

**PROJECT INFORMATION DOCUMENT (PID)
CONCEPT STAGE**

Report No.: AB1865

Project Name	Accountability, Transparency & Integrity Project
Region	AFRICA
Sector	Law and justice (70%);General finance sector (15%);Central government administration (15%)
Project ID	P070544
Borrower(s)	UNITED REPUBLIC OF TANZANIA
Implementing Agency	
	Ministry of Finance Tanzania
	Ministry of Justice and Constitutional Affairs Tanzania
	Ethics Secretariat Tanzania
Environment Category	<input type="checkbox"/> A <input checked="" type="checkbox"/> B <input type="checkbox"/> C <input type="checkbox"/> FI <input type="checkbox"/> TBD (to be determined)
Date PID Prepared	August 29, 2005
Estimated Date of Appraisal Authorization	December 5, 2005
Estimated Date of Board Approval	March 31, 2006

1. Key development issues and rationale for Bank involvement

In 1999 the Government of Tanzania (GOT) prepared the National Framework on Good Governance (NFGG) to guide its overall reform agenda with a view to improve service delivery and ensure better use of limited resources. To this day, it remains the platform for the ongoing crosscutting public sector reforms namely public service, local government, public financial management and legal/judicial reforms as well as anti-corruption measures reflected in the National Anti-Corruption Strategy and Action Plan (NACSAP). The latter, which enshrines government's program to fight corruption, provides the framework within which ministries, departments and agencies (MDAs) should be fighting corruption and embraces all crosscutting and sectoral reforms. Moreover it provides Government (Good Governance Coordination Unit--GGCU)¹ the basis for a monitoring instrument for reporting to the President on progress made to fight corruption. The results of the World Bank Country Policy and Institutional Assessment (CPIA) for Tanzania for 2004 indicate that overall governance is gradually improving. Through the proposed Accountability, Transparency and Integrity Project (ATIP), the Bank would join development partners (DPs) in supporting reforms in the public financial management and legal/judicial areas. Progress in putting together the legal/judicial reform

¹ The GGCU was created in the President's Office to coordinate the government's efforts to fight corruption.

program (LSRP)² has been slow due to its complexity and the limited capacity within government to articulate detailed arrangements for a programmatic approach with pooled funds. DPs including the Bank recognize the importance of the lagging legal/judicial reform and are presently working with GOT to develop appropriate modalities to support it. DPs are also supporting oversight and watchdog institutions like Parliament, the Foundation for Civil Society, the Prevention of Corruption Bureau (PCB) and the Ethics Secretariat. Through ATIP, the Bank will contribute to GOT's holistic approach to improving governance in collaboration with other DPs in the above-mentioned areas. The funding at present is inadequate, particularly for the LSRP.

The Bank is well placed to support Tanzania's governance agenda. It has been a significant player, working closely with other DPs, to advance the policy dialogue on good governance initially through structural adjustment programs (SAPs), more recently through the Poverty Reduction Budget Support (PRBS) process and, more importantly, by playing a lead role with DFID in the SWAp for public service reform (supported by a Public Service Reform Program (Cr 3300-TA)) and the public financial management reform program (PFMRP). It has also been engaged in the dialogue on legal and judicial sector reform since its inception and is supporting local government reforms through the Local Government Support Program (Cr 4003-TA). This is consistent with the Country Assistance Strategy 2001-2003. The Bank-led Public Expenditure and Financial Accountability Review (PEFAR) 2005 recognizes the importance of enhancing the capacity of watchdog organizations to be able to participate effectively in policy dialogue, and strengthen domestic accountability. The proposed ATIP will support the government's governance agenda.

Lessons learnt from past interventions have been incorporated in the design of the ATIP. Past projects have included the World Bank funded Financial and Legal Sector Management Upgrading Project (FILMUP - IDA Cr. No. 2413-TA) that supported improvements in public sector accounting and auditing, and improvements in the legal and regulatory framework and administration of justice. Several donors - Canada, Netherlands, Finland, Sweden, Norway and Denmark had funded the legal sector between 2001 and 2004 through the Quickstart project; and bilateral support from Sweden, Japan and EU in public financial management. Lessons learnt from these interventions point to the need for:

- A comprehensive approach for more sustainable outcomes, as fragmented disjointed interventions add on to transaction costs and overlapping activities.
- Stronger coordination between development partners in engaging with Government improves the likelihood of success of the interventions.
- Strengthening the demand side of governance to complete the accountability cycle.
- Mainstreaming implementation agencies to ensure sustainable capacity building.
- Effective monitoring and evaluation for proper accountability mechanisms as well as good management of the program.

2. Proposed objective(s)

² The Government's Legal Sector Reform Program—LSRP.

ATIP will contribute to increased effectiveness, transparency and accountability of GOT public sector reforms through (i) strengthening the legal and judicial systems through increasing access to courts, improving case management and performance of staff in the judiciary and legal service institutions; (ii) enhancing public financial accountability through improved manage fiscal policy, public debt, public assets and government budget and procurement regulations; and (iii) strengthening formal oversight and watchdog institutions (OWIs) and non state actors to effectively undertake their oversight role through, for example, access to quality and adequate information, increased ethics environment by strengthening the capacity of professional associations and possibly other non-state actors.

3. Preliminary description

Alternatives considered:

Project components:

The program will have three main components, (a) Strengthening legal and judicial system; (b) Enhancing public financial accountability; and (c) Strengthening oversight and watchdog institutions.

Strengthening legal and judicial system

ATIP will support Government's medium term strategy and action plan for the LSRP in collaboration with other DPs. The MTS seeks interventions in five key result areas, updating and harmonizing the legal framework for key legal and judicial institutions, increasing access to justice for the poor and disadvantaged, through expansion of the capacity of the judicial system to handle more cases, especially at primary court level, enhancing human rights and administrative justice and improving the skills and knowledge of legal professionals. Key implementing institutions in this component include the Judiciary, Ministry of Justice and Constitutional Affairs, Law Reform Commission, Commission for Human Rights and Good governance. ATIP will not finance the repressive instruments of the state,

In addition, the project will fund civil works/rehabilitation costs for select high priority structures in the legal sector, possibly including chambers for the court of appeal judges; a law school; and primary and districts magistrates' courts.

Enhancing public financial accountability

The project will support implementation of the PFMRP, whose mission is to manage efficiently and effectively public financial resources for economic growth, public service delivery and poverty reduction. The PRFMRP strategic plan draws on Country Financial Accountability Assessment, Country Procurement Assessment Report, and the Report on Observance of Standards and Codes analyses and recommendations. It seeks to modernize and strengthen the sectoral processes for fiscal policy analysis and development, external resources management,

budget management, treasury management and accounting, investment management and procurement. The PFMRP will also support interventions aimed at improving external audit services, administrative support services and program leadership, management, monitoring and evaluation.

Strengthening oversight and watchdog institutions (OWIS)

This component aims at strengthening the demand side of the accountability equation. The strategic entry points for support to the OWIs will predominantly comprise: (i) strengthening professional associations to promote ethics and accountability in society and among the professionals; and (ii) strengthening institutions for generation and dissemination of quality information on public policy. The OWIs component of the project will be demand-driven. Accordingly, there is neither a prior list of specific target beneficiaries nor a specification of the inputs under this component. Instead, a Fund for Ethics, Accountability and Transparency (FEAT) will be established under the project for this component.

In this context IDA would integrate in its approach lessons learned from others presently involved in supporting IEC for civil society, e.g., the Netherlands, UNDP, EU and others.

4. Safeguard policies that might apply

The Project has been given an environmental category rating of B –partial assessment in collaboration with ASPEN. The team is working with ASPEN to adequately carry out an assessment of safeguard policies that might apply and develop responsive measures by appraisal. The following safeguard policies might be triggered:

Environmental assessment OP/BP 4.01

The project will involve construction and rehabilitation of judiciary infrastructure; the construction process may have impact in terms of traffic disruption, dust, noise pollution, waste disposal etc. Since the exact location of these sites is not yet known, prior to appraisal an Environmental and Social Management Framework (ESMF) will be prepared by the borrower, approved, and disclosed to the World Bank and the public. The ESMF will be included in bidding documents for the contractor to implement and National Environmental Management Council (NEMC) to oversee.

Involuntary Resettlement OP/BP 4.12

A large number of potential sites for construction of judiciary infrastructure have populated neighborhoods and this may lead to compensation if the construction will lead to expansion of built up areas and acquiring of new land. A resettlement policy framework will be developed and used as a guide wherever such sites are encountered in implementing the project.

5. Tentative financing

Source:	(\$m.)
BORROWER/RECIPIENT	10
INTERNATIONAL DEVELOPMENT ASSOCIATION	40

BILATERAL AGENCIES (UNIDENTIFIED)

	50
Total	100

6. Contact point

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