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ANNEX 2

of the Commission Implementing Decision on the financing of the annual action plan in favour of the United Republic of Tanzania for 2021

Action Document for Gender Transformative Action in Tanzania: “Breaking the Glass Ceiling”

ANNUAL PLAN

This document constitutes the annual work programme in the sense of Article 110(2) of the Financial Regulation, and action plan in the sense of Article 23(2) of NDICI-Global Europe Regulation.

1. SYNOPSIS

1.1. Action Summary Table

1. Title CRIS/OPSYS business reference Basic Act	Gender Transformative Action in Tanzania: “Breaking the Glass Ceiling” CRIS number: NDICI 2021/043-327 Financed under the Neighbourhood, Development and International Cooperation Instrument (NDICI-Global Europe)
2. Team Europe Initiative	No
3. Zone benefiting from the action	The action shall be carried out in Tanzania
4. Programming document	2021-2027 Multiannual Indicative Programme for Tanzania
5. Link with relevant MIP(s) objectives/expected results	<ul style="list-style-type: none"> - to enhance employability and entrepreneurship through skills development - to contribute to poverty reduction and economic empowerment through financial inclusion and social protection - to foster green jobs creation through SMEs development - to support Government systems to deliver effective policy development and implementation - to render the business environment more conducive to private sector growth and increase investment and trade
PRIORITY AREAS AND SECTOR INFORMATION	
6. Priority Area(s), sectors	Priority Area 2 – Human Capital and Employment (sectors 110, 160 and 321) and Priority Area 3- Governance (sectors 150 and 250).
7. Sustainable Development Goals (SDGs)	Main SDG: SDG 5 – Gender Equality Other significant SDGs and targets: SDG 1 – No Poverty (target 1.4), SDG 4 – Quality Education (target 4.5), SDG 8 – Decent Work and Economic Growth (targets 8.5 and 8.8), SDG 10 – Reduced Inequalities (target 10.3), SDG 16 – Peace, Justice and Strong Institutions.
8 a) DAC code(s) ¹	110 Education – 13 % 160 Other Social Infrastructure and Services – 29 % 321 Industry, including SMEs development – 9 % 150 Government and civil society – 39 %

¹ DAC sectors (codes and descriptions) are indicated in the first and fourth columns of the tab ‘purpose codes’ in the following document: <http://www.oecd.org/dac/financing-sustainable-development/development-financestandards/dacandscodelists.htm>

	250 Business and other services – 10 %			
8 b) Main Delivery Channel @	Channel 1 – Central Government - 12001			
9. Targets²	<input type="checkbox"/> Migration <input type="checkbox"/> Climate <input checked="" type="checkbox"/> Social inclusion and Human Development <input checked="" type="checkbox"/> Gender <input type="checkbox"/> Biodiversity <input checked="" type="checkbox"/> Education ³ <input checked="" type="checkbox"/> Human Rights, Democracy and Governance ⁴			
10. Markers⁵ (from DAC form)	General policy objective @	Not targeted	Significant objective	Principal objective
	Participation development/good governance	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
	Aid to environment @	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Gender equality and women's and girl's empowerment	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
	Trade development	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Reproductive, maternal, new-born and child health	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
	Disaster Risk Reduction @	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Inclusion of persons with Disabilities @	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Nutrition @	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	RIO Convention markers	Not targeted	Significant objective	Principal objective
	Biological diversity @	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Combat desertification @	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Climate change mitigation @	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Climate change adaptation @	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
11. Internal markers⁶ and Tags⁷:	Policy objectives	Not targeted	Significant objective	Principal objective
	Digitalisation @	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Tags: digital connectivity		<input type="checkbox"/>	<input type="checkbox"/>
	digital governance		<input checked="" type="checkbox"/>	<input type="checkbox"/>

² Actual contribution to targets will be confirmed ex-post based on a standardised methodology.

³ This target is specific to INTPA. If the action is marked as contributing to the Education target, please make sure the target on "Social inclusion and Human Development" is also marked.

⁴ Thematic target for geographic programmes (at least 15%) in delegated act.

⁵ For guidance, see <https://www.oecd.org/development/financing-sustainable-development/development-finance-standards/> (go to "Data collection and resources for reporters", select Addendum 2, annexes 18 (policy) and 19 (Rio) of the reporting directive).

If an action is marked in the DAC form as contributing to one of the general policy objectives or to RIO principles as a principal objective or a significant objective, then this should be reflected in the logframe matrix (in the results chain and/or indicators).

⁶ The internal markers have been created to report on the implementation of the Commission's own policy priorities in areas where no DAC reporting tool is available. For the sake of consistency and comparability, the methodology is equivalent to the DAC markers, with three possible positions (main target, significant target, not targeted)

⁷ Methodology for additional tagging providing granularity on internal markers is under development.

	digital entrepreneurship job creation digital skills/literacy digital services		<input checked="" type="checkbox"/> <input checked="" type="checkbox"/> <input checked="" type="checkbox"/> <input checked="" type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
	Connectivity @ Tags: transport people2people energy digital connectivity	<input checked="" type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
	Migration @ (methodology for tagging under development)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Reduction of Inequalities (methodology for marker and tagging under development)	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Covid-19	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
BUDGET INFORMATION				
12. Amounts concerned	Budget line(s) (article, item): BGUE-B2021-14.020121-C1-INTPA Total estimated cost: EUR 70 000 000 Total amount of EU budget contribution: EUR 70 000 000 of which EUR 28 000 000 for budget support and EUR 42 000 000 for complementary support			
MANAGEMENT AND IMPLEMENTATION				
13. Type of financing⁸	Direct management through: <ul style="list-style-type: none"> - Budget Support: sector reform performance contract - Grants - Procurement: service contract Indirect management with Member States Organisation/agency and /or international organisations to be selected in accordance with the criteria set out in section 4.4.3 Indirect management with a Lead Financial Institution. This contribution to the Regional Blending Facility shall be implemented in indirect management by the entities indicated in the annex to this Action Document, in accordance with the Regional Blending Facility award procedure.			

⁸ Art. 27 NDICI

1.2. Summary of the Action

The National Development Vision 2025 states that Tanzania should attain gender equality and empower women in all socio-economic areas by the year 2025. Specific policies on gender equality have also been developed both in Mainland and Zanzibar as well as Action Plans to end gender-based violence. Recently, Tanzania's new president, Samia Suluhu Hassan, pledged to appoint more women in leadership positions, a move aimed at achieving the 50-50 gender parity in the Government, and indicated clearly that gender equality is a priority for her. However, Tanzania remains a largely patriarchal country and some of the root causes for gender inequalities include historical and structural power imbalances between women and men. In addition to gaps in the formal legal system, the application of customary law is dominant in relation to e.g. ownership of property, inheritance and custody of children. Tanzanian girls and women continue to be discriminated in their access to health, education, employment, finance and political participation and representation.

The present action is expected to trigger transformative change in favour of women, including youth/children and those with disabilities. It has gender as a main objective (OECD G2 marker), thus supporting Tanzania's efforts to meet SDG 5 by 2030, and aims to address all six priorities of the European Gender Action Plan 2021-2025 (GAP III)⁹, as they coincide with the priorities set out in national policies, and to contribute to all MIP Priority Areas objectives.

The action will address several of the underlying factors preventing women and girls from exercising their full rights and contributing fully to the economic growth of Tanzania. It intends to support the country to accelerate progress towards behavioural change for gender equality and women and girls' empowerment and will focus on the following specific objectives:

1. to make environment and services more equitable for women to live free from violence (GAP III priorities: Gender-based violence, Sexual Reproduction Health and Rights),
2. to promote women economic empowerment, including to grasp green and digital opportunities (GAP III priority: Economic Empowerment, Green and Digital).
3. to enhance equality in participation, leadership and decision making, including in actions related to justice, peace and security (GAP III priorities: Participation & Leadership, Peace & Security).

Policy dialogue will target key priorities and reforms such as gender-based violence or women participation and leadership, making sure that cross cutting issues are properly considered and mainstreamed. A mix of modalities will be used, mainly budget support and contribution agreements, and synergies with guarantee operations will contribute e.g. to women economic empowerment. Complementarities will be sought with the Team Europe Initiatives and with ongoing actions from EU Member-States already contributing to GAP III priorities.

2. RATIONALE

2.1. Context

Tanzania's broad development goals are set out in the Tanzania Development Vision 2025, characterized by high-quality livelihoods, peace, stability, and unity good governance, a well-educated and learning society and a competitive economy capable of sustainable growth and shared benefits. Increased gross national income per capita over the last years has been impressive and materialised in Tanzania achieving lower-middle income status in 2020. Yet, investing in both human development and physical capital is key to eventually achieve these broad goals and improve the quality of life for all Tanzanians, in particular Tanzania's Gender agenda.

The legislative and regulatory framework governing Tanzania's promotion of gender equality is based on the 1977 Constitution of the United Republic of Tanzania which guarantees equality between men and women and supports their full participation in social, economic and political spheres. The commitment to gender equality is also visible through other national strategies, plans and policies, such as the National Five-Year Development Plans, the National Strategy for Growth and Reduction of Poverty and the Women and Gender Development Policy of 2000, currently under review. In addition to these national commitments, Tanzania has ratified key international and regional commitments to women's rights and gender equality¹⁰.

Mainland Parliament has enacted a number of laws in support of women's economic and social well-being, including the Penal Code (ch. 16) as amended by Sexual Offences Special Provisions Act of 1998 and the two Land Acts of

⁹ i) Gender-based violence, ii) Sexual and reproductive health and rights iii) Economic and social rights, iv) Participation and leadership, v) Women for peace & security, and vi) Green recovery & digital transformation.

¹⁰ Tanzania has ratified the International Convention on Elimination of All Forms of Discrimination against Women (CEDAW, ratified in 1985), the 1990 Jomtien Declaration on Education for All, the United Nations Convention on the Rights of the Child (ratified in 1991) and the 2000 Dakar Framework of Action all of which emphasize the right to education for all. Tanzania has also signed up to the African Charter on the Rights and Welfare of Children (since 2003) which obliges the government to "ensure that children who become pregnant before completing their education shall have an opportunity to continue their education on the basis of their individual ability".

1999, which established that women should be treated equally with men in terms of rights to acquire, hold, use and deal with land. The Employment and Labour Relations Act of 2004 prohibit discrimination in the workplace on the basis of gender, requires employers to promote equal opportunities, introduces maternity leave, and contains provisions protecting a mother's right to breastfeed and to be protected from engaging in hazardous employment. Similarly, Zanzibar's government has vowed to address gender-based violence (GBV) and several new pieces of legislation have been introduced to that effect and discriminatory laws revoked.

In terms of access to justice, legal aid can assist in the structural transformation of women's role in society by providing them with a legal remedy in cases of GBV but also through facilitating access to inherited land and by empowering women through the ownership of capital and thus economic empowerment. In February 2017, the Legal Aid Act was signed and it entered into force in July 2017, followed by the Legal Aid regulations in 2018. The Act represented a major improvement in terms of access to justice for the most vulnerable people in Tanzania Mainland by widening the scope of legal aid services, and regulating legal aid providers. In Zanzibar, a Legal Aid Policy was approved in June 2017 and the legal Aid Act was enacted and became operational in 2018. Nevertheless, access to justice still remains one of the key obstacles to gender equality in Tanzania today.

Women's participation at the central political level as well as within the private sector has improved over time. This is due, respectively, to the continued support from the Government, to women's participation by addressing challenges through designated seats in parliament¹¹ and targeted support to women's economic empowerment, including through Tanzania Social Action Fund (TASAF)¹² and the upcoming Women's Economic Empowerment Programme. The Tanzania Inclusive National Entrepreneurship Strategy (2017) aims to "achieve the economic empowerment and effective participation in social progress of all citizens, including youth, women, the rural poor and other disadvantaged groups" but the National Skills Development Strategy (2016-2021) makes only one vague reference to gender equality. Many Tanzanian women lack the adequate business skills to maximise outreach, profit or expand into new markets and sectors. This includes skills on marketing, business plan development, accounting, export regulations, administration, certification, contracting, tender procedures, computer literacy, use of ICT/mobile phones, to mention just a few.

Despite an articulated legal framework, Tanzania ranks 140 out of 162 countries on the UN gender Inequality Index 2020. Whilst the country does better than the Sub-Saharan Africa average with regard to the maternal mortality rate, share of women in Parliament and labour force participation, it does not on the percentage of women with secondary education and the adolescent birth rate. Other dimensions of gender inequality, to be considered in Tanzania and not captured by this index, include women's "time poverty"¹³ and limited control over cash.

Considering the recent achievements but also challenges, the present action is aimed at supporting the consolidation of successes but also responses to remaining issues, building on the EU added-value and experience on gender equality and women economic empowerment, notably making use of the EU Gender Action Plan 2020-2025.

2.2. Problem Analysis

The **problem analysis** follows the six priorities defined in the European Gender Action Plan 2020-2025.

Gender-based violence (GBV) and sexual reproductive health and rights: Discrimination and GBV remain some of the most significant barriers for Tanzanian women and girls to achieve true gender equality.¹⁴ Although, the principle

¹¹ Number of women in Union Parliament raised as follows: 45 (1995); 65 (2000); 90 (2005); 128 (2010), 136 (2015) ; in last year election, only 26 women were elected but the number raised to 139 thanks to special seats foreseen by legislator. A similar situation happened last year at councillor level, with 260 women elected and 1374 special seats.

¹² Since its creation, TASAF evolved into a comprehensive and integrated social safety net system. In 2012, the Government began implementing the scaled-up first phase of Productive Social Safety Net programme (PSSN), which attained its target of reaching one million households by September 2015, well ahead of schedule. According to the World Bank, without PSSN, basic needs and extreme poverty would have been much higher. The Government has identified PSSN as the key instrument to deliver social protection. Safety net programmes around the world have proven positive impacts for gender equality and women's economic empowerment, including i) enabling women's access to small productive assets such as livestock, as well as (in the long term) assets like land via access to credit; ii) promoting access to both formal and informal credit for both men and women, as the schemes' regular payments may be considered a loan guarantee; iii) in some cases, cash transfers to female-headed households lead to larger economic gains, because such households invest more in economic assets; and iv) increasing women's decision-making power and choices, including those on marriage and fertility, and reducing physical abuse by male partners, among other benefits. Social protection programmes are also a gateway to realizing broader long-term development goals including education, health, and other social and economic strategies for the women, households, and community at large.

¹³ Tanzanian women spend more than three and a half times as many hours on unpaid care work as do men.

¹⁴ Tanzania Demographic Health Survey 2015/6 revealed that, about 40% of women aged 15-49 had experienced physical violence and 17% reported having experienced sexual violence. Only 9% sought some assistance from the police. More recently (2019), a total of 46.2% of women in Tanzania have experienced violence from an intimate partner (as a % of the female population aged 15 and older) which is much higher than the regional average and with limited progress recorded over the past 10 years.

of equality is entrenched in the Tanzanian Constitution, personal and customary law are often outside the ambit of this principle. The application of customary law is the most problematic legal area in Tanzania for women as far as equity and equality are concerned; particularly in relation to ownership of property, inheritance and custody of children. National laws do not criminalise early marriage, spousal beating and polygamy against international protocols. Although Tanzania has implemented some important initiatives to reduce child marriage and pregnancy, the prevalence is still high and at current rates of progress, it will not achieve the SDGs in this area. Almost one in three Tanzanian girls marries as a child and almost one in four have their first child before the age of 18¹⁵.

Women economic empowerment and their role in the green and digital revolutions: Tanzanian women continue to have a limited access to employment and financial inclusion. The country has one of the lowest gross tertiary enrolment ratios in Sub Saharan Africa, but this is beginning to change with the rapid growth of higher education, driven largely by the private sector. The Tanzania Social Action Fund aims to support vulnerable groups, in particular women and girls and have achieved some worth noting results but other measures¹⁶ are still needed with a view to women empowerment. Innovations are expected to allow more women entrepreneurs to advance from informal to formal business operators. Similarly, women should also reap the dividends from the green transformation and the digital revolution. Even if women/girls seem to have benefitted more from the access to digital products (see Action Document on Digitalisation), there is still way before reaching gender equality.

Leadership and participation, women's role in peace and security: Recently, Tanzania's new president, Samia Suluhu Hassan, pledged to appoint more women in leadership positions, a move aimed at achieving the 50-50 gender parity in the Government. Yet, in spite of the President positioning herself as a champion of gender, efforts to meet parity by 2025 could not be sufficient if a behavioural change does not accompany the political will. In terms of peace and security, one can mention the issue of trafficking in human beings which disproportionately affects women and children - Tanzania has been experiencing increases in particular as a transit country. Work is currently ongoing to develop an action plan on gender, peace and security: support to existing victim identification and protection mechanisms at the national level could be a first step.

Main stakeholders are the following:

Public sector – Duty bearers: Ministries in charge of gender in Mainland and Zanzibar¹⁷ are the main counterparts in the Government but other public institutions may also play a crucial role for the action: President's office, Prime Minister's office National Economic Empowerment Council, Ministries of Education, Constitutional and Legal Affairs, Industry and Trade (and their affiliated agencies e.g. for social protection or access to justice), local governments and parastatal organisations (e.g. Uongozi Institute training women leaders), the full range of service providers for survivors of GBV, including local and national health, justice, police and social services authorities.

Non-State Actors: Professional bodies like Tanzania Women Judges' Association, Tanzania Women Lawyers' Association or the Tanganika Law Society are prominent actors. Women entrepreneurs and main service providers working in the field of support to women's rights and empowerment should also be engaged as well as other civil society (police gender desks, paralegals), research organisations and private sector organisations.

People – Rights holders: women, men, youth, children, community leaders, people living in the most vulnerable situations (e.g. women and men with disabilities, persons with diverse sexual orientation and gender identities).

Donor partners: almost all donors are active on gender, multilateral (e.g. World Bank, UN agencies) as much as bilateral ones (e.g. FCDO, USAID, Bill and Melinda Gates Foundation), including all EU Member-States in Tanzania.

¹⁵ Recent World Bank study reports that just over one in four girls completes her secondary education, and that compared to 14 other African countries, adolescent girls in Tanzania have one of the lowest educational achievements. The report also goes further to provide evidence that two main contributing factors for low educational attainment are early child marriage and early pregnancy. The expulsion of pregnant students and the non-readmission of young mothers to school is a near universal practice in mainland Tanzania and can be traced as far back as the 1950s. Yet, there is neither an official law nor a national policy that clearly forbids pregnant girls from attending or re-entering school. In Zanzibar, girls are allowed back into school after giving birth as a strategy for reducing the number of dropouts. The President has recently clearly stated that pregnant girls and young mother should be allowed back into regular schools. Concretely, a lack of gender disaggregated WASH facilities in public institutions, and in particular in schools and health centres, also dramatically affect women's access to and/or use of these services. In the absence of a re-entry policy on the Mainland, government and development partner interventions aim to tackle the gender issues in education and support pregnant girls and young mothers to complete their education through strengthening alternative education pathways.

¹⁶ Such pro-poor measures aim to benefit women who have been comparatively disadvantaged (making access to finance easier; engendering new labour policies and laws; making access to international trade easier; enforcement of information campaigns and simplifying procedures for registration; engendering trade policies, strategies, programs and projects). Women continue to face across all sectors (more than 80% of them are engaged in agricultural activities) a wide range of challenges in accessing financial services, including but not limited to lack of collateral, lack of documentation, but also hesitation in using formal banking services.

¹⁷ Ministry of Health, Community Development, Gender, Elderly and Children development in Mainland and Ministry of Health, Social Welfare, Elderly, Gender and Children in Zanzibar.

2.3. Additional Areas of Assessment

2.3.1. Pre-condition on Fundamental Values

N/A

2.3.2. Public Policy

The legislative and regulatory framework governing Tanzania's promotion of gender equality is based on the 1977 Constitution of the United Republic of Tanzania (Articles 12 and 13) which guarantees equality between men and women and supports their full participation in social, economic and political spheres. Budget support will be provided in support of mainland gender policies. The Ministry of Health, Community Development, Gender, Elderly and Children, in collaboration with PO-RALG, Tanzania has developed various policies to empower women. The 2000 Gender and Development Policy provides the overarching policy and is currently under review. It is primarily aimed at ensuring that the gender perspective is mainstreamed into all policies, programmes and strategies. The updated policy is expected to be finalized before the first disbursement. The National Plan of Action to End Violence Against Women and Children (NPA-VAWC 2017/18 – 2021/22, currently under evaluation) is a key component in the implementation of the Gender Development Policy. It aims at eliminating violence against women and children in Tanzania and improve their welfare by preventing and responding to all forms of violence against women and children through comprehensive multi-sectoral collaboration at all levels. Other key policies and strategies for gender integration include the 2014 Education and Training Policy, the new TVET Development Plan 2021/22 – 2025/26, and the National Skill Development Strategy

Implementation of the various policies has been broadly satisfactory with important achievements. Gender has been mainstreamed in many government policies. The GBV action plan has promoted increased access to justice and empowerment of women. Legal aid provision to women has increased rapidly. More girls are now completing primary and secondary education, accessing TVET or skills training. Gender desks are being established in public institutions such as police stations and are planned for courts. One Stop Centres (OSC) were established at district hospitals to promote a survivor-centred approach to violence against women, creating a supportive environment in which a survivor's rights are prioritized and where she is treated with dignity and respect. At OSCs, healthcare, legal assistance and psychosocial support services are available under one roof, a result of strengthened collaboration between different service delivery actors at the community and national level.

Action plans have been costed. The NPA-VAWC has been costed to determine the amount of funding needed to implement the prevention and response activities delineated under the eight thematic areas¹⁸. The overall cost of the plan amounts to Tanzanian shillings 267 billion over five years. Based on cost estimates of the policy, the budget and MTEF sectoral and intra-sectoral allocations can be considered appropriate for a successful implementation of the policy as they reflect the targeted outputs of the policy performance assessment framework. There are nevertheless financing shortfalls which are managed through appropriate policy and expenditure prioritisation, taking into account past budget execution and performance reviews as part of the budgetary cycle.

The Gender and Development Policy (2000) and NPA-VAWC documents have included SMART indicators and targets which can provide the basis for monitoring progress. There is a clear system for collecting, processing and analysing the information and the data produced during the review process. The Tanzania National Bureau of Statistics is an autonomous, public institution mandated to coordinate the production and dissemination of official statistics in Tanzania. It also undertakes censuses and surveys in order to facilitate evidence-based planning and decision making, and the monitoring and evaluation of national policies.

Lastly, institutional arrangements for the implementation of the gender policy are well defined with key stakeholders identified and roles and responsibilities assigned.

In conclusion, the policy is sufficiently relevant and credible therefore, eligibility criterion is met for budget support contract.

2.3.3 Macroeconomic Policy

In 2019, before the outbreak of the Covid-19 pandemic, Tanzania's growth was on a strong trajectory, with the World Bank declaring that between 2013 –2018 Tanzania's average gross domestic product (GDP) growth was 6.5% . Although the pandemic has pushed the global economy into a recession in 2020, Tanzania managed to keep its economy relatively afloat. During the FY 21/22 budget speech, the Government reported on positive real economic growth in 2020 at a rate of 4.8%, compared to the projected growth rate of 5.5% in 2020, and a 7.0% growth stated for 2019. Growth for 2021 is projected at 4%, with a fiscal deficit of 3.9%

¹⁸ 1. Household Economic Strengthening 2. Norms and Values 3. Safe Environment 4. Parenting, Family Support and Relationships 5. Implementation and Enforcement of Laws 6. Response and Support Services 7. Safe Schools and Life Skills 8. Coordination, Monitoring and Evaluation

This economic slowdown was mainly attributable to adversely affected export-oriented industries, especially tourism and traditional exports, and caused a drop in foreign investment. However, significant discrepancies with International Monetary Fund and World Bank GDP growth rates persist, with 2020 real GDP growth estimates of 1.0% and 2.0% respectively.

Thus far, the Tanzanian Government spent USD 8.4 million specifically related to deal with the effects of COVID-19. In addition, the government has received grants and will use contingency reserve of USD 3.2 million to fund additional health spending to mitigate the risks of the pandemic. To support the private sector, the authorities indicated that they expedited the payment of verified expenditure arrears with priority given to the affected SMEs, paying USD 376 million in March 2020. The government has also expanded social security schemes by USD 32.1 million to meet the increase in withdrawals benefits for new unemployed due to COVID-19. On May 12, the Bank of Tanzania (BoT) reduced the discount rate from 7 percent to 5 percent and reduced collateral haircuts requirements on government securities. Effective June 8, the BoT Statutory Minimum Reserves requirement is reduced from 7 percent to 6 percent. In addition, the BoT will provide regulatory flexibility to banks and other financial institutions that will carry out loan restructuring operations on a case-by-case basis.

The Government of Tanzania secured financial assistance from the IMF for USD 567 million under the Rapid Credit Facility and the Rapid Financing Instrument to tackle the health and socio-economic challenges caused by the COVID-19 pandemic. The new loans comes a little over a year after the IMF Executive Board approved debt relief equivalent to USD 14.3 million under the Catastrophe Containment and Relief Trust to help free up resources for public sector health needs and other emergency spending. The IMF loan signal a positive development in the relationship between the country and the IMF, which has faced difficulties since the Tanzanian authorities have not consented to publication of the 2019 Article IV Consultation staff report.

Notwithstanding the adverse effect the pandemic has had on important economic sectors, Tanzania seems to have maintained relative macroeconomic stability. The government has been able to manage the economy in a manner that has provided relatively low and consistent rates of inflation. In May 2021, inflation rate was recorded at 3.3%, slightly above the recorded annual inflation rate of 2020 which stood at 3.2%, but below the 2018-19 average of 3.5%. Whilst energy inflation has experienced volatility, there has been a high degree of stability in food and headline inflation in recent years.

A similar example of government control resulting in stable economic indicators is the recent trajectory of the Tanzanian Shilling (TZS). The TZS has seen relatively low degrees of volatility in recent years against key currencies. Foreign reserves remain at sufficient level to cover 5.1 months of import of goods and services, though have dropped compared to 6.1 months in the same period last year.

Tanzania's risk of debt distress increased to moderate for both external and overall public debt, with an estimated debt-to-GDP ratio of 40 percent in 2020/21. The increase in the rating is caused by Tanzania's weakened ability to absorb shocks with sensitivity to a narrowing export base and by the lower debt burden thresholds corresponding to the new medium debt carrying capacity classification. The changing debt composition may lead to liquidity risks as commercial debt has increased from just 4 percent to about 20 percent over the past 8 years, driven by the financing needs of large capital projects. In March 2021, debt service equalled 41% of domestic revenues.

Tanzania reached an important milestone in July 2020, when it formally graduated from low-income country to lower-middle-income country (LMIC) status. This reclassification reflected the country's rising gross national income per capita, which reached USD 1,080 in 2019. However, Tanzania's extreme poverty rate remains high at close to 50 percent.

Domestic revenue mobilisation continues to be a priority for the Government of Tanzania to finance the FYDP III. The country's recent reclassification to LMIC is likely to reduce access to grants and concessional loans. Tanzania has considerable untapped tax revenue potential. The tax gap is estimated at 6 to 7 percent of GDP, one of the largest in the region. The tax to GDP ratio has increased marginally over time and is still relatively low at 12 percent. During the implementation of the FYDP II (2015/16 – 2020/21), tax revenues increased by 56% in nominal terms. Since the start of Covid-19, nominal tax revenues have contracted by roughly 3% in 2020. Zanzibar experienced a particular large drop due to the collapse of the tourism industry. Tax revenue targets for FY2021/22 seem optimistic, predicting a 9% nominal increase while the economy is still recovering from the pandemic. On the other hand, the increase is much more conservative than the >20% increase in the first budget of the previous 5th phase government.

In conclusion, the authorities are pursuing a stability-oriented macroeconomic policy and the eligibility criterion is met.

2.3.4 Public Financial Management

The Government of Tanzania (GoT) has made progress to strengthen its Public Financial Management (PFM) systems since the latest PEFA in 2017. The 2017 Public Expenditure and Financial Accountability Assessment (PEFA¹⁹)

¹⁹ 2017 PEFA Assessment report

concluded that Tanzania's PFM System improved in 9 out of 28 performance indicators and regressed in 10 out of 28. The PFM system is strong in the following areas: Reporting on extra-budgetary operations, fiscal risk reporting, public asset management, debt management, budget preparation, legislative scrutiny of budgets, accounting for revenue, payroll controls and legislative scrutiny of audit reports. Procurement management, internal and external audit are emerging strengths.

PEFA 2017 identified budget credibility as a weakness, with discrepancies between budgets and actual expenditures. Other weaknesses were public investment management, comprehensiveness of budget documentation, fiscal strategy, expenditure arrears, public access to fiscal information, medium term expenditure framework, in-year controls on non-salary expenditures, in-year budget reports and predictability of in-year resource allocation.

Since the PEFA in 2017, cash management has improved following the adoption of a Treasury Single Account, compliance with public procurement regulations improved as a result of the e-procurement system, GoT made progress in arrears clearance, internal availability of budget information improved due to the Central Budget Management System. The Government is also more compliant with the international Public Sector Accounting Standards⁹ (IPSAS) accounting standards as the 2019/20 financial statements received an unqualified opinion, has accelerated the integration of IT systems through an Enterprise Service Bus²⁰ and deployed an audit recommendation tracking information system to enhance the implementation of audit recommendations. Revenue and expenditure targets have shown more realism. Marginal real term annual increases, translated in improved budget credibility prior to Covid-19. It is unclear whether the economic impact of the pandemic has sufficiently been taken into account in the latest budget as targets seem on the ambitious side. Budget credibility, in-year resource allocation, commitment controls and arrears prevention remain areas to monitor throughout the implementation of the programme.

The existing PFM reforms programme in Tanzania (PFMRP) is both credible and relevant. The programme's strategic objectives are formulated to address the weaknesses identified in the PEFA assessment. PFMRP has a comprehensive action plan that identifies tasks, timeframes, resources and responsibilities. The action plan is coherent with Tanzania Development Vision 2025 and Five Year Development Plans. The PFMRP has been adequately financed by GoT and Development Partners and is implemented, with oversight from stakeholders such as the Development Partners PFM Group and the PFMRP Secretariat²¹. A results-oriented Monitoring and Evaluation Framework is in place.

Tanzania does not have a separate policy for domestic revenue mobilisation or tax revenues beyond the chapter on policy financing in the FYDP III. Tax policy changes are introduced annually through the Finance Bill. The existing policy framework is somewhat unpredictable in the eyes of investors. Some policy changes have been effective, whereas others did not have the intended impact and were reversed shortly after. The government headed by President Samia Suluhu Hassan is leaning towards a more medium term outlook with a stronger emphasis on widening the tax base, improving voluntary compliance and addressing tax evasion, as highlighted in the budget speech of June 2021. These priorities reflect the Government's commitment to a more conducive investment climate.

The Finance Bill for 2021/22 intends to promote economic recovery and balances the need to improve the business environment and increase domestic revenues. Measures include a 1% reduction of income tax for the lowest band, introduction of small income tax rate of 3% for small scale miners, a levy on mobile money transactions and sim cards, exemption for income tax on interest derived from government bonds and increased duty rates on various imported products to protect local industries.

Tanzania is implementing reforms to modernise the tax administration with the goal of increasing voluntary compliance. For example, Tanzania Revenue Authority (TRA) increased scanning capacity and launched a centralised scanner system to increase efficiency at the ports. TRA also launched an electronic filing system and in the near future it will launch complementary online modules, for example to look for refunds. In parallel, TRA is enhancing its infrastructure to accommodate the shift to a digital tax authority. Reform progress has been positive but slow, mostly due to competing priorities and weaknesses in planning, budgeting and procurement. The new leadership at TRA is more reform oriented and has started to implement changes to move away from harmful collection practices used in the past.

The Government has shown a continued commitment to PFM and Domestic Revenue Mobilisation reforms under President Samia Suluhu Hassan. The Government is currently undergoing a new PEFA assessment. The report will be publicly available in Quarter 4 of 2021. The outcomes will inform the PFM reform priorities of the GoT beyond June 2022. GoT also announced a review of its domestic revenue system including tax policy and administration, revenue forecasting, debt management functions, management of loans, grants and guarantees and inter-governmental transfers. The review will also assess opportunities to improve the budget process to allow for more inclusive and productive consultations between government, private sector and civil society on proposed tax policy changes. The Government's is expected to maintain its current open and cooperative attitude towards private sector and CSOs in

²⁰ Enterprise Service Bus is a communication system between interacting software. It improves systems integration.

²¹ Public Financial Management Reform Program- Joint Supervision Mission Report-2019

the review process. Both processes confirm the GoT's openness and commitment to evidence-based PFM and DRM reforms.

In conclusion, the public finance management reform strategy is sufficiently relevant and credible, including on domestic revenue mobilisation, and the eligibility criterion is met.

2.3.5 Transparency and Oversight of the Budget

While Budget Transparency in Tanzania has been inconsistent, the overall trend and latest developments are positive (2017-2021).

Tanzania has a well-structured budget process with a sound legal base. The GoT follows the provisions of the Budget Act 2015 in a satisfactory manner. Since 2019, the GoT has consistently published budget guidelines, which provide the framework for the budget preparation process. The executive scrutinizes the budget before submission to parliament. The GoT does not publish the Executive's Proposal online. After presenting the Executive's budget proposal to parliament, parliamentary sessions take place between April and June before the start of the fiscal year on 1st July. After parliamentary approval, GoT publishes the Enacted Budget and a Citizen version on the website of the Ministry of Finance and Planning. In recent years, all volumes are made available within weeks from its enactment. In previous years, timely online publication has been a challenge. This year, the Enacted Budget for FY 2021/22 was published timely.

During budget implementation, the Budget Act prescribes the need to publish Budget Execution Reports (BERs) within 30 days after the end of every quarter. In reality, the reports are often delayed. While internal information systems have made the production of these reports more efficient, lengthy internal approval processes stood in the way of timely publication. The BER for Q2 serves as a mid-year report. Its quality can be improved by reporting on budget re-allocations. The most recent in-year reports for FY2020/21 are all available online. Financial Statements are published after release of the general audit reports, which are published annually in April. The Financial statements from 2017 up to 2020 are all available online.

Budget comprehensiveness has improved, as the budget currently shows both the actual budget and fiscal forecasts for outer years. Data necessary to improve the comprehensiveness of the information presented in the Budget documentation is readily available. For example, the Integrated Financial Management System (IFMIS) produces regular reports based on the revised budget allocations for different Votes. Also, expenditure can be compared against budget on IFMIS regularly.

Tanzania's Open Budget Survey score increased to 17 in 2019 from 10 in 2017, suggesting a small positive trend. At the same time, budget Transparency remains low, with according to OBS scant availability of information. Tanzania loses most points by not making the Executive's Budget Proposal available online before the budget is enacted every year in June. Tanzania's mid-year report is not considered sufficient as an update on budget execution, and in-year budget execution reports have been published with a delay. The Tanzania Budget Act 2015 instructs GoT to publish the audited financial statements. Since the audit is released every year in April, GoT does not meet the OBS deadline of publication within 4 months after the end of the FY.

The Open Budget Survey 2019 reports that the legislature and the audit office provided weak oversight during budgeting process. Tanzania scored 31 out of 100 on legislative oversight. While oversight is regarded as weak, both National Audit office and Legislature are continuously strengthening their respective institutions.

With regards to parliamentary oversight, the parliamentary budget office continues to provide support to the parliament. An information centre has been set up to assist parliamentarians to access information related to budget and guide has been prepared to assist the National Assembly in scrutinizing the national budget.

National Audit Office Tanzania (NAOT) is part of the budget control process. NAOT does not have a significant role in the budget preparation process but does participate during budget execution by scrutinizing approved estimates and actuals. General Audit reports are published in April, in compliance with the Audit Act and the quality is sound. The scope of the General Audit reports has broadened over the years to include Information Systems audits and NAOT is rolling out comprehensive audit across the organization. The independence of NAOT, as per the current legal framework, requires monitoring as well as the implementation of audit recommendations, which is in need of more active follow-up from management.

In conclusion, the relevant budget documentation has been published and the eligibility criterion is met.

3. DESCRIPTION OF THE ACTION

3.1 Objectives and Expected Outputs

The Overall Objective (Impact) of this action is to accelerate progress towards gender equality and women and girls' empowerment in Tanzania.

The Specific Objectives (Outcomes) aim to contribute to:

1. Enhance freedom from all forms of gender-based violence in the public and private spheres, in schools, work place and online for women, men, girls and boys
2. Promote women economic empowerment, including to grasp green and digital opportunities
3. Enhance equality in participation, leadership and decision making, including in actions related to justice, peace and security.

The Outputs to be delivered by this action contributing to the corresponding Specific Objectives (SO) are:

SO 1 – Equitable environment and services (Budget support)

Induced outputs

- 1.1 Improved policies, legal and regulatory framework that promote gender equality as well as economic and social opportunities for women and youth are in place;
- 1.2 Policies, systems and services made more equitable for women to live free from violence ;
- 1.3 Women and girls have improved access to justice to safeguard their civil, economic and political rights;
- 1.4 Quality, disaggregated and globally comparable data on different forms of gender-based violence and harmful practices are increasingly collected and used to inform laws, policies and programmes.
- 1.5 Increased prioritisation of gender in the national budget;

Direct outputs

- 1.6 New fiscal space created and the increased predictability of funds;
- 1.7 Policy dialogue strengthened in support of the mainstreaming and implementation of the gender strategy;
- 1.8 Public authorities' capacities for the coordination of the gender agenda are improved (*Complementary support*).

SO 2 – Women economic empowerment

- 2.1 Poor households access to and control over their own income-earning opportunities and socio-economic services improved while enhancing human capital of their children (education, health nutrition, early childhood development), including through social protection schemes;
- 2.2 Women access and ability to make good use of productive economic resources, including digital and green opportunities, and financial services and products are increased.

SO 3 – Participation, leadership and decision making

- 3.1 Women and girls participate equally as men and boys in decision-making processes, in all spheres and at all levels of political and public life, including online;
- 3.2 Women in leadership roles are promoted, thus inspiring other women and girls to take part in decision making, including in favour of justice, peace and security;
- 3.3 Equal social norms, attitudes and behaviours promoting gender equality are fostered at community and individual levels.

3.2 Indicative Activities

SO 1 – Equitable environment and services

Budget support (Mainland), a Contribution Agreement (Zanzibar) and technical assistance will support **policy dialogue with Ministries in charge of Gender**. The development of a specific Performance Assessment Framework and performance indicators will contribute to guide the policy dialogue and monitor the gender “sector” progress. The dialogue will aim at ensuring necessary reforms, country ownership and commitment, sufficient resources allocation and planning.

The following indicative activities, under each output, consist in a dialogue on:

Induced outputs 1.1-1.5:

- Joint review of legal and regulatory framework, including the Action Plan related to gender-based violence and notably access to justice, education and health;
- Improvement of data collection in a disaggregated way and on gender-based violence and harmful practices;
- Improvement and harmonization of sector reforms and performances, mainstreaming gender in all ministries.

Direct outputs 1.6-1.7:

- Joint monitoring of implementation of gender-related policies and strategies;
- Joint review of general conditions for Budget Support operations;

- Joint definition and regular review of Variable Tranches indicators;
- Joint review, improvement and application of a comprehensive policy and regulatory framework through the main *fora* in the sector and *ad hoc* initiatives.

SO 2 – Women economic empowerment

The following indicative activities, under outputs 2.1-2.2, consist in:

- Financing, dialogue and monitoring of implementation of the Tanzania Social Action Fund activities;
- Support to Financial Institutions (with e.g. capacity building, capital investment, currency exchange risk mitigation) to contribute directly (through local finance institutions) and/or indirectly (financial market facilitation) to women access to finance, promoting green and digital opportunities²²;
- Improve capabilities of women and youth led MSMEs to utilize financial solutions to tap into economic opportunities in their environment through skills training;
- Ensure that the digital economy in Tanzania provide equitable opportunities for skills and livelihoods and also supports green, resilient and inclusive development.

SO 3 – Participation, leadership and decision making

The following indicative activities, under outputs 3.1-3.3, consist in:

- Addressing the root causes of gender inequality and applying the principle of “leaving no-one behind”, including peace and security but also education, media, digitalisation, culture and sports;
- Support to increased access to justice, including at grassroots level.

Technical assistance (common to SO 1 and 3):

The following indicative activities, under outputs 1.8, 3.2 and 3.3, consist in:

- Technical cooperation to accompany budget support dialogue and communication and raising awareness initiatives around women in leadership, partnering with institutions, companies and/or individual gender champions, supporting gender transformative approach that can tackle social norms, attitudes and behaviours promoting gender equality. It will possibly include activities in the field of culture, which is considered a powerful tool for behavioural transformation. Working with different targets groups (including boys and men), leaders, decision makers and influencers will contribute to an inclusive and participatory approach.

3.3 Mainstreaming

Environmental Protection & Climate Change

Environmental Assessment - The targeted sector is not considered environmentally sensitive and therefore a Strategic Environmental Assessment (SEA) is not required²³. Environmental Impact - The action can be classified as Category B (not requiring an EIA, but for which environment aspects will be addressed during design). Climate Risk – The action is no or low risk (no need for further assessment). However during design the climate change implications will be assessed along with the environment aspects. The mainstreaming of climate change and environmental protection, may be done through specific indicators through the Budget support component and in particular through the support to the financial sector which will prioritise green actions.

Gender equality and empowerment of women and girls

As per OECD Gender DAC codes identified in section 1.1, this action is labelled as G2. All six priorities of the European Gender Action Plan III will be addressed. In addition to addressing gender inequality through a number of direct actions, sector specific policies/strategies/legislation will be reviewed from a gender mainstreaming point of view, including but not limited to social protection, education, TVET, access to justice, and skills.

Human Rights

Tanzania is a party to the most important international conventions on human rights and has a national legislation providing for the protection of human rights. Despite the letter of the law, in the last years, respect for human rights and fundamental freedoms faced restrictions. The situation has improved after the accession to power of the incumbent President who has given clear instructions to leave more space to freedom of expression and to respect for human rights. As for the way this action will contribute to consolidating human rights see also the paragraph below on Democracy. The action is aligned with the EU CSO roadmap and Human rights and Democracy country strategy, in particular in relation to gender equality and women and children’s rights, which are both currently under finalisation. The Action will apply a Human Rights-based approach. Throughout the Action, attention will be given to the 5 working principles of the human rights based approach: a) applying all human rights for all; b) meaningful

²² Positive discrimination can be ensured by compulsory “green” and “digital” criteria for loans provision.

²³ <https://europa.eu/capacity4dev/public-environment-climate/documents/new-guidelines-integrating-environment-and-climate-change-eu-international-cooperation-0>

and inclusive participation and access to decision-making; c) non-discrimination and equality; d) accountability and rule of law for all; and e) transparency and access to information supported by disaggregated data.

Disability

As per OECD Disability DAC codes identified in section 1.1, this action is labelled as D1. This implies that the action is relevant to improve the rights of people with disability.

Democracy

The Constitution of Tanzania affirms the principle of democracy and all the institutions of a democratic system are in place. The challenges faced by the country in the last years, which contributed to criticism of different international partners, appeared more evident during the elections, highlighting the absence of a rigorous separation of powers providing for the independence of certain bodies like the judiciary and key agencies such as the electoral commissions. Accordingly, the Head of State has very extended powers and the good functioning of the democratic system relies on his/her policy decisions. In this context, inclusion and consultation of the citizens in the policy decisions is all the more important. This action will contribute to consolidate the practice of consultations of the stakeholders in the policy and administrative decisions to be taken for the management of cities. It will also strengthen the position of the local administrations providing them with more tools to exercise their role.

It is expected that women empowerment and awareness raising in all spheres and sectors will have a positive impact on democratic processes, considering notably that they represent more than half of the Tanzanian population.

Conflict sensitivity, peace and resilience

As one of the six priorities of the GAP III and the third Outcome of this action, it is expected to have a positive impact on peace and security, resilience and contribute to a better prevention, management and mitigation or environmental/economic shocks.

Disaster Risk Reduction

There is no direct impact of the action on disaster risk reduction but awareness raising and women participation and leadership may contribute positively to anticipating and addressing the issue.

3.4 Risks and Lessons Learnt

Category	Risks	Likelihood (High/ Medium/ Low)	Impact (High/ Medium/ Low)	Mitigating measures
1	The political climate becomes less conducive to actions targeting gender equality at all levels.	Low	Low	Ensure continued dialogue with relevant GoT counterparts and civil society organisations.
2	Data and policy Progress Reports may not be produced in a timely manner. Zanzibar poses a particular risk due to its fragile financial framework.	Medium	Medium	Ensure continued dialogue with relevant GoT counterparts. In Zanzibar, a Contribution Agreement will be the chosen modality to address issues at macro level.
1	An escalation or deterioration in the conflict situation in neighbouring countries may affect the security situation in Tanzania.	Low	Low	The conflict situation in neighbouring countries will continue to be closely monitored.
5	Reluctance at the local level to accept change.	High	Medium	Awareness raising activities, communication and consultations efforts will be made to promote gender equality and women's empowerment including through working with media, religious groups, local authorities, schools and CSOs.

Lessons Learnt:

This program is based on the experience of previous and ongoing initiatives, projects and programs as well as the numerous consultations carried out during the preparation of the Multi-Annual indicative Programme and the current action design process. Previously, efforts had been of a rather small scale with overlaps, duplications and a lack of desired impact. A comprehensive and multi-level approach is needed to reach different population groups, in particular those living in the most vulnerable situations, generating in turn institutional knowledge and knowhow. Gender equality has primarily been funded through gender mainstreaming (in agriculture, energy and justice sectors, in

particular), specific initiatives with CSOs on awareness raising. A EUR 5 Mio action about to start aims to support of SME development, in particular women's economic empowerment and access to finance (synergies with the current action will be sought).

Specific successful actions, such as support to the justice sector, have been identified as generating a very positive impact on the ground in terms of addressing gender-based violence and promoting gender equality and women economic empowerment. These actions may therefore be continued/scaled up under the current programme. Similarly, the programme financing the Tanzania Social Action Fund has proven to have a significant impact on the ground: 83% of primary recipients of household benefits were women and this focus on women will continue in the second phase of the programme. Given that women are far more likely to exercise control over the use of their own cash than their husband's, this is an empowering feature of program design. Recent studies in both Tanzania and Uganda show that a successful women's economic empowerment intervention needs more than only access to financial capital and hard business skills. The success of female entrepreneurs depends on not only on their entrepreneurial skills but also on how supportive institutions and stakeholders address or work around major gender-related constraints. To truly empower women, policymakers need to address these constraints and involve not only the private sector but also local government in the process.

Finally, all the consultations undertaken by the EU Delegation have confirmed that a multifaceted intervention, at macro, meso and micro levels, is required to truly address all priorities of GAP III and reconfirmed the strong commitment from Government of Tanzania to lead and roll out this process.

Member States are largely supporting gender equality and women empowerment initiatives in almost all GAPIII priorities. On ***Gender Based Violence***, Finland, Denmark, Ireland and France are active, mainly through gender mainstreaming but also through support to UNwomen/UNFPA. Finland is a large scale sponsor of UNFPA's work against(GBV in Tanzania; their work is focusing in the fight against child marriage, female genital mutilation and intimate partner violence, at local levels in those regions/districts of Tanzania where these harmful traditional practices are still shockingly widespread; also targeting in particular women and girls with disabilities. It supports local government level social welfare, community development, and community health officers, as well as the police gender desk officers through capacity development, partly facilitated by national and local CSOs. About ***Sexual and Reproductive Health and rights***, Denmark and Ireland are active with specific programmes but main donors are United States and also World Bank in dealing with SRR in Schools. In ***Economic and Social rights and women's economic empowerment***, several EUMS (Spain, DK, Ireland, Finland, Sweden) are active in this sector, generally as part of broader interventions and mainly linked to the agricultural sector. A critical work is also carried out at the sub-national level through villages and councils/districts. As mentioned, TASAF is one of the main opportunities seen by MS to channel funds for support the poorest and most vulnerable. In supporting ***Leadership***, France supports specific events such as the upcoming Generation Equality Forum. Finland supports the Uongozi Institute (African Leadership Institute for Sustainable Development), Tanzania's leading institute of leadership training, directly under the President's Office. Finland and Sweden are also co-financing the UN-Women's flagship project in Tanzania ("Wanawake Wanaweza – Wape Fursa" = "Women Can – Give them an Opportunity"). On ***Legal aid***, Denmark, jointly with the EU, is supporting Legal Facility Services which has proven to be an effective instrument and will be expanded to support more. In ***Peace and Security*** area, Denmark is supporting the new Action Plan on Women, Peace and Security and Ireland is currently chairing the council. Finally, on Green and Digital, several EUMS have upcoming initiatives in this sector where gender is mostly mainstreamed.

3.5 The Intervention Logic

Studies show that the potential of women empowerment is considerable and that investing in women and girls in a given country would have a transformative impact, both social and economically²⁴. To seize the dividends of gender equality promotion, this action aims to contribute to a transformative paradigm shift and bring to the forefront the EU as a key partner and advocate for women empowerment in Tanzania. The EU would be the only Donor Partner with a holistic gender support package that addresses all six of the Gender Action Plan III (2021-2025) priorities. As a cross-cutting issue, gender has the potential to boost inclusive economic growth as well as increase citizens', in particular women and girls, wellbeing. A gender transformative approach aiming at tackling gender norms and culture imbalances is needed to support all initiatives. Cultural transformations are a long process and cannot be imposed with an external up-down approach but have to be embedded in all the different levels of each initiative. A genuine and long term involvement of men and boys, CSO, religious leaders, decision makers and positive influencers is key to achieve a sustainable impact from the different initiatives.

For the Government to deliver on its part of this ambitious goal and create the necessary conditions for structural change to happen (e.g. an enabling environment for women and girls to exercise their full rights), budget support is considered to be the right modality: it is expected to bring leverage to promote EU values (e.g. the objective of gender equality) and interests (e.g. increased peace and security) as well as strong visibility, considering in particular the role of gender champion played internationally by President Hassan. It may help operationalise an enabling regulatory and policy environment that will promote effective gender equality and women empowerment in all spheres and across all sectors. High-level dialogue around gender-sensitive indicators in sectors such as education (e.g. enrolment of girls), health (e.g. adolescent birth rates) or security (e.g. gender police desks) may have a large impact.

The underlying intervention logic for this action is that only through addressing all macro, meso and micro levels can Tanzania accelerate progress towards SDG 5 on gender. Therefore, actions such as financial inclusion through social safety nets, access to credit or provision of legal aid but also awareness raising (e.g. through broadcasting of shows with inspiring and successful women) will complement policies and strategies implementation.

Synergies with Team Europe Initiatives on Cities and Blue Economy, but also the action on digitalisation, will be sought. EU member states are supportive and active in many gender-related sectors and joint opportunities will be explored.

3.6 Logical Framework Matrix

PROJECT MODALITY (3 levels of results / indicators / Source of Data / Assumptions - no activities)

Indicators from the programming document (MIP) marked with '*' and indicators aligned to the EU Results Framework marked with '**'. Indicators used within variable tranches are flagged in **bold**.

²⁴ On the economic impact: "Globally, if women played the same role in labour markets as men, the global annual GDP would increase 26% by 2025" Governance Helpdesk in Tanzania (May 2017 - May 2019) - Gender Profile on Women's Entrepreneurship

Results	Results chain (@): Main expected results (maximum 10)	Indicators (@): (at least one indicator per expected result)	Baselines (values and years)	Targets (values and years)	Sources of data	Assumptions
Impact	To accelerate progress towards gender equality and women and girls' empowerment in Tanzania.	1. Number of people directly benefiting from EU supported interventions that aim to reduce social and economic inequality */ ** 2. Number of people benefitting from EU-funded programmes to counter sexual and gender-based violence ** 3. Number of countries which have benefitted from EU support to strengthen their social protection systems */ ** 3. Number of food insecure people receiving EU assistance ** 4. Number of beneficiaries with access to financial services with EU support: (a) firms, (b) people (all financial services), (c) people (digital financial services ** 5. Number of people who have benefited from institution or workplace based VET/skills development interventions supported by the EU: (a) all VET/skillsdevelopment, (b) only VET/skills development for digitalisation, disaggregated by sex **	1. NA 2. NA 3. NA 4. NA 5. NA	1. 2. 3. 4. 5.	TBD	Not applicable
Outcome 1	1. Enhanced freedom from all forms of gender-based violence in the public and private spheres, in schools, work place and online for women, men, girls and boys	1.1 % of women and girls aged 15 years and older subjected to physical, sexual or psychological violence by a current or former intimate partner, in the previous 12 months, by form of violence and by age 1.2 Gap between youth male-female literacy rates 1.3 % gender disaggregated WASH facilities in schools and health centres 1.4 % women, including those facing intersecting and multiple forms of discrimination, who report experiencing physical or sexual violence who seek help, by sector i.e. (a) government services and civil society services; or (b) social welfare, legal aid, housing/shelter, police protection (SI 4.1 amended)	1.1 46.2 % (2019) 1.2 female 84.64% ; male: 87.01 (2015) 1.3. 0 1.4. 20%	1.1 30% (2022) 1.2 decreased gap 1.3. 4% 1.4. 40%	1.1 1.2 UNESCO 1.3 1.4	

		<p>1.5 % of gender-based violence cases reported to the police, brought to court which resulted in the perpetrators being sentenced, disaggregated at least by sex</p> <p>1.6 Proportion of youth and adults with information and communications technology (ICT) skills, by type of skill, by sex (SDG 4.4.1)</p> <p>1.7 Number of legislative actions taken in partner country to criminalise gender-based violence, including online, and to prosecute perpetrators, in line with international standards</p> <p>1.8 Female secondary education completion rate</p> <p>1.9 Percentage of schools (primary and secondary/ public and private) with trained counselling and guidance teachers on child rights and Violence Against Women and Children issues *</p> <p>1.10 Number of Gender desks established in selected public spaces: public markets, middle and higher learning institutions</p> <p>1.11 Number of One-Shop Centres for women and youth in health facilities</p> <p>1.12 Number of gender focal person among Prosecutors</p>	<p>1.5</p> <p>1.6</p> <p>1.7</p> <p>1.8 38.9</p> <p>1.9 0%</p> <p>1.10. 5</p> <p>1.11. 14</p> <p>1.12. 30</p>	<p>1.5</p> <p>1.6</p> <p>1.7</p> <p>1.8 41.8%</p> <p>1.9 5%</p> <p>1.10 200</p> <p>1.11 20</p> <p>1.12.90</p>	<p>1.5</p> <p>1.6</p> <p>1.7</p> <p>1.8 BEST</p> <p>1.9. BEST</p> <p>1.10 Annual Performance Report (MoHCDGEC)</p> <p>1.11 Annual Performance Report (MoHCDGEC)</p> <p>1.12 National Prosecution Services Annual report</p>	
Outcome 2	2. Women economic empowerment promoted, including to grasp green and digital opportunities	<p>2.1 Number of beneficiaries of safety net programmes disaggregated by sex and age group / % female *</p> <p>2.2a Number of beneficiaries, disaggregated at least by sex, with access to financial services *</p> <p>2.2b.Proportion of targeted vulnerable households participating in functional savings groups (national/in TEI areas) *</p> <p>2.3 Number of policy, regulatory or legal reforms adopted to support women's employment and entrepreneurship, such as in</p>	<p>2.1 5267031/52% (2019)</p> <p>2.2 200,000 men/ 250,000 women</p> <p>Baseline: 0 (2019)</p> <p>2.3 0</p>	<p>2.1 4 851 768/52% (2023)</p> <p>2.2 400,000 men/500,000 women</p> <p>Target: 50% (60% of which are female) by 2023</p> <p>2.3 5</p>	<p>2.1 PSSN joint annual review reporting</p> <p>2.2</p> <p>2.3</p>	<p>2.1 the final target is lower because the aim is that less people will need social protection and that PSSN II is helping move people out of poverty into productive livelihoods – in short people graduate</p>

		terms of ownership and land rights, inheritance, mobility, access to identification				
Outcome 3	3. Equality in participation, leadership and decision making enhanced, including in actions related to justice, peace and security	3.1 Proportion of seats held by women in (a) national parliaments and (b) local governments 3.2 % of women nominated to senior level positions in public sector (e.g. ministries of finance, economic planning, business development)	3.1 a) 37% (2020) b) 5% (2019) 3.2 n/a	3.1 a) 40% (2025) b) 20% (2024) 3.2 50%	3.1 3.2	
Induced Output 1 related to Outcome 1	1.1 Improved policies, legal and regulatory framework are in place that promote gender equality as well as economic and financial opportunities for women	1.1.1 Number of proposals for regulatory reforms developed to improve gender equality and economic and financial opportunities for women 1.1.2 Number of learning and knowledge products produced to inform policy and regulatory changes (disaggregated by type and topic) 1.1.3 Extent to which legislation and/or policy prohibiting/addressing VAWG has been developed, strengthened and/or implemented	1.1.1 1.1.2 1.1.3	1.1.1 1.1.2 1.1.3	1.1.1 Bills and acts published by the Parliament of Tanzania 1.1.2 Annual reports 1.1.3	
Induced Output 2 related to Outcome 1	1.2 Policies, systems and services made more equitable for women to live free from violence	1.2.1 % of women and girls who report feeling or/and experiencing increased safety in private and public spheres (including mobility) 1.2.2 Proportion of women aged 20-24 years who were married or in a union before age 15 and before age 18 1.2.3 Proportion of people who think it is justifiable for a person to subject an intimate partner to violence, by gender and age of the respondent (SI 3.1 amended)	1.2.1 1.2.2 1.2.3	1.2.1 1.2.2 1.2.3	1.2.1 1.2.2 1.2.3	
Induced Output 3 related to Outcome 1	1.3 Women and girls, in all their diversity, have improved access to justice to safeguard their civil and political rights	1.3.1 Number of people directly benefitting from legal aid interventions supported by this Action * / ** 1.3.2 % of gender-based violence cases reported to the police, brought to court which resulted in the perpetrators being sentenced, disaggregated at least by sex.	1.3.1 1.3.2	1.3.1 1.3.2	1.3.1 1.3.2	

		% of women supported by social services and fully enjoying their rights				
Induced Output 4 related to Outcome 1	1.4 Quality, disaggregated and globally comparable data on different forms of gender-based violence and harmful practices are increasingly collected and used to inform laws, policies and programmes	1.4.1 National quantitative and qualitative data exists and inform decision making spheres and donors partner.	1.4.1	1.4.1	1.4.1	

Direct Output 5 related to Outcome 1	1.5 External assistance is channelled through the national budget;	1.5.1 Disbursement level of the BS	1.5.1	1.5.1	1.5.1	
Direct Output 6 related to Outcome 1	1.6 Policy dialogue strengthened in support of the mainstreaming and implementation of the gender strategy;	1.6.1 No of policy dialogue meetings	1.6.1	1.6.1	1.6.1	
Direct Output 7 related to Outcome 1	1.7 Capacity for the coordination of the gender agenda are improved (Complementary support).	1.7.1	1.7.1	1.7.1	1.7.1	
Output 1 related to Outcome 2	2.1 Access to and control over their own income-earning opportunities and socio-economic services for targeted poor households while enhancing capital of their children, including through social protection schemes, is improved	2.1.1 Proportion of population covered by social protection systems, by sex, distinguishing children, unemployed persons, older persons, persons with disabilities, pregnant women, new-borns, work-injury victims and the poor and the vulnerable (SDG 1.3.1)	2.1.1	2.1.1	2.1.1	
Output 2 related to Outcome 2	2.2 Women access and ability to make good use of productive economic resources, including digital and green opportunities, and financial services and products are increased.	2.2.1 Number of women and men headed enterprises receiving credit, micro-credit/financial services, disaggregated at least by sex	2.2.1	2.2.1	2.2.1	
		2.2.2 Number of new or improved financial solution/models/tools scaled up by Financial Service Providers for women and youth	2.2.2	2.2.2	2.2.2	
		2.2.3 Number of women and youth reported increased capabilities as a result of financial digital literacy programs.	2.2.3	2.2.3	2.2.3	
		2.2.4 Number of women and youth reporting increased capabilities through participation in community-based groups and SACCOS	2.2.4	2.2.4	2.2.4	

		2.2.5 Number of women and youth reporting being reached by the behavioural change campaigns 2.2.6 Number of institutions/service providers/FSPs delivering new or improved 'capability services' to women and youth FSPs for women and youth	2.2.5 2.2.6	2.2.5 2.2.6	2.2.5 2.2.6	
Output 1 related to Outcome 3	3.1 Women, men, girls and boys, in all their diversity, participate equally in decision-making processes, in all spheres and at all levels of political and public life, including online, to take on leadership roles, to enjoy and exercise their human rights and seek redress if these rights are denied.	3.1.1 Number of specific actions taken by partner country government (such as quota systems or other similar measures) to address discriminatory practices and improve women's representation in parliament and government institutions and decision-making positions, at regional, national and local level 3.1.2 Existence of systems to track and make public allocations for gender equality and women's empowerment (SDG 5.c.1)	3.1.1 3.1.2	3.1.1 3.1.2	3.1.1 3.1.2	
Output 2 related to Outcome 3	3.2 Women in leadership roles are promoted, thus inspiring other women and girls to take part in decision making, including in favour of justice, peace and security;	3.2.1 Number of women in leadership roles promoted, disaggregated by sectors (including at least, culture, political arena, government, business, education, green and environment, digitalization and IT, among others)	3.2.1 na	3.2.1 identified sectors	3.2.1	
Output 3 related to Outcome 3	3.3 Equitable social norms, attitudes and behaviours promoting equal participation and leadership by women and men fostered at community and individual levels	3.3.1 Proportion of people who think it is justifiable to subject a woman or girl to FGM, disaggregated at least by sex and age (SI 3.2 amended) 3.3.2 % of men and boys who acknowledge that gender-based violence is not acceptable 3.3.3 Number of actions on preventive intervention and treatment programmes for perpetrators of gender-based violence to stop recidivism 3.3.4 Number of community and religious leaders who publicly condemn GBV, disaggregated at least by sex	3.3.1 3.3.2 3.3.3 3.3.4 3.3.5 3.3.6	3.3.1 3.3.2 3.3.3 3.3.4 3.3.5 3.3.6	3.3.1 UNWOMEN 3.3.2 3.3.3 3.3.4 3.3.5 3.3.6	

		<p>3.3.5 Number of policy-makers who publicly condemn gender-based violence, disaggregated at least by sex</p> <p>3.3.6 Number of media representatives and influencers who publicly condemn gender-based violence, disaggregated at least by sex</p> <p>3.3.7 Number of people reached annually by raising awareness building (disaggregated by sex and age group)</p>				
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4. IMPLEMENTATION ARRANGEMENTS

4.1 Financing Agreement

In order to implement this action, it is envisaged to conclude a financing agreement with the partner country.

4.2 Indicative Implementation Period

The indicative operational implementation period of this action, during which the activities described in section 3.1 will be carried out and the corresponding contracts and agreements implemented, is 48 months from the date of entry into force of the financing agreement.

Extensions of the implementation period may be agreed by the Commission's responsible authorising officer by amending this Financing Decision and the relevant contracts and agreements.

4.3 Implementation of the Budget Support Component

4.3.1 Rationale for the Amounts Allocated to Budget Support

The amount allocated for the budget support component is EUR 28 000 000, and for complementary support is EUR 42,000,000. This amount is based on the financing gap of the Gender "sector" and lessons learned from the experience of previous budget support operations.

The Government has made progress in its intention to reduce aid dependency, but is still counting on a substantial aid financing of TZS 2.9 trillion (approx. EUR 1.06 billion) for its 2021/22 budget. This represents 8% of total expenditure (estimated at TZS 34.88 trillion) and 22% of development expenditures (estimated at TZS 12.9 trillion). The combined EU budget support allocation in FY2021/22 will be around 30 million euros (80 billion TZS). This constitutes 3% of the budgeted grants from development partners, and therefore does not create disproportionate aid dependency, but will contribute to reducing the financing gap while having a policy dialogue and focus on key results in relation to gender.

Budget support is complementary to other implementation modalities in this action and adds value by allowing for a high-level results oriented policy dialogue between the EU, Ministry of Finance and Planning, Ministry in charge of Gender, Ministry of Education and other relevant line Ministries. This brings different stakeholders together to discuss ongoing reforms in national systems and local administrations and will facilitate the implementation of Tanzania's gender equality agenda. It also incentivizes continued improvements in the national public finance management system and budget transparency.

Given the recent positive developments in the country, the use of budget support seems particularly timely and relevant. There is a real opportunity to build on this political momentum to support the renewal of a close political dialogue with the country's national authorities. Moreover, Budget support is the government's preferred implementation modality. During the six years of general budget support preceding the ongoing programmes, the Government had an absorption capacity of 96% out of 300 million euros. The absorption capacity for the recently concluded economic and fiscal governance programme is 88% out of 200 million euro. Informed by this change in track-record, this action opts for a different approach: a smaller, focussed sector reform and performance contract, where budget support blends with other modalities and is highly complementary to drive a specific set of reforms that require cooperation of different government actors.

The Government has made progress in its intention to reduce aid dependency, but is still counting on a substantial aid financing of TSH 2.9 trillion (approx. EUR 1.06 billion) for its 2021/22 budget. This represents 8% of total expenditure (estimated at TSH 34.88 trillion) and 22% of development expenditures (estimated at TSH 12.9 trillion). The combined EU budget support allocation in FY2021/22 will be 56.17 million euros (approx. 151 billion TSH), and consist of EUR 7 million to be paid through the proposed cities action, 7 million EUR through the proposed gender action, 7 million EUR through the proposed digitalisation action, 20.17 for the Covid-19 tranche of the Economic and Fiscal Governance programme and the next tranche of EUR 15 million of road sector budget support. This constitutes 0.43% of the total budget, 0.58% of domestic revenues and 5.2% of the budgeted grants from development partners, and therefore does not create disproportionate aid dependency.

Besides, with 75% of the total amount linked to variable tranches, the programme is totally in line with the Commissioner's new recommendations that at least 70% of the amount of budget support operations should be linked to variable tranches, guaranteeing that performance is rewarded while strengthening our political dialogue.

4.3.2 Criteria for Disbursement of Budget Support

a) Conditions

The general conditions for disbursement of all tranches are as follows:

- Satisfactory progress in the implementation of the relevant policies and actions plans, particularly the Gender Equality and Development policy, and gender action plan against violence and continued credibility and relevance thereof or of the subsequent policy.
- Maintenance of a credible and relevant stability-oriented macroeconomic policy or progress made towards restoring key balances.
- Satisfactory progress in the implementation of reforms to improve public financial management, including domestic revenue mobilisation, and continued relevance and credibility of the reform programme.
- Satisfactory progress with regard to the public availability of accessible, timely, comprehensive, and sound budgetary information.

b) The performance indicators for disbursement to be used for variable tranches may focus on the following policy priorities:

- Education system (in particular, female completion; specialised services related to women and girls' rights);
- Specialised services for the prevention of Violence Against Women and Children in public spaces;
- Specialised services to support survivors of Violence Against Women and Children, in particular in the health system and in the justice chain.

c) Modifications

The chosen performance indicators and targets to be used for the disbursement of variable tranches will apply for the duration of the action. However, in duly justified cases, the partner country and the Commission may agree on changes to indicators or on upward/downward revisions of targets. Such changes shall be authorised in writing ex-ante, at the latest at the beginning of the period under review applicable to the indicators and targets.

In exceptional and/or duly justified cases, for instance where unexpected events, external shocks or changing circumstances have made the indicator or the target irrelevant and could not be anticipated, a variable tranche indicator may be waived. In these cases, the related amount could either be reallocated to the other indicators of the variable tranche the same year or be transferred to the next variable tranche the following year (in accordance with the original weighting of the indicators). It could also be decided to re-assess an indicator the following year against the original target, if there was a positive trend and the authorities did not reach the target because of factors beyond their control. The use of this provision shall be requested by the partner country and approved in writing by the Commission.

d) Fundamental values

In case of a significant deterioration of fundamental values, budget support disbursements may be suspended, reduced or cancelled, in accordance with the relevant provisions of the financing agreement.

4.3.3 Budget Support Details

Budget support is provided as direct untargeted budget support to the national treasury. The crediting of the euro transfers disbursed into Tanzanian Shillings will be undertaken at the appropriate exchange rates in line with the relevant provisions of the financing agreement.

The action includes both fixed and variable tranches over 4 years. The fixed component covers the first year and variable component starts in the second year and covers the last 3 years. The overall amount of variable tranches is 75% of the total. The incentive to deliver on the sector policy targets, through the variable tranches, starts from year 2.

The total amount available each year is the same.

	Year 1 (2021/22)	Year 2 (2022/23)	Year 3 (2023/24)	Year 4 (2024/25)
Fixed tranche	7			
Variable tranche		7	7	7

The preliminary disbursement schedule is as follows:

- Year 1 disbursement in 2021/22 fixed tranche after signing FA
1. Year 2 disbursement in 2022/23 (n) based on eligibility assessment of 2021/22 (n-1)
 2. Year 3 disbursement in 2023/24 (n) based on eligibility assessment of 2022/23 (n-1)

3. Year 4 disbursement in 2024/25 (n) based on eligibility assessment of 2023/24 (n-1)

4.4 Implementation Modalities

The Commission will ensure that the EU appropriate rules and procedures for providing financing to third parties are respected, including review procedures, where appropriate, and compliance of the action with EU restrictive measures²⁵.

4.4.1 Direct Management (Grants)

a) Purpose of the grant(s)

The grants may contribute to enhance equality in participation, leadership and decision making, including in actions related to justice, peace and security (**specific objective 3**).

b) Type of applicants targeted

Civil Society Organisations, as well as academia, economic operators such as Small and Medium Enterprises, under specific guidelines of the call for proposal (no profit rule for the grant contract applies).

4.4.2 Direct Management (Procurement)

The purpose of the service contract(s) is to cover activities under **specific objective 1 (output 1.8) and specific objective 3 (outputs 3.2 and 3.3)**, specifically related to provision of technical assistance, awareness raising and communication services harmonized for the overall programme; it will accompany budget support dialogue and communication/raising awareness initiatives around women in leadership, partnering with institutions, companies and/or individual gender champions, supporting gender transformative approach that can tackle social norms, attitudes and behaviours promoting gender equality.

4.4.3 Indirect Management with an International Organisation or a Member state Organisation

A part of this action may be implemented in indirect management with an entity, which will be selected by the Commission's services using the following criteria: thematic knowledge in the field of gender equality, women's economic empowerment and gender based violence and experience of working in Zanzibar, including with its public authorities. Extensive experience working in the region in the areas under **specific objective 1**, complementarity of on-going similar activities in Tanzania or in the region and operational capacity will be also assessed for the selection. The implementation by this entity entails the implementation of activities leading to **specific objective 1**, in particular under **outputs 1.1 to 1.5**: supporting the policy dialogue with policy Ministries ensuring necessary reforms, country ownership and better allocation and planning; supporting the joint review of legal and regulatory framework, including the Action Plan related to gender-based violence and notably access to justice, education and health; improvement of data collection in a disaggregated way and on gender-based violence and harmful practices; improving and harmonising sector reforms and performances, mainstreaming gender in all ministries.

4.4.4 Indirect Management with a Member State Organisation or International Organization

A part of this action may be implemented in indirect management with an entity, which will be selected by the Commission's services using the following criteria: A development partner that is financing the Tanzania Social Action Fund (TASAF) and has signed the joint Memorandum of Understanding (MoU) between the Ministry of Finance and Planning and the Development Partners. Extensive experience working in the region in the areas under **specific objective 2**, complementarity of on-going similar activities in Tanzania or in the region and operational capacity will be also assessed for the selection.

The implementation by this entity entails implementing activities leading to **specific objective 2**, in particular under **output 2.1**, linked to social protection schemes, including access to finance for poor livelihoods: disbursing funds to TASAF following the MoU principles of harmonisation, including avoiding parallel implementation arrangements; financing through one financial management system; jointly determined monitoring and evaluation, including joint reviews and implementation support; and communicating harmoniously.

²⁵ www.sanctionsmap.eu. Please note that the sanctions map is an IT tool for identifying the sanctions regimes. The source of the sanctions stems from legal acts published in the Official Journal (OJ). In case of discrepancy between the published legal acts and the updates on the website it is the OJ version that prevails.

4.4.5 Indirect Management with a Member State Organisation or an International Organisation

A part of this action may be implemented in indirect management with an entity, which will be selected by the Commission's services using the following criteria: experience working in the region in the areas under **specific objective 3**, complementarity of on-going similar activities in Tanzania or in the region and operational capacity will be also assessed for the selection.

The implementation by this entity entails the implementation of activities leading to **specific objective 3**, in particular under **outputs 3.1 and 3.2**: addressing the root causes of gender inequality and applying the principle of "leaving no-one behind", including peace and security but also education, media, digitalisation, culture and sports; supporting increased access to justice, including at grassroots level.

4.4.6 Contribution to the NDICI Regional Investment Facility

A part of this action, namely **specific objective 2, Output 2.2**, may be implemented under indirect management with the entities, called Lead Finance Institutions, identified in the appendix to this Action Document. The Lead Financial Institution will be selected among the European Financial Institutions, national or multilateral, with track recording in working with central banks and commercial banks in Tanzania with previous experience working in the field of access to finance

The indicative list of Lead Financial Institutions for the implementation of this contribution is indicated in appendix to this Action Document.

4.4.7 Changes from indirect to direct management mode (and vice versa) due to exceptional circumstances (one alternative second option)

For **specific objective 3, under outputs 3.1 and 3.2**, as an alternative to Indirect Management with a Member State Organisation or International Organization (point 4.4.5 above), grants in Direct Management may be used, in exceptional circumstances.

a) Purpose of the grant(s)

The grant may contribute to implementation of activities leading to specific objective3, in particular outputs 3.1 and 3.2: addressing the root causes of gender inequality and applying the principle of "leaving no-one behind", including peace and security but also education, media, digitalisation, culture and sports; supporting increased access to justice, including at grassroot level.

b) Type of applicants targeted

Civil Society Organisations, as well as academia, under specific guidelines of the call for proposal. Selection criteria may include: previous experience working in the field of legal aid; extensive experience working in the region in the areas under specific objective 3; complementarity of on-going similar activities in Tanzania or in the region; and operational capacity.

(c) Justification of a direct grant

Under the responsibility of the Commission's authorising officer responsible, the grant may be awarded without a call for proposals to a body, selected using the above mentioned criteria, in case the beneficiary is identified in a legal or factual monopoly situation.

4.4.8 Changes from contribution to a regional investment facility to indirect management with a Member State Organisation and an international organisation due to exceptional circumstances (one alternative second option)

For **Specific objective 2, under output 2.2**, as an alternative to the Regional investment facility (point 4.4.6 above), indirect management with a Member State Organisation and an international organisation may be used, in exceptional circumstances.

A part of this action may be implemented in indirect management with an entity, which will be selected by the Commission's services using the following criteria: previous experience working in the field of access to finance; extensive experience working in the region in the areas under **specific objective 2**; complementarity of on-going similar activities in Tanzania or in the region; and operational capacity.

The implementation by this entity entails the implementation of activities leading to **specific objective 2**, in particular under **output 2.2**: supporting Financial Institutions (e.g. Impact Fund) to contribute directly (through local finance institutions) and/or indirectly (financial sector business environment) to increase women access to finance, promoting green and digital opportunities; improving capabilities of women and youth to utilise financial solutions to tap into economic opportunities in their environment through skills training; ensuring that the digital economy in Tanzania provides equitable opportunities for skills and livelihoods and also supports green, resilient and inclusive development.

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4.5 Scope of geographical eligibility for procurement and grants

The geographical eligibility in terms of place of establishment for participating in procurement and grant award procedures and in terms of origin of supplies purchased as established in the basic act and set out in the relevant contractual documents shall apply, subject to the following provisions.

The Commission's authorising officer responsible may extend the geographical eligibility on the basis of urgency or of unavailability of services in the markets of the countries or territories concerned, or in other duly substantiated cases where application of the eligibility rules would make the realisation of this action impossible or exceedingly difficult (Article 28(10) NDICI-Global Europe Regulation).

4.6 Indicative Budget

Indicative Budget components²⁶	EU contribution (amount in EUR)
<u>Specific Objective 1:</u> Equitable environment and services	35,500,000
Budget support - cf. section 4.3 (Outputs 1.1-1.2 and 1.4-1.7)	28,000,000
Complementary modalities to budget support – Implementation modalities – cf. section 4.4	
Direct management (Procurement) – cf. section 4.4.2. (Outputs 1.8 and 3.2 and 3.3)	2,500,000
Indirect management with a Member State Organisation or an International Organization – cf. section 4.4.3 (Outputs 1.1-1.5)	5,000,000
<u>Specific Objective 2:</u> Women economic empowerment	26,000,000
Indirect management with a Member State Organization or an International Organization – cf. section 4.4. (Output 2.1)	20,000,000
Contribution to the NDICI Regional Investment Facility – cf. section 4.4.6 (Output 2.2)	6,000,000
<u>Specific Objective 3:</u> Participation, leadership and decision making	7,200,000
Indirect management with a Member State Organization or an International Organization – cf. section 4.4.5 (Output 3.1 and 3.2)	5,000,000
Direct management (Procurement) – cf. section 4.4.2. (Outputs 1.8 and 3.2 and 3.3)	cf. infra SO1
Direct management (Grants) – cf. section 4.4.1. (Output 3.2 and 3.3)	2,200,000
Evaluation – cf. section 5.2 Audit – cf. section 5.3	300,000
Contingencies	1,000,000
Totals	70,000,000
<i>Grants – total envelope under section 4.4.1: EUR 2,200,000</i>	
<i>Procurement – total envelope under section 4.4.2: EUR 2,500,000</i>	

²⁶ N.B: The final text on audit/verification depends on the outcome of ongoing discussions on pooling of funding in (one or a limited number of) Decision(s) and the subsequent financial management, i.e. for the conclusion of audit contracts and payments.

4.7 Organisational Set-up and Responsibilities

The implementation of the action involves the following stakeholders /organizational set up:

- The Ministry of Finance and Planning (MoFP),
- The Ministries in charge of Gender, both in Mainland and Zanzibar,
- The Ministries of Education, Constitutional and Legal Affairs, Industry and Trade
- The Delegation of the European Union.

A Steering Committee (SC) will be established with meetings every six months. Biannual performance report will be submitted at 6-month intervals with a clear focus on achievement of the results. The SC will include the main stakeholders for both Mainland and Zanzibar mentioned above.

Separately or as part of the same mechanism, a structured Budget Support dialogue gathering the main interlocutors (at least Ministry of Gender, MOFP and EU Delegation) will take place 2 to 4 times a year. Reporting will be coordinated by MOFP. The macro-economic, PFM and Transparency and oversight eligibility criteria for budget support will be monitored for all budget support operations at once during a separate annual meeting with the MOFP. Tanzania-EU sector dialogue will fall under the Development Cooperation Framework.

Coordination and harmonization of different components and contracts of the Action will be supported by the technical assistance recruited by the programme to facilitate dialogue across institutions, private sector and civil society. Technical assistance will adopt a result-based management approach through all components and results, building capacities and mechanisms across players. It will specifically support functions of coordination, internal coherence across results and contracts, building up a programme level M&E system, building capacities across institutions and stakeholders for management by results.

As part of its prerogative of budget implementation and to safeguard the financial interests of the Union, the EU Delegation will participate in the above governance structures set up for governing the implementation of the action.

For the complementary measure supporting the Tanzania Social Action Fund, the EU Delegation will sign the Memorandum of Understanding with the Ministry of Finance and Planning, although the funding may be channelled through a Member State Organisation. This will allow the EU Delegation to take part in the coordination and technical meetings where progress on activities and performance on results and objectives will be monitored.

5 PERFORMANCE MEASUREMENT

5.1 Monitoring and Reporting

The day-to-day technical and financial monitoring of the implementation of this action will be a continuous process, and part of the implementing partner's responsibilities. To this aim, the implementing partner shall establish a permanent internal, technical and financial monitoring system for the action and elaborate regular progress reports (not less than annual) and final reports. Every report shall provide an accurate account of implementation of the action, difficulties encountered, changes introduced, as well as the degree of achievement of its results (Outputs and direct Outcomes) as measured by corresponding indicators, using as reference the logframe matrix (for project modality) and the partner's strategy, policy or reform action plan list (for budget support).

Monitoring and evaluation will assess the implementation of the human rights-based approach working principles (applying human rights for all; ensuring meaningful and inclusive participation and access to decision-making; non-discrimination and equality; accountability and rule of law for all; and transparency and access to information supported by disaggregated data).

A comprehensive Baseline study will be carried out under Output 1 in the first quarter of the implementation in order to populate the logframe and revise indicators where necessary. The overall programme will ensure the capacity to conduct the endline study which should be checked via the final evaluation.

The Commission may undertake additional project monitoring visits both through its own staff and through independent consultants recruited directly by the Commission for independent monitoring reviews (or recruited by the responsible agent contracted by the Commission for implementing such reviews).

Roles and responsibilities for data collection, analysis and monitoring: Result-Oriented Monitoring will be contracted by the Commission, under the supervision of the Delegation for its implementation. Evaluations - Mid Term and Final evaluations - will collect data for assessing benchmarks and achievement of final indicators. Project implementing partners will be responsible for recollection of data from defined sources of information, including their own data collection system. For Budget Support, the Monitoring and Evaluation Framework is detailed in the sector policies and related strategic documents. The monitoring system is consistent with the monitoring of other policies within the country's monitoring and evaluation system. The country's monitoring and evaluation system tracks activities through input indicators, costs through process indicators, targets through output indicators and

impact through outcome indicators. The monitoring plans provided in the respective documents are holistically used to track progress in implementing the policy plan and strategy. Apart from the day-to-day supervision and periodic monitoring, the framework is used for reporting on progress quarterly and annually. The monitoring plan consists of indicators and their description: baselines for each indicator, indicator target values, data collection and source of data (data are collected from different sources). Objectives and progress reports for each policy are publicly available and subject to domestic accountability through a well-established performance reporting system at local government authority (LGAs), regional, ministerial and parliamentary levels for accountability purposes. At public institutional, government agencies and LGAs levels, the department responsible for planning is accountable for conducting monitoring and evaluation, drafting and disseminating reports to the respective authorities for approval and publishing.

The statistical and monitoring systems as well as the quality of official data in the policy field covered have been assessed. This assessment has fed into the design of the action with variable tranche indicators focused on areas where timely quality information is available as part of the official documents and reports from the line Ministries.

5.2 Evaluation

Having regard to the importance and complexity of the action, a mid-term and a final evaluation will be carried out for this action or its components through a joint mission contracted by the Commission.

It will be carried out for accountability and learning purposes at various levels (including for policy revision), taking into account in particular the fact that the action addresses several different priorities and at different levels.

The evaluation of this action may be performed individually or through a joint strategic evaluation of budget support operations carried out with the partner country, other budget support providers and relevant stakeholders.

The Commission shall inform the implementing partner at least 30 days in advance of the dates envisaged for the evaluation missions. The implementing partner shall collaborate efficiently and effectively with the evaluation experts, and inter alia provide them with all necessary information and documentation, as well as access to the project premises and activities.

The evaluation reports shall be shared with the partner country and other key stakeholders following the best practice of evaluation dissemination²⁷. The implementing partner and the Commission shall analyse the conclusions and recommendations of the evaluations and, where appropriate, in agreement with the partner country, jointly decide on the follow-up actions to be taken and any adjustments necessary, including, if indicated, the reorientation of the project.

Evaluation services may be contracted under a framework contract.

5.3 Audit and Verifications

Without prejudice to the obligations applicable to contracts concluded for the implementation of this action, the Commission may, on the basis of a risk assessment, contract independent audit or verification assignments for one or several contracts or agreements.

6. STRATEGIC COMMUNICATION AND PUBLIC DIPLOMACY

The 2021-2027 programming cycle will adopt a new approach to pooling, programming and deploying strategic communication and public diplomacy resources.

It will remain a contractual obligation for all entities implementing EU-funded external actions to inform the relevant audiences of the Union's support for their work by displaying the EU emblem and a short funding statement as appropriate on all communication materials related to the actions concerned. This obligation will continue to apply equally, regardless of whether the actions concerned are implemented by the Commission, partner countries, service providers, grant beneficiaries or entrusted or delegated entities such as UN agencies, international financial institutions and agencies of EU member states.

However, action documents for specific sector programmes are no longer required to include a provision for communication and visibility actions promoting the programmes concerned. These resources will instead be consolidated in Cooperation Facilities established by support measure action documents, allowing Delegations to plan and execute multiannual strategic communication and public diplomacy actions with sufficient critical mass to be effective on a national scale.

²⁷ See best [practice of evaluation dissemination](#)

APPENDIX 1 REPORTING IN OPSYS

An Intervention²⁸ (also generally called project/programme) is the operational entity associated to a coherent set of activities and results structured in a logical framework aiming at delivering development change or progress. Interventions are the most effective (hence optimal) entities for the operational follow-up by the Commission of its external development operations. As such, Interventions constitute the base unit for managing operational implementations, assessing performance, monitoring, evaluation, internal and external communication, reporting and aggregation.

Primary Interventions are those contracts or groups of contracts bearing reportable results and respecting the following business rule: ‘a given contract can only contribute to one primary intervention and not more than one’. An individual contract that does not produce direct reportable results and cannot be logically grouped with other result reportable contracts is considered a ‘support entities’. The addition of all primary interventions and support entities is equivalent to the full development portfolio of the Institution.

Option 1: Action level		
<input type="checkbox"/>	Single action	Present action: all contracts in the present action
Option 2: Group of actions level		
<input type="checkbox"/>	Group of actions	Actions reference (CRIS#/OPSYS#):
Option 3: Contract level		
<input checked="" type="checkbox"/>	Single Contract 1	Budget support - cf. section 4.3 (Outputs 1.1-1.2 and 1.4-1.7)
<input checked="" type="checkbox"/>	Single Contract 2	Direct management (Procurement) – cf. section 4.4.2. Service contract (Outputs 1.8 and 3.2 and 3.3)
<input checked="" type="checkbox"/>	Single Contract 3	Indirect management with a Member State Organisation or an International Organization – cf. section 4.4.3 Contribution agreement with IO (Outputs 1.1-1.5)
<input checked="" type="checkbox"/>	Single Contract 4	Indirect management with a Member State Organization or an International Organization – cf. section 4.4.5 Contribution agreement (Output 3.1 and 3.2)
<input checked="" type="checkbox"/>	Single Contract 5 1	Indirect management with a Member State Organization or an International Organization – cf. section 4.4.4 Contribution agreement (Outputs 2.1)
<input checked="" type="checkbox"/>	Single Contract 6	Indirect management with a Regional Investment Facility – cf. section 4.4.6 Contribution agreement for Financial Instrument (Outputs 2.2)
<input checked="" type="checkbox"/>	Group of contracts 2	Direct management (Grants) – cf. section 4.4.1. Contracts form Call for proposals (Output 3.2 and 3.3)

²⁸ [ARES \(2021\)4204912](#) - For the purpose of consistency between terms in OPSYS, DG INTPA, DG NEAR and FPI have harmonised 5 key terms, including ‘action’ and ‘Intervention’ where an ‘action’ is the content (or part of the content) of a Commission Financing Decision and ‘Intervention’ is a coherent set of activities and results which constitutes an effective level for the operational follow-up by the EC of its operations on the ground. See more on the [concept of intervention](#).

APPENDIX 2 - INDICATIVE LIST OF AGENCIES/ INTERNATIONAL ORGANISATIONS TO WORK WITH IN INDIRECT MANAGEMENT AND CONTRIBUTION TO THE NDICI REGIONAL INVESTMENT FACILITY

Specific objective	Lead Finance Institution	Area
Blending / EFSD+ projects		
Specific objective 2: Women economic empowerment	EIB, KfW, AFD, AECID, CDP, AfBD, BIO, FindFund	Access to finance