



# Subnational Open Budget Survey in Tanzania 2020





# Subnational Open Budget Survey in Tanzania 2020

Assessment of budget transparency,  
participation and accountability at the local  
government level

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And specific support by the  
Good Financial Governance (GFG) Programme

Implemented by



On behalf of



*“People cannot be developed, but they can develop by themselves.”*

Julius K. Nyerere

# Acknowledgements

The Subnational Open Budget Survey was made possible thanks to the contribution and support of many individuals.

We are grateful for the technical and financial support which we received from the German development corporation (**GIZ**) through the Good Financial Governance Programme, and special thanks go to Vanja Ćurčić, who supported the survey's administration.

We also want to thank the consultants Frank Lyimo, Hassan Msemo, Mercy Joshua, Ruth Mwaikuka, Carlos Magoyo, Tuntufye Aron, and Revocatus Wambura for collecting data from local government authorities.

From Sikika, Florian Schweitzer supervised the preparation and implementation of the survey, analysed the collected data, and produced this summary report. We also appreciate the work of Alphonse Chuwa who coordinated the field research process, collected data from two local government authorities, and also managed the peer review process. We also appreciate the contribution of Alice Monyo, who provided valuable comments during the report writing process.

To all of you, we say *asanteni sana*.

**Irenei Kiria,**  
Executive Director of Sikika

# Executive Summary

Over the past decades, Tanzania has experienced strong and stable economic growth that let it advance to the group of lower-middle-income countries. Despite this progress, the country has been struggling to translate its economic success into substantial reduction of poverty and spatial inequity.<sup>1</sup> This makes the decentralisation of government and community empowerment a national priority. The Local Government Reform Programme (LGRP) was established in the late 1990s to improve service delivery by making local government authorities more responsive and accountable. Moreover, access to information legislation was enacted in 2016 to give effect to citizens' constitutional right of access to information.

Despite these institutional advancements, the Government's Five-Year Development Plan II acknowledged in 2016 that "inadequate decentralisation and localisation of national priorities" as well as "weak systems for follow-up, monitoring and evaluation" are both key challenges to the effective implementation of the national development plan. It is, therefore, important to understand how communities can be empowered to make local government authorities more responsive and accountable.

## The Subnational Open Budget Survey

The Subnational Open Budget Survey (SN OBS) is a tool, developed by the International Budget Partnership, to measure the practised levels of budget transparency and citizen participation at the local government level. The survey questions address the timely availability of the budget documents at the local government level, the mechanisms for their dissemination, the types of information which they contain, and the quality of the channels for citizen input into the budget process.

The survey was implemented in seven LGAs from different regions and included both urban and rural districts. The data collection process was structured in three rounds which included Internet research, on-site observation at public service facilities, requests for access to information, and interviews with local government authorities. Researchers were required to provide evidence for their responses, such as references to the relevant parts of budget documents, citations of laws or regulations; or quotations from interviews.

## Findings

### *Citizen participation is inclusive but limited in scope.*

Tanzania has a long history of promoting "self-help efforts" by local communities. The "improved" Opportunities and Obstacles to Development (O&OD) methodology makes LGAs more responsive by bringing the budget formulation process closer to their people. The SN OBS findings show that this methodology is only applied to local community development projects, while the LGA focuses on the identification and implementation of national development programmes with costs and benefits that cut across communities. The "inadequate decentralisation and localisation of national priorities" at the local government level may (partly) originate from insufficient negotiation and consensus-building over national priorities that cut across local communities.

<sup>1</sup> The United Republic of Tanzania (2016), National Five-Year Development Plan 2016/17 – 2020/21, p. 106.

The devolution of powers to LGAs means that local communities must play a stronger role in the budget reporting and oversight process. For that purpose, councillors are attending community meetings where they receive questions and concerns from citizens, which are then put forward and answered by the executive during full council meetings, where citizens do not give testimony. This means that appointed LGA officials are indirectly held accountable by citizens through their elected councillors and attached oversight boards and committees. To ensure that these bodies perform their oversight role effectively, citizens need access to comprehensive budget information.

### ***Budget documents are clear and relevant.***

The assessment of LGAs' budget documents shows that the Executive Budget Proposals contain valuable information which citizens can use to promote the fair allocation of intergovernmental transfers, the mobilisation of own-source revenues, and the efficient use of available resources. Further, the Year-End Reports provide information on how central and local government authorities fulfil their respective responsibilities to adequately finance and deliver public services, while the Audit Reports yield information about whether audit recommendations are taken seriously.

### ***Budget documents are not publicly available.***

Unfortunately, citizens are not able to access these budget documents because they are treated as "for internal use only". This practice is in contravention with the Access to Information Act (2016) and Regulations (2017) which contain clear provisions on how applications for access to information should be made. The reluctance to share budget documents makes it difficult for citizens to ensure that national development programmes are targeting local priorities and that corrective measures are taken with the appropriate sense of urgency.

### ***The use of dissemination mechanisms varies among LGAs.***

The main mechanism for the proactive dissemination of budget information is through full council meetings, which are required by law to be held in public. Neither the Access to Information Act (2016) nor its Regulations (2017) include clear provisions on how information should be published. This may explain why different LGAs use various oral and written means of dissemination.

## **Recommendations**

### ***Provide Access to Budget Information.***

LGAs should make budget information available to the public in compliance with the Access to Information Act (2016) and its Regulations (2017). The application forms for requesting information should be readily available at LGA offices together with a user-friendly description of the rights and responsibilities of both the person requesting information and the information holder including regulations for time limits and fees covering the actual costs for the production of the requested information.

### ***Issue guidelines for the use of dissemination mechanisms.***

To promote routine and systematic information disclosure by information holders in compliance with the principles of accountability, transparency, and public participation, LGAs should make main budget documents available on their website where citizens can download the information in a machine-readable format. They should also make printed copies available at the LGA's district and ward offices where citizens can peruse them at their discretion. Moreover, service facilities should post their budgets, revenue, and actual expenditure on easily accessible public notice boards.

### ***Promote citizen participation in the budget process.***

Citizens and community-based organisations need to be empowered through social accountability mechanisms to use available budget information and ensure that the full council and its attached boards and committees perform their oversight role effectively.

Another opportunity to strengthen the local development process is to involve citizens in public procurement. The Public Procurement Regulatory Authority issued guidelines for 'Community Participation in Public Procurement' (2020) under the supervision of LGAs. Citizens need more technical support to understand and perform their roles and responsibilities in the procurement of community development projects.

### ***Enhance clarity and relevance of budget documents.***

To assess if LGAs receive their fair share of available resources, the Executive Budget Proposal should include the formula that is used to calculate the value of intergovernmental transfers, which are the LGAs' main source of revenues for providing services that are a national priority, such as health care and education. To strengthen the efficient use of resources, the Executive Budget Proposal should also include a narrative with a clear explanation of how policy goals are linked with the budget estimates and non-financial performance data.

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# 1

## Strengthening Local Development

### Key Message:

**The Subnational Open Budget Survey is a useful instrument to identify and address challenges in the Local Government Reform Programme.**

Over the past decades, Tanzania has experienced strong and stable economic growth that let it advance to the group of lower-middle-income countries. Despite this progress, the country has been struggling to translate its economic success into substantial reduction of poverty and spatial inequity.<sup>2</sup> This makes the decentralisation of government and community empowerment a national priority.<sup>3</sup>

### 1.1 The Local Government Reform Programme

The Local Government Reform Programme (LGRP) has been established in the late 1990s with the objective to improve service delivery by making local government authorities more autonomous and democratic. Since then, public services have been restructured according to the subsidiarity principle, which means that the lowest government level which is capable of effectively performing a particular function takes precedence over higher government levels, which should only provide support to overexerted units. The first reform programme (1998 – 2008) brought changes to the legal framework, fiscal relations, and administrative as well as political structures. The second reform programme (2009 – 2014) was designed to learn from previous lessons by strengthening the relations between central and local governments as well as between local governments and their citizens. Central government authorities should provide adequate financing to Local Government Authorities (LGAs) and monitor their compliance with national policies and standards, while LGAs should be responsive and accountable to local communities for delivering public services.

As most productive taxes are collected at the central level, local authorities' own-source revenue base is relatively weak. For that reason, they receive unconditional transfers from the central government to fund administrative activities as well as a set of several conditional transfers to finance public service programmes that are key for national development, such as health care and education. In 2004, the Government decided that these transfers should be allocated according to an objective formula to ensure that available resources are divided fairly and transparently across the whole country.

As LGAs are not subordinated to central government institutions, they appoint their own management and operational staff who are held accountable by elected local councils and their attached oversight boards and committees. To promote operational performance, the Government introduced direct facility financing for primary schools in 2002 and primary health facilities in 2018. This means that funds are directly transferred to facilities' bank accounts, which allows the management to procure inputs according to pressing priorities.

<sup>2</sup> The United Republic of Tanzania (2016), National Five-Year Development Plan 2016/17 – 2020/21, p. 106.

<sup>3</sup> The United Republic of Tanzania (2016), p. 24.

Oversight is provided by the facilities' boards or committees, which include community members, who endorse all transactions and approve the facilities' plans and reports.

The main idea to devolve political power to local government authorities is to bring decision-making processes closer to the people. To make the local development process more responsive to communities' priorities, the Government introduced the Opportunities and Obstacles to Development (O&OD) methodology in 2001. Guidelines for institutionalising the O&OD were issued in 2004 and then revised in 2007 and 2019 as it was found that many projects failed due to lack of community ownership: council plans and budgets were managed and implemented by the LGAs, while citizens were only consulted during the planning stage. The new "improved" O&OD methodology ensures that local communities are involved in the identification of local priorities as well as the implementation and monitoring of development projects. Meanwhile, LGAs concentrate on larger-scale projects with costs and benefits that are beyond the communities' capabilities.<sup>4</sup>

## 1.2 Access to Information

Citizens need to be empowered to meaningfully participate in the local development process by giving them timely access to financial reports, administrative rules, and regulations. The Access to Information Act (2016) was adopted with the objective to ensure that all citizens can exercise their constitutional right of access to information, promote routine and systematic information disclosure, and also require public authorities to disclose information in a proactive manner.<sup>5</sup> The Access to Information Act Regulations (2017) further specify key classes of information, which have to be published and maintained by public authorities, such as budgets and financial accounts, and they make provisions for persons who are requesting access to information.<sup>6</sup>

To ensure that certain budget information is "readily available" to citizens (that means without making a formal request), the Government set the target that all LGAs post public budgets, revenues, and actual expenditures on easily accessible public notice boards by the end of the fiscal year 2020/2021.<sup>7</sup>

## 1.3 Challenges to Local Development

Despite these institutional advancements, the Government's Five-Year Development Plan II acknowledged in 2016 that "inadequate decentralisation and localisation of national priorities" is a key challenge to the effective implementation of the national development plan.<sup>8</sup> While more resources are being transferred directly to LGAs, their capacity to devise responsive plans and budgets needs further strengthening.

Another key challenge is the "weak system for follow-up, monitoring and evaluation" to identify opportunities for improving service delivery by taking corrective measures. The accountability process is mostly procedure-based focusing on compliance with centrally devised rules and standards, while there is less result-orientation to enhance the performance of public service providers.

To further promote responsiveness and accountability of the decentralised government system, it is important to understand how communities can be empowered to meaningfully participate in the local development process.

<sup>4</sup> President's Office – Regional Administration and Local Government (2019), Guidelines for Improved Opportunities and Obstacles to Development (O&OD) p. 5.

<sup>5</sup> Access to Information Act (2016), section 4 on the Objectives of this Act.

<sup>6</sup> Access to Information Act Regulations (2017), section 5 on Compulsory Publication and section 6 on Request for Access to Information.

<sup>7</sup> The United Republic of Tanzania (2016), p. 77.

<sup>8</sup> The United Republic of Tanzania (2016), p. 106.

## 1.4 The Subnational Open Budget Survey

The Subnational Open Budget Survey (SN OBS) is a tool, developed by the International Budget Partnership,<sup>9</sup> to measure the practised levels of budget transparency and citizen participation at the local government level. The survey questions address the timely availability of the budget documents at the local government level, the mechanisms for their dissemination, the types of information which they contain – including information on intergovernmental transfers – and the quality of the channels for citizen input into the budget process. To deepen the understanding of the information surrounding service delivery and procurement, the availability of information on these processes is also examined.

The SN OBS has four specific objectives:

**To assess the timely availability of budgetary information to citizens at the subnational level**

1

**To assess the quality of the mechanisms utilised for disseminating budgetary information to citizens**

2

**To assess the quality of the channels established for citizen participation in the review and oversight of budgetary documents**

3

**To assess the clarity and relevance of the information included in the main budgetary reports available to citizens at the subnational level**

4

## 1.5 Report Structure

The remainder of this report is structured as follows: the second chapter describes the methodology of the Subnational Open Budget Survey including a description of the research process. The third chapter summarises the survey findings describing a) the level of access to information, b) the quality of citizen participation in the budget formulation, reporting, and oversight process, and c) the clarity and relevance of budgetary documents. Then, the findings and how they relate to the ongoing reform agenda are discussed in the fourth chapter. The fifth and sixth chapters provide conclusions and recommendations that may help both policy-makers and policy-implementers to make the local government development process more responsive and accountable so that the country can translate its high economic growth into substantial reduction of poverty and spatial inequity.

<sup>9</sup> The IBP homepage can be accessed at: <https://www.internationalbudget.org>.

## 2

# Survey Methodology

### Key Message:

The Subnational Open Budget Survey is a research tool to collect a comparative dataset about the practised level of citizen participation, availability of budget information, and accountability at the local government level.

## 2.1 The Survey Tools

The Subnational Open Budget Survey has been designed for civil society organisations that are involved in research and advocacy work on budget transparency and citizen participation. It draws upon the Open Budget Survey (OBS) at the national level<sup>10</sup> and is based on a document describing the survey's methodology and a detailed survey questionnaire consisting of tables and multiple-choice questions which focus on three stages of the budget cycle:

1. *the budget **formulation** process;*
2. *the budget **execution** process; and*
3. *the budget **reporting and oversight** process.*

## 2.2 The Research Process

The research process was divided into three phases: The preparation stage included the selection of LGAs to be surveyed, the production of country-specific guidance notes, the selection and training of researchers, and the preparation of logistical arrangements. The selection of individual LGAs included geographical and socio-economic variation. Therefore, the LGAs are from different regions and include both urban and rural districts. Four out of seven LGAs (Arusha City Council, Kigoma District Council, Morogoro Municipal Council, and Korogwe District Council) are part of the GIZ Good Financial Governance Programme, which funded the survey, while the other three LGAs are partners of Sikika's advocacy programme (Kinondoni Municipal Council, Dodoma City Council, and Singida Municipal Council). The selection of LGAs from among the GIZ's and Sikika's programme ensures that follow up actions, such as feedback meetings and citizen awareness-raising activities, can be implemented to make the activity sustainable.

During the implementation stage, individual researchers conducted the survey in the selected LGAs. The data collection process took about one month and was structured in three rounds which included Internet research, on-site observation at public service facilities, requests for access to information, and interviews with local government authorities. Researchers were required to provide evidence for their responses, such as references to the relevant parts of budget documents, citations of laws or regulations; or quotations from interviews.

<sup>10</sup> In Tanzania, the national Open Budget Survey (OBS) is implemented by HakiElimu.  
<https://www.internationalbudget.org/wp-content/uploads/tanzania-open-budget-survey-2017-summary.pdf>

The reporting stage involved the compilation of scores on a datasheet for each LGA. Where the responses were collected during separate interviews with two local government officials, the responses were only considered as evident if they were supported by the second interview source. The filled-out questionnaires were subjected to a peer-review process in which LGAs were invited to provide their comments on the first draft of the completed questionnaires. These comments by the LGAs, as well as the relevant counter-responses by the researchers and the related comments of the survey coordinator, have been retained in the final version of the completed questionnaires. This summary report was prepared to highlight national best practices and to identify opportunities for empowering citizens to participate in the local development process.

## 2.3 The Scoring Method

All questions in the SN OBS require researchers to choose among five responses that describe varying levels of budget accountability practices and citizen participation at the local government level. Responses “a” or “b” are considered better practices than the responses “c” or “d”. To compare the practices among LGAs, the best-performing LGA with the highest response receives a score of 100%, while all the other LGAs are scored relative to the best-performing LGA. Those which do not practice a minimum level of budget accountability and citizen participation receive a score of 0%. This scoring method facilitates the setting of a national best practice standard that is aligned with the country’s state of development.

## 2.4 Limitations

The SN OBS questionnaire does not evaluate the quality or credibility of budgetary information that LGAs provide. For example, the questions do not evaluate the credibility of the economic assumptions underlying budget estimates. Similarly, there is no attempt to examine the appropriateness of the spending decisions reflected in the LGAs’ budgetary documents in terms of their fiscal prudence or their allocative efficiency. These are all legitimate areas of concern, but they demand a more detailed analysis than what can be provided through a standardised questionnaire.

The methodology has been chosen to facilitate the setting of a national best practice standard and, hence, there is no need to calculate a national ‘average’ score and also no need for using a representative selection of LGAs. Nevertheless, the selection of individual LGAs has been made to have geographical and socio-economic variability. Therefore, the LGAs are all from different regions and include both urban and rural districts. Five out of ten LGAs participating in the SN OBS are part of the GIZ Good Financial Governance Programme (Arusha City Council, Kigoma District Council, Morogoro District Council, Mwanza City Council, Korogwe District Council), which is funding the entire SN OBS, while the other five LGAs are partners of Sikika’s advocacy programme (Kinondoni Municipal Council, Dodoma City Council, Babati District Council, Mbeya City Council, Singida District Council). The selection of LGAs from among the GIZ’s and Sikika’s programme ensures that follow up actions, such as feedback meetings and citizen awareness-raising activities, can be implemented to make the activity more sustainable. However, the data collectors were not able to obtain information from 3 out of 10 sampled LGAs (Babati, Mbeya, and Mwanza) due to challenges of receiving or accepting research permits from COSTECH or PO-RALG as well as problems of recruiting data collectors during the Covid-19 pandemic. There was also confusion leading the data collectors to visit two municipal councils instead of two district councils reducing the sample’s socio-economic variability.

## 3

## Survey Findings

### 3.1 Public Availability of Budget Information

#### Key Message:

Budget documents are produced for internal use only.

This section describes survey results that assess the timely availability of budgetary information to ordinary citizens at the local government level. The focus lies on four main documents that should be the main means of communication of budgetary information to citizens over different stages of the annual budget cycle. These four main documents are the following:<sup>11</sup>

- The **Executive's Budget Proposal** (EBP) (*Mpango na Bajeti*) for the forthcoming year, which is the document submitted by the (appointed) executive to the (elected) full council for review, amendment, and approval.
- The **Enacted Budget** (EB) (*Bajeti iliyoidhinishwa*), as approved by the full council. The EBP should be made available to the general public before it is enacted so that citizens have the opportunity to share their opinion about planned revenues and expenditures in time.
- The **Year-End Report** (YER) (*Ripoti ya Utekelezaji ya Mwisho wa Mwaka*) on the most recently completed fiscal year, which should explain the differences between the original budget estimates and actual outcomes for revenues and expenditures.
- The **Audit Report** (AR) (*Ripoti Iliyokaguliwa*), which focuses on the correctness and completeness of the final accounts.

**Access to Information Act (2016)**, Section 5,  
Right to Information

(1) Every person shall have the right of access to information which is under the control of information holders. [...]

(4) For purposes of this section, "person" means a citizen of the United Republic.

**Access to Information Act Regulations (2017)**,  
Section 6, Request for Access to Information  
Without prejudice to the provision of section 10 of the Act, a person requesting access to information shall not be required by an information holder to give any reason for requesting the information or any other personal details other than those that may be necessary for communication with that person.

<sup>11</sup> Note that a Citizens' Budget, which is a simplified version of the Approved Budget, is produced and published for the national budget but not at the local government level. Also, Individual Agency Audit Reports do not exist since all autonomous and semi-autonomous agencies are owned by the central government.

### ***When is a budget document considered “available to the public”?***

For the SN OBS, a budget document is considered available to the public *if any and all* citizens can review a copy of the document in detail either by accessing it on the Internet, by consulting a copy of the document in a public place (e.g. a government office, library, or reference centre), or by receiving a copy upon request from the local government authority that issues the document.

To assess if the budget documents are available to the public, the SN OBS researchers first consulted the councils’ websites and then visited the local government offices to check if the information is “readily available” – which means without the need of making an official written request. Because none of the LGAs posted any of the budget documents on their website or made them “readily available” at the council’s office, the SN OBS researchers applied for access to budget information according to the Access to Information Act (2016) and its Regulations (2017).<sup>12</sup>

- To test *if any and all* citizens can get access to the budget documents, the SN OBS researchers, who are all Tanzanian citizens, submitted request letters in their own name.
- The letters only contained a list with the requested budget documents and personal contact information to receive a response from the LGA.

In all surveyed LGAs, none of the requested budget documents was made available to the public. Some local authorities did not accept the request letter by explaining that no ordinary citizens make such a request. The researchers were asked several questions that are in contravention with the Access to Information Act Regulations (2017) – such as who they are, who they are working for (i.e. personal details), and what the information is going to be used for (i.e. the reason for the request). Budget information is basically for internal use and can only be accessed by persons who have a research permit. This requires citizens to obtain ethical clearance from the Tanzania Commission for Science and Technology (COSTECH) and authorisation to conduct research at the local government level from the President’s Office – Regional Administration and Local Government (PO-RALG).<sup>13</sup>

## **3.2 Dissemination Mechanisms**

### **Key Message:**

**Councils use various means for disseminating budget information.**

While budget documents must be made available to the public, it is also important that Local Government Authorities use various means to proactively disseminate the information to citizens so that they can access them regardless of the language they speak, their levels of literacy, their familiarity with information technology, and the proximity to the capital city of their district (with the LGA headquarter). The Access to Information Act (2016) promotes the objective to “require [the] information holder to proactively disclose information” and to “promote routine and systematic information disclosure”.<sup>14</sup>

<sup>12</sup> See Annexe 1 for excerpts of relevant legislation.

<sup>13</sup> See Annexe 2 for a summary of the requests for access to information protocol of each surveyed LGA.

<sup>14</sup> Access to Information Act (2016), section 4 on the Objectives of this Act.

**TABLE 1: MEANS OF DISSEMINATION**

Oral Dissemination	Written Dissemination
Radio, TV, or other audio-visual dissemination means.	Internet, including web pages, blogs, and messages/ materials disseminated through social media.
Public meetings, hearings, or other means of direct oral dissemination.	Pamphlets, or other written summaries of budget documents.
Pamphlets, or other written summaries of budget documents.	Information desks, telephone “help-lines” and other forms of permanent assistance provided orally to citizens.
Information desks, telephone “help-lines” and other forms of permanent assistance provided orally to citizens.	Printed copies of budget documents, made available at public libraries and/or through government offices.

The table below summarises the scores concerning the means of dissemination for the four main budget documents. The responses were collected during separate interviews with two local government officials. The interview responses were only considered as evident if they were supported by the second interview source. The best-performing LGA(s) with the greatest number of means of dissemination received a score of 100% while all the other LGAs have been scored relative to the best-performing LGA. Those which do not use any means of dissemination received a score of 0%.

**TABLE 2: MEANS OF DISSEMINATION**

Local Government	Executive Budget	Enacted Budget	Year-End Report	Audit Report
Arusha CC	33%	0%	0%	50%
Dodoma CC	66%	100%	100%	100%
Kigoma DC	0%	0%	50%	50%
Kinondoni MC	33%	33%	0%	50%
Korogwe DC	33%	0%	0%	100%
Morogoro MC	33%	0%	50%	100%
Singida MC	100%	33%	50%	50%



## 3.3 Citizen Participation

### Key Message:

LGAs encourage citizen participation in development projects at the lower local government level.

### 3.3.1 Budget Formulation Process

During the preparation of the Executive Budget Proposal, Local Government Authorities use the “improved” “Opportunities and Obstacles to Development” (O&OD) as an annual mechanism to identify the public’s perspective on budget priorities.<sup>18</sup> The O&OD provides a broad-based development framework that is fully open to communities irrespective of gender, ethnicity, or cultural and social background. Village (Kitongoji) or Street (Mtaa) Assemblies involve all community members aged 18 years and above; they have the authority to amend and approve the Community Development Plan as well as the Community Action Plan.<sup>19</sup> The consultation process does not include all elements of the LGA’s expenditure budget as the planned Community Initiatives at the lower local government level (that means villages or streets) are expected to use locally available resources. Other large-scale projects with benefits that reach beyond local communities (for example “Strategic Revenue Generating Projects”) are planned and implemented at the higher local government level. The LGA’s consolidated Executive Budget Proposal (including the budgets of Lower Local Government Authorities) is tabled during full council meetings. The law requires that these meetings be open to the public and that citizens may be invited by the council chairman to speak “on any matter”.<sup>20</sup> But, in practice, citizens do not use this opportunity to give testimony.

### 3.3.2 Budget Reporting and Oversight

To ensure that the Year-End Report and Audit Report are meaningful instruments for promoting accountability, citizens should be able to pose questions to the executive of the LGA during the budget reporting and oversight process. According to interviews with local government officials, the majority of the surveyed LGAs (four out of seven) uses established channels to answer clarifications requested by citizens. For that purpose, (elected) councillors hold meetings with local communities before the full council meetings to receive their questions and concerns regarding the budget execution process. These questions are then passed on to the LGA executive, which answers them during a full council debate of the Year-End Report.

Likewise, the Audit Report is also tabled and discussed during a public full council meeting, where citizens do not give testimony.

18 President’s Office – Regional Administration and Local Government (2019), Guidelines for Improved Opportunities and Obstacles to Development (O&OD).

19 Ibid, p. 25.

20 Local Government (District Authorities) Act (1982), section 73 on Invitation to Non-Members to Attend Meetings. Local Government (Urban Authorities) Act (1982), section 40 on Invitation to Non-Members to Attend Meetings.

**TABLE 3: PUBLIC ENGAGEMENT IN BUDGET REPORTING AND OVERSIGHT**

Local Government Authority	Public Engagement in Year-End Reporting (YER)	Public Engagement in Scrutiny of Audit Reports (AR)
Arusha CC	100%	100%
Dodoma CC	0%	100%
Kigoma DC	0%	100%
Kinondoni MC	0%	100%
Korogwe DC	100%	100%
Morogoro MC	100%	100%
Singida MC	100%	100%

### 3.4 Specific Mandates of Local Government Authorities

**Key Message:**

Public procurement and service delivery oversight do not systematically involve citizens.

#### 3.4.1 Public Procurement

Public access to information at different stages of the procurement process, an independent procurement complaints review body, and a sound regulatory framework are all essential elements for a transparent and competitive procurement system.

The Annual Procurement Plan (APP) (*General Procurement Notice*) is a document showing all purchases for works (i.e. construction), goods and services (e.g. consultancy) which are planned for the forthcoming fiscal year. General Procurement Notices (GPN) of all LGAs can be downloaded on the website of the Tanzania National e-Procurement System ([www.TANePS.go.tz](http://www.TANePS.go.tz)). The GPN includes a description of the procurement, tender numbers, and dates for advertising procurement notices as well as dates for the invitation for bids and contract awards. But the procurement of Commonly Used Items and Services (CUIS) is outsourced to the Government Procurement Services Agency (GPSA), whose Annual Procurement Plans are not accessible through TANePS.

To promote open competition, potential tenderers should be made aware of open tenders when they are launched. The Public Procurement Act Regulations (2013) require the advertisement of tenders on the tender portal (TANePS), the procuring entity's website, and one national newspaper.<sup>21</sup> In practice, there is no single, pre-established source for the launch announcements of public tenders. LGAs do not publish all tenders in national newspapers, and those tender invitations that were due according to General Procurement Notices could not be found on TANePS or the LGAs' website.

Citizens and potential suppliers of government services should be able to access information on the announcements of tender awards so that they can assess whether the award appears appropriate or if a complaint should be registered. However, procurement entities do not make public announcements of tender awards.<sup>22</sup> Award notices are only submitted to those who submitted offers (via emails or letters).

Tanzania has a comprehensive dispute resolution mechanism with a three-tier procurement complaints review process. The first review of tender decisions is performed by the LGA's accounting officer, who has the overall responsibility for the LGA's procurement process. The decision of the accounting officer may be appealed to the (external) Public Procurement Appeals Authority whose decisions may be subjected to review at the High Court. The decisions of the external dispute resolution process should be accessible by the general public in time to ensure an impartial process and that the decisions are respected by the LGA. The decisions of the Public Procurement Appeals Authority can be accessed on its website ([www.ppa.go.tz](http://www.ppa.go.tz)) within 30 days after their adjudication.

The external monitoring of the tender award process can help to ensure that procedures are followed. According to Public Procurement Act Regulations (2013), only those who are participating in the tender are allowed to be present during tender evaluation including tenderers and their representatives and members of the tender board, the procurement management unit, and LGA's user departments.<sup>23</sup> However, the Public Procurement Regulatory Authority issued a guideline (2020) for 'Community Participation in Public Procurement' that applies if goods, small works, and non-consultancy services can be provided by the community through semi-skilled and unskilled labour. In such circumstances, the beneficiary community is responsible for the tender process and contract management under the supervision of the LGA. The guideline also requires the tender award process to be preannounced and open to the public.<sup>24</sup>

The external monitoring of the implementation of public works can help to address mismanagement and malpractice during the contract implementation stage (e.g. the use of substandard materials or not following the technical design properly). The Public Procurement Regulatory Authority issued a guideline (2020) for 'Carrying Out Works under Force Account'. Under this procurement method, the LGA uses its own personnel and equipment or hired labour for construction or maintenance works. The accounting officer has the authority to appoint an 'inspection and acceptance team' consisting of one member from the lower local government leadership and one community member with technical construction know-how.<sup>25</sup> So far, there have been cases where community members observed the implementation of community development projects, but that practice needs to be extended further.

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21 Public Procurement Act Regulations (2013), section 181 on the Invitation to Tender and Advertising.

22 Public Procurement Act Regulations (2013), section 231 on the Approval of the Award of Contract.

23 Public Procurement Regulations (2013), section 56 on the Tender Opening Adhoc Committee.

24 Public Procurement Regulatory Authority (2020a), Guideline for Community Participation in Public Procurement, section 16 and annex 3.

25 Public Procurement Regulatory Authority (2020b), Guideline for Carrying Out Works under Force Account, section 31.

### 3.4.2 Public Service Delivery

To benefit from available public services, citizens need access to information on the range of services to which they are entitled. The Access to Information Act Regulations (2017) require all information holders, including LGAs, to publish detailed information regarding their core functions and the nature of their activities and operations. According to interviews with local government officials, Kigoma District Council shares this information through regular community meetings, while Korogwe Municipal Council shares the information at ward offices.

Not all services are available to everyone, and not all services are available for free. Therefore, citizens need information on the conditions of entitlement to services that specify which services are provided to which citizens. For instance, Korogwe District Council shares information about how citizens can enrol in the Community Health Fund (*Mfuko wa Afya ya Jamii*).

Citizens' opinions and suggestions are important to design services that are responsive to citizens' needs. Thus, citizens need information on the mechanisms and procedures to register complaints or services. Korogwe District Council, for instance, makes public announcements to citizens and staff that there is a coordinator for complaints (providing a room number and a phone number). There is also a form for citizens which they can use to register their complaints or provide suggestions.



A public primary school in Arusha City Council

TABLE 4: INFORMATION ON PUBLIC SERVICE DELIVERY

Local Government Authority	Information on Services Delivered by Local Government	Information on Conditions of Entitlement to Services	Mechanisms to Register Complaints	Budget Information for the Facility Level
Arusha CC	33%	100%	100%	0%
Dodoma CC	33%	33%	66%	0%
Kigoma DC	100%	100%	100%	0%
Kinondoni MC	100%	100%	100%	0%
Korogwe DC	100%	100%	100%	0%
Morogoro MC	0%	0%	100%	0%
Singida MC	33%	66%	100%	0%

While access to the four main budget documents (YER, EB, YER, AR) should provide citizens with a reasonable understanding of the use of resources by the LGA, the information in these documents is not sufficiently disaggregated to assess the use of resources by public service facilities, such as primary schools or health centres. Therefore, citizens should have access to information on the annual allocation for the service facility, as approved in the Enacted Budget, as well as the actual level of spending by the service facility in comparison with the annual budget. This information should be “readily available” at the facility’s notice boards (that means without the need of making a written request). In each district, the SN OBS researchers visited 3 primary schools and 3 primary health care facilities, but none of the facilities provided the information on their notice boards. Further written requests for this type of information at the LGA offices failed for the same reasons as the requests for the four main budget documents (see above).

### 3.5 Clarity and Relevance of Undisclosed Budget Documents

#### Key Message:

The undisclosed budget documents contain valuable information that would empower citizens making LGAs more responsive and accountable.

While all LGAs did not make any of the requested budget documents available to the public, the LGAs of Kigoma District Council (DC), Korogwe District Council (DC), and Singida Municipal Council (MC) shared copies of their budget documents after the SN OBS researchers presented a research permit. The clarity and relevance of these undisclosed budget documents have been analysed to indicate how valuable they would be to citizens if they were made available to the public. To establish the national best practice standard, the findings only refer to the document with the highest response.



Suggestion box at a public health facility

### 3.5.1 Executive Budget Proposal

#### *Intergovernmental Transfers*

The funding of LGAs comes to a large extent from grants that are transferred by the central government and donors as well as, to a smaller extent, from local own-source revenues including taxes and non-tax sources (such as licences, fees, charges). The EBPs of Korogwe DC and Singida MC present intergovernmental transfers that are disaggregated by the two main types of grants: conditional grants that are earmarked for national priority sectors (like health care and education) and an unconditional General-Purpose Grant to fund administrative and other local activities.<sup>26</sup> However, there is no indication of the formulas that are used to calculate the value of grants to be received from the central government.

#### *Disaggregation of Expenditures*

Expenditures can be organised according to different budget classifications: The “administrative classification” indicates which department is responsible and accountable for the spending of funds, while the “economic classification” indicates the nature of expenditures (personal emoluments, other charges (goods and services), and capital development (investment)). The expenditures of administrative units may be further disaggregated by individual expenditure “programmes” which include a set of activities to meet policy objectives under a unified management structure (such as “primary health care” or “hospital services”). The EBPs of Kigoma DC, Korogwe DC, and Singida MC are disaggregated by administrative units for both recurrent and development expenditures,<sup>27</sup> and the EBPs of Kigoma DC and Singida MC are also disaggregated by economic classification.<sup>28</sup> Moreover, the EBPs of Kigoma DC, Korogwe DC, and Singida MC disaggregate the expenditures of the education department into “primary education” and “secondary education”, but the other departments do not provide this higher level of detail.

<sup>26</sup> Singida Municipal Council (2020), The Proposed Executive Budget for 2020/21, p. 58. Korogwe District Council (2020), The Proposed Executive Budget for 2020/21, p. 8p.

<sup>27</sup> Singida Municipal Council (2020), p. 58p. Kigoma District Council (2020), The Proposed Executive Budget for 2020/21 and the Implementation Report for 2018/19 and 2019/20, p. 23p. Korogwe District Council (2020), p. 9.

<sup>28</sup> Singida Municipal Council (2020), p. 58p. Kigoma District Council (2020), p. 23p. Korogwe District Council (2020), p. 9.

### **Disaggregation of Revenues**

Since different sources of revenues have different characteristics, including who bears the burden of paying the tax and how collections are affected by economic conditions, it is important that revenue estimates are disaggregated based on their sources. Kigoma DC, Korogwe DC, and Singida MC present detailed estimates of own-source revenues including fees, fines, permits, levy, licences, and produce cess.<sup>29</sup>

### **Planned Fiscal Surplus or Deficit and Debt Stock**

While LGAs have the power to borrow (and incur debt),<sup>30</sup> the EBPs of Kigoma DC, Korogwe DC, and Singida MC present a balanced budget without a planned deficit or surplus.<sup>31</sup> Information on Singida MC's current debt stock is not in the EBP but it can be found in the YER which includes The Statement of Financial Position presenting 'Long-Term Borrowings'; but there is no information about anticipated repayment obligations.<sup>32</sup>

### **Estimates for the Budget Year and Beyond**

Because budget decisions for the forthcoming fiscal year also affect the budgets of subsequent years (for instance maintenance costs for newly constructed buildings), it is useful to estimate revenues and expenditures for multi-year periods. However, Singida MC, Kigoma DC, and Korogwe DC only present revenue and expenditure estimates for the next fiscal year.<sup>33</sup>

### **Estimates for Years Prior to the Budget Year**

Information for the fiscal year preceding the budget year is an important benchmark for assessing the proposed estimates of the EBP. Both Kigoma DC and Singida MC present the expenditure estimates for the prior fiscal year broken down by economic classification,<sup>34</sup> and they also present the previous fiscal year's own-source revenue estimates disaggregated by tax and non-tax category.<sup>35</sup>

### **Complementary Information on Assets and Liabilities**

LGAs administer extra-budgetary funds that are outside of the legal and administrative framework of the annual budget. For instance, the EBP of Singida MC presents estimated revenues and expenditures for the Community Health Fund (*Mfuko wa Afya ya Jamii*) and the National Health Insurance Fund (*Mfuko wa Taifa wa Bima ya Afya*) disaggregated by administrative classification (health centres and dispensaries); but there is no further statement about the purpose of these funds or management arrangements.<sup>36</sup>

LGAs hold significant financial assets (like bank deposits) as well as non-financial assets (like land and buildings); such information should be included in the budget documents. The YER of Singida MC includes the Statement of Financial Position with information on financial and non-financial assets with both estimates and a narrative.<sup>37</sup>

29 Singida Municipal Council (2020), p. 60p. Kigoma District Council (2020), p. 26p. Korogwe District Council (2020), p. 7p.

30 Local Government Finance Act (revised edition 2019), section 14 on the Power to Borrow.

31 Note that a balanced budget does not necessarily imply that LGAs do not incur a surplus or deficit. The Year-End Report of Singida MC includes the Statement of Financial Performance for 2018/2019 which shows that the council had a surplus in both 2017/2018 and 2018/2019. Compare Singida Municipal Council (2019), Concillors' Report and Financial Statements for the Year Ended 30th June 2019.

32 Singida Municipal Council (2019), p. 23.

33 Singida Municipal Council (2020), p. 58p. Kigoma District Council (2020), p. 23p. Korogwe District Council (2020), p. 8p.

34 Singida Municipal Council (2020), p. 11. Kigoma District Council (2020), p. 16.

35 Singida Municipal Council (2020), p. 60. Kigoma District Council (2020), p. 26.

36 Singida Municipal Council (2020), p. 58, 93, 95.

37 Singida Municipal Council (2019), p. 12, 23.

Expenditure arrears arise when LGAs have entered a commitment to spend funds (for instance when they order and receive goods or services) but they have not made the payment when it is due. The Singida MC's Statement of Financial Position and its narrative indicate the amount 'payables', but there is no further breakdown of those 'payables' that are not yet due and those that are in arrears.<sup>38</sup>

Contingent liabilities are potential obligations that become actual liabilities only when a contingent event occurs that demands payment. The YER of Singida MC does not include information on contingent liabilities, but it presents a list of legal cases for which no liability has been included in the financial statements as the legal action is considered unlikely to succeed.<sup>39</sup>

Besides intergovernmental transfers from the central government, LGAs also receive grant funding from international development cooperation agencies (such as UNICEF or the Global Fund) in-cash or in-kind (like the supply of medicines). The EBP of Kigoma DC presents all donor-funded activities together with a brief description.<sup>40</sup>

### ***Budget Narrative and Performance Targeting***

The EBP is the LGA's main policy document and should include a clear description of how the proposed budget is linked to policy goals. The EBP of Kigoma DC states the broad policy objectives which are supported by the entire budget, but there is no qualitative or quantitative explanation of how the policy goals are to be achieved through the proposed budget.<sup>41</sup> On the other hand, the document presents non-financial performance targets for all administrative units (for example 'to reduce the shortage of medicines and medical commodities from 3% to 1% by June 2023), but these are not further disaggregated by programmes.<sup>42</sup>

## **3.5.2 Enacted Budget**

The SN OBS researchers were not able to obtain a copy of the Enacted Budget. Local government officials explained during interviews that it largely matches the Executive Budget Proposal because the full council makes only minor amendments.

## **3.5.3 Year-End Report**

### ***Differences Between Enacted Levels and the Actual Outcome (Budget Performance)***

The YER of Singida MC includes a summary of financial performance including the differences between enacted levels and actual outcomes for both revenues<sup>43</sup> and expenditures<sup>44</sup> along with a narrative discussion.

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38 Singida Municipal Council (2019), p. 23.

39 Singida Municipal Council (2019), p. 52.

40 Kigoma District Council (2020), p. 1.

41 Kigoma District Council (2020), p. 22.

42 Kigoma District Council (2020), p. 29.

43 Singida Municipal Council (2019), p. 11, 13.

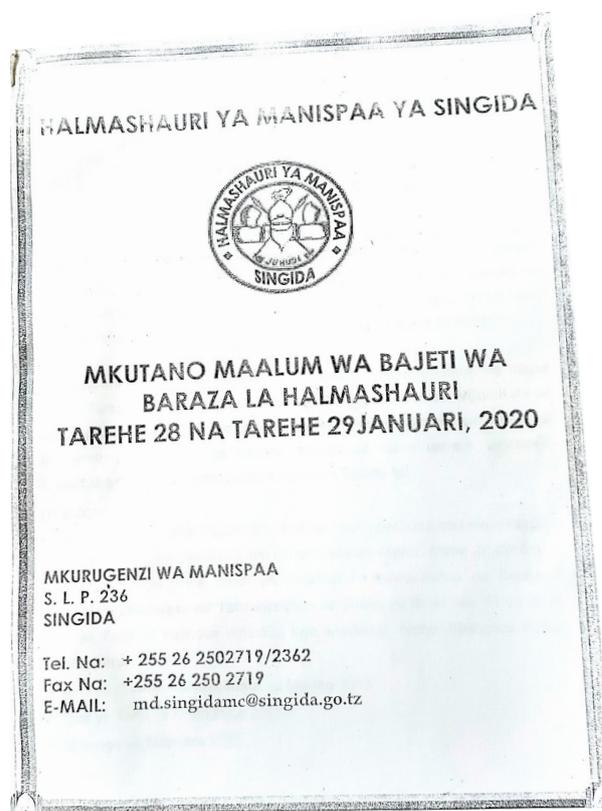
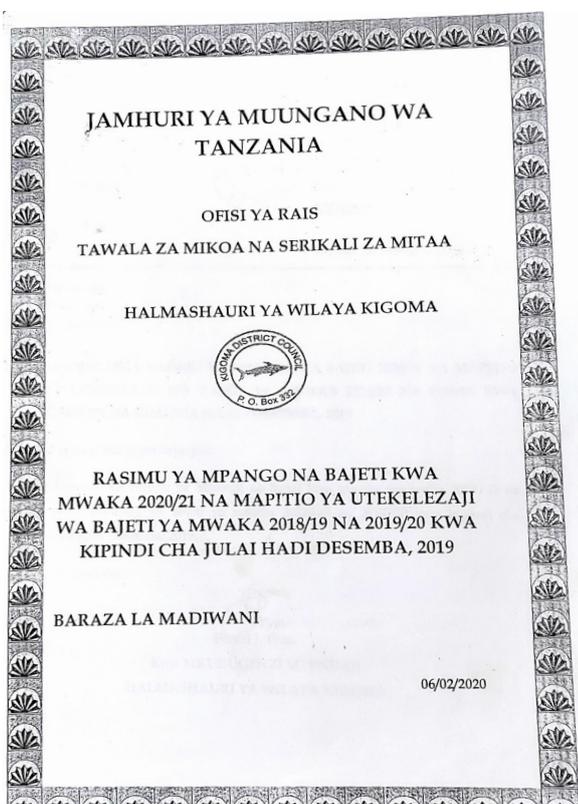
44 Singida Municipal Council (2019), p. 10, 14.

### Intergovernmental Transfers

The YER of Singida MC also states the actual amount of Government Grants (disaggregated by recurrent and capital grants) and the total of Development Grants (from donors assistance) that have been received against budget estimates, but they are not disaggregated by conditional and unconditional grants.<sup>45</sup>

### 3.5.4 Audit Report

To facilitate effective scrutiny of audit reports by oversight bodies and the general public, Audit Reports should be clear and easy to read with actionable recommendations. The Audit Report on Final Accounts from Singida MC includes a section describing 'key findings' as well as a 'methodology', but it does not contain a list of (new) recommendations and a follow up of previously made recommendations.<sup>46</sup>



**Budget documents of Kigoma District Council and Singida Municipal Council.**

<sup>45</sup> Singida Municipal Council (2019), p. 10, 13.

<sup>46</sup> National Audit Office of Tanzania (2020), Report of the Controller and Auditor General on the Financial Statements and Compliance Audit of Singida Municipal Council for the Financial Year Ended 30th June 2019, p. 2, 5.

## 4

# Discussion

### Key Message:

The Local Government Reforms and Access to Information legislation provide a solid governance framework for community empowerment.

## 4.1 Citizen Participation

Tanzania has a long history of promoting “self-help efforts” by local communities. The “improved” Opportunities and Obstacles to Development (O&OD) process is another step to promote the local development process. A central flaw of the earlier O&OD approach was the lack of community ownership since citizens were only involved during the budget formulation process without a significant role at the budget execution stage. The “improved” O&OD uses a more holistic process that empowers communities to follow up and evaluate the implementation of development projects. However, the scope of O&OD is limited to community initiatives that use locally available resources, while most LGAs’ revenues (about 90%) are comprised of intergovernmental transfers, which are largely earmarked for the provision of services that are a national priority, like health care and education. It is, therefore, important that citizens share their views on the planned use of transferred resources to ensure that the entire LGA budget is allocated based on the community’s priorities.

The devolution of powers to LGAs means that local communities must play a stronger role in the budget reporting and oversight process. For that purpose, councillors are attending community meetings where they receive questions and concerns from citizens, which are then put forward and answered by the executive during full council meetings, where citizens do not give testimony. This means that appointed LGA officials are indirectly held accountable by citizens through their elected councillors and attached oversight boards and committees. This form of indirect accountability may be an efficient way to gather, consolidate, and respond to the various voices of the community, but its effectiveness also depends on the quality of consultations between citizens and their representatives: citizens need access to budget information to ensure that resources are allocated and spent responsibly. Without the communities’ awareness, LGA officials and oversight bodies may lack the appropriate sense of urgency to take corrective measures and make regular follow-ups.<sup>47</sup>

Public procurement at the local government level is open, but its scope is limited to community development projects. Procurement laws and regulations make provisions for external observers to participate in the tender process and contract management. This can help ensure that correct procedures are followed and value for money is achieved. But community members need technical support to effectively perform their roles and responsibilities in the procurement of community development projects.

<sup>47</sup> Research shows that social accountability mechanisms can have a significant positive impact on the performance of public service facilities. Compare Francetic, Fink, and Tediosi (2020), *Impact of Social Accountability Monitoring on Health Facility Performance: Evidence from Tanzania*.



Another key area where citizens can contribute to the local development process is service delivery oversight. The survey results indicate that LGAs make information on complaint mechanisms widely available, and some even appointed coordinators, who ensure that complaints are properly registered and responded to. But to ensure that all citizens can provide constructive feedback, information on the range of services and conditions of entitlements needs to be “readily available” at all public service facilities.

## 4.2 Clarity and Relevance of Budget Information

The analysis of the budget documents which SN OBS researchers received from Kigoma DC, Korogwe DC, and Singida MC (after presenting a research permit) indicates that these documents can be of great value to citizens who are participating in the local development process.

The Executive Budget Proposals include information on intergovernmental transfers, which are mainly used to fund national priority sectors. In the light of existing local disparities in development,<sup>48</sup> citizens can use the information to assess and support the equitable allocation of intergovernmental transfers to LGAs. Moreover, detailed information on revenues and expenditures can motivate citizens to support the mobilisation of own-source revenues to finance development projects that are responsive to communities’ needs. The budget documents also include non-financial performance targets for various activities, which citizens can use to promote the efficient use of available resources to achieve better development results.

The Year-End Reports contain financial performance information that explains the differences between the enacted budget estimates and the actual outcomes. Since public services are mainly financed by intergovernmental transfers, these explanations are important to understand the different responsibilities of

48 The United Republic of Tanzania (2016), p. 13.

both local and central government in a decentralised system. If a certain activity has not been completed, it may be that the LGA has not received the full amount of intergovernmental transfers in time, or it may be that the LGA faced particular difficulties during the budget execution stage. In the first case, citizens have good reasons to ask why intergovernmental transfers were not fully provided in time by the central government while, in the latter case, the LGA needs to account for the incomplete budget execution.

The Audit Report that was availed to the SN OBS researchers does not contain new recommendations and a follow up of previously made recommendations, but this information can be found in the General Audit Report from the National Audit Office. Citizens can use this information to assess if LGAs take the audit findings of the Controller and Auditor General seriously by implementing the audit recommendations so that public monies are used responsibly and are not exposed to unnecessary fiduciary risk.

### 4.3 Public Availability of Budget Information

Unfortunately, citizens are not able to use the information described above because the budget documents are treated as “for internal use only” and are, therefore, not available to the public. The Government has tried to change the situation by enacting the Access to Information Act (2016) and Regulations (2017). The legislations contain clear provisions on how applications for access to information should be made – which means “in writing” and without “giving any reason” or “other personal details” that are not necessary for communication.<sup>49</sup> The survey results indicate that LGAs are either not aware or they ignore these statutory provisions.

### 4.4 Dissemination Mechanisms

It is also important to establish infrastructure for the dissemination of information to enhance active participation. The survey results indicate that some LGAs use more means of disseminating information than others. The Access to Information Act (2016) has the objective to promote proactive and systematic information disclosure, but neither the Act nor its Regulations (2017) include clear provisions on how information should be published. This regulatory indetermination allows LGAs to decide how they want to use both oral and written means of dissemination. It may, therefore, be prudent to guide local authorities on how they should share budgetary information with citizens in an efficient and user-friendly manner.

A good example is the dissemination of General Procurement Notices through the Tanzania National e-Procurement System (TANePS) which allows citizens to anticipate opportunities to participate in the public procurement process. But LGAs also need to observe Public Procurement Act Regulations (2013) by publishing tender invitations on the TANePS’ tender portal and the LGAs’ website to promote open competition among potential tenderers.<sup>50</sup>

According to the Government’s Five-Year Development Plan II (2016/17 – 2020/21), all LGAs should post public budgets, revenue, and actual expenditure on easily accessible public notice boards by the fiscal year 2020/2021.<sup>51</sup> But this policy target does not explicitly include individual public service facilities, which are receiving substantial amounts of direct facility funding. None of the primary schools and health care facilities

49 Access to Information Act (2016), section 10 on the Application for Access to Information as well as Access to Information Act Regulations (2017), section 6 on the Request for Access to Information.

50 Compare Public Procurement Act Regulations (2013), section 181 on Invitation to Tender and Advertising.

51 The United Republic of Tanzania (2016), p. 77.

that were visited by the SN OBS researchers posted current budget information on their notice boards. This makes it difficult for citizens to monitor the efficient use of resources by public service managers.

To translate Tanzania's high economic growth into substantial reduction of poverty and spatial inequity, the country needs to improve public service delivery by decentralising the government and empowering local communities to make LGAs responsive and accountable.



Local government authority reception area in Tanga region.



Notice board at a public health facility in Kigoma District Council.

# 5

## Conclusions

### Key Message:

Citizens empowerment can make LGAs more responsive and accountable.

### Citizen Participation is Inclusive but Limited in Scope.

The decentralisation of government means that the relations between central and local governments as well as between local governments and their citizens need to be realigned. The “improved” Opportunities and Obstacles to Development (O&OD) methodology makes LGAs more responsive by bringing decision-making closer to their people. It does not confine itself to the identification of citizens’ needs and priorities, but it also builds ownership by involving citizens during project implementation and the monitoring and evaluation process. However, the SN OBS findings also show that this methodology is only applied to local community development projects, while the LGA focuses on the identification and implementation of national development programmes with costs and benefits that cut across communities. The “inadequate decentralisation and localisation of national priorities”<sup>52</sup> at the local government level may (partly) originate from insufficient negotiation and consensus-building over national priorities that cut across local communities.<sup>53</sup>

All LGAs receive intergovernmental transfers to provide key public services according to centrally devised policies and regulations. In the past, “weak systems for follow up, monitoring and evaluation”<sup>54</sup> have resulted in an overreliance on procedure-based compliance audits rather than result-oriented performance assessments. As a consequence, corrective measures are not always taken in a timely manner. The SN OBS findings indicate that appointed LGA officials are indirectly held accountable by citizens through the full council and its attached oversight boards and committees. To ensure that these bodies perform their oversight role effectively, citizens need access to comprehensive budget information.

### Budget Documents are Clear and Relevant.

The assessment of LGAs’ budget documents shows that the Executive Budget Proposals contain valuable information which citizens can use to promote the fair allocation of intergovernmental transfers, the mobilisation of own-source revenues, and the efficient use of available resources. Further, the Year-End Reports provide information on how central and local government authorities fulfil their respective responsibilities to adequately finance and deliver public services, while the Audit Reports yield information about whether audit recommendations are taken seriously.

52 The United Republic of Tanzania (2016), p. 106.

53 Japan International Cooperation Agency (2008), The Study on Improvements of Opportunities and Obstacles to Development (O&OD) Planning Process, p. 13.

54 The United Republic of Tanzania (2016), p. 106.

## **Budget Documents are not Publicly Available.**

Citizens are being denied requests for access to budget information in contravention with existing Access to Information legislation that has been enacted to give effect to citizens' constitutional right of access to information. The refusal to share budget documents makes it difficult for citizens to ensure that national development programmes are targeting local priorities and that corrective measures are taken with the appropriate sense of urgency.

## **The Use of Dissemination Mechanisms Varies Among LGAs.**

The main mechanism for the proactive dissemination of budget information is through full council meetings, which are required to be held in public by law. Neither the Access to Information Act (2016) nor its Regulations (2017) include clear provisions on how information should be published. This may explain why different LGAs use various oral and written means of dissemination.

## 6

# Recommendations

### Key Message:

The existing governance framework provides opportunities to empower communities through enhanced access to information and citizen participation.

## Provide Access to Budget Information.

The probably easiest way to promote citizen participation in local development is to ensure that LGAs make budget information available to the public in compliance with the Access to Information Act (2016) and its Regulations (2017). The application forms<sup>55</sup> for requesting information should be readily available at LGA offices together with a user-friendly description of the rights and responsibilities of both the person requesting information and the information holder including regulations for time limits and fees covering the actual costs for the production of the requested information.

## Issue Guidelines for the Use of Dissemination Mechanisms.

To promote routine and systematic information disclosure by information holders in compliance with the principles of accountability, transparency, and public participation,<sup>56</sup> LGAs should make main budget documents available on their website where citizens can download the information in a machine-readable format. Another simple means to disseminate budget documents is to make printed copies available at the LGA's district and ward offices where citizens can peruse them at their discretion. Moreover, service facilities should post their budgets, revenue, and actual expenditure on easily accessible public notice boards.

## Promote Citizen Participation in the Budget Process.

Citizens need to be empowered to use available budget information in the budget process. Over the past years, the Government has successfully cooperated with civil society organisations that are using a variety of social accountability mechanisms<sup>57</sup> to educate citizens and community-based organisations on how to monitor the allocation and use of public resources to improve public service delivery.<sup>58</sup> More of such capacity-building interventions could improve the quality of consultations between citizens and their elected councillors before the budget documents are tabled, debated, and approved during full council meetings. There is also a need to discover how information and communication technology can be leveraged to empower local communities more effectively.<sup>59</sup>

55 Access to Information Act Regulations (2017), section 11 on Forms.

56 Access to Information Act (2016), section 4 on the Objectives of this Act.

57 For example public expenditure tracking studies (PETS), social audits, and community scorecards.

58 Compare Francetic, Fink, and Tediosi (2020).

59 The World Bank (2011), Use of Social Accountability Tools and Information Technologies in Monitoring and Evaluation, p. 10.

Another opportunity to strengthen the local development process is to involve citizens in public procurement. The Public Procurement Regulatory Authority issued guidelines for 'Community Participation in Public Procurement' (2020) under the supervision of LGAs. Citizens need more technical support to understand and perform their roles and responsibilities in the procurement of community development projects.

## **Enhance Clarity and Relevance of Budget Documents.**

The four main budget documents contain lots of information that citizens need to meaningfully participate in the local development process. To reduce spatial disparities in service provision, the discussion about the equitable allocation of resources across LGAs is of great importance. To assess if LGAs receive their fair share, the Executive Budget Proposal should include the formula that is used to calculate the value of intergovernmental transfers, which are the LGAs main source of revenues for providing services that are a national priority, such as health care and education.

A second element that is critical for promoting local development is "accountability for results". To strengthen the efficient use of the available resources, the Executive Budget Proposal should include a narrative with a clear explanation of how policy goals are linked with the budget estimates as well as non-financial performance data (for example, the reduction of maternal mortality or school exam pass rates).

## Recommendations at a Glance!

“  
Make budget information readily available to the public in compliance with the Access to Information Act.”

“  
Make budget documents available on your website.”

“  
Make printed copies available at district and ward offices where citizens can examine them.”

“  
Post service facilities' budgets, revenues, and their actual expenditures on easily accessible public notice boards.”

“  
Educate citizens on how to monitor the allocation and use of public resources.”

“  
Involve citizens in public procurement.”

“  
Explain the formula that is used to calculate the value of intergovernmental transfers.”

“  
Explain how policy goals are linked with the budget estimates and performance targets.”

## List of References

Access to Information Act (2016).

Access to Information Act Regulations (2017).

Francetic, Fink, and Tediosi (2020), Impact of Social Accountability Monitoring on Health Facility Performance: Evidence from Tanzania.

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# Annexure

## Annexe 1 – Access to Information Legislation

Law or Regulation	Provision
Access to Information Act (2016), Section 5, Right to Information	<ul style="list-style-type: none"> <li>(1) Every person shall have the right of access to information which is under the control of information holders.</li> <li>(2) The information holder shall, subject to the provisions of section 6 and any other written laws, make available to the public or, on request, to any person, information which is under his control.</li> <li>(3) Nothing in this Act shall limit or otherwise restrict any other legislative requirement for a public authority to disclose information.</li> <li>(4) For purposes of this section, “person” means a citizen of the United Republic.</li> </ul>
Access to Information Act Regulations (2017), Section 5, Compulsory Publication	<ul style="list-style-type: none"> <li>(1) Without prejudice to Regulation 4, an information holder shall publish and maintain published certain key classes of information as soon as they are generated or received by the information holder, irrespectively of whether a request has been made or not made for them.</li> <li>(2) Subject to sub-regulation (1), the classes of information that shall be published by every information holder include the following:               <ul style="list-style-type: none"> <li>(a) the legislation, memorandum or charter that provides for its establishment;</li> <li>(b) its existing policies, procedures and rules;</li> <li>(c) its budgets;</li> <li>(d) the financial accounts of the information holder;</li> <li>(e) contracts and their annexes that have been entered by an information holder with third parties;</li> <li>(f) its organisational chart, including lines of reporting;</li> <li>(g) procedures for appealing decisions of the information holder or its officers; and</li> <li>(h) such other information that would enable the public to deal with the authority or to monitor its performance.</li> </ul> </li> </ul>
Access to Information Act Regulations (2017), Section 6, Request for Access to Information	<p>Without prejudice to the provision of section 10 of the Act, a person requesting access to information shall not be required by an information holder to give any reason for requesting the information or any other personal details other than those that may be necessary for communication with that person.</p>

## Annexe 2 – Request for Access to Information Protocol

Local Government Authority	LGA Response to Request for Access to Information
<p><b>Arusha CC</b></p>	<p>The SN OBS researcher (with Tanzanian citizenship) submitted a letter in his or her own name requesting access to budgetary information on 24.06.2020.</p> <p>The citizen received a written response letter drafted on 16.07.2020 from the District Executive Director (DED) explaining that the request was denied because the citizen did not explain for which organisation he or she is working for and for which purpose the requested information is going to be used for.</p>
<p><b>Dodoma CC</b></p>	<p>The SN OBS researcher (with Tanzanian citizenship) submitted a letter in his or her own name requesting access to budgetary information on 25.06.2020. When the citizen followed up on the request on 10.07.2020, the District Planning Officer (DPO) asked the researcher’s identity, the purpose of the request, and who he or she is working for.</p> <p>The DPO explained that budgetary documents are for internal use only and that information would only be availed through an interview which is based on a written questionnaire.</p> <p>The citizen obtained a research permit from the Regional Administrative Secretariat on 22.07.2020.</p>
<p><b>Kigoma DC</b></p>	<p>The SN OBS researcher (with Tanzanian citizenship) submitted a letter in his or her own name requesting access to budgetary information on 25.06.2020. The citizen met with the District Executive Director’s (DED’s) secretary who explained that a research permit is needed for requesting the budgetary documents. The secretary also required notification from the Regional Administrative Secretariat (RAS) that the survey has been authorised.</p> <p>Only after the citizen presented an introduction letter from Sikika explaining that he or she is conducting a survey on behalf of the organisation together with another authorisation letter from PO-RALG, the request letter was accepted and registered.</p>
<p><b>Kinondoni MC</b></p>	<p>The SN OBS researcher (with Tanzanian citizenship) submitted a letter in his or her own name requesting access to budgetary information on 05.08.2020. The citizen was given a response letter on 20.08.2020 from the Municipal Executive Director with reference number KMC/MPCO/B.2/8/120 stating that the requested information is provided during full council committee meetings. Councillors then present the information to Ward Development Committees and further to the community at the street level. Therefore, the request for budgetary information should be made by street governments.</p>
<p><b>Korogwe DC</b></p>	<p>The SN OBS researcher (with Tanzanian citizenship) submitted a letter in his or her own name requesting access to budgetary information on 02.07.2020. The District Planning Officer asked the researcher if he or she has a research permit.</p>

<p><b>Morogoro MC</b></p>	<p>The SN OBS researcher (with Tanzanian citizenship) submitted a letter in his or her own name requesting access to budgetary information on 26.06.2020.</p> <p>The District Medical Officer (DMO) explained to the citizen that he or she will not get a response because they have never had a request from an ordinary citizen at their office.</p> <p>When the citizen explained that he or she is conducting research on behalf of Sikika, the DMO referred the citizen to the Regional Administrative Secretariat (RAS) of Morogoro which should notify the District Administrative Secretariat (DAS) of Morogoro Municipal Council that the research has been authorised. Further, the citizen was asked to write another letter requesting budgetary information as a researcher.</p> <p>On 21.07.2020, the RAS of Morogoro issued a letter to the DAS stating that the COSTECH research applicants from Sikika are authorised to conduct the Subnational Open Budget Survey in the Morogoro region.</p>
<p><b>Singida MC</b></p>	<p>The SN OBS researcher (with Tanzanian citizenship) submitted a letter in his or her own name requesting access to budgetary information on 24.06.2020.</p> <p>The clerk at the registration desk did not accept the letter stating that there are no ordinary citizens who are making such a request, and the clerk asked the researcher if he or she is a journalist or from the secret service.</p> <p>The citizen was also asked who he or she is working for.</p> <p>The citizen's request for access to information was only accepted after he or she presented an introduction letter from Sikika explaining that he or she is conducting a survey on behalf of the organisation.</p>

## Annexe 3 – Means of Dissemination

Local Government Authority	Executive Budget Proposal	Enacted Budget	Year-End Report	Audit Report
Arusha CC	Meetings/hearings Printed copies	Printed copies	Meetings/hearings	Meetings/hearings Written summary
Dodoma CC	Meetings/hearings Written summary Printed copies	Meetings/hearings Permanent assistance Written summary Printed copies	Meetings/hearings Written summary Printed copies	Meetings/hearings Written summary Printed copies
Kigoma DC	Meetings/hearings	Meetings/hearings	Meetings/hearings Written summary	Meetings/hearings Written summary
Kinondoni MC	Meetings/hearings Printed copies	Meetings/hearings Printed copies	Meetings/hearings	Meetings/hearings Written summary
Korogwe DC	Meetings/hearings Written summary		Meetings/hearings	Meetings/hearings Written summary Printed copies
Morogoro MC	Audio-visual media Meetings/hearings		Meetings/hearings Printed copies	Audio-visual media Meetings/hearings Written summary
Singida MC	Audio-visual media Meetings/hearings Permanent assistance Written summary	Audio-visual media Meetings/hearings	Audio-visual media Meetings/hearings	Meetings/hearings Written summary





**Sikika works to enhance health  
and public finance systems through  
social accountability monitoring and  
advocacy at all government levels**



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