

MTR - Country Programme Funding and Fundraising, UNICEF Tanzania Country Programme 2002-2006 Final Report

1 CONCLUSIONS AND RECOMMENDATIONS

1.1 PROGRAMME FUNDING

- RR funding is substantially on target in relation to the forecast set in the MPO and CPR for 2002 and 2003 and has exceeded the target in 2004 due to increased RR allocations.
- OR funding was significantly below target across all programmes in 2002 and 2003, except EPR. The AMCA, DCD and Cross-Sectoral programmes received zero, or almost zero, OR funding.
- OR funds are being lost through unspent balances remaining at PBA expiry. This problem was particularly evident with EPR, which often has PBAs of relatively short duration. The requirement for efficient and timely ordering and procurement of supplies is particularly important in relation to short duration emergency PBAs. The amount lost due to expired PBAs decreased by almost one third, from US\$378,000 to US\$246,000, between 2002 and 2003, suggesting that procedures have been put in place to improve PBA management and the efficiency of supplies ordering and procurement.
- Unutilised RR appears to have been a serious problem in previous years, and mostly occurred as a result of failure to correctly close CRQs and SRQs. Section Heads noted that procedures have been put in place to ensure that all CRQs and SRQs are correctly closed and unused balances are available to Programmes and it is expected that this problem should reduce from 2004 onwards
- The MTR could be a useful opportunity to review RR allocation across programmes and ensure that the allocation is consistent with evolving UNICEF and government priorities
- Heads of Section expressed a certain degree of dissatisfaction with the current system of allocating a significant proportion of their RR to DCD

1.2 FUNDRAISING STRATEGY

- The priority for the country programme should be to increase the efficiency of utilisation of existing RR and OR funds prior to embarking on intensive fundraising initiatives
- The recent visit by Representative to “donor capitals” is seen as an important component of overall fund raising and advocacy efforts
- Quality of advocacy materials prepared for the launch of the 2002-2006 MPO is high, as is the quality of the eight new branded funding proposals
- Fund raising efforts at present appear to be undertaken on an *ad hoc* basis and are not carried out in a co-ordinated and complementary way, according to a defined strategy
- A comprehensive and formalised fundraising strategy is required to ensure that appropriate funding levels are achieved and maintained and that all staff understand their specific roles and responsibilities in relation to fund raising and contribution management. The fundraising strategy should include clearly defined objectives and targets and detailed profiles of actual and potential donors
- Monitoring and critical assessment of the success of funding proposals and other fund-raising initiatives is not routinely carried out at present. A fundraising monitoring table is prepared and reviewed by the CMT, but is not always up to date
- ECD and BELSA sections were successful in securing funds for PMTCT and education respectively through applications for thematic OR.
- Several major global donors to UNICEF do not currently support UNICEF Tanzania, including the Japanese government and the German and Japanese National Committees. The potential of these donors as future funding sources for UNICEF Tanzania should be investigated, with the assistance of PFO and GRO.

1.3 DONOR REPORTING

- Donors and internal donor report recipients stressed the need to for the Country Office to develop pro-active relationships with donors and to inform them as soon as possible regarding any required changes to agreed project activities or reallocation of funds.
- Failure to fully utilise contributions (especially in relation to ECHO funds) disappoints and frustrates donors and could result in decreased future contributions
- A significant proportion (36/87) of donor reports submitted between January 2003 and July 2004 were between one and three months late, and 17 were submitted four months or more after the deadline. This has the potential to impact negatively on relations with donors and could jeopardise future funding
- The recent contracting of a consultant as a dedicated reports writer is a positive step that should facilitate quality control and ensure that reports are consistent and comply with both UNICEF and donor requirements. Responsibility for initial drafting of donor reports should remain with POs
- Project Officers would benefit from training/orientation on proposal writing and donor report writing to ensure that donor reports are produced in a timely fashion, to a high standard, conform with UNICEF branding (“Issue, Action, Impact”) and comply with PFO/GRO and donor requirements.
- Formal procedures for proposal and donor report review should be introduced as part of quality assurance efforts and reports should be signed off by the SPO or Representative
- Maintaining all information / documentation relating to a specific PBA in a single location would facilitate the preparation of donor reports that reflect the objectives and strategies of the original proposal. It would ensure that donor reporting requirements and any restrictions on utilisation of funds as per the signed agreement and PBA notification could be more easily referred to.
- Programmes receive virtually no feedback from donors on quality, or lack thereof, of donor reports. This is likely to demotivate staff and will not encourage quality donor reporting. The suggestion was made by the Representative to attach a 1-page donor feedback form to each donor report. PFO is apparently also in the process of developing a donor feedback form to accompany donor reports
- A detailed review of one donor report found that there were inconsistencies between the activities included in the proposal and those reported in the narrative text as having been implemented.

2 EXECUTIVE SUMMARY

The UNICEF Tanzania Country Programme of Co-operation 2002-2006 with the Government of Tanzania is at its mid-point and therefore is undertaking a Mid Term Review (MTR), a Medium-term Strategic Plan-Mid-term Review (MTSP-MTR) and participating in a Joint UN Review. A component of the MTR is a review of country programme funding and fundraising activities designed to contribute to an improved fundraising strategy. The review comprises three specific sub-components:

1. An assessment of the current funding situation relative to the funding forecast in order to identify any funding gaps which need to be addressed;
2. A review of the office's fundraising strategy and the effectiveness of its execution
3. An assessment of the quality of donor "fulfillment" efforts through an appraisal of donor reports and a survey of donors

RR income for 2002 and 2003 was substantially as forecast and in 2004 exceeded the forecast (125%) as a result of an additional RR allocation.

OR income is significantly below forecast for both 2002 (53%) and 2003 (54%). By end July 2004 80% of target OR income for the year had been received. EPR is the only programme to have consistently achieved its OR funding targets. Shortfalls in OR funding have resulted in gaps in programme implementation in several areas, including COBET, YFHS, PMTCT, and IMCI.

In spite of the apparent shortfalls in funding, significant amounts of OR were lost at expiry of Programme Budget Allocations (PBAs) (US\$ 377,545 in 2002 and US\$ 246,346 in 2003). Arguably of more serious concern is the amount of RR left unutilised at year-end (US\$ 573,441 in 2002 and US\$ 728,127 in 2003). A major reason for the failure to utilise OR and RR funds in 2002 and 2003 was the weak procedure in place for closure of CRQs and SRQs and the return of unspent balances in these accounts to programme budgets. Procedures for effective closure of CRQs and SRQs have been introduced and the situation is expected to improve from 2004 onwards.

Major donors to the UNICEF Tanzania Country Programme include Sweden (SIDA), which contributed a total of US\$ 7,964,992 over the period 2002 to mid-2004, USA/BPRM, CIDA Food Aid Centre, and the UK National Committee, which has progressively increased its commitment over the period and is ranked second in 2004. Significant new donors in 2004 include Italy (US\$ 775,000), and the UN Trust Fund (US\$ 658,000). Contributions from the UN Foundation, the country programme's largest funder in 2002 have declined from a high of US\$3.1 million in that year to US\$ 429,000 in 2004. Norway's annual allocation has halved from more than US\$ 500,000 in 2002 and 2003 to less than US\$ 250,000 in 2004. In 2004 only one PBA from Norway was available (SC/2001/0177-1; US\$ 586,000; BELSA Programme). In 2002, three PBAs, including one emergency PBA, and in 2003 four PBAs, including two emergency PBAs were available from Norway. Of the major UNICEF donors at global level, the Japanese government, and the German and Japanese National Committees, among others, are currently not making significant contributions to UNICEF Tanzania and the potential for accessing these resources should be investigated.

Thirty-six of 87 donor reports submitted during the current Country Programme were submitted one month or more after the due date. Donor reporting has generally been of poor quality, with reports being insufficiently analytical and failing to reflect a rights-based focus. The recruitment of a dedicated reports writer should improve the quality and timeliness of donor reporting.

A telephone and email survey of donors and internal UNICEF recipients of donor reports confirmed the perception of relatively poor quality reporting. GRO emphasised that National Committees should not be regarded as being more flexible than government donors in relation to timeliness and quality of reporting and also the timeliness and appropriateness of utilisation of funds. UNICEF Brussels emphasised the importance of informing ECHO prior to implementing any changes to activities or

funding allocations established in the contract. PFO requested a more pro-active approach to keeping them informed of developments in donor relations and sharing of proposals and reports. The US Fund for UNICEF applauded the recruitment of a reports writer and suggested that this could influence future funding decisions as senior management regards quality reporting as a key issue in selecting programmes to receive funding. The Swedish National Committee expressed disappointment that funds are often not used as per the proposal and donor reports do not demonstrate clear linkages with the proposal and original budget. This appears to have been a contributory factor in the decision not to fund UNICEF Tanzania over the period 2005-2007.

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4 ABBREVIATIONS AND ACRONYMS

AMCA	Analysis, Monitoring, Communication and Advocacy
BELSA	Basic Education and Life Skills for Adolescents
COBET	Complementary Basic Education
CPR	Country Programme Recommendation
DCD	Decentralisation and Community Development
ECD	Early Childhood Development
EPR	Emergency Preparedness and Response
ESAR	Eastern and Southern Africa Region
GRO	Geneva Regional Office
IMCI	Integrated Management of Childhood Illness
JPO	Junior Professional Officer
MPO	Master Plan of Operations
MTR	Mid Term Review
MTSP	Medium Term Strategic Plan
OR	Other Resources
OVCs	Orphans and Vulnerable Children
PBA	Programme Budget Allocation
PFO	Programme Funding Office
PMTCT	Prevention of Mother-to-Child Transmission (of HIV/AIDS)
PS	Programme Support
RR	Regular Resources
SPO	Senior Programme Officer
US/BPRM	US Bureau for Population, Refugees and Migration
YFHS	Youth Friendly Health Services

5 BACKGROUND

The UNICEF Tanzania Country Programme of Co-operation 2002-2006 with the Government of Tanzania is at its mid-point and therefore is undertaking a Mid Term Review (MTR), a Medium-term Strategic Plan-Mid-term Review (MTSP-MTR) and participating in a Joint UN Review.

With a focus on the MTR, a requirement of the Country Programme of Co-operation agreement with Government, the exercises will assess achievements in relation to the expected results, examine opportunities and constraints as they have affected programme/project implementation and recommend adjustments that will make the programme and its management more relevant, responsive, effective, well co-ordinated, sustainable and replicable.

6 PURPOSE OF THE REVIEW

The purpose of this funding and fundraising review is to contribute to an improved fundraising strategy by:

- examining the current funding situation of the Country Programme relative to the funding forecast at the outset of the country programme in order to identify any funding gaps which need to be addressed;
- reviewing the office's fundraising strategy and the effectiveness of its execution; and,
- assessing the quality of donor "fulfillment" efforts through an appraisal of donor reports and survey of donors.

7 FUNDING SITUATION ANALYSIS

7.1 ESTIMATED FUNDING REQUIREMENTS FOR COUNTRY PROGRAMME 2002-2006

The Country Programme of Co-operation 2002-2006 between UNICEF Tanzania and the Government of the United Republic of Tanzania was signed in December 2001. The Country Programme is based on a life-cycle approach to assessment, analysis and action regarding children's human rights. The Master Plan of Operations (MPO) encompasses six individual programmes, namely:

- YY021 – Analysis, Monitoring, Communication and Advocacy (AMCA)
- YI022 – Decentralisation and Community Development (DCD)
- YD023 – Early Childhood Development (ECD)
- YE024 – Basic Education and Life Skills for Adolescents (BELSA)
- YS025 – Emergency Preparedness and Response (EPR)
- SI026 – Zanzibar Programme

A seventh programme YP027 Programme Support is used to manage cross-sectoral aspects of the country programme.

Activities and projects within these six programmes were budgeted at a total cost of US\$ 148 million over the five-year duration of the Country Programme. The total funding requirement is expected to be met from UNICEF regular resources (RR), complemented by funding raised from external sources, referred to as other resources (OR).

A summary budget of the 2002-2006 MPO is included as Table 1 below

Table 1: Summary budget from Master Plan of Operations (2002-2006)

PROGRAMME	SOURCE	ANNUAL BUDGET IN US\$ 000					TOTAL
		2002	2003	2004	2005	2006	
YY 021 (AMCA)	RR	800	800	800	800	800	4,000
	OR	500	500	500	500	500	2,500
	TOTAL	1,300	1,300	1,300	1,300	1,300	6,500
YI 022 (DCD)	RR	1,600	1,600	1,600	1,600	1,549	7,949
	OR	1,500	1,480	1,500	1,500	1,494	7,474
	TOTAL	3,100	3,080	3,100	3,100	3,043	15,423
YD 023 (ECD)	RR	1,351	1,325	1,320	1,315	1,310	6,621
	OR	7,000	7,000	7,000	7,000	7,000	35,000
	TOTAL	8,351	8,325	8,320	8,315	8,310	41,621
YE 024 (BELSA)	RR	1,300	1,275	1,270	1,270	1,265	6,380
	OR	8,500	8,500	8,500	8,500	8,500	42,500
	TOTAL	9,800	9,775	9,770	9,770	9,765	48,880
YS 026 (EP&R)	RR	400	400	400	400	400	2,000
	OR	3,000	3,000	3,000	3,000	3,000	15,000
	TOTAL	3,400	3,400	3,400	3,400	3,400	17,000
SI 026 (ZANZIBAR)	RR	1,000	1,000	1,000	1,000	1,000	5,000
	OR	1,000	1,000	1,000	1,000	1,000	5,000
	TOTAL	2,000	2,000	2,000	2,000	2,000	10,000
YP027 (PS)	RR	1,094	1,162	1,172	1,177	1,238	5,843
	OR	500	520	500	500	506	2,526
	TOTAL	1,594	1,682	1,672	1,677	1,744	8,369
PRORAMME TOTAL	RR	7,545	7,562	7,562	7,562	7,562	37,793
	OR	22,000	22,000	22,000	22,000	22,000	110,000
GRAND TOTAL		29,545	29,562	29,562	29,562	29,562	147,793

7.2 COUNTRY PROGRAMME FUNDING – RESULTS TO DATE

Data pertaining to the first two-and-a-half years of the current Country Programme of Co-operation highlight shortfalls in overall funding, particularly in respect to OR. Overall funding allocations for 2002 totalled US\$15,725,805, compared with a MPO forecast total of US\$29,545,000. This represents a shortfall of US\$13,819,195, equivalent to almost 47% of total estimated funding requirements for the year (Tables 1 and 2). The situation in 2003 shows a slight improvement, with funding allocations of US\$16,064,940 compared with a budget figure of US\$29,562,000, leaving a shortfall of US\$13,497,060, or almost 46% of funding requirements for 2003 (Tables 1 and 3). In both years the majority of the shortfall in total funding is accounted for by insufficient OR, compared with the targets set in the MPO. By July 2004 US\$ 23,379,496 had been allocated, equivalent to almost 80% of forecast funding requirements for the year. Actual RR funding is close to budget for 2002 (89.8%) (Table 2 and Figure 1) and 2003 (99.7%) (Table 3 and Figure 2) and exceeded the total forecasted RR funding for 2004 by July (Table 4 and Figure 3), as a result of an additional allocation of RR from Programme Funding Office (PFO) New York. Global RR allocations are determined using a formula based on several key child survival indicators. As a result of the HIV/AIDS pandemic, some of these indicators are worsening in sub-Saharan Africa, in comparison with other regions and application of the formula has resulted in an increased allocation of RR to UNICEF country programmes in Africa. UNICEF Tanzania received approximately US\$ 1.1 million of additional RR in 2004. An internal exercise to allocate the additional RR funding received among programmes was conducted by the Country Office, in which programmes were requested to provide justifications and proposals for additional RR funding. Proposals were expected to reflect programme and office priorities, to be realistic, to demonstrate innovation and creativity and also have a direct impact on children. A total of 14 proposals were submitted as follows: AMCA (2), ECD (6), BELSA (3) and EPR (2). In addition a cross-cutting proposal for the Presidential Initiative on Orphans and Vulnerable Children (OVCs) was considered.

Following the RR allocation meeting, however, ECD only received US\$ 200,000, as did the BELSA programme. The ECD section felt that the results arising from this process were not commensurate with the effort expended to produce several quality proposals. It was agreed that a recommendation should

be made to the office that in the event of a similar exercise in the future, an approximate funding ceiling should be indicated to each programme, against which proposals could be developed.

AMCA, DCD and Zanzibar programmes received very little OR funding in both 2002 and 2003. In 2004, AMCA received US\$ 164,000 (33% of forecasted requirements) by July 2004 and similarly Zanzibar also received approximately one-third of its forecast RR funding by mid-2004, courtesy of a contribution from the Swiss Development Co-operation for water and sanitation activities on Pemba Island. ECD and BELSA programmes fared relatively well, receiving 56.8% and 18.2% respectively in 2002 and 26.4% and 37.9% respectively in 2003. In 2004, both programmes had received approximately two-thirds of total forecasted OR requirements for the year by mid-July. The EPR programme received more OR funds than budgeted in both 2002 (104.5%) and 2003 (104.6%) and had received 92% of the total OR forecast by end July 2004 (Tables 2-4 and Figures 4-6).

Table 2: MPO Forecast RR and OR v actual RR and OR by programme, 2002

Programme	Budgeted RR (US\$ 000s)	Budgeted OR (US\$ 000s)	Actual RR	Actual OR	un-funded RR	un-funded OR	% funded RR	% funded OR
YY021 AMCA	800	500	608	0	192	500	76.0%	0.0%
YI022 DCD	1600	1500	1506	0	94	1500	94.1%	0.0%
YD023 ECD	1351	7000	1282	3973	69	3027	94.9%	56.8%
YE024 BELSA	1300	8500	1004	1543	296	6957	77.2%	18.2%
YS026 EPR	400	3000	380	3136	20	-136	95.0%	104.5%
SI026 ZANZIBAR	1000	1000	864	6	136	994	86.4%	0.6%
YP027 PS	1094	500	1129	296	-35	204	103.2%	59.2%
Total	7545	22000	6773	8954	772	13046	89.8%	40.7%

Table 3: MPO Forecast RR and OR v actual RR and OR by programme, 2003

Programme	Forecast RR (US\$ 000s)	Forecast OR (US\$ 000s)	Actual RR	Actual OR	un-funded RR	un-funded OR	% funded RR	% funded OR
YY021 AMCA	800	500	531	0	269	500	66.4%	0.0%
YI022 DCD	1600	1480	1719	1	-119	1479	107.4%	0.1%
YD023 ECD	1325	7000	1374	1848	-49	5152	103.7%	26.4%
YE024 BELSA	1275	8500	1068	3224	207	5276	83.8%	37.9%
YS026 EP&R	400	3000	362	3138	38	-138	90.5%	104.6%
SI026 ZANZIBAR	1000	1000	918	29	82	971	91.8%	2.9%
YP027 PS	1162	520	1568	284	-406	236	134.9%	54.6%
Total	7562	22000	7540	8524	22	13476	99.7%	38.7%

Table 4: MPO Forecast RR and OR v actual RR and OR by programme, 2004 (to July)

Programme	Forecast RR (US\$ 000s)	Forecast OR (US\$ 000s)	Actual RR	Actual OR	unfunded RR	unfunded OR	% funded RR	% funded OR
YY021 AMCA	800	500	1085	164	-285	336	135.6%	32.8%
YI022 DCD	1600	1500	1894	0	-294	1500	118.4%	0.0%
YD023 ECD	1320	7000	1789	4466	-469	2534	135.5%	63.8%
YE024 BELSA	1270	8500	1367	5443	-97	3057	107.6%	64.0%
YS026 EP&R	400	3000	541	2768	-141	232	135.3%	92.3%
SI026 ZANZIBAR	1000	1000	1078	328	-78	672	107.8%	32.8%
YP027 PS	1172	500	1737	721	-565	-221	148.2%	144.2%
Total	7562	22000	9491	13890	-1929	8110	125.5%	63.1%

Funding shortfalls have negatively impacted on the level and scope of implementation of activities for several Programmes. In discussions with Section Heads, the following key programme areas were identified as suffering from insufficient funding to allow for implementation as planned.

BELSA - Major programmatic gaps resulting from inadequate funding included the lack of support for Complementary Basic Education (COBET) initiatives, specifically support to the five learning districts managed by UNICEF and the development of monitoring and quality assurance tools for government. Support to Youth Friendly Health Services (YFHS) and Civil Society initiatives is also constrained by lack of funding availability. The BELSA programme has had to scale down its overall level of implementation across all areas, and even where funding is available, it is of limited duration, with no guarantee of future sustainability.

DCD – Programme staff felt that lack of funding, especially OR funding, left the programme unable to provide additional support to districts and partners through the procurement of supplies, vehicles, etc.

ECD - Major gaps identified include Prevention of Mother-to-Child Transmission of HIV/AIDS (PMTCT), Integrated Management of Childhood Illness (IMCI), Water and Environmental Sanitation, and Safe Motherhood. In addition, almost no activities have been carried out in the area of psychosocial care (one of three major components of the MTSP priority of Integrated ECD) and also in the area of developing enabling policy environments.

Zanzibar – Zanzibar receives very little donor support as the result of a freeze on bilateral donor funding that was instituted in 1995, in response to the political impasse between the two major political parties. Funding totaling US\$350,000 was received in 2003 from the Swiss Development Co-operation to support construction of wells and hand pumps on Pemba Island. It is reported that several other donors are rekindling interest in funding of projects in Zanzibar, but are adopting a cautious approach until the outcome of the forthcoming 2005 elections is known. The Zanzibar programme reported that while no specific activities were prevented as a result of funding shortfalls, the office had to scale down activities across the whole programme.

AMCA and EPR programmes did not feel that implementation of programme activities was adversely affected by a lack of funding. Bilateral and UNDP financial support is now available for some of the work for which it had been anticipated that OR funding would be needed by the UNICEF AMCA programme. With the shift towards direct budget support and sufficient funding availability from other sources, the primary role of AMCA has changed to one of influencing the use of government budgets towards ensuring that rights are upheld. This revised role does not require the levels of OR funding established for AMCA in the MPO. EPR reported that programming for populations hosting refugees is has been constrained by the fact that donors often provide support for refugee populations, but give less attention to the needs of local host populations. New Zealand is currently the only donor to allocate funds specifically for activities with the host population. Other donors do however provide non-earmarked funds that can be used to support host population activities. Previously HIV/AIDS in refugee / displaced populations received low priority, but this area is now strongly supported by the US State Department Bureau for Population, Refugees and Migration (US/BPRM) and is no longer considered to be a programming gap.

Section Heads felt that their respective programmes had sufficient capacity to absorb future increases in funding to fill the gap between MPO forecast requirements and funds received. There are currently 15 vacant posts within the UNICEF Country Programme (as at August 2004) and this has the potential to impact negatively on absorptive capacity should increased funding become available in future through fundraising activities.

Planning Officer (L4)
Project Officer, Health
Project Officer, Child Protection (L3)
Project Officer, Special Protection (L3)

Project Officer, Child Rights (NOC)
 Project Officer, Water and Environmental Sanitation (L4)
 Project Officer, Water and Environmental Sanitation (NOC)
 Assistant Project Officer, Water and Environmental Sanitation (NOB)
 Project Officer, Ngara (L3)
 Project Officer, Emergency (NOC)
 Assistant Programme Officer (P2, JPO)
 In addition there are four administration, IT and telecommunications posts vacant

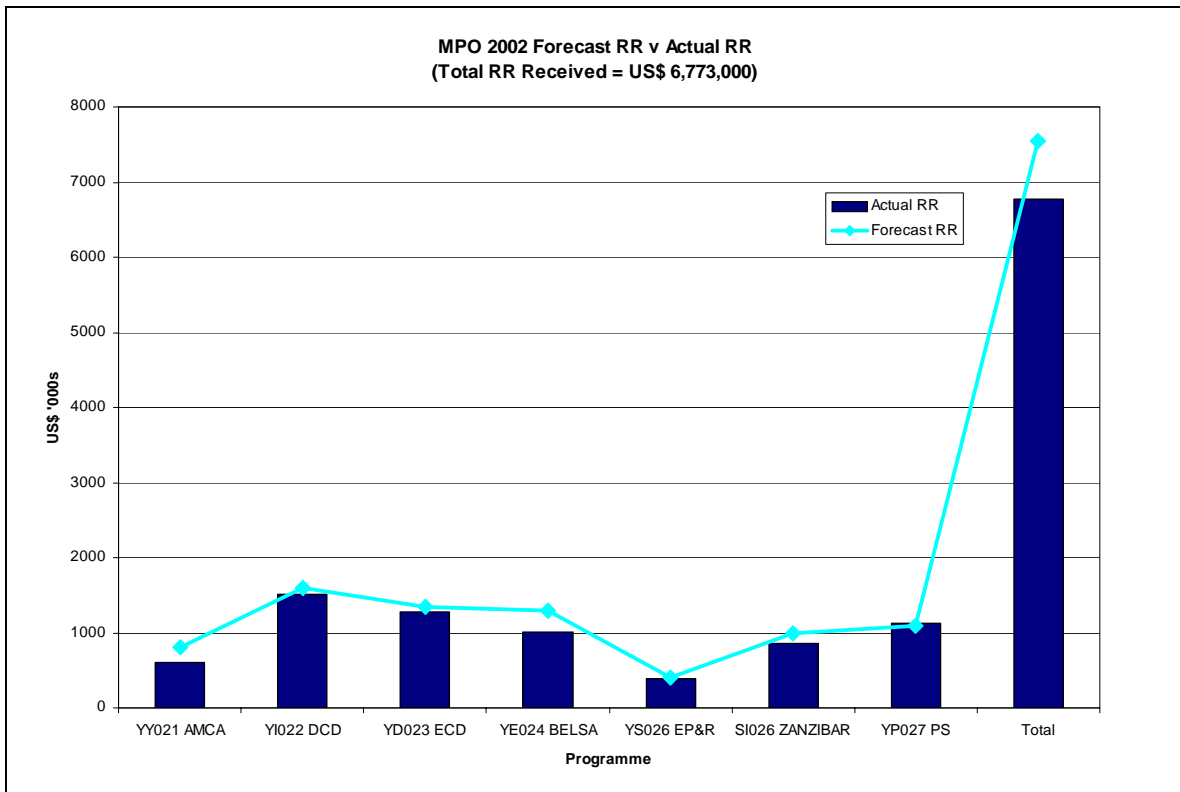


Figure 1: 2002 RR funding forecast v Actual RR allocated

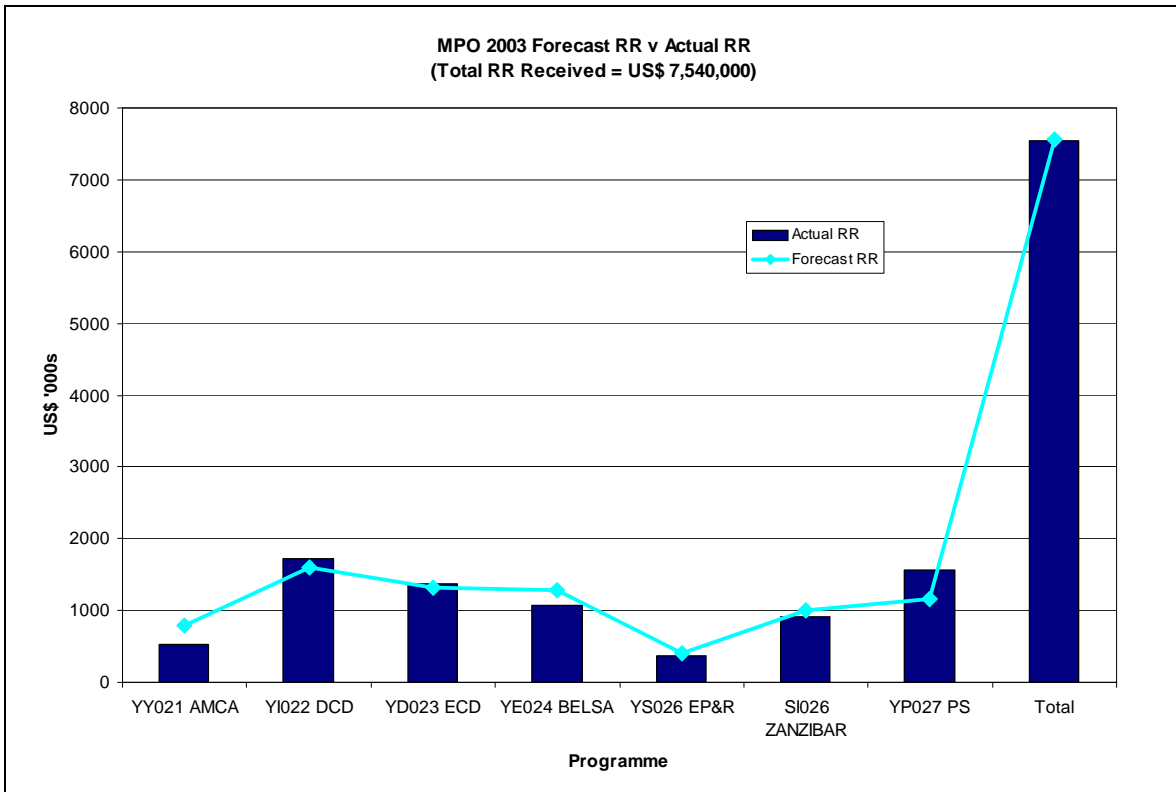


Figure 2: 2003 RR funding forecast v Actual RR allocated

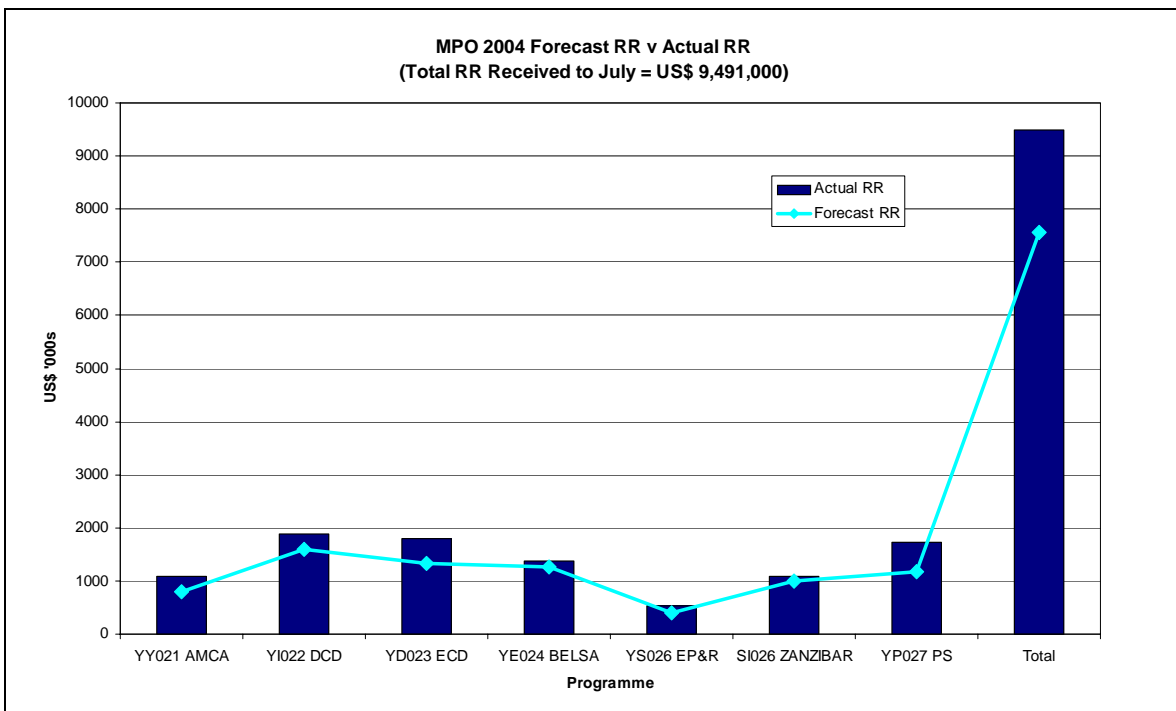


Figure 3: 2004 RR funding forecast v Actual RR allocated (to end July 2004)

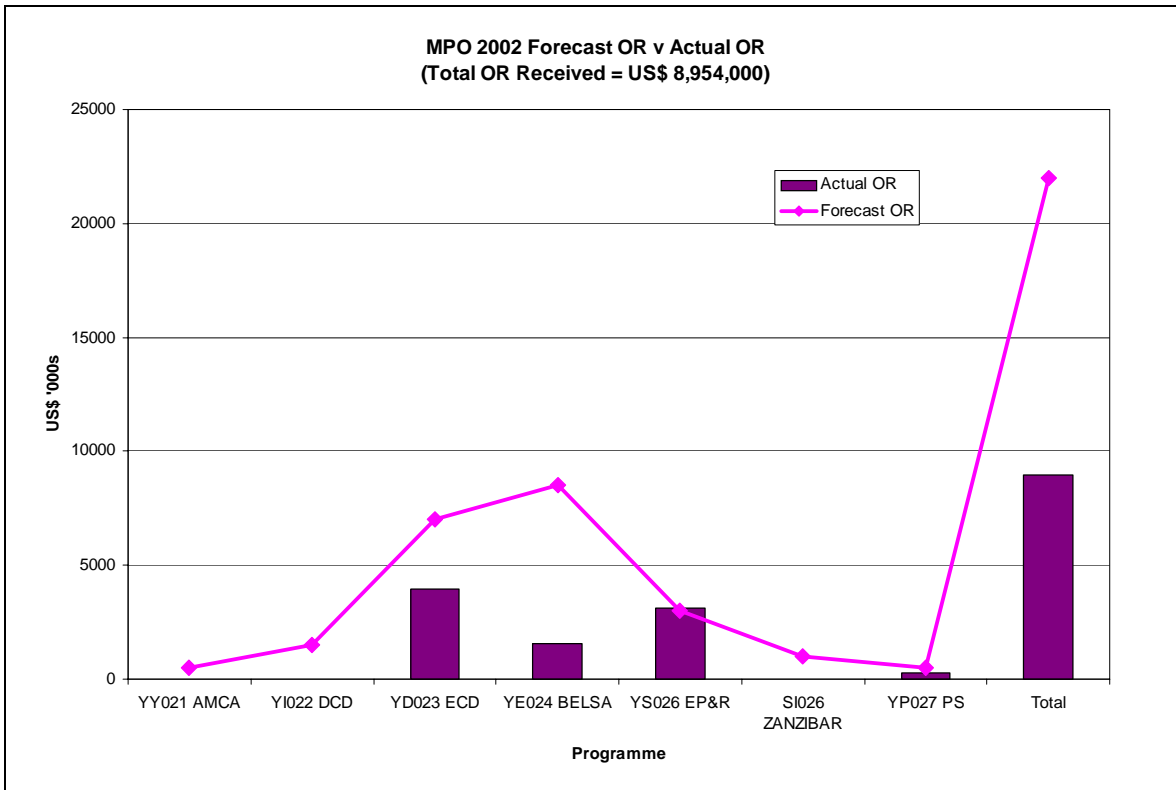


Figure 4: 2002 OR funding forecast v Actual OR allocated

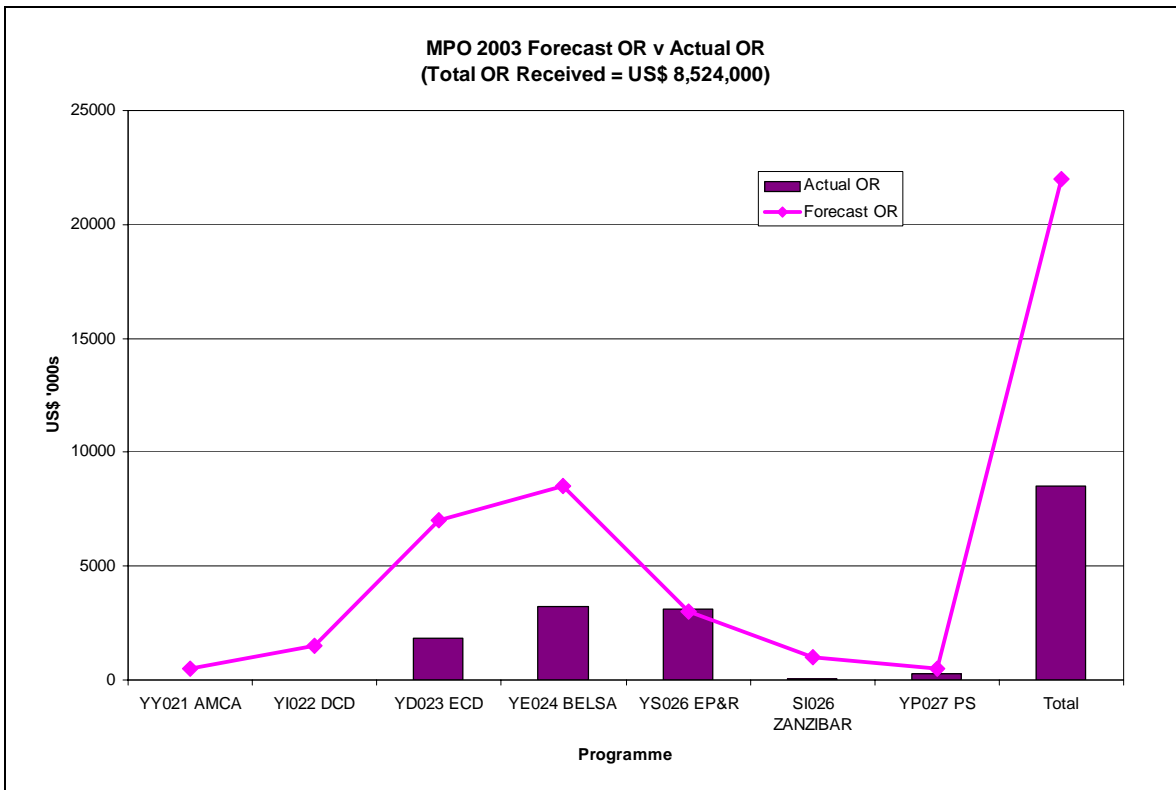


Figure 5: 2003 OR funding forecast v Actual OR allocated

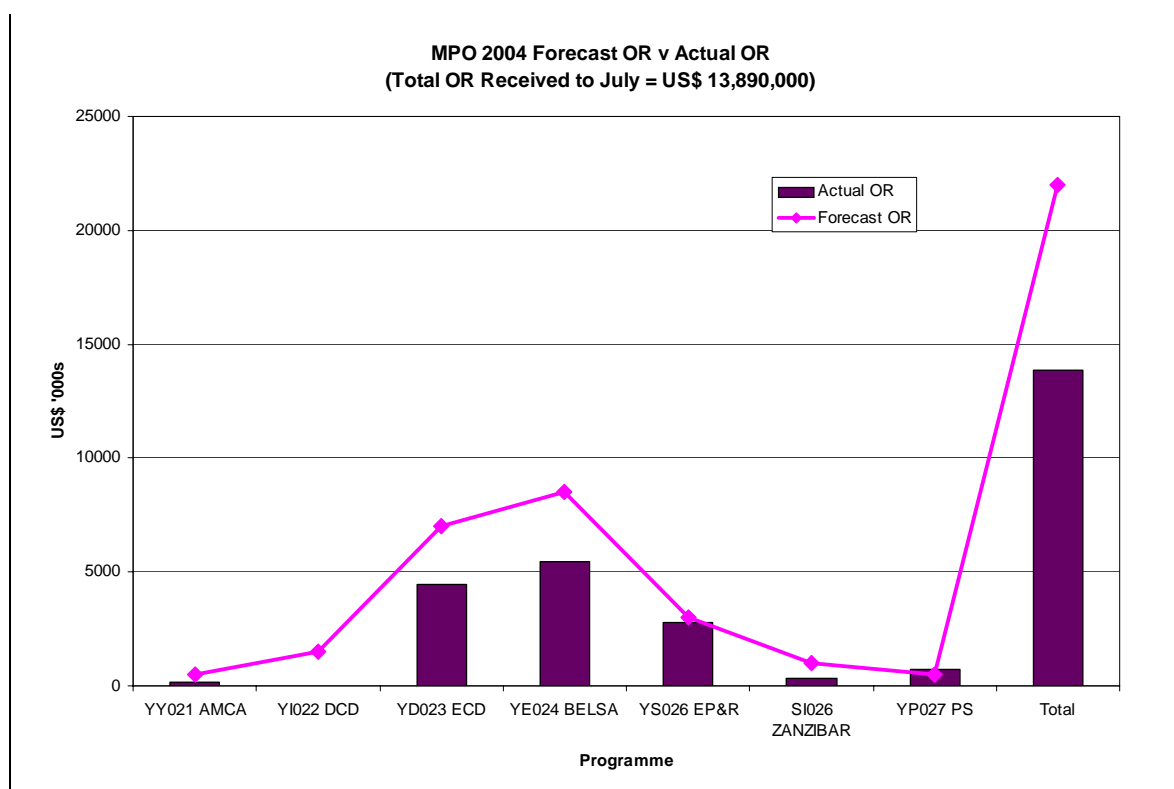


Figure 6: 2004 OR funding forecast v Actual OR allocated (to end July 2004)

7.3 ACTIONS TO ADDRESS FUNDING GAPS

A fundraising package was designed and circulated to donors, initially those that were visited by the Representative during a visit to the UK, Norway, Sweden and Belgium in April 2004. The fundraising package comprises a four-page glossy brochure for each proposal, designed in accordance with UNICEF branding recommendations. Each individual proposal conforms to the UNICEF style of “Issue, Action, Impact” and includes details of proposed activities, target group, an estimated project budget, and expected outcomes. The proposals included in the package were selected in accordance with the specific National Committee programmatic and country priorities, as determined through the donor profiles held on the UNICEF intranet and discussions with the Geneva Regional Office (GRO). The short list of proposals selected was then discussed with the UNICEF Tanzania programme staff and a final definitive list of eight proposals was selected. The following eight proposals have been developed to date, with a view to addressing some of the identified programmatic gaps arising from insufficient financial resource availability.

1. Piloting a Child Trafficking Monitoring System in Tanzania
2. Improved Child Health and Development Through Integrated Community Interventions
3. Prevention of Low Birth Weight in Tanzania
4. Prevention of Mother-to-Child Transmission: A Comprehensive Community-Based Approach
5. The Child Friendly School Initiative in Tanzania
6. UNICEF Humanitarian Action in Tanzania
7. Community-Based Malaria Control in Zanzibar
8. Supporting the Most Vulnerable Children in Pemba, Zanzibar

No contribution specifically relating to the above proposals has been received to date, but the perception is that they were well received by the donors to whom they were circulated. The UK National Committee, for instance, has requested additional copies. The fundraising package has also

been distributed to other donors and the proposals have been posted in the on-line magazine for National Committees.

High quality advocacy materials were prepared for the launch of the MPO 2002-2006, including a Tanzania data sheet, video, CDs, postcards, posters, etc. and these materials are expected to have a lifespan approximately equal to the length of the current country programme. The only new advocacy material that is currently in the pipeline is an updated summary of the situation analysis of children and women. In addition, updated district profiles and related materials will be prepared for the October visit to Tanzania by the French and Italian National Committees and the US Fund for UNICEF.

7.3.1 Thematic OR Funding and RR set-aside

At the global level, 7% of total RR funding is available each year for allocation to country offices and specific priority areas as determined by the UNICEF Executive Director and Executive Board.

Thematic contributions are classified as OR and are made by donors to support the achievement of results in the six MTSP priorities:

- Integrated Early Childhood Development
- Girls' education
- Immunisation-plus
- Fighting HIV/AIDS
- Child protection
- Humanitarian response

There are three categories of thematic contribution:

Unrestricted global thematic contribution: donors determine only the theme. There is no restriction by the donor on which country programmes will be allocated the funds or the proportion of funds that will be allocated among the countries.

Region-specific thematic contribution: donors stipulate both the theme and region where the funds can be utilised and UNICEF HQ and regional offices identify and prioritise recipient country programmes within the region to which funds are allocated. In the case of region-specific thematic contributions, these are allocated to country offices and programmes by the relevant UNICEF Regional Office.

Country-specific thematic contribution: donors specify both the theme and the recipient country.

Thematic OR contributions are the second most-preferred type of income for UNICEF, after RR, as there are fewer restrictions on their use, and management of PBAs is simplified at country level. Over time, thematic contributions should significantly reduce UNICEF transaction costs since these contributions are pooled for each theme and there is no requirement for separate tracking or financial reporting on individual contributions.

ECD Section developed a funding proposal in March 2004 for US\$ 1,500,000 to support Community Based PMTCT programming in Tanzania. A total programmable amount of US\$ 455,347 was received from a total allocation by the UN Foundation of US\$ 4,000,000 for PMTCT programming across eight African countries.

BELSA applied for approximately US\$ 1 million from the global thematic funds for education. The proposal was successful and US\$ 600,000 was awarded and \$525,000 has been received to date.

Both Section Heads commented on the long delays experienced between submitting proposals and receiving notification of outcomes and/or funds. The process and criteria used within the Thematic OR mechanism to select successful proposals and allocate funds were felt to be unclear.

7.4 UTILISATION OF OR RECEIVED

Despite the fact that actual OR income has fallen short of the MPO budget levels, except for the Emergency Preparedness and Response Programme, suggesting that planned activities are under-funded, not all of the OR received was used prior to expiry of the PBAs. In 2002 a total of US\$ 377,545 (excluding PBAs relating to employment of Junior Professional Officers [JPOs]) was lost at expiry of PBAs and in 2003 this figure was US\$246,346 (Figures 7 and 8). The majority of funds lost through expiry of PBAs in both 2002 and 2003 were from PBAs allocated to the EPR Programme. In 2002 EPR Programme did not utilise approximately US\$ 340,000 of OR (equivalent to more than 10% of total OR received by the programme). The situation improved in 2003 with lost OR totalling approximately US\$ 148,000 (equivalent to less than 5% of total OR received). In 2003, BELSA lost US\$ 74,000 and ECD lost US\$ 25,000. During interviews with Section Heads and other Programme Staff, the reasons behind funds remaining unspent at the expiry of PBAs was discussed. For EPR the main reasons given were the short duration of many of the PBAs received for emergency support, such that any delays in programme implementation result in funds remaining unspent at date of expiry. Such delays were on at least one occasion caused by NGO partners failing to deliver agreed services. A second reason was late ordering and/or procurement processing of emergency commodities, such that the orders could not be fulfilled prior to expiry of the PBA. The reduction in both the absolute amount of funds lost and the proportion of OR funding received in 2003 compared with 2002 indicates that these constraints and challenges have been at least partially addressed within EP&R. Losses of OR through PBA expiry in the BELSA programme were the result of administrative errors in 2002 relating to payment requests not being processed in a timely fashion and in 2003 they were related to mis-allocation of funds within PROMS, resulting in the programme not being aware of the existence of an unspent balance at PBA expiry.

Loss of OR through expiry of PBAs when programmes and projects are under-funded and in need of resources to carry out key planned activities is regrettable and could call into question the ability of programmes to effectively absorb additional funding. It would appear that PBA monitoring and utilisation requires strengthening across the whole office.

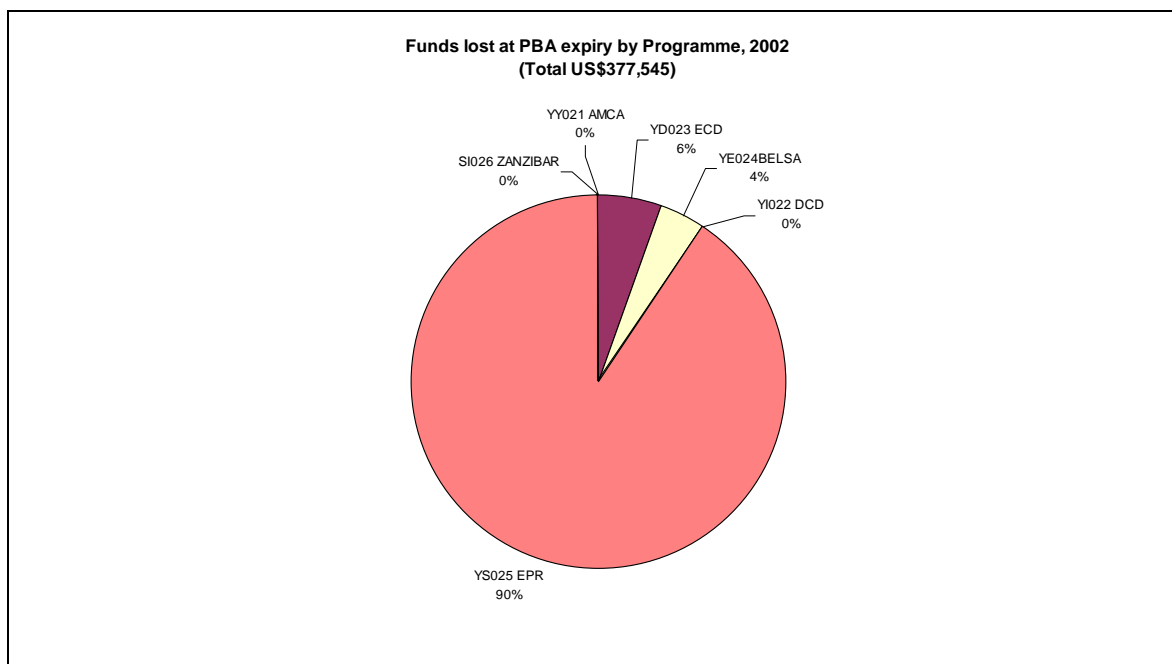


Figure 7: Funds lost at PBA Expiry by Programme, 2002 (excludes PBAs relating to JPO costs)

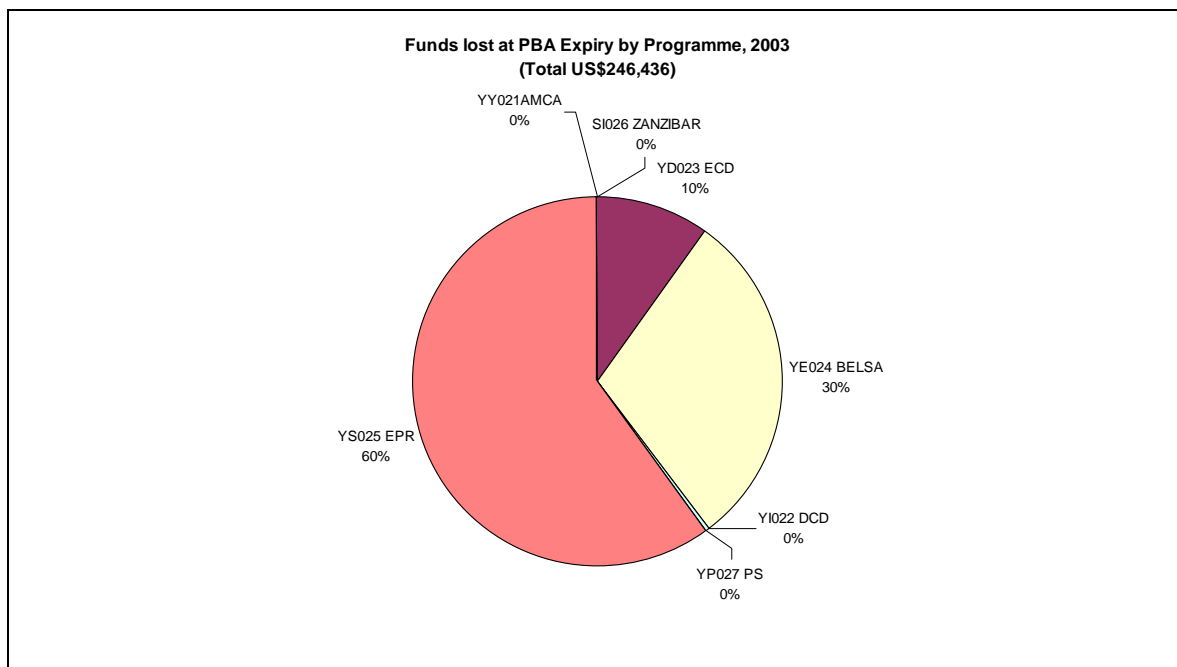


Figure 8: Funds lost at PBA Expiry by Programme, 2003

7.5 UTILISATION OF RR RECEIVED

In addition to loss of OR through expired PBAs, analysis of country programme funding reveals that in 2002 and 2003 a proportion of RR remained unutilised at year-end (Figures 9 and 10). This potentially represents a more serious problem than lost OR as RR is the preferred funding source for UNICEF due to its flexibility. The existence of unutilised RR could be regarded as a negative reflection on the office's ability to absorb and utilise funds and could compromise future fund-raising efforts, especially in relation to RR allocations from UNICEF New York. Programmes that failed to utilise significant amounts of RR were AMCA and ECD in 2002 and AMCA and BELSA in 2003 (Figures 5 and 6). From interviews with Section Heads and other staff it was clear that the primary reason for unutilised RR was a failure to correctly close CRQs, such that unspent balances were not released back to the programmes. Operations Section has already introduced measures to ensure that all requisitions are reviewed and correctly closed, releasing unspent balances back to Programmes.

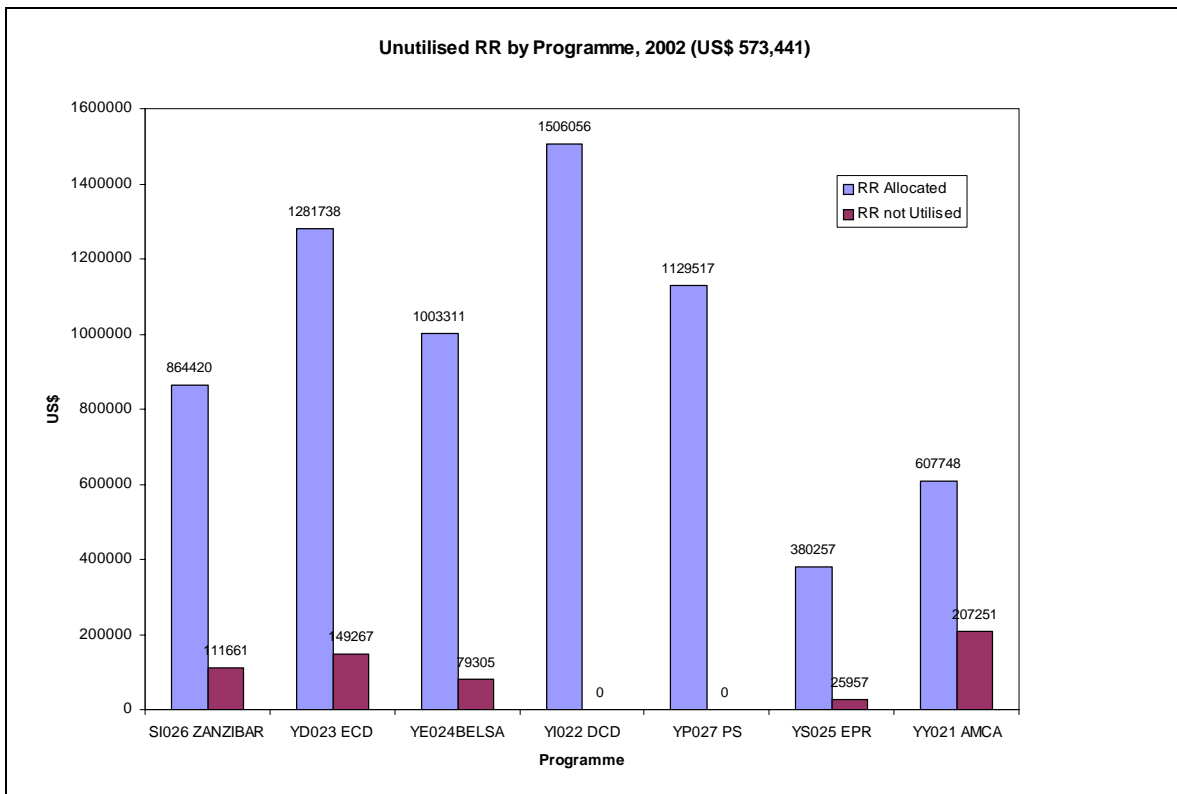


Figure 9: Unutilised RR by Programme, 2002

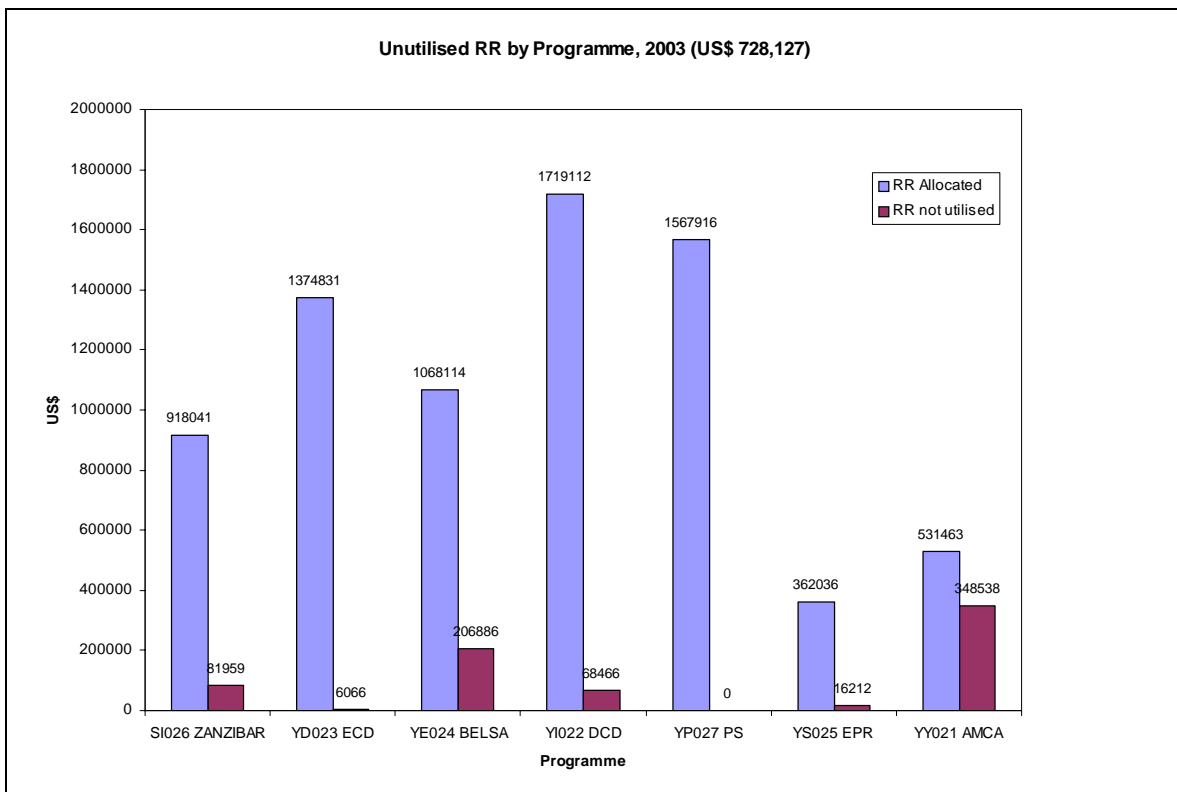


Figure 10: Unutilised RR by Programme, 2003

8 DONOR PROFILE

The donor funding pattern by year since the commencement of the 2002-2006 country programme has remained fairly stable with six donors appearing in the donors top 10 list by annual allocation in each of the three years (Table 4 and Figure 11). Sweden (SIDA) has been the most consistent donor to the country programme to date, ranking second in 2002 and first in both 2003 and 2004, contributing a total of US\$ 7,964,992 over the period. Contributions from Sweden (SIDA) have been rising year on year from US\$ 1.6 million in 2002 to US\$2.9 million in 2003 and US\$ 3.4 million by end July 2004.

Contributions from USA/BPRM have remained steady at US\$ 1.4 to 1.5 million per year. CIDA Food Aid Centre was a significant donor in both 2003 and 2004. The UK National Committee for UNICEF is also becoming an increasingly significant donor, raising its contributions from US\$ 411,000 in 2003 to US\$1.5 million in 2004. Significant new donors in 2004 include Italy (US\$ 775,000), and the UN Trust Fund (US\$ 658,000). Contributions from the UN Foundation, the country programme's largest funder in 2002 have declined from a high of US\$ 3.1 million in that year to US\$429,000 in 2004. Norway's annual allocation has halved from more than US\$ 500,000 in 2002 and 2003 to less than US\$ 250,000 in 2004. In 2004 only one PBA from Norway was available (SC/2001/0177-1; US\$ 586,000; BELSA Programme). In 2002, three PBAs, including one emergency PBA, and in 2003 four PBAs, including two emergency PBAs were available from Norway.

Table 4: Top 10 donors to UNICEF Tanzania Country Programme by year, 2002-2004

2002		2003		2004*		
Rank	Donor	Amount US\$	Donor	Amount US\$	Donor	Amount US\$
1	UN Foundation	3,103,142	Sweden - SIDA	2,908,217	Sweden – SIDA	3,419,036
2	Sweden – SIDA	1,637,739	USA BPRM	1,500,226	CIDA Food Aid Centre	1,622,759
3	USA BPRM	1,427,408	ECHO	1,166,293	UK Committee	1,546,610
4	ECHO	1,198,346	UN Foundation	900,480	USA BPRM	1,428,600
5	CDD	790,190	Norway	578,491	Italy	775,123
6	US Fund for UNICEF	595,416	CIDA Food Aid Centre	436,251	UN Trust Fund	657,677
7	Norway	544,922	Denmark	432,248	USAID/Washington	581,222
8	Canada	457,670	UK Committee	411,236	UN Foundation	428,984
9	USAID/Washington	415,054	USAID/Washington	306,129	IDR – Int. Dev. Research	427,874
10	CIDA Food Aid Centre	381,380	Netherlands	257,932	ECHO	331,334
	Total 2002	10,551,267	Total 2003	8,897,502	Total 2004	11,219,219

* as at 31 July 2004

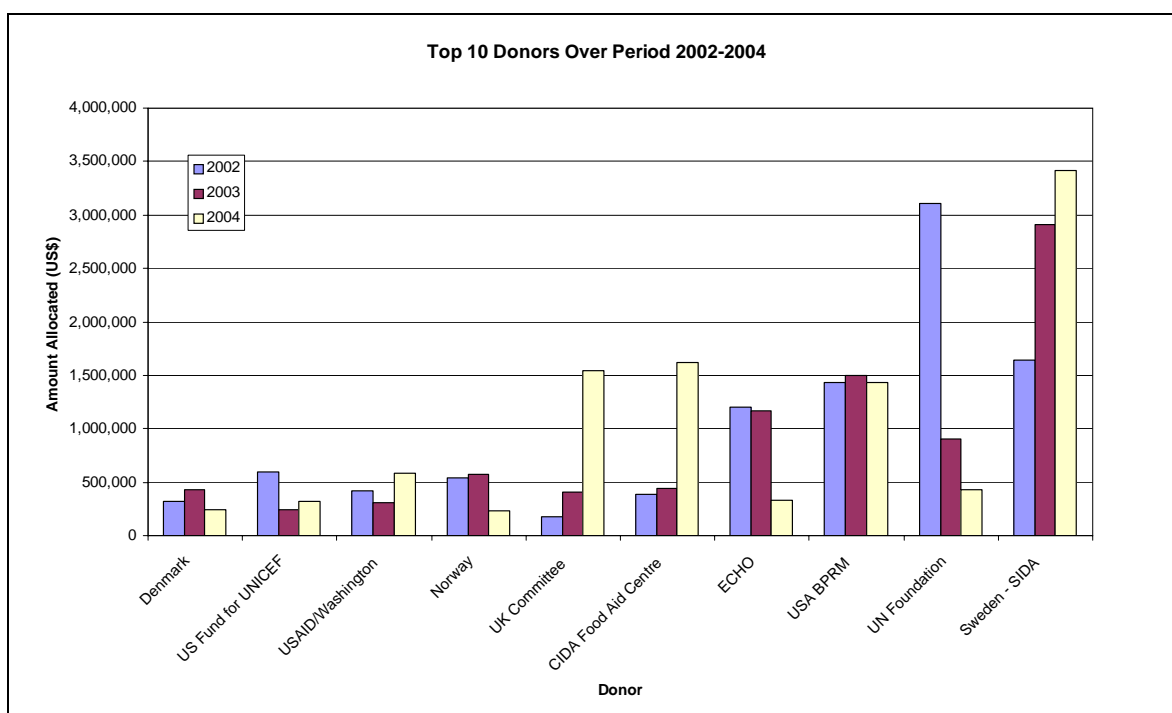


Figure 11: Top 10 donors by total allocation during first half of UNICEF Tanzania Country Programme Jan 2002 – Jul 2004

Globally, the major government donors to UNICEF (as at March 2004), in terms of both RR and OR, include USA, UK, Sweden, Canada, Norway and Japan (Table 5). UNICEF Tanzania currently receives OR funding from Sweden, USA/BPRM, Norway and Canada. Japan is a notable omission from the list of UNICEF Tanzania donors and could be a potential source of funding. The UK government (DFID) is the top OR donor globally, but is not represented in the top 10 list of UNICEF Tanzania donors, although the UK National Committee for UNICEF is a key donor to the Tanzania country programme. Efforts should be made to determine if the Japanese and UK governments are potential sources of funding for UNICEF Tanzania, and initial contact should be made with PFO to determine what approaches could be taken.

Table 5: Major global UNICEF donors (government) ranked according to size of contribution (2004 data split for total contribution and OR contribution. 2004 data as at April 2004)

Rank	Donor	Total US\$ millions	Donor	OR US\$ millions		Total US\$ millions		Total US\$ millions
	2004		2004		2003		2002	
1	USA	174.0	UK	68.9	USA	288.1	USA	246.8
2	UK	103.6	USA	54.2	UK	130.1	Japan	118.1
3	Sweden	65.9	Canada	39.7	Norway	112.8	Netherlands	83.1
4	Norway	56.1	Japan	26.7	Sweden	103.0	Norway	82.4
5	Japan	50.1	Sweden	20.5	Japan	101.0	Sweden	73.8
6	Canada	50.0	Netherlands	19.4	Canada	85.3	UK	71.6
7	Denmark	29.5	Norway	8.5	Netherlands	74.0	Canada	53.8
8	Netherlands	19.4	Australia	6.5	Denmark	35.8	Denmark	31.4
9	Finland	19.4	Italy	5.8	Italy	33.7	Italy	30.0
10	Italy	19.2	Finland	3.4	Australia	27.6	Finland	15.2
11	Switzerland	15.5	Belgium	1.9	Other govts	108.5	Other govts	73.8
12	Ireland	11.2	Switzerland	1.4				
13	Australia	10.7	Ireland	1.3				
14	France	8.3	New Zealand	0.8				
15	Germany	6.4	Austria	0.4				
16	Belgium	5.6	France	0.4				

17	New Zealand	2.3	Germany	0.3			
18	Korea (Rep)	2.1	Spain	0.0			
19	Austria	1.6	Portugal	0.0			
20	Luxembourg	0.9	Luxembourg	0.0			
21	Portugal	0.2	Korea (Rep)	0.0			
22	Spain	0.0	Greece	0.0			
23	Greece	0.0	Denmark	0.0			
	TOTAL	651.8	TOTAL	260.2		1,099.8	880.0

As regards National Committee donors, the major OR donors in 2003 included the German, US, Japanese, UK and Italian committees, while the major RR donors were the Japanese, German, Dutch, Italian and French committees (Figures 12 and 13). Currently, UNICEF Tanzania does not receive funding from the German, Japanese, Italian or French committees and these could potentially represent possible sources of additional funding in future and GRO should be contacted to ascertain if these committees would potentially be interested in supporting UNICEF Tanzania

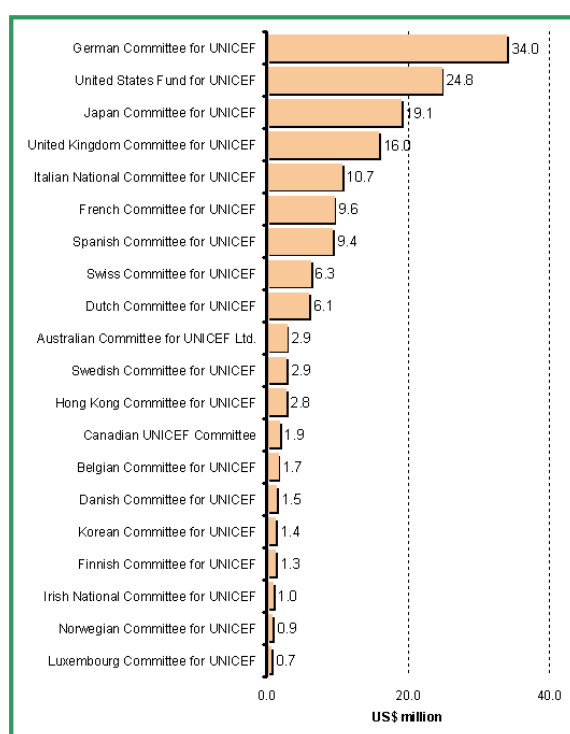


Figure 12: Top 20 National Committee donors 2003 (OR)

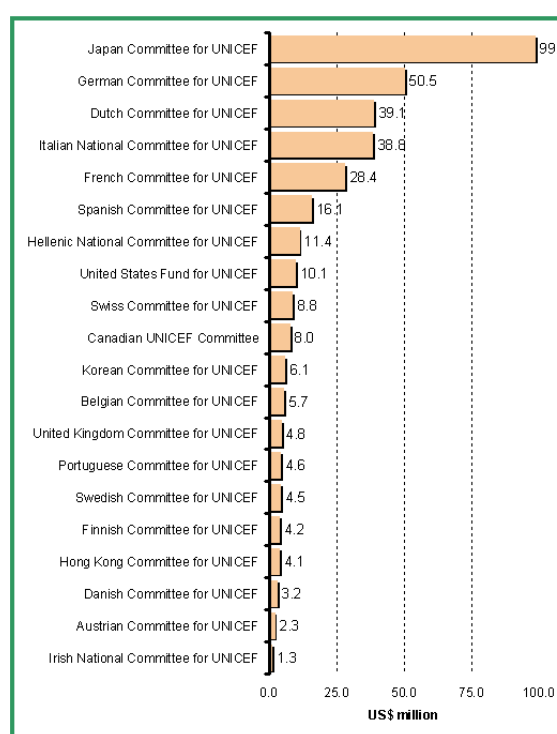


Figure 13: Top 20 National Committee donors 2003 (RR)

9 FUND RAISING STRATEGY

The current funding strategy exists only in draft format and has not been finalised or formally adopted by the office. The process of developing a fund-raising strategy began in May 2002 with the appointment of a Fundraising Task Team comprising the previous Representative, the previous SPO, the Communications Officer and several Heads of Section. Individuals were assigned specific tasks and responsibilities in relation to strategy development. A draft strategy was prepared by the previous SPO and has since been revised by the current Communications Officer. The revised draft has been reviewed by the current SPO but has not been circulated to a wider audience within the office. Currently the strategy remains in draft form and has not been formally adopted.

The content of the draft strategy is as follows:

1. Basic Facts on Tanzania
2. Why Fund-raise for Tanzania?

3. Current Funding Situation
4. Communication Plan for Resource Mobilization
5. Areas in which External Relations can Provide Support

The Fundraising Strategy Checklist posted on the UNICEF intranet (www.intranet.unicef.org, dated 11 March 2004) proposes the following six major areas as components of resource mobilisation:

1. Research and analysis of past fundraising experience
2. Analysis of fund raising environment - present and future needs
3. Development of resource mobilisation strategy
4. Implementation of resource mobilisation strategy
5. Managing the resource mobilisation strategy
6. Closure and contribution management

The outputs from this MTR consultancy on funding and fund-raising, plus the preliminary draft of the funding strategy serve to address the first three components proposed in the checklist, at least partially. An effective resource mobilisation strategy should include the following:

- Clearly defined objectives and targets, set according to country programme priorities. The objective of fundraising should be to support the implementation of activities in agreed priority areas and should not become an end in itself.
- Donor profiles, to identify key objectives and areas of interest in order to facilitate tailoring of proposals and to ensure that approaches to donors by UNICEF reflect a professional understanding and analysis of their interests. Twenty-five donor profiles are available on the UNICEF intranet and these should be supplemented with local knowledge of in-country donors where possible. The importance of developing personal contact with donor representatives should not be underestimated.
- Identification of, and guidance for accessing other sources of funding, including thematic OR contributions, RR set-aside funding, etc.
- Defined roles and responsibilities of staff members across all programmes and sections.
- In recognition of the rapidly changing and evolving nature of development funding at global, regional and country levels and the shifting priorities of individual donors it is important that any strategy developed is flexible and regularly updated to ensure that it retains its relevance.
- Effective procedures to monitor the success of the fund-raising strategy need to be developed. The existing fundraising monitoring table is an appropriate tool for monitoring success of proposals, but could be expanded to incorporate other fundraising initiatives and activities. Currently External Communications and Advocacy section does not routinely receive notification of receipt of PBAs, making it difficult for ECA to assess the effectiveness of fund-raising activities, such as National Committee visits, visits of goodwill ambassadors, advocacy materials, etc.

A key component of contribution management is high quality reporting to donors, which should reflect good quality and effective programming that yields real results

During interviews with programme staff, several expressed a desire to have a formalised fund raising strategy that includes specific roles and responsibilities of all staff from Representative to SPO to External Communications to Project Officers. It was felt that while the office has undertaken several important initiatives, including the recent visit by the Representative to several donor countries, the successful launch of the 2002-2006 MPO with associated high quality advocacy materials, and the production of attractive, “glossy” funding proposals, these activities do not currently form part of a coherent fund raising strategy.

10 DONOR REPORTING

Approximately 80% (70) of all donor reports due between 31 January 2003 and 31 July 2004 (progress, utilisation, and final) were submitted within three months following the due date. Unfortunately, 15 (17%) were submitted between four and six months after the due date, or are more than three months overdue. The majority of late or overdue donor reports are to donors contributing to the EPR Programme and include Canada, ECHO, Norway, Sweden, and the US Bureau of Population, Refugees and Migration. It should be noted that EPR programme has more PBAs than any other programme and many are of short duration, resulting in the need for frequent reporting. In relation to other countries within the Eastern and Southern African Region (ESAR), in terms of timeliness of donor reporting, UNICEF Tanzania ranked 5th out of 21 countries with only 2/54 (3.7%) reports outstanding as at 12 September 2004, compared with an average for the region of 23.7% of reports overdue. Late submission of donor reports is a key issue in maintaining good relationships with donors and should be avoided wherever possible. The recruitment of a dedicated reports writer is seen as a key positive step in improving the quality, consistency and timeliness of donor reporting.

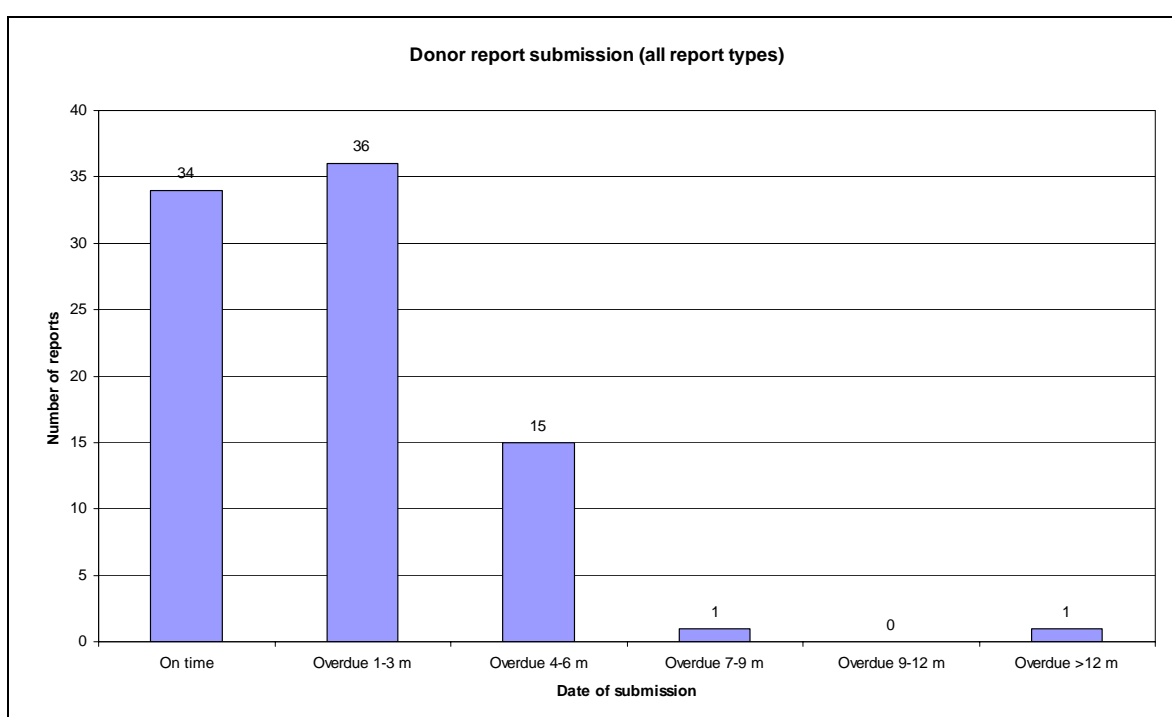


Figure 9: Donor reporting by date of submission (extracted from report "donor10.imr" of 19.08.2004)

10.1 QUALITY OF DONOR REPORTS

10.1.1 Methodology

A sample of seven donor reports was selected from donor report files maintained in the SPO's office. Sampling was non-random and was designed to include reports from each of the years 2002 to 2004, while representing a range of donors, different types of report (Progress and Final), and also covering the different UNICEF programmes. The seventh donor report selected was prepared by the recently recruited consultant and was used to assess changes in quality of reporting since this consultant began assisting in the preparation of donor reports.

The following donor reports were selected for review:

1. Integrated Management of Childhood Illness (IMCI); SC/00/0428-1; UN Foundation; ECD; Progress Report; Submitted January 2003

2. SARA Communication Initiative in Tanzania; SC/2000/0660-1; Norway; Final Report; Submitted April 2002
3. Dig a Well in Tanzania; SC 2001 3019; US Fund for UNICEF; WES; Final Report; Submitted November 2002
4. Child Labour Interventions in Tanzania: Bridging the Gap; SC/2002/0550-1; Norway; Final Report; BELSA; submitted January 2004
5. Support for Most Vulnerable Children; SC/2003/3171-1; Swedish Committee for UNICEF; Annual Progress Report; Submitted July 2004
6. CSPD Kibondo District; SM/2001/0366-1; New Zealand; EPR; Annual Progress Report; Submitted September 2003
7. Emergency Preparedness & Response Phase II. Western Tanzania HIV/AIDS Programme for Refugees. SC/2002/0826; USA/BPRM; Final Report; Submitted September 2004

Quality of the sampled donor reports was assessed using a hybrid matrix, compiled from a UNICEF donor report checklist and a survey form used to carry out a quality assurance exercise on donor reports prepared by UNICEF country offices in Latin America and the Caribbean. The summary table, compiling results from each individual review, and the individual results are included as annex 2.

Assessments of quality of reports in relation to the criteria included on the survey form were necessarily subjective, but were based on the this author's prior experience of preparing UNICEF donor reports over the last 4-5 years.

In addition, for the New Zealand funded CSPD Kibondo District Project, a detailed comparison was made between the original project proposal and the Annual Progress Report submitted in June 2003, including a comparison of the PBA utilisation report with the activities listed in the proposal. Requisition descriptions were also reviewed to assess clarity of description and conformity with activities listed in the original proposal.

10.2 RESULTS

1. The recruitment of a dedicated reports writer is already showing results in terms of improved quality of donor reporting, specifically in terms of UNICEF branding, good descriptions of issues, actions and impact, including number of beneficiaries, and identification of opportunities and constraints
2. The issue or problem statement was generally well formulated, but only 1 of 7 reports contained explicit reference to the rights of women and children
3. The roles of other partners were well described in 4 of 7 reports
4. The objectives were often framed in the context of PRSPs, UN Reform, complementarity, etc.
5. Activities carried out were generally well described and often compared with planned activities
6. Outputs and impact were quantified and described well in 5 of 7 reports
7. 6 of 7 reports contained appropriate use of monitoring data
8. 5 of 7 reports included good descriptions of future planned activities

Several key areas of weakness in donor reporting were identified during the assessment, although many are being addressed through the contracting of the reports writer:

1. 3 of 7 reports did not include an executive summary
2. Reports did not explicitly refer to objectives and activities, etc included in the original proposal
3. 6 of 7 reports failed to provide estimates of the numbers of children, women and others reached by the activities
4. Only 1 of 7 reports included a description of the specific rights of children and women that were under threat, how these threats were addressed and how the rights of women and children would be promoted by the programme
5. Only 1 of 7 reports included the appropriate use of graphics or tables to illustrate outcomes
6. Reports tended to concentrate more on constraints and weaknesses, rather than on strengths and opportunities

7. It was only possible to locate the original proposals for two of the selected donor reports: SM/2001/0366, New Zealand, “CSPD Kibondo District” and SC/2003/3171-1; Swedish Committee for UNICEF; “Support for Most Vulnerable Children”

Currently there is no central repository for all information / documentation relating to a specific PBA. Copies of signed agreements with donors are kept in NY and are not shared with the country office. Ideally, the PBA notification from PFO and a copy of the signed agreement should be kept along with the original proposal and all donor reports and related communications in a single, easily accessible location, or alternatively a system of cross-referencing the related documents could be developed. This would facilitate the preparation of donor reports that reflect the objectives and strategies of the original proposal and would ensure that donor reporting requirements and restrictions on funds utilisation could easily be referred to.

The detailed comparison between the original project proposal, the annual report and the PBA financial utilisation report (PROMS) for the New Zealand contribution SM/2001/0366-1, “CSPD Kibondo District” is presented as annex 4. In summary, it can be concluded that there is an increasing degree of disconnect as one moves from the original proposal to the narrative description of objectives and activities in the annual report to the PBA financial utilisation report. For example, for the Children in Need of Special Protection Measures component of the project proposal, the objectives were re-drafted for the annual report (and actually improved), but no activities against this component were reported in the annual report and none of the PBA requisition descriptions could be related to this component. Water and Sanitation interventions and a mass meningitis vaccination were additional components of the project, not included in the proposal. It is presumed that permission was obtained from the donor to add these components. A large proportion of the PBA requisitions appear to be related to project and programme support costs, rather than planned activities.

10.3 DONOR AND INTERNAL RECIPIENT SURVEY

In addition to the review of donor reports, an email / telephone survey of a sample of donors and internal UNICEF recipients of donor reports (GRO, PFO) was undertaken to assess donor perceptions of the quality of UNICEF Tanzania project proposals, donor reporting on received contributions, and the overall relationship between the donor and the UNICEF office. A summary of responses and completed questionnaires are attached as annex 3. This information was provided on the understanding that it would be used for internal purposes only and would not be circulated beyond the UNICEF Tanzania office.