Press Statement

24 September 2010

Unnecessary expenditures to rise to 537 bn TSh by (2010/11)FY

Despite the insufficient funds for the national budget, there are items in this budget that are considered unnecessary due to their perceived negligible utility to the majority of Tanzanians.

It is fortunate that the government has also recognized this problem of unnecessary expenditure and has through its top officials like the Prime Minister Mizengo Pinda committed to increase control over and economize those expenditures.

The sum of all unnecessary expenditures in the Ministries, Departments and Agencies (MDAs) as well as regions fell from 684 billion (bn) Tanzanian Shillings (TSh) in financial year (FY) 2008/09 to 530 bn TSh in FY 2009/10, which is a reduction of 22.4 percent. But, for the FY 2010/11 these expenditures are expected to rise slightly to 537 bn TSh, a move which contradicts the government's stated commitment to spend its resources more wisely.

Having realized the inefficiency of government's budget allocation and execution, Sikika in collaboration with Policy Forum saw it fit to produce a second version of the policy brief titled *unnecessary expenditures: A Brief on the Government's Initiative to Refocus Expenditure* which can be found at www.sikika.or.tz. The brief was launched today at the British Council Dar es Salaam during a monthly breakfast debate organized by Policy Forum on *Controlling Unnecessary Expenditures: Has the Government kept its promises?* The first edition of the brief was produced in April 2010.

The brief focuses on six budget items which are considered to be severely laden with unnecessary expenditures which are:- 'Training' (domestic and foreign), 'Allowances' (non-discretionary, discretionary, and in-kind), 'Travel' (in-country and out-of-country), 'Acquisition of New Vehicles', 'Fuel, Oil and Lubricants' and 'Hospitality Supplies and Services'.

Also, the brief describes how the central and regional budget allocations of these six expenditure items have changed during the last three fiscal years, and whether these changes are consistent with declarations by both the Minister of Finance and Economic Affairs and the Prime Minister.

Irenei Kiria the Director of Sikika commented, "We believe that the brief is going serve as a wake-up call to the government to intensify its commitment to stop unnecessary spending for the benefit of the tax-payers and channel the money to developmental projects"

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