



Water sector reforms in Tanzania: Is it enough to take us to the MDGs?

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Key words: rural, water supply, policy, planning, finance, monitoring and evaluation

GOVERNMENT OF THE United Republic of Tanzania (GoT) acknowledges sustainable access to adequate and safe water as one of the foundations for its poverty reduction strategy. This is reflected by its high priority in national poverty reduction frameworks such as the PRSP, Vision 2025 and Tanzania Country Assistance Strategy (TAS). The sector received significant investment during 1970s and 1980s from both GoT and development partners, however due to unsatisfactory performance/unsustainable service delivery systems, the investment did not amount to much increase in service delivery coverage. As a result, there has been growing donor skepticism/fatigue partly reflected by the limited resources allocated to the sector. Concerns are raised over the sector's ability to meet development targets as specified nationally, in PRSP, Vision 2025 and internationally under the UN Millennium Development Goals (MDGs).

National PRS targets for water supply services

- Raising the proportion of rural population that has access to safe water from 48.5% in 2000 to 55% by 2004 and over the same period raising urban coverage from 68% to 78% with 80% – 90% functionality of facilities. Then eventually to 100% of the urban population and 85% of rural population by 2010 and 100% of rural population by 2015.

Rural water supply coverage rose from 35% to 46% in the 1990s. By 2002, about 50% of the rural population and 73% of the urban had access to a safe water supply (URT, 2002a). Though encouraging, the recorded progress still lags behind targets and there are concerns over the sector ability to meet targets. Over 30% of the rural facilities are not functioning properly and there are concerns over ageing urban infrastructure and poor maintenance. What then is the GoT, Ministry of Water and Livestock development (MoWLD) in collaboration with sector stakeholders doing to turn the situation around to ensure that the sector meets the MDGs as well as PRS targets in the medium and long term?

Sector initiatives and plans

The GoT has embarked on a sector reform processes beginning with the development of National Water Policy

2002, then the formulation of Medium Term Strategic Plan (MTSP), initial preparation of the sector wide approach to planning (SWAP), National Rural Water Supply and Sanitation Programme (NRWSSP) and review of Water Legislation in line with the new policy. The reform process identifies the following requirements for achieving accelerated annual increase in WSS coverage: (i) sustainable financing of the water sector and more investment in the rural water supply and sanitation (RWSS) sub-sector (ii) redefining the existing institutional arrangement and roles to be inline with the NAWAPO 2002 (iii) capacity building at National, Regional and District level for the redefined roles (iv) enhanced partnership with the Private Sector for its increased participation (v) monitoring, evaluation and quality assurance

This paper outlines GoT proposed plans and mechanisms for achieving sector targets focusing on investment in RWSS sub-sector. The paper links the proposed plans and mechanisms with issues raised in sector Public Expenditure Reviews (PER) and highlight challenges requiring immediate attention as part of the reform process.

Investing more resources in the rural water supply and sanitation sub-sector

About 70% of the 33.5 million mainland Tanzanians live in rural areas. As mentioned earlier, rural water coverage stands at 50% and about 30% of rural schemes are not fully functional. Tanzania therefore recognizes RWSS as the area that will bring substantial increase in service coverage.

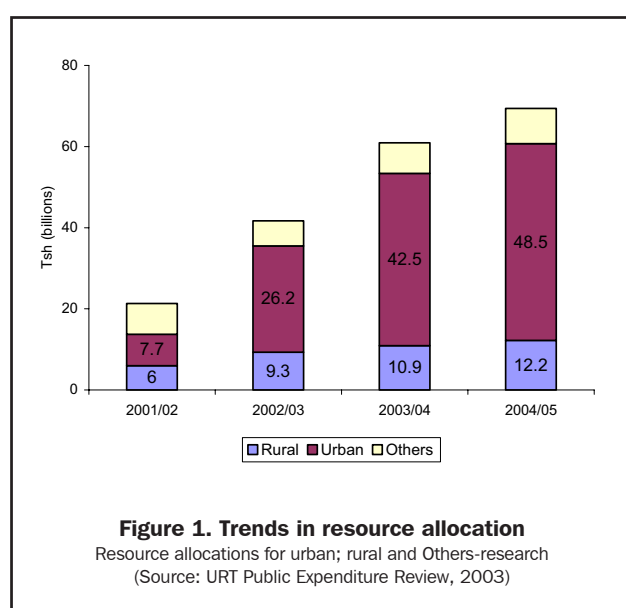
Trends in resource allocation

Overall there has been an increase in sector allocation (Fig 1), however, the allocated budget (2% of the total GoT budget) is still relatively low in relations to needs¹ and to other PRS priority sectors. A review of sector expenditure for last three years (URT, 2001, 2002b, 2003a) reveals several weaknesses in resource allocation process and pattern, some of which are outlined below:

- Plans do not reflect sector requirement. There is weak integration of district plans at MoWLD.
- Considerable discretionary planning and spending power lies with the central ministry rather than local government authorities, which is contrary to both sector policy and national efforts to decentralize planning and implementation to local government. The MoWLD is receiving high recurrent costs for financing activities

which are contrary to the new roles and responsibilities of the same based on decentralization policy and the new policy.

- Rural sector is still deprived of the much needed resources (Fig. 1). Funds flowing to the water sector are highly fragmented, and are driven by project funding. For example, many of the development sub-votes are single initiatives funded by a single donor, leaving the Ministry's Planning Directorate very little room for recasting budgets for poverty reducing impact. For example, some Tsh 25 billion (60% of the development budget) was approved for urban water supply rehabilitation in FY 2002/3. Virtually all of this was pre-negotiated donor funding vastly skewing the balance of development expenditure from rural to urban.



Sector plans

In order to address these weaknesses, MoWLD is preparing to embark on a new approach, a Sector Wide Approach to Planning (SWAP) through the GoT budget framework. The process will facilitate development of a sector investment plan which identifies priorities, strategies for development, resource requirements, sets out performance indicators and links sector objectives with overall national poverty reduction objectives.

The sector budget will be re-prioritised to ensure that resources are made available to the implementation frontlines i.e. Local Governments, UWSAs and River Basin Offices. The sector budget will also be restructured to ensure that priority goes to rural areas where poverty is greatest, where most of the population lives and where

supply still lags behind. A review of resource allocation in the sector proposes a new principle of resource allocation out of the total sector budget to be as follows: RWSS – 45%, UWSS – 20%, Water Resources – 15% and others – 20%.

Challenges

There are a number of imminent challenges facing the sector during the transition period to SWAP and in implementing the new water policy. To begin with, an increasing number of donors are putting more effort into budget support as part of an improvement in governance, and therefore expenditure on water and sanitation will depend on national governments' own priorities. However, a recent study on water and sanitation in PRS in sub Saharan Africa shows that national governments are not prioritising water and sanitation (WSP, Africa Region *et al* 2002). Therefore, to sustain increased investment in the sector, there is a need to advocate and make a case for sector's contribution to national goal of poverty alleviation, for it to be given high priority by the Government. This is very important, especially because the PER of the national development budget advocates for development of criteria for determining the relative weight to be given to sectors in budget allocation (URT, 2003b).

Secondly, inadequate capacity at implementation levels is likely to result in low absorption capacity for expected increased investment. The current capacity needs to be reviewed and capacity building programmes and recruitment requirements established as part of institutional reforms which seem to be lagging behind at district and regional level in relation to the ministry.

Furthermore, even with existing PER processes, routine data systems and surveys, it remains difficult to relate inputs, outputs and outcomes/impacts. A study on poverty monitoring for the sector using national surveys² and a review of routine collection and dissemination of water and sanitation data³ identify the following weaknesses in the current system;

- obstacles to comparability of data due to definition of indicators like access to water source, distance and time to water source and sanitation facilities (Tab 1)
- inconsistent methodologies for data collection eg. using different standards and questions
- existence of several initiatives (within the ministry) for routine data collection with weak coordination and therefore risk of duplication/redundancy at design, data collection and dissemination stages.
- unclear definition of roles among key players in the sector

¹ Initial estimates place the optimal resource required to meet both the MDGs as well as the PRS goals for water supply coverage in Tanzania to be Tsh 240.0 billion (\$240 million) over the three year Medium Term Expenditure Framework (MTEF-FY2003-2006) period followed by Tsh 100.0 billion (\$100 million) per year for further ten years (2006-2015).

² A collaborative study led by the MoWLD, WaterAid Tanzania with Eastern Africa Statistical Training Centre and National Bureau of Statistics

³ A review of existing routine data collection systems and roles of databases in the cycle of collection, archiving, processing and dissemination, conducted by WaterAid and Department of Policy and Planning –MoWLD

Table 1. Comparison of Household Budget survey (HBS) and routine data for 2000

	HBS'00 (Households)	MoWLD Routine '00 (Population)
Urban	88%	70%
Rural	46%	50%
Lindi (rural)	11%	34%
Kilimanjaro (rural)	74%	48%

In light of all these constraints, the sector needs to set up a monitoring system that will set indicators and methodologies to assess both financial and programme performance to gauge progress against targets. Clear definition of roles and links between key players in the sector at different levels is needed including the Ministry, Regional Consulting Units, District Authorities, Water User Entities and Communities. Agreement is also needed on methodologies and indicators for consistency and complementarity; for example using comparable indicators and questions e.g. time to fetch water shows real burden of getting water than distance.

Concluding remarks

- Sector reforms provide an opportunity for improving service delivery in Tanzania. Addressing challenges forms an integral part of the reforms.
- Financing is a priority for the sector. As the sector strive to achieve increased funding it is equally important to adequately monitor performance, equity and sustainability of the schemes which seem to be a consistent problem even within the framework of demand responsive approaches and community management of water schemes.
- Districts are the principal implementers; there is a great need to integrate District plans in the water and sanitation sector.

- Important measures for achieving National PRSP, Vision 2025 and MDG targets should include:
 - reallocation and retargeting of available resources towards rural populations, while poverty is greatest;
 - allocation of more resources for the water sector; for example 5% of the National Budget.

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