also engaged in technical cooperation for the improvement of public services of regional road maintenance. The target areas include Iringa and Dodoma districts where the Northern Corridor was constructed and maintained through grant aid, with expectations for the synergy effects of both projects.

The Project for the Improvement of Masasi-Mangaka Road, which is part of the Mtwara Corridor, was highly evaluated in its ex-post evaluation. It is concluded that the project achieved an improvement in the average transport speed of the section, shortened travel time and an increase in traffic volume, which led to the emergence of positive effects such as a reduction in transportation and operational costs. It was also concluded that the project had a positive impact on vitalization of the local economy through reducing transportation costs for related materials and shipments, improving the access of the residents to social services and commercializing the area along the target road.

(c) Output of the projects for capacity development of maintenance

Japan contributed to the operation of the Road Fund as the leading donor of the transportation sector. Japan also engaged in technical cooperation for capacity development of the local governments in charge of road maintenance.

According to the ex-post evaluation of the Project for Strengthening Capacity for

Labor-Based Technology Training at Appropriate Technology Training Institute (ATTI) conducted as the internal evaluation, it was highly relevant; however, the number of trainees decreased after project completion due to the budget constraints of the local governments and therefore the effectiveness, impact and sustainability were evaluated as only "moderate". The Road Maintenance Project was intended to strengthen the capacity to manage financial sources for roads and the capacity to operate training programs for the private construction companies. The ex-post evaluation of the project resulted in high scores.

(d) Outputs of projects for regional scale infrastructure assistance

Japan sought to strengthen the transportation capacity in Tanzania, thereby assisting economic integration and vitalization in EAC, improvement of the livelihoods of residents in the areas adjacent to the roads, and poverty reduction.

Japan also provided assistance to ensure faster and more efficient customs clearance procedures. It is the project for the legal institutions across national borders, which EAC also highly evaluated. As the dispatch of JICA Experts to the EAC Secretariat enables development of projects whose counterpart is the regional scale cooperation community of the EAC, and implementation of projects that cover multiple countries with Japan as the leader, it can be expected that such regional scale projects will be promoted even more actively.

(e) Outputs of policy making assistance in transportation sector through aid coordination

Japan took the role of the leading donor, the chair of the transportation sector for four years from the end of Tanzania fiscal year 2011/2012 to the end of Tanzania fiscal year 2015/2016.

The positive effects of the contribution described above include the Government of Tanzania's decision to incorporate into the national action plan suggestions made by Japan on behalf of the donor agencies related to the accumulated delinquent charge in the transportation sector, as well as the Government of Tanzania's acceptance of the proposal to establish a new budget line for the rural road.

(ii) Summary of the effectiveness of results of Transportation and Traffic

The Evaluation Team analyzed Japan's grant aid by sector during Evaluation Period and concluded that the total amount of assistance for the transportation sector was the largest and that it accounted for a significant portion of all assistance from Japan and other donor agencies for the sector of the Tanzanian economy, and thus the inputs were significant. Japan also played a significant role as the leading donor in sector-specific donor meetings and contributed to the development of transportation in the country. It can be construed that the accumulated assistance led to the improvement of the paved road density and the road condition, serving as the foundation for economic growth of Tanzania and thus the assistance was meaningful. It is concluded that Japan needs to provide continued assistance for the sector.

(2) Development Issue 2-2: Energy and Electricity Supply

The power demand in Tanzania is rising along with economic growth, and the country faces an increasingly severe problem of power shortage. The supply capacity of the existing power transmission and distribution system does not satisfy the expanding demand, and there is also significant power loss. The Government of Tanzania aims to formulate the electricity sector reform plan, increase the power generation and transmission capacity, and improve the electrification rate and quality to stabilize the power supply. Reflecting such background, Japan implemented the Program for

Reinforcement of Transmission and Distribution in Dar es Salaam.

Outcomes related to assistance in the electricity and energy sector include an increase in the national electrification rate during the Evaluation Period.

(i) Program for Reinforcement of Transmission and Distribution in Dar es Salaam

Japan supported the reinforcement of the power distribution network both in terms of hard infrastructure as well as soft infrastructure including capacity development of the organizations and engineers that operate and maintain the distribution network, with the goal of increasing the reliability of power services.

The outputs of the program include the following: Project for Formulation of Power System Master Plan in Dar es Salaam and Review of the Power System Master Plan (2012) in which demand forecast and system analysis were conducted based on statistical data and scientific analysis and the Master Plan based on the output of the programs was formulated. ODA loan and grant aid for the reinforcement of the power distribution network also had the positive effects as reduction of power loss and power outage incidences. Japan's technical cooperation also contributed to the reduction of power outage incidences.

Additionally, the Evaluation Team confirmed positive feedback from the Ministry of Energy and Minerals of Tanzania regarding Japan's contribution to the donor meeting in the energy sector from the policy-making perspective.

(ii) Summary of the effectiveness of results of Energy and Electricity Supply

The Evaluation Team concludes that the well-balanced combination of hard infrastructure support with technical assistance for soft infrastructure in the electricity and energy sector deserves high marks. Meanwhile, the Government of Tanzania requested additional support for hard infrastructure. It is necessary to examine the possibility of assistance in promoting PPPs, etc., for Japan to extend assistance within a limited budget.

(3) Development Issue 2-3: Water Supply and Water Resources Management

The percentage of the population with access to safe water is low in Tanzania, particularly in rural areas. The water supply and distribution facilities in Zanzibar became old and the non-revenue water is a serious problem.

Japan focuses on the operation and maintenance capacity development of the relevant institutions for proper water supply in rural areas in the Program for Improving Rural Water Supply as well as improvement of the rural water supply rate through water supply facility construction. It also extends assistance in Zanzibar for sustainable and stable water supply in urban areas.

(i) Program for Improving Rural Water Supply

Japan extends assistance for the improvement of the water supply in areas where the water supply rate is low and areas where water sources development is difficult through conducting the Program for Improving Rural Water Supply. The Program aims for capacity development of water supply organizations, promotion of construction of new water supply facilities and improvement of operation of existing facilities.

(ii) Summary of the effectiveness of results of Water Supply and Water Resources Management

The assistance for water supply and water resources management can be highly evaluated for its contribution to the increase in the water-supplied population through the Program for Improving Rural Water Supply. The positive effects above mentioned are even greater when the water supply project in Zanzibar and its surrounding urban areas is included.

Meanwhile, it is also necessary to positively examine the possibility of assistance in promoting PPP, etc., as in the case of transportation and electricity and energy sectors.

3-2-4 Improvement of public services to all citizens

(1) Development Issue 3: Strengthening of Administrative and Financial Capability

(i) Program for Local Government Reform Support

Although the Government of Tanzania promoted decentralization, it has not resulted in achieving poverty reduction as was originally intended.

Japan conducted technical cooperation: (a) local government employee training projects and (b) projects for participatory planning and project implementation, with the aim to ensure that local governments can provide services based on local needs under a regional technical assistance scheme. Additionally, (c) common basket funding was also provided. This assistance was to have policy and institutional impacts on the entire local government reform level through policy dialogues with the Government of Tanzania.

(a) Local government employee training project

Japan implemented the project to enhance the training scheme for the local government officials. However, the terminal evaluation concluded that the level of likelihood of achieving its objectives was only moderate. It points out that it was because of the insufficient ownership of the Ministry of Regional Administration and Local Government and budgetary constraints.

In addition to the above project, Japan also continued to provide the training for the high-level officials of the President's Office Regional Administration and Local Government (PORALG) and the administrative secretary generals of the regional and district offices since 2002. The network of all administrative secretary generals was created to share the training outcomes, which has a ripple effect on area-wise dissemination of the program.

(b) Projects for participatory planning and project implementation

The Government of Tanzania decided to introduce the village-level participatory planning and project implementation, Opportunities and Obstacles to Development (O&OD) across the country in line with its decentralization policy. However, in reality, the scheme did not necessarily reflect citizens' needs.

Thus, Japan set up the ward facilitator training scheme and presented the effective O&OD implementation model and made policy proposals. It was believed that a lot of time would be required for implementation and social preparation for significant socio economic changes in the target villages. It is specified in the ex-ante evaluation of Phase 2 that a revised O&OD model was developed after the extension of 1.5 years of Phase 1.

(c) Common basket funding

In Tanzania, the common basket fund for the Local Government Reform Program (LGRP), Local Government Development Grant (LGDG) and common basket fund for local government development were established in the local administration sector. These funds are intended to promote accountability improvement, service delivery and financial decentralization through efforts for strengthening of governance, promotion of citizens' participation, and capacity enhancement of local government officials.

Japan contributed to the LGRP and LGDG common basket funds from 2007 to 2011 during Evaluation Period.

The effectiveness of results of the Program for Local Government Reform Support is summarized below by the Evaluation Team.

The amount of the funds Japan contributed to the common basket during Evaluation Period was smaller than that of other donor countries. However, Japan is the only country that allocated the local government advisor as the JICA Expert to the PORALG to provide advice and assistance. According to the some sources the contribution to the common basket fund concurrently with policy dialogues, mainly held through the advisor, enabled the policy dialogues including advice based on the demonstrative data obtained from projects (a) and (b) above and the common basket funds were used as the financial resource to widely disseminate the pilot-based project impact. The Evaluation Team believes that these points deserve to be highly evaluated.

(ii) Program for Public Financial Management Capacity Development

The Government of Tanzania launched the Public Financial Management Reform Program (PFMRP) in 1998. Japan provided technical cooperation for human resource capacity development involved in internal auditing while emphasizing the synergy effects and complementary relationship of policy dialogues and technical cooperation as (a) assistance for internal auditing capacity enhancement under the Program for Public Financial Management Capacity Development with the aim of improving the public services of national and local governments by proper management and utilization of public funds. It also conducted the (b) assistance for strengthening tax collection capacity, which is a prerequisite for the Government of Tanzania to reduce dependence on assistance. Furthermore, (c) it contributed to the common basket funds to assist system building and capacity enhancement in the PFM sector.

(a) Assistance for internal auditing capacity enhancement

The enhancement of the internal auditing system contributes to the proper operation of the policy and budget cycle of Tanzania, and it was also needed for effective use of donor funds including Japan's ODA loans. The Capacity Development Project for Internal Audit Japan implemented to resolve these issues was likely to achieve the project objectives according to its terminal evaluation.

(b) Assistance for strengthening tax collection capacity

Tanzania urgently needs to enhance its tax administration system and increase revenues. However, it also has problems that include insufficient teaching materials for human resource development and no career-based training curriculum, and thus the system for human resource development needed to be reviewed. To tackle these issues Japan implemented the Project for the Enhancement of Taxation Training in Tanzania. According to the terminal evaluation, all evaluation criteria were rated either high or moderate.

(c) Common basket funding

Japan contributed to the PFMRP common basket fund in 2007 and 2008. It also actively participated in the donor meetings and acted as the leading donor of an internal auditing sub-group in the Public Financial Management (PFM) group.

The effectiveness of results of the Program for Public Financial Management Capacity Development were evaluated by the Evaluation Team as summarized below.

The Ministry of Finance and Planning of Tanzania had a vague impression of Japan's past contribution to the common basket funds. However, the concurrent combination of the Technical Cooperation Project, contribution to the common basket funds and participation in donor meetings had Tanzania recognize the importance of the internal auditing Japan had pointed out. It resulted in the establishment of the independent Internal Auditor General's Division in the Accountant General's Division in 2010. It is one of the positive effect of the support for reform based on the project collaboration of (c) common basket funding, as well as (a) and (b).

(iii) Program for Health Systems Strengthening

Japan aimed to strengthen the whole healthcare system that supported provision of health services by implementing the Program for Health Systems Strengthening. It mainly assisted (a) health administration management enhancement and (b) strengthening development of human resource and services for health as well as (c) HIV/AIDS countermeasure.

(a) Assistance for health administration management enhancement

Tanzania faced the challenge of securing and standardizing the quality of health services provided at the regional and district level. To address this challenge Japan implemented the technical cooperation in Capacity Development for Regional Referral Health Management so as to enhance the function of the regional health management team. According to the terminal evaluation, the project objectives were mostly achieved. The project succeeded the outcomes of the Project for Strengthening District Health Services in Morogoro Region, which Japan implemented from 2001 to 2005, and the Morogoro case was introduced as the world's first good practice for strengthening health systems at the G8 Hokkaido Toyako Summit in 2008.

(b) Assistance for strengthening development of human resource and services for health

Tanzania faced the challenges of educating, developing and training human resource for health. Japan developed the system to find out information about such human resource allocated at health facilities including private ones. The system is disseminated across the country. It also contributed to the improvement of human resource quality and services through the introduction and dissemination of 5S-KAIZEN-TQM. The 5S-KAIZEN-TQM is also disseminated across the country and thus it is used on quite a large scale compared with other African nations where the system was also introduced.

(c) Assistance for HIV/AIDS countermeasure, etc.

HIV/AIDS is one of the main causes of death among adults and it is an important development issue in Tanzania. Japan conducted technical cooperation that includes the Project for institutional capacity strengthening for HIV prevention and Health system strengthening for HIV and AIDS service project during Evaluation Period. Grant aid projects of providing such testing materials as HIV test kits, syphilis test kits and drugs essential to treat sexually transmitted diseases were also implemented.

The effectiveness of the results of the program for Health System Strengthening is summarized below by the Evaluation Team. The Government of Tanzania recognizes the need to take measures to improve maternal mortality rate, an area in which it failed to achieve its MDG goal. Japan stated to the international community that it would be actively involved in the UHC. In consideration of the above needs and consistency with the Japan's high-level policies, Japan needs to provide assistance to contribute continuously to social development, particularly in the health sector.

3-2-5 GBS and common basket funding

The Evaluation Team concludes that the budget support Japan provided generally contributes to the aid coordination and eventually to the effective and efficient assistance.

Concurrent provision of the budget support and the project-type bilateral aid brought the synergy effects and thus the former played a significant role. The Evaluation Team believes that the process also contributed to engendering the Government of Tanzania's ownership. Aid coordination with the common basket funding prevented aid

duplication and led to efficient development.

3-2-6 Summary of the effectiveness of results

Since major outcome is recognized in almost all evaluation targets, the effectiveness of the results is rated “high”.

3-3 Appropriateness of Processes

As for the planning process, Japan recognized the importance of budget support, provided it and was actively involved in policy dialogues. This attitude toward assistance can be highly evaluated. It also acted as the leading donor in sector-level donor meetings, which increased Japan’s presence. As for capacity development, attention needs to be paid continuously to the implementation of institutional capacity development and government official's capacity development based on a systematic plan. As for the implementation process, the combination of project-type intervention and budget support can be highly evaluated. This led to the development of the feedback flow of challenges and needs from the ground at the project level to the policy dialogues. It is believed to have made the results of the project-type intervention effective and had them reflected in the policy-planning, enabling the formulation of relevant policies. The Evaluation Team believes that the considerations for gender in the agricultural project were also meaningful.

As described above, the relevance of policies and effectiveness of results were secured, which leads to the conclusion that the appropriateness of processes is rated “high”. However, the below issues need to be examined.

(1) Long-term assistance

Japan provided long-term assistance in multiple sectors that include agriculture and local administration. The needs and effectiveness of assistance that has been provided continuously also need to be reviewed periodically and the assumption and formulation of the exit strategy also should be examined.

(2) Proxy indicators

The establishment of proxy indicators is useful to complement the situation where there are no indicators (outcome indicators) to evaluate the achievement level of Basic Policy of Assistance, Priority Areas and Development Issues.

(3) Public relations

It is important for Japan to organize more effective public relations maintaining a proper frequency of communications for the peoples of Japan and Tanzania with even more consideration for its timeliness and accuracy. It is also important to conduct quality-related public relations and it will be effective to publicize the particulars of safety management, etc., as well as outcomes. One example is that securing community roads and consideration for safety of detours in a road project are characteristic features of well-thought-out planning in Japan’s ODA.

Chapter 4 Japan’s Assistance for Tanzania: Evaluation from Diplomatic Viewpoints

4-1 Diplomatic Importance

Japan and Tanzania established diplomatic relations in 1961 when then Republic of Tanganyika became independent. Later in 1964, the republic united with Zanzibar to

form the United Republic of Tanzania. Japan has continuously provided assistance since 1966. During Evaluation Period, bilateral relations were very favorable, with frequent visits of key figures to each country; such visits are best represented by the visit of then the President Kikwete and his wife to Japan to meet the Emperor and Empress and have discussions with then the Prime Minister Abe on the United Nations Security Council reform, etc., in October 2006. The Government of Tanzania expresses its gratitude and expectations to Japan for its ODA every time key figures visit each other or have policy dialogues, which indicates the impact of Japanese assistance to Tanzania on its diplomatic relations. Tanzania has the potential for economic growth with a promising labor market and domestic consumer market. Being a country that serves as the oceanic gateway in East Africa, it has diplomatic importance for Japan also from geopolitical perspectives.

4-2 Diplomatic Impact

The number of students from Tanzania studying in Japan has been increasing and many government officials have also received training in Japan through the Japanese ODA programs, which shows the expanding interpersonal exchanges between the two nations. TICAD has focused on human security and private-sector-led growth led by Japan since TICAD I in 1993. These have contributed to favorable bilateral relations. The Evaluation Team concludes from above that Japan's assistance for Tanzania has much diplomatic impact contributing to strengthening of bilateral economic relationship and interpersonal and cultural exchanges.

Chapter 5 Recommendations and Lessons Learned

5-1 Recommendations

5-1-1 Sector-related recommendations

(1) Reinforcement of economic growth foundation and promotion of industrialization

The infrastructure support provided by Japan was significant. Since industrialization and economic growth are the priority areas in Tanzania's new Five Year Development Plan that started in 2016, Japan needs to provide continuous support to contribute to the country's economic growth.

(2) Strengthening support for economic integration and vitalization in East Africa

Projects that cover an extensive area across neighboring country borders, including the Arusha-Namanga-Athi River Road Development Project, had a positive contribution to economic integration and vitalization in EAC, livelihood improvement of residents in the areas adjacent to the road and poverty reduction. Such region-wide projects should be further expanded.

(3) Effective use of program approach in areas where outcomes emerge relatively slowly

Although there were sufficient outcomes at the project level in the field of capacity development for local governments, it cannot be said that the goal was achieved on the priority area level (Priority Areas) in the Rolling Plan for Tanzania. The assistance in such area as capacity development for local governments where outcomes emerge after a certain period needs to be managed by using the program approach effectively.

(4) Enhancement of assistance for health sector

Assistance from Japan to contribute to Tanzania's achievement of UHC through the

health administration system enhancement program is consistent with the international initiatives, Japan's ODA policies and the development needs of Tanzania. Thus, assistance from Japan for Tanzania needs to continue to contribute to social development, particularly in the health sector.

(5) Review of long-term assistance and formulation of exit strategy

Needs and effectiveness of assistance that has been extended over a long time need to be reviewed periodically and an exit strategy should also be assumed and formulated. One way to review is to re-examine various forms of assistance based on the changing needs of the target country and sector by using the JICA's program evaluations and the sector evaluations of the MOFA, in addition to JICA's project evaluation.

5-1-2 Other recommendations

(1) Introduction of proxy indicators for quantitative evaluation of ODA policies

There is no outcome indicator to evaluate the achievement level of Basic Policy of Assistance, Priority Areas and Development Issues that are set up for the Country Assistance Policy and Rolling Plan for Tanzania. Proxy indicators are useful to complement the situation. For example, SDGs that Tanzania will choose can be found and used as proxy indicators for evaluation of Japan's ODA to Tanzania. It is also useful when it is difficult to evaluate projects quantitatively in the ex-post evaluation such as MOFA's ODA evaluation and JICA's project evaluation.

(2) Enhancement of public relations to ensure Tanzanian people to have better understanding of Japan's ODA

It is important for Japan to organize more effective public relations maintaining a proper frequency of communications for the peoples of Japan and Tanzania with even more consideration for its timeliness and accuracy. It is also important to conduct quality-related public relations and it will be effective to publicize the particulars of safety management, etc., as well as outcomes. One example is that securing community roads and consideration for safety of detours in a road project are characteristic features of well-thought-out planning in Japan's ODA.

5-2 Lessons learned

The Evaluation Team concludes that the budget support contributed to developing the service delivery capacity of the Government of Tanzania. Implementation of project-type intervention concurrently with the budget support enabled it understand the frontline of service delivery and participate in policy dialogues, which led that Japan could provide the more convincing advice to the Government of Tanzania than other donors.

Participation in aid coordination as well as the budget support is a valuable experience for Japan. It is believed that Japanese parties involved in assistance developed the attitude of providing assistance as "All-Japan" in a more multilayered and multifaceted manner in view of the entire sector. The experience can be the model of how Japan responds to aid coordination in other countries.