

**MANAGING COVID FUNDS
COUNTRY BRIEF**

TANZANIA

INTRODUCTION

Transparency and Accountability of COVID Fiscal Management in Tanzania

COVID-19 has had a significant impact on Tanzania and the East Africa region more generally. The first case of COVID-19 in Tanzania was announced in March 2020. The government stopped reporting on new cases in early May 2020, while adopting its COVID emergency fiscal response — "Additional Measure in 2020/2021 Budget" — in June as part of the regular annual budget process. Restrictions on movement and economic activity that were implemented to prevent further spread of the virus were lifted in July 2020.

According to the International Monetary Fund, as of May 2021, the government spent \$8.4 million specifically related to addressing the effects of COVID-19, including support to the private sector, with priority given to affected small- and medium-sized enterprises, and social security schemes. In addition, the government has received grants and will use contingency reserves of US \$ 3.2 million to finance additional health spending to offset the risks of the pandemic.¹

After a year of denial, misinformation, and opacity from then-President John Magufuli's government, President Samia Suluhu Hassan in early April 2021 announced the formation of an expert committee to evaluate the nation's COVID-19 response. In May 2021, the national committee urged Tanzania to publicly report [COVID-19](#) cases to the [World Health Organization](#) and join the COVAX Facility, which strives for equitable vaccine access globally.²

Responding in an open and accountable manner to the pandemic is not only a way for the government to show its commitment to the well-being of its citizens, but also to ensure real [benefits](#) for everyone, from reducing the risks of corruption and misuse of public resources to ensuring more equitable and effective policy outcomes. In other words, shortcuts and limitations are neither necessary nor inevitable. Even during terrible crises, accountability can work if everyone does their part in an open and collaborative effort. An urgent and speedy response does not have to come at the expense of accountability.

As such, civil society partners across 120 countries, including Tanzania, worked with the International Budget Partnership (IBP) to undertake a [rapid assessment](#) of "emergency fiscal policy packages"—sets of policy initiatives like the "Additional Measure in 2020/2021 Budget" adopted in Tanzania, aimed at addressing the impact of the COVID-19 emergency—in the period from March to September 2020 with the aim of identifying how countries can improve both during and after the crisis.

¹ <https://www.imf.org/en/Topics/imf-and-covid19/Policy-Responses-to-COVID-19#T>

² <https://www.devex.com/news/tanzania-committee-recommends-joining-covax-reporting-covid-19-cases-99926>

KEY FINDINGS

Minimal transparency and citizen engagement opportunities, but promising oversight practices that can strengthen accountability.

The findings of our assessment in Tanzania indicate that the overall transparency of the stimulus and response packages and the mechanisms for citizen engagement in their formulation and implementation were minimal. There are opportunities to build on pre-pandemic oversight measures to ensure greater accountability of the response and recovery.

Our three key findings are as follows:

- 1. Decision making on the formulation and implementation of the stimulus and response packages included very little or no input from the public, especially from those most impacted by the crisis.**

Citizen participation in the formulation and execution of the COVID fiscal and policy responses did not take place, excluding the public from having a voice in decisions on priority setting during the pandemic and depriving the government of contributions which could greatly improve the effectiveness of their actions.

Tanzania already has established public consultations during budget formulation and public hearings related to the approval of the annual budget.³ As such, the government could have, for example, repurposed these existing participation mechanisms for citizens to give inputs during the formulation of the stimulus package.

- 2. The government has provided minimal information on the implementation of the COVID response package.**

Transparency on implementation provides a way to understand how policies have been implemented and what has been achieved. The lack of public reporting on implementation of the emergency fiscal policy package and related policy initiatives hampers efforts to hold government accountable for the effectiveness of their crisis response.

The government published very limited information on procurement, making it difficult to assess if the country was getting value for money in purchases of medical equipment or other goods and services. They also published very little information on actual versus planned spending as well as on financing and performance of contractors.

Procurement procedures should remain transparent, particularly on procurement where the government awards contracts to service providers and where risks of irregularities are heightened. These should include, for example, clear criteria for the use of procurement and a system to enable contracts to be tracked effectively and openly.

- 3. While there has been some legislative oversight, accountability measures can be strengthened.**

The "Additional Measure in 2020/2021 Budget" was read as part of the Budget speech, and the legislature held a vote on the proposed package before the package was implemented. This implies that the legislature debated the emergency fiscal policy package. However, in practice there was no debate on the package. Rather, it was read together with other revenue policies and voted for as part of the whole budget; there was no separate vote specifically for the emergency package.

Furthermore, the National Audit Office of Tanzania (NAOT) has a sufficiently broad mandate and full discretion to audit emergency fiscal policy packages, and could greatly complement the legislative oversight by conducting an expedited, comprehensive audit of COVID funds.

These are two important accountability institutions and could be further strengthened in their accountability roles by including opportunities for public engagement and increasing the amount of information in monitoring of implementation.

³ Open Budget Survey 2019 <https://www.internationalbudget.org/open-budget-survey/country-results/2019/tanzania>

RECOMENDATIONS

Accountability beyond the crisis

Achieving sufficient levels of transparency, public participation, and oversight over the long term is crucial both for accountability and to ensure that resources are used effectively and equitably. The 2019 Open Budget Survey found that there was significant [room for improvement](#) in Tanzania.

Based on our findings, we believe it is imperative to act urgently to address the accountability shortcomings of COVID-19 emergency responses, both during the crisis and beyond. In light of this, we call on the Tanzanian government to work with state and non-state actors to take the following steps:

Recommendation 1. Act now to strengthen accountability in ongoing responses to the COVID-19 crisis.

- Empower and resource the NAOT to conduct expedited audits on emergency spending programs and ensure the government takes remedial measures in response to audit findings.
- Publish quarterly progress reports on the implementation of the measures contained in the package as tabled in the national budget, including data and analysis on budget execution and performance disaggregated by impact on disadvantaged groups, including women and girls.
- Disclose all details related to procurement contracts linked to the emergency spending, wherever possible in [open formats](#).
- Restore the role of the legislature as keeper of the public purse, including approving expenditures, consulting with the public and interest groups, monitoring policy implementation, and following up on audit findings.
- Establish inclusive public participation mechanisms in the formulation and implementation of emergency fiscal policy packages.

Recommendation 2. Strengthen systems for accountability to be better prepared for future crises

- Introduce and/or review and update the legal and regulatory framework to clarify roles, responsibilities, and approaches to be adopted during times of crisis, for example in the areas of resource management, procurement, oversight, and participation.
- Ensure that the audit findings of the National Audit Office of Tanzania are acted upon swiftly and that substantive audit follow-up is strengthened beyond the emergency.