

UNITED REPUBLIC OF TANZANIA

MINISTRY OF FINANCE AND ECONOMIC AFFAIRS



MKUKUTA AND MKUZA REVIEW

TERMS OF REFERENCE FOR REVIEW STUDIES UNDER MKUKUTA/PER CWG I

ANALYSIS OF MAINSTREAMING ENVIRONMENT INTO MKUKUTA PROCESS

Issue/study code: 1C1

July 15, 2009

Mainstreaming Environment into MKUKUTA Process

Background

Tanzania's National Strategies for Growth and Reduction of Poverty (MKUKUTA and MKUZA) have been the national guiding frameworks for growth and poverty reduction in the second half of 2000s. The strongest agenda of this second generation of PRSs is at sustaining broad based growth whilst emphasizing improvement in quality of life and social wellbeing as well as mainstreaming cross-cutting issues –HIV and AIDS, gender, environment, employment, governance, children, youth elderly, disabled and settlement. The linkage between poverty and environment underscored in the MKUKUTA, suggests that a well functioning growth and poverty alleviation strategy cannot operate in isolation with sustainable environment and natural resource management and utilisation. During the implementation of MKUKUTA efforts have been directed at streamlining environmental issues into sectoral policies and programs. Various methods and instruments were designed to facilitate mainstreaming of environmental issues. These efforts were intensified because the strategies recognized that environmental degradation has more severe welfare implications on the poor than the non-poor. A majority of the livelihoods of the poor depends on the health of ecosystems that provide a range of goods and services including food, clean water, energy and shelter as well as sources of income from agriculture, fishing, forestry and tourism. Thus, deforestation, soil erosion, and loss of biodiversity directly translate into loss of agricultural productivity and thus less food and income.

To ensure mainstreaming one of the approaches of the MKUKUTA implementation framework is to ensure that all cross cutting issues (environment being one of them) are incorporated into the three Mkukuta clusters. This is important as it ensures that all aspect of poverty reduction and development take into account the environment aspect. The three clusters are; (i) growth and reduction of income poverty; (ii) improvement of quality and social well being; (iii) good governance and accountability. The performances are measured against the goals and targets set in the Mkukuta clusters. In cluster I there are number of operation targets related to environment; these are (1) reduced negative impacts on environment and people's livelihoods. (2) Reduced land degradation and loss of biodiversity (3) increased sustainable off-farm income generating activities (4) increased contribution from natural resources (fisheries, wildlife, mining etc) and the environment to incomes of rural communities provision of reliable and affordable energy.

In cluster II which focuses on the improvement of quality and social well being, it has operation targets which are directly related to environment. These include increasing access to clean, affordable and safe water, sanitation, decent shelter and a safe and sustainable environment and thereby, reduced vulnerability from environmental risk. The operation targets in this include sanitation and waste management, namely: increased access to improved sewage facilities from 17% in 2003 to 30% in 2010 in respective urban areas, adequate basic essential utilities and reduced water related environmental pollution level from 20% in 2003 to 10% in 2010. In this cluster the focus is to reduce harmful industrial and agricultural effluents, vulnerability and increase environmental conservation. It can be noted also the in cluster III there are no direct environmental related operation targets, but we could infer this in goal number 2 which requires ensuring equitable allocation of public resources

with corruption effectively addressed. Also public resources are allocated, accessible and used in an equitable and transparent manner.

Since the preparation of MKUKUTA in 2000, a lot of efforts have been made to further mainstream environment into sector policy, laws, strategies, plans, and budgets. Mainstreaming of Environment has also been taking place in the Local Government. Enactment of environmental Management Act in 2004, has facilitated environmental mainstreaming by putting in place institutional framework for environmental management from the Local Government to the Central Government

Objectives

The **objective** is to assess how environmental concerns have been integrated into the development policies, budgets and implementation both at sector and program levels and how effective the various instruments have been in facilitating mainstreaming of environment.

Scope of the Review

- (i) This assignment is on assessment of mainstreaming of the cross-cutting issue, environment in development frameworks
- (ii) The assessment will cover all levels from the Local Government to the Central Government Level (MDAs). Assessment should also look at the level of environment mainstreaming in private sector and Non-Governmental Organizations.
- (iii) Assessment will involve both secondary information in the respective institutions and interviews of relevant authorities.
- (iv) The key documents covering environmental issues are the National Environmental Policy (six environmental Problems + Climate Change); MKUKUTA; National Environmental Management Act 2004; and National Plans and Strategies for Implementing Multilateral Environmental Agreements.

Tasks

- (i) Take stock of the approaches to environmental mainstreaming in the previous PRS.
- (ii) Assessment of the extent of progress made (successes and/or shortcomings) towards mainstreaming environment into various sectors, Local Government Authorities, Private Sectors and NGOs. The assessment shall use key monitoring indicators, where possible and relevant, disaggregated by key environmental problems and geographic location.
- (iii) Assess the extent that the institutional arrangement provided in the EMA is established at all levels of the government and their capacity. The assessment should also study the linkage between these institutions.
- (iv) Identification of strategic areas which lacked progress and factors which acted as inhibitors and suggest of how they could be addressed.
- (v) Assessment of the effectiveness of approaches used in mainstreaming environment at all levels.
- (vi) Analysis of the lessons learnt and key challenges encountered.

- (vii) Assess the key capacity development and institutional strengthening needs for achieving national development objectives and MDGs related to environment
- (viii) To provide a set of recommendations and propose way forward for strengthening the mainstreaming and key outcomes.

Methodology

This review will greatly make use of the various outputs and existing data sets to carry out the assessment. MKUKUTA and MKUZA monitoring systems have been producing various outputs through various working groups such as Research and Analysis Working Group (RAWG), and Survey and Routine Data Group. Furthermore, various stakeholders such as DPs, Private sector and CSOs have also produced various outputs on different occasion during the course of implementation to assess progress. The review will also involve consultation of the key stakeholders.

Expected Output

- Study report
 - Executive summary (to fill in the template to be provided)
 - Baseline information –where are we now/were are we supposed to be
 - Recommendation
 - Tools
 - M&E
 - Resources –financial and human resources
 - Next step/follow up actions –research Matrix –
output/achievements/time frame/ stakeholders/responsibilities

Timeframe

The expected time of completion of the study is a maximum of 30 days, submitting its report in the second week of August 2009.

The Team and its tasks

The department will provide a Team leader who will drive the study process. The Team leader will be responsible to making an early interpretation of the TOR, suggest members of the Team (in consultation with the Secretariat or Ministry of Finance and Economic Affairs), allocate components of the TORs and synthesize the inputs into a draft report. The Team will make a close follow-up of how their inputs are synthesized in scheduled meetings. The task team leader will also prepare an executive summary following the common template provided by the Secretariat.

Implementation Plan

| No. | Activities | Week 0 | Week 1 | Week 2-3 | Week 4 |
|-----|--|--------|--------|----------|--------|
| | interpretation of the TOR | | | | |
| 1 | Refinement of the Approach and Methodology if relevant | | | | |
| 2 | Scoping meetings at the beginning of the Review | | | | |

| | | | | | |
|----|--|--|--|--|--|
| 3 | Guided and targeted Reports review | | | | |
| 4 | Inception Report | | | | |
| 5 | Identify gaps and strengths of the survey methodology and instruments. | | | | |
| 6 | Search and scanning relevant documents and Secondary data gathering | | | | |
| 7 | preliminary preparation of the review report | | | | |
| 8 | key stakeholders interview | | | | |
| 9 | workshop and consolidation of the report | | | | |
| 10 | Consolidate Reports | | | | |

Resources requirements

Team of experts 2, one of whom is Team leader

1. Team Leader – at least PhD in Environmental Economics or related background research experience and/or practice (policy or consultation)
2. Team member – at least MA/PhD in Economics in Natural Resources/or Environmental Economics/Management

Budget: TZS 27,030,000

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MKUKUTA AND MKUZA REVIEW

TERMS OF REFERENCE FOR REVIEW STUDIES UNDER MKUKUTA/PER CWG I

TERMS OF REFERENCE TO UNDERTAKE POVERTY-ENVIRONMENT POLICY ANALYSIS

Issue/study code: 1C2

July 15, 2009

Poverty-Environment Policy Analysis

1. Background

The poverty-environment nexus is a two-way causality: while poverty can lead to environmental degradation, the converse is also true. Evidence shows that, due to lack of (or inadequate) survival options, poor people deplete resources and degrade environment at rates that are incompatible with long-term sustainability. This tendency eventually sets a downward spiral, by further reducing the income and livelihoods of the poor. It is widely held that for any poverty-reducing growth strategy to be sustainable, it must address environmental concerns and ensure efficient and sustainable utilization of generally scarce natural resources.

The major challenge of implementing national development policies including MKUKUTA is adoption of policies and mechanisms to ensure poverty reduction through sustainable exploitation of resources. The current MKUKUTA acknowledges inadequate encouragement of community participation in identifying, planning and implementing steps to protect natural resources and environment or effective enforcement of existing regulations and by-laws. Moreover the Tanzania national environmental policy of 1997, and other sectoral policies defines the environmental framework for sector policy, whose broad objective is to ensure sustainable and equitable use of resources for meeting the basic needs of the present and future generations without degrading the environment or risking health or safety.

Poverty and environment are inter-linked through four main dimensions: livelihoods, resilience to environmental risks, health and economic development. In rural Tanzania, the livelihoods of the majority of the people depend on the health of ecosystems. Thus, deforestation, soil erosion, and loss of biodiversity directly translate into loss of agricultural productivity and thus less food and income. It is also true that the adverse effects of environmental degradation are uneven across the population. For example, the living conditions of the poor offer little protection from air, water, and soil pollution when compared to ability of the non-poor to cope and mitigate the adverse effects of these environmental problems. In general, environmental conditions affect the opportunities, health, and security of poor people. Besides these effects at the household level, degradation of the environment affects productive sectors (e.g. agriculture, energy, etc.) and social sectors (e.g. outbreak of diseases). Addressing these effects requires more budgetary resources and can constrain expansion of government investments in other productive sectors of the economy. It is widely held that for any poverty-reducing growth strategy to be sustainable, it must address environmental concerns and ensure efficient and sustainable utilization of generally scarce natural resources.

2. Objectives

- (i) To promote policies that integrates poverty and environmental issues into national development policies and processes (goals, budgets and monitoring). Special attention to be paid on whether there are synergies between the environment and poverty policy; policy alignment/harmonization. Assess possible policy trades offs ; Environment/Growth nexus –energy –agriculture – water –long term planning/climate

- (ii) Assess population dynamics (migration) as an opportunities and challenges- and its implications on (i) sustainability issues (ii) natural resource utilization (iii) planning process and waste management.

3. Tasks

- a. A comparative policy analysis and the best practices of how to address poverty-environment nexus.
- b. Assess the extent that the institutional arrangement provided in the EMA is established at all levels of the government and their capacity. The assessment should also study the linkage between these institutions.
- c. Assessment of the actual progress made in environmental management and protection in the country
- d. Review of key policies; energy, agriculture, water, population
- e. Identify best practice from international experiences
- f. Assess the key capacity development and institutional strengthening needs for achieving national development objectives and MDGs related to poverty and environment
- g. Recommendations/policy options –prioritized.

4. Methodology

This review will greatly make use of the various outputs and existing data sets to carry out the assessment. MKUKUTA and MKUZA monitoring systems have been producing various outputs through various working groups such as Research and Analysis Working Group (RAWG), and Survey and Routine Data Group. Furthermore, various stakeholders such as DPs, Private sector and CSOs have also produced various outputs on different occasion during the course of implementation to assess progress. The review will also involve consultation of the key stakeholders and a review of key reports such as National & Sectoral level policies.

5. Expected output

- a. Study reports/executive summary (to fill in the template to be provided)
- b. Recommendation –policy options/adjustment/interventions (prioritized)
- c. Next steps/follow up actions
 - i. Research matrix –outputs/achievement/time frames, stakeholders/responsibilities.

6. Timeframe

The expected time of completion of the study is a maximum of 30 days, submitting its report in the second week of August 2009.

7. The Team and its tasks

The department will provide a Team leader who will drive the study process. The Team leader will be responsible to making an early interpretation of the TOR, suggest members of the Team (in consultation with the Secretariat or Ministry of Finance and Economic Affairs), allocate components of the TORs and synthesize the inputs into a draft report. The Team will make a close follow-up of how their inputs are synthesized in scheduled meetings. The task team leader will also prepare an executive summary following the common template provided by the Secretariat.

8. Implementation Plan

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| 3 | Guided and targeted Reports review | | | | |
| 4 | Inception Report | | | | |
| 7 | Identify gaps and strengths of the survey methodology and instruments. | | | | |
| 8 | Search and scanning relevant documents and Secondary data gathering | | | | |
| 9 | preliminary preparation of the review report | | | | |
| 10 | key stakeholders interview | | | | |
| 11 | worshop and consolidation of the report | | | | |
| 12 | Consolidate Reports | | | | |

9. Resources requirements

Team of experts 2, one of whom is Team leader

1. Team Leader – at least PhD in Environmental Economics or related background research experience and/or practice (policy or consultation)
2. Team member – at least MA/PhD in Economics in Natural Resources/or Environmental Economics/Management

10. Budget: TZS 27,030,000

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TERMS OF REFERENCE FOR THE PROVISION OF CONSULTANCY SERVICE TO ANALYZE CLIMATE CHANGE AND ITS IMPACTS PRODUCTIVE SECTORS, PARTICULARLY AGRICULTURE

July 15, 2009

1.0 Introduction and Background

1.1 Introduction

The Government of the United Republic of Tanzania, through the Ministry of Finance and Economic Affairs, has set aside funds for the operations of the Ministry of Finance and Economic Affairs during financial Year 2009/2010. It is intended that part of these funds will be applied to cover eligible payments for the provision of consultant services to ANALYZE CLIMATE CHANGE AND ITS IMPACTS PRODUCTIVE SECTORS, PARTICULARLY AGRICULTURE. This analysis is part of the review process of MKUKUTA implementation for the period 2005/06 to 2008/09.

Climate change is a global challenge to both sustainable livelihood and economic development. The adverse impacts of climate change are now evident in many parts of the world, including Tanzania. It is a serious risk to poverty reduction and threatens to undo decades of development efforts. This is especially true where changes in the pattern of rainfall and temperature threaten sustainable development goals related to poverty reduction, water, food security, health, education and biodiversity.

Scientists have proved that over the last 200 years, there has been a rapid burning of fossil fuel by the industrialized countries releasing enormous amounts of CO₂ in the atmosphere. Forest degradation in developing countries, especially due to expansion of agriculture activities has also contributed to this emission. This has caused changes in the climate system, making the globe warmer, leading to sea level rise and increased frequencies and intensity of extreme weather events such as droughts, heat waves, heavy rains and associated impacts. Ironically, although poor countries have contributed the least to the problem, these countries are the most vulnerable due to their least adaptive capacity and weak early warning systems.

According to the IPCC Fourth Assessment Report, 2007, warming of the global system is unequivocal. The report predicts that progression of global warming will increase the frequency of extreme weather events such as heavy floods and droughts, and increased health hazards through infectious diseases. It may also lead to food crisis resulting from depletion of water resources. The Report puts Africa at a high risk of suffering seriously as a result of this phenomenon. Addressing climate change, particularly through adaptation, is therefore an urgent challenge and a topmost priority for Africa and for Tanzania in particular, given its vulnerability to the adverse impacts.

Tanzania has conducted a number of assessments on climate change for the aim of revealing the level of vulnerability, impacts, coping strategies and their impacts as well as capacity needs

for the country to be able to adapt. These include the National Adaptation Programme of Action (NAPA) process; In-depth Analysis of the Impacts of climate Change in agriculture, water and health sectors; National Capacity Self Assessment; and the assessment of locally based climate change impacts. Through these assessments and scientific studies around the country, it has been revealed that Tanzania is already experiencing adverse impacts of climate change in almost all sectors of the economy. Some key examples are increase of average temperature in the country by 0.2°C for the past 30 years leading to spread of malaria in areas where it was not common, general decline of water levels in most of the inland water lakes such as Victoria, Tanganyika, Manyara and Lake Jipe; significant loss of 80 per cent of the glacier on Mount Kilimanjaro since 1912 with a projection that the whole of the glacier might have gone by 2025; and intrusion of sea water into fresh water wells along the coast of Bagamoyo and Zanzibar, as well as submergence of Maziwe and Fungu la Nyani islands, as a result of sea level rise, in Pangani and Rufiji respectively.

1.2 Background

The international political response to climate change began with the adoption of the United Nations Framework Convention on Climate Change (UNFCCC) in 1992. The UNFCCC sets out a framework for action aimed at stabilizing atmospheric concentrations of greenhouse gases to avoid dangerous anthropogenic interference with the climate system. It is an internationally agreed framework for addressing climate change that has clearly articulated principles, roles, responsibilities and commitments for all parties in accordance with the historical responsibility to climate change problem as well as the level of vulnerability to its adverse impacts. The principles include: common but differentiated responsibilities and respective capabilities, polluter pays and sustainable development. Article 4 of the Convention provides for commitments by all parties to the Convention. In addition, Article 4.7 of the Convention requires that developed country parties support developing countries in order for them to meet their commitments under the Convention. It is therefore agreed that the Convention should continue to provide a framework for implementation of climate change related activities. This means that there should be new and additional, appropriate, predictable, sufficient, and in addition to ODA financial resources, for funding of incremental costs due to climate change in developing countries.

2. Rationale

According to IPCC, there is substantial evidence that climate change will seriously affect all productive sectors. In Tanzania, the effects on agriculture, food security and nutrition in the short and medium term are of major concern. It is essential that the next MKUKUTA takes into consideration the impact of climate change on productive sectors and in particular on agriculture with a view to address its implications on economic growth

3. Objective

The objective of the study is to highlight the adverse impacts of climate change to economic sectors and recommend adaptation measures for mainstreaming into MKUKUTA.

4. Scope

The consultant should consider among others:

- a) Making use of poverty analyses and assessment reports as well as indicators;
- b) Climate change international policy framework including opportunities for climate change mitigation and their adaptation potentials, financing and technology and related issues;
- c) Making use of the locally based assessment reports, EMA (CAP 191), MKUKUTA, MKUKUTA implementation reports and other relevant documents;
- d) Sector policies (Energy; Mining; Tourism; Industry and Trade; Agriculture and Livestock; Fisheries; Forest and Beekeeping; land, water and transportation), vulnerability assessments, strategies, programmes, plans and related reports.

5. Assignments

- i. Assess the short-term, medium and long-term impacts of climate change to the economy
- ii. Describe and analyse short, medium and long term sector specific adaptation (and mitigation) measures, including an estimate of their cost implications to the Tanzanian economy.
- iii. In the agriculture and food security sector, take into consideration the current coping and adaptation strategies at sector and household level and their implication to agricultural production and productivity and the potential for scaling-up and replication in other parts of the country;
- iv. List and evaluate the existing financing mechanisms within and outside the context of the UNFCCC and their effectiveness in addressing climate change, particularly adaptation need for vulnerable communities in Tanzania;
- v. Recommend measures for sector specific mainstreaming of climate change into MKUKUTA; this should include a 1-page fact sheet for each sector (at least agriculture, infrastructure, energy and health) describing in summary the consequences of climate change for the sector and suggestions for sector specific adaptation measures and costs estimates for the interventions vs. doing nothing.

6. Methodology

This assignment will be approached using:

- i. Literature review including key studies and reports: National Adaptation Plan of Action for Climate Change (NAPA); The Initial and Second National Communication Reports to the UNFCCC; MKUKUTA Implementation Report (MIR); EMA 2004; Stocktaking Report on Climate Change Cooperation in Tanzania; McKinsey report on adaptation to climate change; UNDP's Africa

- Adaptation Programme for Tanzania- draft programme proposal; Comprehensive Food Security Vulnerability Assessment (WFP); and various Agricultural sector review reports and related reports
- ii. Technical consultations with key sectors,
 - iii. Fieldwork and stakeholders consultations,
 - iv. Learning from nearby countries through existing networks

The consultants will work with relevant departments in the Vice President Office to identify and collect the relevant documents to be reviewed.

7. Outputs of the Assignment

The main outputs of the assignment are:-

(i) Inception report:

This report will contain preliminary information derived from desk and literature reviews from key sectors and various studies, research methodology, norms and work plan.

(ii) Draft Final report:

Draft Final report prepared with, analysis, sector specific facts sheets for climate change adaptation and the recommendations for mainstreaming climate change into MKUKUTA.

(iii) Final Report

Revised final report after incorporating the comments from stakeholders' workshop.

The timing of output is as indicated in section 9 below.

8. Consultant reporting obligations

All technical matters related to this study (e.g. review of all reports) will be coordinated by the Vice President Office. However, the overall coordination shall be provided by the Ministry of Finance and Economic Affairs, Poverty Eradication and Economic Empowerment Department (PEED). The consultant shall report to the Ministry of Finance and Economic Affairs (PEED) through the Vice President Office. The consultant will directly report to the Permanent Secretary, Vice President's Office who will ensure that the consultant fulfils its contractual tasks and control quality of his/her outputs. The Consultant will be under the general supervision of the Director of Environment, Vice President's Office, through the established Environmental Working Group Task Force for MKUKUTA Review.

9. Duration of the assignment

The duration of the assignment will be six (6) weeks following the workplan in the table below. The assignment will start in September, 2009 after signing the contract.

| S/ N | Deliverables | PERIOD | | | | | | | | | | | | | | | | | | | | | | | |
|---------|---|--------|---|---|---|-------|---|---|---|--------|---|---|---|--------|---|---|---|--------|---|---|---|--------|---|---|---|
| | | Week 1 | | | | Week2 | | | | Week 3 | | | | Week 4 | | | | Week 5 | | | | Week 6 | | | |
| | | 1 | 2 | 3 | 4 | 1 | 2 | 3 | 4 | 1 | 2 | 3 | 4 | 1 | 2 | 3 | 4 | 1 | 2 | 3 | 4 | 1 | 2 | 3 | 4 |
| 1 | Prepare research tools, norms and methodology | ■ | ■ | | | | | | | | | | | | | | | | | | | | | | |
| 2 | Literature search and review | | ■ | ■ | ■ | | | | | | | | | | | | | | | | | | | | |
| 3 | Inception report | | | | | ■ | ■ | | | | | | | | | | | | | | | | | | |
| 4 | Technical Consultations with key sectors | | | | | | | ■ | ■ | ■ | ■ | | | | | | | | | | | | | | |
| 5 | Field work and report writing | | | | | | | | | | | ■ | ■ | ■ | ■ | ■ | ■ | ■ | ■ | ■ | ■ | | | | |
| 6 | Final draft report presentation | | | | | | | | | | | | | | | | | | | | | ■ | | | |
| 7 | Stakeholder consultative workshop | | | | | | | | | | | | | | | | | | | | | | ■ | | |
| 8 | Final Report preparations and submission | | | | | | | | | | | | | | | | | | | | | | | ■ | ■ |

10. Budget: USD 59,000

11. Required Competencies to Undertake the Assignment

The Consultant is expected to meet all or most of the following competencies: -

- At least a MSc or MA degree with expertise in Environment, Climate change, Chemistry, Biology, Economics, Agriculture and Human ecology or related fields
- Proven knowledge of the Environmental Management Act, 2004 and familiarity with Multilateral Environmental Agreements especially related to Climate Change and Desertification;
- Good communication and presentation skills;
- Preferably 5 years experience in the field of specialization;
- Sound record of undertaking similar assignment; and
- General credibility and trustworthiness.

12. Payment terms

First installment of 50 percent of the contract prices shall be paid upon signing the contract, 30 percent upon submission of interim report and 20 percent upon acceptance of the final report.