
Regional Commissioners for Arusha, Morogoro, Mwanza and Dar es Salaam,

Permanent Secretary, Prime Minister’s Office and Chairperson of the National Steering Committee of TASAF, Mr. Vincent Mrisho,

World Director of Social Development and Chair of the Social Development Sector Board, Mr. Steen Lau Jorgensen,

World Bank Country Director for Tanzania, Uganda and Burundi, Mr. John McIntire,

TASAF Executive Director, Dr. Servacius Likwelile,

Workshop Participants,

Distinguished Guests,
Hon. Chairperson,

Allow me first and foremost to welcome to Tanzania all those coming from outside the country. I hope that you will have a wonderful stay throughout the period you will be attending this important Workshop on Community Foundations. Let me also wish you fruitful learning experience in your field visits to Mwanza City, Arusha, Morogoro and Kinondoni Municipalities. We feel honoured that Tanzania has been chosen to host this event.

Let me extend a special welcome to the members of the Community Foundation Initiative (CFI) Advisory Committee. I noted that, membership composition has been drawn from the World Bank - Washington, and from partner Foundations in the United States, Canada, United Kingdom, Australia, Philippines, Mexico and Zimbabwe. I am told it is the first time for the Community Foundation Initiative Advisory Committee to visit countries of transition economy that are piloting establishment of Community Foundations. Tanzania being one of those countries. We thank you a lot for this decision which puts Tanzania on the world map as far as establishment of Community Foundations is concerned. I thank you for the experiences and knowledge you are bringing to Tanzania and to Africa in general.

As you all know our main and taunting development challenge in the continent, especially sub-Saharan Africa, is that of eradicating poverty. Thus, any innovative ideas aimed at addressing poverty reduction are welcome and cherished.

Overview of Social Funds

Hon. Chairperson,
While this Workshop will deliberate on Community Foundations, I would like to draw your attention and discuss a bit on Social Funds. This is because Social Funds relate to Community Foundations in many ways on the world. In the case of Tanzania our Tanzania Social Action Fund TASAF is a vehicle for sensitization and establishment of Community Foundations in the country. Social Funds in many developing countries are multi-sectoral programmes that provide financing for small-scale public investments, targeted at meeting the needs of the poor and at contributing to social capital and development at the local level.

Social Funds are among the fastest growing mechanisms for channeling development assistance to developing countries. They facilitate and create an environment that ensures effective and active participation of beneficiaries in the design and management of projects. Social Funds give beneficiaries direct control over key project decisions including management of investment funds.

Hon. Chairperson,

One of the long missed key to the motivation of the people under the concept of Social Fund is self-development. And there, I am reminded of the story of the unsuccessful sales trainee. He was trying to explain his failure to close a single deal in his first week.

“You know” he said to his manager, “You can lead a horse to water, but you can’t make it drink water”

“Make it drink?” the manager sputtered. “Make it drink?” the manager repeated. Your job is to make it thirsty!

Now that, we are talking of Social Funds at hand, we need to make our people thirsty for self-development. We can rightly, therefore, consider Social Funds as mechanisms for enhancing self-development, sustainability, improving efficiency and effectiveness. Poverty reduction
efforts have to be taken to scale and making the process of self-development much more inclusive. It is in this process that Social Funds will empower poor people, build social capital, strengthen governance, and complement market and public sector activities in support of self-development related activity.

Hon. Chairperson,

The cornerstone of Social Funds is the active and effective participation of members of a defined community in critical aspects of project design and implementation. While participation can occur at many levels, a key objective is the incorporation of local knowledge into the project's decision making processes.

When potential beneficiaries make key project decisions, participation becomes a self-initiated action. Participation is expected, therefore, to lead to better designed projects, better targeted benefits, more cost-effective and timely delivery of project inputs. Also it will lead to more equitably distributed project benefits and entrenched ownership of the initiatives. Participation does also ensure sustainability of interventions which is an important aspect in the development equation, especially in view of resource constraints faced by developing countries. My question and challenge to this Workshop Participants is how far have we empowered our people at the grassroot levels to be able to be real owners of projects. Are there areas for more improvements?

Hon. Chairperson,

Two key challenges of Social Funds are sustainability of community investments and reaching urban areas particularly given the current rapid urbanization process. Indeed sustainability and support to urban poor population is of interest to the Government of Tanzania as we would also like to see our citizens in Cities and Municipalities benefit from public resources. We
understand that guaranteed operations in such areas necessitates careful testing of different approaches and methodologies in selected few communities as pilots, particularly approaches that have worked successfully in other countries.

**Overview of Tanzania Social Action Fund (TASAF)**

**Hon. Chairperson,**

Tanzania has since the year 2000 been implementing the Poverty Reduction Strategy Paper (PRSP). The second generation of the PRSP is the National Strategy for Growth and Reduction of Poverty; popular in its Kiswahili acronym of MKUKUTA. The Strategy was prepared in a consultative manner, involving all stakeholders including grassroots level people. It focuses on achieving results on outcomes.

MKUKUTA is comprehensive in its approach to tackling poverty, focusing on the areas of growth, reduction of income poverty, improved quality of life and social wellbeing, governance and transparency. It cherishes principles of country ownership, Government leadership, equity, and harmonisation; with national processes taking leadership. It is within the context of these poverty reduction strategies that Tanzania has been implementing a Social Fund, called Tanzania Social Action Fund – TASAF since the year 2000.

**Hon. Chairperson,**

Allow me to share with you a small experience of TASAF in Tanzania. TASAF was started with the support of the World Bank. In my view and experience, TASAF provides us with a framework for the participation of all actors – Central and Local Governments, Bilateral and Multilateral Development Partners, Civil Society and Private Sector, to realise, indeed fast-track, Millennium Development Goals (MDGs). The TASAF framework is in my view an appropriate channel to mobilise local capacities to meet MDGs.
TASAF is an autonomous Government Agency charged with implementing small-scale, demand-driven, locally owned, community development projects targeting the poorest communities and peoples. Such projects at the same time help to build community capacity to meet MDGs, to improve basic infrastructure, and protect vulnerable groups such as women, children, unemployed youth, the elderly and the handicapped. The Fund is intended not only to build local capacity in all these areas, but also to cushion the people from the adverse effects of macro-economic and structural adjustment policies.

A key objective of TASAF is to promote the spirit of self-help and participation among beneficiary communities by increasing their capacity to identify, prioritize, implement, manage and evaluate their own sustainable development initiatives, and, in the process, improve social-economic services and opportunities. We believe that the sense of ownership, participation and transparency inspired by this approach will help to secure the sustainability of the various investments being made.

TASAF has created one of the best mechanisms to demonstrably ensure **high levels of transparency and full public accountability**. Targeted beneficiaries of TASAF project are communities with poor access to basic social and market services, food-insecure households and vulnerable individuals. Additionally, the project supports mobilization and capacity building of individuals participating in group savings. TASAF facilitates creation of community assets, generation of incomes, and transferring and enhancement of skills. Other benefits, though important but are not tangible, include trust, enhanced downward accountability and social cohesion.

The achievements are real, touching on the lives of millions of people; mainly the poor in rural areas. TASAF is now a household name, thanks to these achievements, and to the massive awareness raising and capacity enhancement campaigns being undertaken by the management of TASAF in collaboration with Local Government Authorities. The Government initiatives to scale up provision of services in the education, health, and water sectors have much been boosted by funding through TASAF.

**Challenges of Urbanization in Tanzania**
Hon. Chairperson,

As I said earlier-on, reaching the Urban poor population is one of the key challenges Social Funds face. In Tanzania we have been experiencing rapid migration to urban areas. The percentage of Tanzanians living in Urban Areas is expected to grow from 24 percent of the total population in 2005 to 38 percent in 2030. The urban population growth would thus rise at double the pace of the average national population growth, which stands at 2.9 percent. This situation necessitates developing a mechanism which would ensure that the poor population in Urban Areas also benefit from growth of the economy and become effective participants in the development process. This development notwithstanding, there are factors which make it practically difficult to implement and sustain a Social Fund in Urban Areas in Tanzania. As we all know the population in Urban Areas is complex, diverse, highly mobile and largely heterogeneous, with a mixture of rich and poor, educated and non-educated, and big and small businesses.

Additionally, political activism in Urban Areas is also high compared to the situation in Rural Areas. There are only administrative bodies in place, while Rural Areas have Village Governments in place which are indeed governance structures at the lower level. All these cause difficulties in first, mobilizing people and convening meetings to discuss social issues of interest to the poor, second identification of areas of common interest needing a Social Fund intervention, and third coming to consensus on where support should go and how such support should be maintained and sustained. It takes extra effort, therefore, to manage and deliver services to communities in Urban Areas through a Social Fund than it is for the Rural population, given also the inflexible designs of most of these Social Funds. I hope you will get a time in this Workshop to deliberate on those challenges and share experience on how Social Funds can benefit Urban Areas. The challenge facing TASAF is that of provision of sustainable financial and operational support to TASAF supported initiatives, particularly handling of urban areas, where communities have the characteristics highlighted above, namely, complex social and economic issues, lower levels of social capital and high potential of migrating to other areas.

The Process Establishing Community Foundations In Tanzania

Hon. Chairperson,
TASAF in collaboration with the World Bank and the Community Foundation Initiative (CFI) introduced the concept of Community Foundations to three Municipalities of Arusha, Morogoro and Kinondoni as well as Mwanza City. The process was guided by recognition of the inevitable partnership between different stakeholders making-up communities, namely Local Authorities, the Business Community and Civil Society. The biggest challenge has been continued and sustained utilization of created capacity, particularly at the community level and reaching out to diverse sources of financing community initiatives, such as the private sector and other development partners.

The Local Authorities were the entry point, particularly the Lordship Mayors and Municipal and City Directors. Introduction of the Community Foundation concept and having Foundations established needed their consent. Members of the Business Community were also reached and the concept was introduced to them. This was followed by consultations with Civil Society representatives, leaders of religious organizations, professionals in the Community such as doctors, engineers, and lawyers. Sensitization Workshops were then organized, attended by Participants drawn from key stakeholders in the Municipalities and the selected City. We have just started to implement the Social funds Programme in the four Pilot Municipalities. We still have a long way to go. But what gives us courage is what Nelson Mandela said: “There is no easy walk to freedom anywhere, and many of us will have to pass through the valley of the shadow of death again and again before we reach the mountaintop of our desires.” And, I say, there is equally no easy walk to prosperity for countries like mine, but what I know for sure is that, we have the commitments. We have to work hard to achieve what we planned.

Appreciation for World Bank and CFI Support

Hon. Chairperson,

In conclusion, I would like to express our appreciation for the support provided by the World Bank, Community Foundation Initiative and the Global Fund for Community Foundation which addressed, among others the issues of provision of requisite technical assistance to TASAF Management Unit and the four emerging Community Foundations.

I would like to express our special gratitude to the Senior Community Foundation Specialist at World Bank in Washington, Dr. Juraj Mesik, who was the main resource person at all
stakeholders’ sensitization Workshops and all orientation sessions for the Boards of Trustees. It is indeed our expectation that the World Bank will continue to provide such technical support from Community Foundation practitioners having vast experiences that is critically needed by Tanzania and other Developing Countries to advance Community Foundations.

Hon. Chairperson,

As you will witness during your field visits to Municipalities of Arusha, Morogoro and Kinondoni as well as Mwanza City, there is much enthusiasm across the board. The importance and usefulness of establishing Community Foundations in the country is highly emphasized in Government. There is indeed a commitment on the side of the Government to seeing Community Foundations established and operating smoothly in the country.

A solution to these challenges call for more support from the World Bank and other Foundation Partners so that we concretely take forward the initiative and bring it to scale to cover other Urban centres. It is my expectation that this Workshop will enable you to share experience, learn and open more avenues for collaboration and networking.

We have built the partnership which need to put in place the firm foundation for ever great benefits ahead. The Scottish novelist, poet and essayist, Robert Louis Stevenson, said “Don’t judge each day by the harvest you reap, but the seeds you plant”. Such legacy I desire, not of a man who harvested, but one who planted the seed. Together, in partnership we can plant seed for a better tomorrow for our people.
Hon. Chairperson, Invited Guests, Ladies and Gentlemen,

With these few words, I am pleased to declare this Workshop on Community Foundations officially open. I wish you fruitful deliberations.

I thank you for your kind attention.