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Independent evaluation
**UNITED REPUBLIC
OF TANZANIA**



UNIDO EVALUATION GROUP

Independent evaluation
**UNITED REPUBLIC
OF TANZANIA**

Trade capacity-building: enhancing
the capacities of the Tanzanian quality
infrastructure and TBS/SPS compliance
systems for trade



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Acknowledgements

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Acronyms and abbreviations

BRC	British Retail Consortium
BSPS	Business Sector Programme Support
COOFs	Cooperation Offices in Partner Countries
CTA	Chief Technical Adviser
DANIDA	Danish International Development Agency
EAC	East African Community
ESAMI	East and Southern Africa Management Institute
GAP	Good Agricultural Practices
GDP	Gross Domestic Product
GHP	Good Hygiene Practices
GMP	Good Manufacturing Practices
Government of Tanzania	Government of Tanzania
HACCP	Hazard Analysis and Critical Control Points
ISO	International Standards Organisation
ITC	International Trade Centre
LDC	Least Developed Country
MAFC	Ministry of Agriculture, Food and Cooperatives
MDG	Millennium Development Goal
METAS	Swiss Federal Office of Metrology and Accreditation
MHSW	Ministry of Health and Social Welfare
MITM	Ministry of Industry, Trade and Marketing

MLDF	Ministry of Livestock Development and Fisheries
MoEVT	Ministry of Education and Vocational Training
MoFEA	Ministry of Finance and Economic Affairs
MoU	Memorandum of Understanding
NCB	National Certification Body
NEX	National Execution
NORAD	Norwegian Agency for Development Cooperation
NPC	National Project Coordinator
NQS	National Quality System
OVI	Objectively Verifiable Indicator
PHS	Plant Health Service, Ministry of Agriculture and Food Security
PTC	Packaging and Technology Centre
RBS	Results Based Management
RISP	Regional Integration Support Programme
SADC	Southern African Development Community
SANAS	South Africa National Accreditation System
SAS	Swiss Accreditation Services
SDC	Swiss Agency for Development and Cooperation
SCS	Swiss Calibration Services
SECO	Swiss State Secretariat for Economic Affairs
SIDP	Sustainable Industrial Development Policy
SME	Small and Medium Enterprise
SMTQ	Standards, Metrology, Testing and Quality

SMTQCA	Standards, Metrology, Testing, Quality and Conformity Assessment
SPS	Sanitary and Phytosanitary
SWAp	Sector Wide Approaches
TANEXA	Tanzania Exporters Association
TASP	Trade Agricultural Support Programme
TCB	Tanzania Coffee Board
TBT	Technical Barriers to Trade
TCCIA	Tanzania Chamber of Commerce, Industry and Agriculture
TBS	Tanzania Bureau of Standards
TBT	Technical Barriers to Trade
TFDA	Tanzania Food and Drugs Authority
TIRDO	Tanzania Industrial Research and Development Organization
TPRI	Tropical Pesticides Research Institute
TRAPCA	Trade Policy Training Centre in Africa
TRTA	Trade Related Technical Assistance
TTIS	Tanzania Trade Integration Strategy
UN	United Nations
UNCTAD	United Nations Conference on Trade and Development
UNDAF	United Nations Development Assistance Framework
UNDP	United Nations Development Programme
UNIDO	United Nations Industrial Development Organisation
WMA	Weights and Measures Agency
WTO	World Trade Organisation

Glossary of terms

Term	Definition
Baseline	The situation, prior to an intervention, against which progress can be assessed.
Effect	Intended or unintended change due directly or indirectly to an intervention.
Effectiveness	The extent to which the development objectives of an intervention were or are expected to be achieved.
Efficiency	A measure of how economically inputs (through activities) are converted into outputs.
Impact	Positive and negative, intended and non-intended, directly and indirectly, long term effects produced by a development intervention.
Indicator	Quantitative or qualitative factors that provide a means to measure the changes caused by an intervention.
Intervention	An external action to assist a national effort to achieve specific development goals.
Lessons learned	Generalizations based on evaluation experiences that abstract from specific to broader circumstances.
Logframe (logical framework approach)	Management tool used to guide the planning, implementation and evaluation of an intervention. System based on MBO (management by objectives) also called RBM (results based management) principles.
Outcomes	The achieved or likely effects of an intervention's outputs.
Outputs	The products in terms of physical and human capacities that result from an intervention.
Relevance	The extent to which the objectives of an intervention are consistent with the requirements of the end-users, government and donor's policies.
Risks	Factors, normally outside the scope of an intervention, which may affect the achievement of an intervention's objectives.
Sustainability	The continuation of benefits from an intervention, after the development assistance has been completed
Target groups	The specific individuals or organizations for whose benefit an intervention is undertaken.

Executive summary

Introduction

The UNIDO project “Trade Capacity – Building: Enhancing the Capacities of the Tanzanian Quality Infrastructure and TBS/SPS Compliance Systems for Trade” funded by the Swiss State Secretariat for Economic Affairs (SECO) aimed at *“facilitating industrial development and export capabilities (and consequently spurring economic growth and employment opportunities) by reducing technical barriers to trade through the strengthening of standards, metrology, testing, quality and conformity assessment institutional structures and national capacities”*.

The immediate objectives of the project were: *(1) metrology/calibration/testing capacity of the Tanzanian Bureau of Standards (TBS) strengthened and recognized internationally; (2) strengthening national institutions for conformity assessment (including certification and inspection) and (3) improving the Tanzanian quality chain for testing and certification for export.*

The project started in January 2006 and is expected to finish in December 2008. Total funding was US\$ 2,000,000 (including project support cost), which was subsequently topped up by an additional amount of US\$ 200,000 (including project support cost) to account for exchange rate losses between EURO and USD.

The main counterpart and direct beneficiary has been the Tanzanian Bureau of Standards (TBS) under the Ministry of Industry, Trade and Marketing (MITM). Support included provision of equipment and capacity building; technical training; short-term technical advice and study-tours.

This evaluation was carried out by a team composed of an independent evaluator contracted by SECO, an independent evaluator contracted by UNIDO and one national evaluator. It included field work between the 10 and 25 September 2008, a brief questionnaire for beneficiary firms and validation/de-briefing session in Dar es Salaam, Vienna and Berne.

Country and Project Context

Tanzania is one of the world’s least developed countries ranked 164th out of 177 countries in the United Nations Development Programme (UNDP) Human Development Index. The economy remains agrarian with industry only contributing 9.2% of GDP. Tanzania is ranked 127 out of 181 countries in terms of ease of doing business (World Bank, 2009).

Tanzania has preferential market access for its products to regional and international markets. One reason for the failure to exploit this opportunity is the country’s inability to support the private sector to meet international technical, sanitary and phytosanitary standards.

The National Quality System in Tanzania involves a range of different, often overlapping, actors. The Tanzanian Bureau of Standards (TBS) is the apex Standards, Metrology, Testing and Quality (SMTQ) body involved in developing national (mandatory) standards, metrological testing, inspection (including at ports), product and system certification and testing. TBS is the National Inquiry Point for the World Trade Organisation Sanitary and Phytosanitary (SPS) and Technical Barriers to Trade (TBT) Agreements and the focal point for the Codex Alimentarius Commission. Other institutions with significant responsibility within the Tanzanian National Quality System (NQS) include: the Tanzania Food and Drug Authority (TFDA) dealing with import and export testing of food safety, drugs and cosmetics, Plant Health Services (phytosanitary certification), the veterinary laboratory services (sanitary certification) and the Tropical Pesticides Research Institute (TPRI) who are responsible for pesticide testing and registration. Legal and domestic metrology is conducted by the Weights and Measures Agency (WMA). Currently Tanzania has no national certification or accreditation body. It is common to find institutions conducting standards setting and inspection/regulation functions, a clear conflict of interest.

Tanzania has an emerging private quality infrastructure including several companies offering testing, inspection, audit and certification services.

There has been a long history of donor support to the SMTQ sector in Tanzania and more is planned. In particular the Evaluation noted Regional initiatives with the East African Community (EAC) and proposed support to NQS under the forthcoming One-UN Joint Programme 1, the DANIDA funded Business Support Programme II and under the framework programme of the Tanzania Trade Integration Strategy that will start in 2009.

To date the involvement of the Tanzanian private sector in the development of the NQS at the level of individual firms and business organisations has been rather limited.

Project preparation

The evaluation finds that the identification of the project matches with the needs and policies of Tanzania at the time. It is also well aligned to the focus of SECO support and the capacities of UNIDO. The partner institutions in Tanzania were the right ones except that the project did not in practice include key thematic areas such as domestic food safety and Sanitary and Phytosanitary compliance. This was the result of demarcation of responsibilities among donors.

Project formulation seems to have been well done, comprehensive and aligned with the appropriate priorities. However, the evaluation finds that some important stakeholders (e.g. private sector partners, NQS competent authorities, consumers)

were omitted from the project preparation phase and suggests that the stakeholder analysis was not of sufficient depth.

The logical framework developed in the project document signed by all three parties was inadequate (e.g. did not contain objectively verifiable indicators, risks or assumptions) and was in any case not subsequently used as a project management tool. The inclusion of the suggestion to use Swiss service providers in the logical framework was confusing to the beneficiary and the Evaluation Team feel that, though this was well meant, this practice should be avoided. The project document is not explicit on important issues such as monitoring and evaluation, roles and responsibility for governance and sustainability.

The project was designed to be implemented through agency execution mode. This execution mode was common practice when the project was designed, but certain aspects of this execution mode are increasingly challenged in the light of the Paris Declaration on harmonization and alignment of aid.

The evaluation team concludes that the Project Document does not meet standard international practice for project planning despite it being prepared using UNIDO Technical Cooperation Guidelines.

Project Implementation

The project budget of US\$2m plus the supplementary budget of a further US\$0.2m are fully committed.

Within UNIDO the project was managed by the Trade Capacity Building Division through a Project Manager. A part-time Chief Technical Advisor (CTA) was appointed to oversee project delivery and technical support. The Government of Tanzania provided a National Project Coordinator and a Project Secretary (TBS staff on full-time secondment paid by the project). Furthermore, UNIDO hired an “International Consultant for promotion activities and networking” in January 2007 (the project year two) whose roles and responsibilities in the project became somewhat blurred. In addition to the duties covered under her Job Description, this officer supported the National Project Coordinator in day-to-day project implementation and undertook duties for the UNIDO Resident Representative which, it is claimed, was purely coordination between UNIDO projects and others that were complementary.

The project did a lot of reporting, although not much always effectively related to the project logic and therefore not very useful as either management tool or a measure of performance. However, the Evaluation Team notes that all reports were a) endorsed by the project governance structure (e.g. the Steering Committee) and b) met the expected norms for reporting within UNIDO at the time.

Project outputs as measured against the logical framework are rather limited. There were, however, a large number of activities including local and international consultancies, training events and purchase of equipment. Important project outputs include: accreditation of the TBS metrology laboratory for mass, temperature, small volumes and timers; and, procurement (but not yet extensive use) of a mobile metrology laboratory. Many other outcomes were not achieved (e.g. streamlining of the quality chain, better coordination, development of a National Certification Body and a working packaging testing centre). Some outputs were attempted that were not planned: for example, development of teacher's manuals for food safety and a survey of hygiene standards in tourist establishments. The Evaluation Team believes that this was a response to a short-coming in project design (e.g. that there should have been an element to considering the demand side of national quality system).

The project delivered 172 training days through 14 consultancies. Four study tours were commissioned to Egypt, Switzerland, Tunisia and Uganda. Much equipment has been purchased.

At the level of outcomes the Evaluation finds that, by-and-large, the original objectives have not been achieved and that, to some extent, this was the result of a) weak design and b) less than rigorous application of project cycle management (e.g. not adhering to the logical framework). The absence of mechanisms to evaluate this project supports this finding.

Assessment

Relevance: The project was highly relevant from the point of view of national, developmental and donor perspectives. With respect to the Paris Declaration on Aid Effectiveness, the project was well aligned with the priorities of the Government of Tanzania and counterparts and it was also well harmonized with interventions of other donors.

Ownership: Ownership of the project was relatively weak. The project Governance structure, consisting of a Steering Committee, was, in the view of the Evaluation, insufficient to provide both day-to-day management advice and strategic direction. Counterpart contributions by the Government of Tanzania were as planned but insufficient to promote genuine ownership. Retention of financial management responsibility by UNIDO discouraged a sense of joint responsibility. The project fell short with respect to the development of parallel structures and limited responsibility given to counterparts. The Evaluation Team notes that fully fledged national execution is particularly challenging in the development context of Tanzania and was not an option at the time the project was designed.

Efficiency: The assessment of efficiency is impossible because of the inability of the UN budget system to disaggregate expenditures by outputs. The various levels of

management (UNIDO HQ, UNIDO local office, CTA, National Project Coordinator, International Consultant for Promotion Activities and Networking) were over elaborate and not a particularly efficient use of resources. Short-term consultants were almost all of high quality. Procurement was complex and difficult. Nevertheless, a high proportion of procurement has been conducted successfully. The Evaluation found some cases of wrongly procured equipment, equipment without manuals and equipment with missing parts. Some of the equipment procured has not yet been fully commissioned due to a range of problems reported to the Evaluation Team including theft of some items in transit, un-translated manuals and inadequate preparation for equipment arrival and training by TBS staff. Some important equipment requested by the project has not yet been procured (e.g. the roller-weights for the WMA) and the Evaluation Team does not agree with the arguments offered supporting this omission.

Effectiveness: The success of the project in converting outputs into outcomes is considered by the Evaluation Team to be less than satisfactory. This was in part due to weak project design, but also resulted from the less than rigorous application of the logical framework as a management tool. Without clearly defined pathways from project activities, through outputs to measurable outcomes the project tended to drift towards those activities that were relatively easily achieved (and indeed to new activities that were ‘easier’ than those planned).

Impact: The causal chain developed in the project document (particularly the original UNIDO one) is both plausible and explicit. Where this causal chain was maintained, such as in the sphere of accreditation of metrology, there is a reasonable chance of impact. In other planned areas such as packaging testing, mobile metrology and food safety it is not possible to measure impact because the project component is not yet operational. In the ‘new’ areas of school curriculum development for food safety and electronic traceability, insufficient progress has been made in piloting the initiatives to assess impact. There was no baseline survey developed in this project. Neither was any other mechanism developed for measuring impact (e.g. “bench-marking”, “with-or-without” studies). Impact expected from the project was not clearly defined. It is therefore quite likely that the impact will be much less than expected.

Sustainability: Analysis of the likelihood of sustainability of the project outputs and outcomes by the Evaluation Team finds that only the accredited parts of the metrology laboratories in TBS are sustainable and that all other outputs are currently unsustainable. A large number of issues still need to be addressed before the NQS in Tanzania might be considered sustainable and the Evaluation provides an initial list.

Further support

It is the view of the Evaluation Team that much work still remains to build the capacity of the Tanzania Quality Management and Conformity System to meet the existing and future

needs of the domestic and export sectors. The objectives of this project remain highly relevant. However, we believe that the framework within which this support is provided needs to demonstrate a more comprehensive and market orientated approach and this is reflected in our recommendations.

Summary of Recommendations

Recommendations emerging from the analysis conducted are divided into three sections: recommendations directed at UNIDO, the Government of Tanzania and the donor. Recommendations are offered in greater detail and numbered for ease of reference in Section VII of the report.

UNIDO

Future projects should include stakeholder analysis, service provider mapping, re-casting of the programme logic during inception, a monitoring and evaluation plan, a base-line or bench-marking activity, and an exit strategy.

Competences, responsibilities and accountabilities of all involved in project management (including governance bodies) for such projects should be clearly defined in project documents. It is recommended that future project should incorporate an inception phase which should include *inter alia*: extensive stakeholder analysis and review of all aspects of the project framework.

For UNIDO staff, a re-emphasis on the importance of the logical framework as a core management tool is needed. As part of this the Inception Report and Mid-term Reviews should be considered mandatory for projects of this size. It is recommended that UNIDO line management rigidly enforce the timely implementation of project mid term reviews in future interventions.

UNIDO budgeting and accounting systems should allow management by results and be transparent to all project implementation partners. It is recommended that UNIDO implement a management by results based accounting system.

A more elaborate and multi-tiered governance structure should be considered for this type of multi-stakeholder and partner project. In particular, separate bodies for strategic guidance and networking and day-to-day and coordination purposes might be advised. It is recommended that the project governance structure include distinct bodies with the following functions: strategic management, day-to-day management and stakeholder liaison.

A mechanism needs to be agreed upon project partners on how changes to project content at the level of outputs, outcomes and objectives is agreed so that decisions at this level are transparent. It is recommended that all changes to the project

implementation logic be recorded in the project logical frameworks and formally adopted by project partners.

SMTQ projects are complex, multi-faceted and face unique evaluation challenges, particularly in measuring impact. To address this issue UNIDO should consider developing a delivery manual for SMTQ projects in general as a bench-mark for future project delivery and to ensure a uniform methodology. It is recommended that UNIDO develop a delivery manual for SMTQ projects.

UNIDO should consider how to reposition itself in order to respond to or even capitalize on donors increasingly shifting towards new modes of aid delivery, such as budget support, basket funding and Sector Wide Approaches, which are mainly implemented through a form of national execution. UNIDO might consider initially applying a form of “mixed execution”, whereas international expert input and maybe provision of highly specialized equipment would still be delivered by UNIDO, but other services subcontracted to a local counterpart. It is recommended that UNIDO develop a strategy paper proposing suitable responses to new modes of aid delivery, such as Sector Wide Approaches, for SMTQ projects.

Where Technical Assistance (TA) is provided in development projects it should be “embedded” in the partner organisation to maximise capacity building impact.

It is recommended that the project reviews its procurement activity to date and elaborate a plan to ensure that all planned procurement, installation and training is completed. Some of the procurement problems (missing parts, missing manuals, or missing equipment such as the roller-weights) should be resolved before the project closes.

It is recommended that UNIDO prepare a brief code of conduct for study tours with guidance on the circumstances under which it is appropriate for UNIDO staff to attend.

Consideration of greater involvement of partners in procurement is recommended. For example, it is recommended that repair and maintenance units be involved in the definition of specifications of equipment to ensure that the capacity to repair exists *ex ante* or will be developed during the project. Copies of all manuals, warranties, guarantees, service agreements and so forth must be shared with recipients of equipment immediately after procurement. It is recommended that future SMTQ projects include repair and maintenance staff in all aspects of procurement and that, where feasible, ease of maintenance and repair takes precedent over cost.

The demand side of National Quality Systems was addressed by this project in a novel way through development of teachers’ manuals for hygiene and food safety. UNIDO should consider promoting innovation in the areas of consumer and private sector rights and awareness. It is recommended that future SMTQ projects incorporate elements of strengthening the awareness and application of Consumer Rights and

promoting awareness of the importance of quality standards among the target population *in total*.

UNIDO could consider further strengthening its competencies in *coordinating* the three elements necessary to promote exports that are compliant with international standards (“compete”, “comply” and “connect” – the so-called “three C’s”). It is recommended that UNIDO develop a concept paper outlining how the organisation might coordinate the three C’s.

Government of Tanzania

Conflicts of interest and overlapping roles and responsibilities within the Tanzanian National Quality System need to be resolved. Specifically, misunderstandings between TFDA and TBS need to be addressed. The Government of Tanzania should take action to resolve issues of demarcation of responsibilities for key institutions in the National Quality System.

Additional investment is needed if the NQS in Tanzania is to comply with international standards and meet the needs of the population. This objective merits investment by Government of Tanzania in building core competencies as a national priority. More and longer-term investment will be needed by Government of Tanzania to raise Tanzania’s competence in SMTQ to meet international standards.

The Tanzanian NQS needs to re-orientate itself towards meeting the needs of the private sector rather than regulation of the domestic market. Whilst there is no single accepted perfect solution to supplying competencies, it is widely agreed that bodies such as the TBS should be given greater autonomy and have more involvement of the private sector in their governance. It is recommended that Government of Tanzania give more autonomy to TBS.

In order to receive roller-weights for the calibration of large scales suitable premises is needed to maintain the integrity of the weights. The Government of Tanzania through the WMA should construct suitable premises for roller-weights as the current location threatens the credibility of the weights.

Donor

The Evaluation Team does not recommend continuation of this project under a second phase in its current form.

However, further support to development of a NQS for Tanzania is needed and should be closely aligned to the TTIS framework. This recommendation reflects the view of the Evaluation Team that support of Quality infrastructure is needed, and would be more efficient and effective, if delivered system-wide rather than through a specific Tanzanian agency such as the TBS. This would promote a more collegiate approach to addressing the needs of Tanzania in quality systems going forward.

Efforts to address the in-country demand side of quality were a potentially valuable element of this project. Aspects of consumer rights/consumer protection should become an integral part of future trade capacity building projects.

The roles and responsibilities of cooperation offices in partner countries (COOFs) in this project were not very clearly defined. It is recommended that roles and responsibilities of COOFs should be clearly defined. Areas where COOFs could add value are in the field of donor coordination, coordination among SECO projects, actively participating in project meetings and monitoring (representing SECO as a client).

An integrated approach to Trade Capacity Building was attempted but without particular success. It is recommended that SECO consider using an “umbrella approach” for trade capacity building instead of individual projects for each area. Technical assistance could be delivered through one project covering “comply, connect, and compete” aspects coordinated by UNIDO, which for “connect” aspects could call on other specialist multilateral agencies (e.g. UNCTAD and ITC).

Linkages with Swiss organizations in the field of SMTQ should not be listed under project outputs, since this may create misunderstandings. If such linkages are intended, they should be formalized prior to the start of the project. It is recommended that in future where Swiss suppliers or institutions are mentioned in project documents their potential roles and responsibilities should be made explicit.

A key difficulty in implementing and evaluating this project relates to design issues such as inadequate objectively verifiable indicators and risks. We would recommend that SECO work more closely in future with implementing organisations such as UNIDO, to make sure that projects do not fail due to design or procedural risks that can easily be identified and addressed.

<p><u>Project strengths</u></p>	<p>General approach to formulation appropriate</p> <p>Highly relevant</p> <p>Focus on accreditation</p> <p>Good technical advice</p>
<p><u>Project weaknesses</u></p>	<p>Poor project cycle management</p> <p>Weak stakeholder analysis and needs assessment</p> <p>Insufficiently systematic approach</p> <p>Key elements of NQS omitted from implementation</p>

Introduction

A. Background

The project “Trade Capacity – Building: Enhancing the Capacities of the Tanzanian Quality Infrastructure and TBS/SPS Compliance Systems for Trade” funded by the Swiss State Secretariat for Economic Affairs (SECO) aimed at “facilitating industrial development and export capabilities (and consequently spurring economic growth and employment opportunities) by reducing technical barriers to trade through the strengthening of standards, metrology, testing, quality and conformity assessment institutional structures and national capacities”

This development objective was divided into the following three immediate objectives:

- 1) Metrology/calibration/testing capacity of the Tanzanian Bureau of Standards (TBS) strengthened and recognized internationally
- 2) Strengthening national institutions for conformity assessment (including certification and inspection)
- 3) Improving Tanzanian quality chain for testing and certification for export

Expected outputs relating to objective (1) included:

- 1i. TBS in a position to provide calibration services (traceable to international standards) to industry/exporters and meeting the needs of the country in all the metrology fields)
- 1ii. Establish a TBS mobile calibration facility
- 1iii. TBS electronic/mechanical repair facility established

Expected outputs relating to objective (2) included:

- 2i. TBS developed as quality system certifier (ISO 9000, ISO 14000, HACCP (ISO 22000), traceability, EUREPGAP...) as well as in the implementation of product standards with the emphasis on exporters’ requirements to access foreign markets

Expected outputs relating to objective (3) included:

3i. Assessment and streamlining quality chains for export of coffee and cashew nuts

The project initially received overall funding of US\$ 2,000,000 (including project support cost), which was subsequently topped up by US\$ 200,000 (including project support cost) to account for exchange rate losses between EURO and the USD. It started in January 2006 and is expected to finish in December 2008.

A planned tri-partite mid-term review by the Government of Tanzania (Government of Tanzania), SECO and the United Nations Industrial Development Organisation (UNIDO) was not conducted.

The main counterpart and direct beneficiary is TBS under the Ministry of Industry, Trade and Marketing (MITM). Other beneficiaries included the Ministry of Education and Vocational Training (MoEVT) (originally not planned), the Tanzania Coffee Board (TCB), the Tanganyika Coffee Curing Company Ltd (TCCCO), the Weights and Measurement Agency (WMA), the Tanzania Industrial Research and Development Organization (TIRDO). The Tanzania Food and Drugs Authority (TFDA) under the Ministry of Health, regulatory agency responsible for the enforcement of the food quality law, as well as the Tropical Pesticides Research Institute (TPRI), responsible to issue phytosanitary certificates for exported products, have only marginally benefited from the project.

UNIDO's history of cooperation with the TBS started in 1999. Initial support included the provision of equipment and capacity building within TBS as well as support to value and quality chains of agro-based industries, such as sisal, leather and fish. In the context of the Regional Programme on Harmonization of Food Control Systems in East Africa, UNIDO carried out an assessment of the Food Control System in Tanzania in 2003. In 2004/2005, two technical missions on TBS and Standards, Metrology, Testing and Quality (SMTQ) matters were conducted, covering metrology and testing laboratories.

B. Purpose and methodology of this evaluation

This independent final evaluation was carried out by an evaluation team composed of an external evaluator contracted by SECO (Ben Bennett), an external evaluator contracted by UNIDO (Daniel Keller) and a national evaluator (Godwill Wanga). None of the three evaluation consultants were involved into the design or implementation of the project.

The evaluation was based on the Terms of Reference (enclosed in Annex A, including an extensive list of "guiding questions") and the UN Evaluation Norms and Standards¹. The main purpose of this specific evaluation was to enable the Government of Tanzania, UNIDO and SECO:

- i. To assess the relevance and needs orientation of the project

¹ United Nations Evaluation Group (UNEG), Norms and Standards for Evaluations in the UN System, April 29, 2005

- ii. To assess the ownership of stakeholders in the project and its outcomes
- iii. To assess the efficiency of implementation: quantity, quality, cost and timeliness of UNIDO and counterpart inputs and activities
- iv. To assess the outputs produced and outcomes achieved as compared to those planned and to verify prospects for development impact
- v. To provide an analytical basis and recommendations for the focus and (re) design for the possible continuation of the programme
- vi. Draw lessons of wider application for the replication of the experience gained in this project in other projects/countries

The evaluators received a briefing at UNIDO headquarters by the Evaluation Group, the Project Managers and the Director of the Trade Capacity Building Branch. Debriefings with presentation of main findings, conclusions and recommendations were held in Dar es Salaam (main counterparts, including Government of Tanzania Ministries, Departments and Agencies, UNIDO Office and the Swiss Coordination Office), Vienna (UNIDO) and Berne (SECO). UNIDO provided systematic feed-back after the mission.

The evaluation team reviewed a number of background papers of policy, programmatic and project related nature (see list of documents included in Annex B) and applied an interactive, participatory approach, based on meetings and interviews with stakeholders (counterparts, sample of beneficiaries, both representatives of the UNIDO country office and UNIDO headquarters).

Field visits were carried out in Dar es Salaam, Moshi, and Arusha, including meetings with most major donors of projects in relating areas, beneficiaries, stakeholders and two enterprises. In addition, the evaluators developed and supervised a survey to be conducted by the project among Tanzanian enterprises.

All discussions with stakeholders during the field visit were open and constructive. Answers given were precise, clear and consistent in regards to major findings. Everyone interviewed was willing to proactively provide the evaluation team with relevant information.

The field mission concluded with a feed-back meeting in Dar es Salaam on 25 September 2008 in order to present preliminary findings, conclusions, recommendations and lessons learnt to the UNIDO Office, the Embassy of Switzerland and representatives from various stakeholders and provide an opportunity for the counterparts to make comments. The list of persons and organizations met is attached in Annex C. A debriefing meeting was conducted in Vienna on September 26, 2008. On October 9, 2008, a presentation was also made to SECO (Trade Cooperation). The mission received endorsement regarding all key findings, conclusions, recommendations and lessons learned.

During the time of the field visit, some activities of the project were still under implementation.

Limitations

Limitations to this evaluation included:

Most of the relevant documents were only received in the course of the field mission and some of the key documents became only available at the end of the second week after all meetings had been conducted, and could therefore not be studied in advance. The enterprise survey provided qualitative insight but the sample and the response rate were too small for statistical significance.

As the project document does not clearly define expected outcomes and impact, it was a challenge to the evaluation team to assess outcomes against expectations. While the budget presented in the project document does link UN budget lines to main objectives, it is not broken down to individual outputs and activities. The same is true for financial reporting. An assessment of efficiency (value for money) in regards to individual outputs and activities is therefore not possible. Despite these limitations, the factual information obtained during the mission provided sufficient evidence for evaluating the issues to be addressed under the Terms of Reference.



Country and Project Context

A. Country context

Despite an impressive macroeconomic performance with an annual average Gross Domestic Product (GDP) growth rate of around 6% over the last decade supported by low and relatively stable inflation, Tanzania remains one of the world's least developed countries. Per capita income in 2004 was US\$ 302 and in 2003, the country ranked 164th out of 177 countries in the United Nations Development Programme (UNDP) Human Development Index.

About 36% of the population lives below the poverty line. Agriculture is the mainstay of the economy, accounting for 46.4% of the GDP and employing 82% of its workforce. Services (mainly tourism, public administration, financial services) and industry contribute 35% respectively 9.2% to the GDP. Export earnings for the past decade totalled US\$928 million in average, while imports amounted to US\$1,887 million, resulting in a persistent trade deficit.

In terms of ease of doing business Tanzania is ranked 121st out of 181 countries by the World Bank (2008). This is behind key competitors such as Kenya (82nd) and Uganda (111th). In terms of trading across borders, Tanzania ranked 103rd. These ranking suggest that Tanzania is relatively difficult place to do business and to trade from and to.

B. Project context

Globalisation and related trade liberalisation provide developing countries with an opportunity to capitalize on the growing global trade. Global trade in high value food products has significantly expanded over the last decades, benefiting from comparatively low and declining tariff barriers. However, exporting countries face a myriad of food safety and agricultural health standards they are required to comply with. Both official and private² sanitary and phytosanitary standards continue to evolve internationally, nationally and within individual supply chains. In cognisance of potential non-tariff barriers to trade, the WTO has instituted special agreements on Sanitary and phytosanitary (SPS) measures and on Technical Barriers to Trade (TBT).

² For example Global GAP, this is now required by all major buyers in Europe and the U.S., and also includes a set of social standards.

Effective market access depends on the reduction or elimination of barriers to trade, including Non-Tariff Barriers. Standards, technical regulations and Sanitary and Phyto-Sanitary Measures (SPS) have become main obstacles to the free flow of industrial goods and agricultural products.

Without an adequate quality and testing infrastructure, Tanzania, as an agro-based economy, forfeits to capitalize on its most abundant resources and take advantage of its preferential access³ to major export markets such as the U.S. and Europe. This translates into a considerable loss of potential export revenues and opportunities to create labour and reduce poverty.

Tanzania's SMTQ system involves multiple actors:

The Tanzanian Bureau of Standards (TBS)

TBS was established under the Standards Act (1977) as the apex SMTQ body in Tanzania, covering a wide range of functions, including standards development, metrology, product testing, certification, inspection, training and advisory services.

TBS is a public institution under MITM with a certain degree of financial and organizational independence. Around 70% of internal revenues are generated by fees for various services, the majority by fees for mandatory inspection (including motor vehicle inspection). TBS may use income generated by both its public functions and private service provision. Salaries of employees are covered by the State Budget. TBS is supervised by a Board of Directors with a three-year term appointed by the MITM⁴, consisting of eight representatives of various stakeholders, including the government, academia and the private sector. Its main responsibilities include⁵:

- **Preparation of national standards:** TBS coordinates 100 technical committees, which draft national standards in various areas, with representatives from relating government agencies, universities, and the industry. Most standards are adapted or adopted from the Codex or the International Standards Organization (ISO). Most of the around 1'500 standards (as per August 2008) are compulsory⁶. TBS is also a member of ISO.
- **In the field of metrology,** the TBS is the custodian of the national measurement standards and also provides a number of services in the area of metrology (including calibration of equipment).
- **Product and systems certification:** TBS issues a (voluntary) "Mark of Quality" and undertakes compulsory inspection for imported and exported goods. It also provides for certification with ISO quality management systems (ISO 9000, ISO 14000), although TBS is not internationally accredited and those certificates are therefore of limited value for enterprises.

³ Mainly the EU „Everything but Arms“-Initiative and the US „Africa Growth and Opportunities Act“.

⁴ The Chairman of the Board of Directors is appointed by the President of Tanzania

⁵ All information based on interview with Tanzania Coffee Board (TCB)

⁶ International good practice emphasizes on voluntary standards, except in areas with prevailing interests to safeguard public health, safety and security. Prevalence of compulsory standards is common for Least Developed Countries (LDCs) with fledgling consumer protection organisations.

- **Testing services:** TBS operates a total of 7 laboratories (including a laboratory for packaging, which is not yet operational). Two of the laboratories are certified to ISO 17025 by the South African National Accreditation Board (SANAS), for others, the certification is under preparation. The scope of certification is: mass, temperature, small volume and timers. Note that this achievement resulted from more than one UNIDO input and not just the project under evaluation.
- **Training and consulting services:** TBS undertakes training and consulting activities relating to SMTQ and is also active in public awareness rising on quality.
- **TBS is the National Inquiry Point for the SPS and TBT agreements and the focal point for the Codex Alimentarius Commission.**

A draft for a revised Standards Act aims at addressing possible conflict of interests (separating service provision and regulatory functions) and to provide TBS with more power to intervene in the case of infringements. Furthermore, the amended act would also clarify the responsibilities of different institutions in the field of SMTQ.

Institutions responsible for SPS certificates for exported products

Two separate entities are responsible for issuing phytosanitary certificates for exported products: The Plant Health Service (PHS) and the Tropical Pesticides Research Institute (TPRI) under the Ministry of Agriculture and Food and Cooperatives. Both institutions were not involved into the project (although the project document highlighted the need to include them⁷). Capacities of both institutions, both in terms of infrastructure and training of staff, are relatively weak. TPRI is responsible for approving agro-chemicals (effectiveness under Tanzanian conditions, workers health and safety, product labelling, etc.).

Tanzania Food and Drugs Authority (TFDA)

TFDA under the Ministry of Health became operational in 2003 and is the regulatory board to protect consumer health (food, drugs, cosmetics, medical devices), including for exported goods. Until recently the main function of TFDA was to register products and premises. As of 1 July 2008, TFDA opened a well-equipped laboratory in their new premises to ascertain the quality, safety and effectiveness of food, drugs, herbal drugs, cosmetics and medical devices manufactured or imported into Tanzania. International accreditation of the laboratory is under preparation. Involvement of TFDA into the project was marginal.

⁷ Instead, the project worked with the Ministry of Agriculture, Food and Cooperatives, Directorate of Food Security, which participated in a study visits to Uganda and Egypt on Traceability.

Weights and Measures Agency (WMA)

WMA established in 1999 with one laboratory in Dar es Salaam and 25 regional offices all over the country, is responsible for fair trade transactions and protecting consumer's rights by certifying weights and measures. Overall, WMA employs 150 inspectors. It is responsible for legal metrology. Besides inspection, WMA also provides calibration services. Main constraints of WMA are a lack of working equipment in the regional offices, including means of transportation. WMA is competent to issue administrative sanctions for violations. WMA received equipment and training under the project.

Accreditation Body

Tanzania does not have a national accreditation body. However, Tanzania is a member of both the Southern African Development Community (SADC) and East African Community (EAC) both of which are considering a regional solution to national accreditation issues.⁸

C. Donor coordination

Both formal and informal donor coordination mechanisms for interventions in the area of SMTQ are in place. Besides TTIS under preparation, the "One UN" Programme attempts for formal coordination among the different UN-agencies in Tanzania. However, it became unclear whether activities under the regional EAC SMTQ project funded by NORAD were included. There is also evidence of regular informal contacts among different donors, evidenced by all donors interviewed being well informed about other donor's activities. The TTIS Framework Programme currently under preparation undertakes to coordinate all donor-funded activities relating to trade facilitation and promotion. TTIS will however only start after the end of this project.

Regional UNIDO EAC-Project funded by Norway (2007 – 2009)

Main expected outputs of the project "Trade Capacity Building in agro-industry products for the establishment and proof of compliance with international market requirements" include⁹:

- Trade assessment and identification of market requirements for main export products and markets (SPS, TBT, etc.)
- Survey on challenges faced by (potential) exporter and identification of options for the implementation of an early warning mechanism

⁸ Trade Capacity Building in agro-industry products for the establishment and proof of compliance with international market requirements in Uganda, Kenya and Tanzania funded by the Government of Norway ("output" 7: establishment of a regional accreditation body). However, the authors note that changes to this project design are proposed reflecting the need to extend the project to the two new EAC members, Burundi and Rwanda and that the regional accreditation body would no longer be an output under this revised formulation.

⁹ Source: Programme document, interview with Project Office in Arusha. Only planned outputs directly relating to Tanzania are listed.

- Detailed mapping of trade-related technical assistance activities to the three participating countries and identification of missing links and gaps for effective trade participation and regional division of labour in trade support services
- Awareness rising on retailer standards, such as British Retail Consortium (BRC), EUREPGAP, traceability and new international standards relating to food safety such as ISO 22000. Awareness raising seminars in all member countries, pilot compliance exercises
- Completion of national food safety legal, regulatory frameworks and upgrading of respective authorities in the perspective of a regional holistic food safety policy and strategy
- Awareness raising on food safety/standards/quality issues for local consumer safety and compliance with international market requirements
- Introduction of national/regional traceability scheme including training of trainers, proposal for certification scheme
- Upgrading laboratories in EAC states towards their accreditation

The project is apparently at the very initial stage of implementation and it is unlikely that activities will overlap with the ones under the UNIDO/SECO project¹⁰.

UNIDO's planned contribution to the One-UN Joint Programme 1 (Wealth Creation, Employment & Economic Empowerment)

Relating to Trade Capacity Building include the following elements¹¹

- Undertake an assessment (mapping) of public and private laboratories at national and local level to establish the current quality infrastructure capacities;
- Conduct a baseline sample survey of quality/safety of products from selected pilot subsectors and laboratories inter-comparisons;
- Support quality infrastructure improvement plans for public and private service providers for safety, quality and standard compliance services (including equipment);
- Laboratory upgrades and capacity building;
- Training of trainers on value chain upgrading and trade facilitation through compliance to safety, quality and standards (Good Agricultural Practices, Good Manufacturing Practices, HACCP/ISO 22000);
- Select and introduce quality compliance and demonstration systems in 10 pilot cluster enterprises in selected value chains; and,
- Capacity building in extension services for local exporters (in the field of TBT/SPS).

¹⁰ Information provided during interview with Regional Project Coordinator on 16th September and from project document.

¹¹Information provided by UNDP Office in Dar es Salaam and Draft Programme Document September 2007 – December 2008, dated March 26, 2008. UNIDO contributions in the area of TBT are listed under output 3 of the programme “increased and equitable opportunities for decent work and rural livelihoods with improvement in agro-productivity, product quality and market access. For Tanzania, UNIDO apparently intends to mainly focus on capacity building in extension services for local exporters.

It is planned to pilot those national level interventions in Lindi and Mtwara Regions. The programme is still in its initial stage of implementation and there was no overlap with activities with the project covered by this evaluation.

Denmark (DANIDA)

Provided under its Business Support Programme II (Component 2) support to improved market access, including:

- Support to laboratory accreditation within TBS;
- Support to effective participation in international standard setting;
- Training of consultants/auditors in traceability systems;
- Training in packaging systems, upgrading of the packaging testing centre within TBS; and,
- Support to implementation of ISO 9000 within TBS and training in internal auditing;

All activities have been completed by the end of 2007 and apparently, no further support to TBS in this area is planned. Under the currently ongoing Business Sector Programme Support (BSPS) III (2008 – 2011), DANIDA provided a grant to a cluster of 16 private auditors to obtain certification in the area of traceability. DANIDA confirmed regular contacts with the local UNIDO Office. While it was not possible to validate this in details, the evaluators received assurance that all activities were well coordinated and resulted in synergies rather than duplication.

The European Union

The EU provides ongoing support to developing SMTQ infrastructure in the Southern African Development Community (SADC) region, under a programme to be implemented from 2006 – 2011 with a total budget of US\$ 17 million. Details on country allocation and specific activities were not available. Furthermore, EU trade support covering SPS/TBT issues plans to address supply side constraints under the Trade Agricultural Support Programme (TASP II), which will focus on improving tea/coffee quality and make an ex-ante value chain assessment for future support to other commodities. The EU Regional Integration Support Programme (RISP) also covers some aspects of SPS/TBT on regional level. Again, specific documents were not yet available to the evaluators.

Sweden (Sida)

Under a US\$ 14 million programme implemented from 2006 – 2010, Sida provides support to the Trade Policy Training Centre in Africa (TRAPCA), attached to the Eastern and Southern Africa Management Institute (ESAMI) in Arusha. In partnership with the University of Lund (Sweden), the centre provides vocational and academic training through Executive Masters Programmes in Trade Policy and shorter courses, seminars and workshops. The project is complementary to the project under evaluation.

Tanzania Trade Integration Strategy (TTIS) 2009 – 2013 Framework Programme

This programme – aimed at turning trade sector development into a true driver for economic development and poverty reduction - is currently at the planning stage. It is expected to be implemented through a basket fund (with sub-baskets) and bilateral funding. It appears that SECO is currently exploring participating in TTIS. Besides

support to Tanzania's capacity to manage trade policy, strategy and "aid for trade", the project envisages strengthening Tanzania's competitiveness in exporting goods and services. The TTIS logframe provides for a comprehensive set of intervention in the area of trade facilitation, including strengthening SMTQ. The estimated budget for this programme is US\$ 175 million, of which US\$ 22 million are budgeted for TCB. If any further intervention in the area of SMTQ is planned, it should be closely aligned to the TTIS and activities planned within this framework programme.

The Netherlands

As the only field of cooperation directly relating to TCB, the Netherlands provided limited assistance under the regional World Summit on Sustainable Development Programme (including Kenya, Uganda, Tanzania and Zambia) on Horticulture to horticulture producers in establishing traceability systems. TBS and TIRDO were not involved. The duration of the programme is from 2005 – 2009. This intervention seems complementary to the project.

Switzerland¹²

Switzerland's project portfolio relating to economic growth focuses on the following four main themes:

Improving livelihood of small rural producers by creating opportunities for them to increase their economic productivity and improve their access to domestic and international markets;

- Promoting trade and the improvement of the trade-related environment;
- Helping SMEs to start and expand their business;
- Providing technical assistance for the strengthening of macro-fiscal analysis and management in the Ministry of Finance and Economic Affairs (MoFEA).

The objectives of the UNIDO project were well aligned and complementary to the Swiss cooperation programme. The project document states "Synergies will be sought principally with the Specialty Coffee and Cashew Nuts project that SECO is supporting with Technoserve. It is expected that the present project will make a contribution to the Technoserve project in at least two areas: i) improving the quality chains; ii) enhancing metrology, testing and certification services." Subsequently not only Technoserve was a member of the National Steering Committee but also a member of the Working Group on Traceability in the Coffee Sector. The development of the Guidebook for farmers in the coffee sector was one of the examples of how the project complemented the activities of the Technoserve project which was supported by SECO.

D. Framework conditions in the area of SMTQ

The current National Quality System (NQS) is not yet fully coherent. There is currently no clear plan on developing a NQS. Conflicts of interests are still present, with TBS both acting as service provider and regulatory agency. Functions are not clearly attributed to private/public entities in a way that avoids potential conflict of interest. The distribution

¹² According to interview conducted with the Swiss COOF in Dar es Salaam and Brochure „Swiss Cooperation in Tanzania“

of responsibility for SPS among agencies is not entirely clear. A draft for a new law on quality is still under discussion. Pro-poor aspects of quality and standards are not yet mainstreamed. To some extent, the private sector is vocal with regard to NQS development through a more or less effective advocacy and policy dialogue through the Tanzania Chamber of Commerce and Industry Association (TCCIA) and the Tanzania Exporters Association (TANEXA). The actual impact on policy is however rather limited. No formal mechanisms for private sector governance are in place.



Project Planning

A. Identification

The project links well into the internationally agreed framework of Trade Related Technical Assistance (TRTA) and is thus in conformity with international development strategies, addressing issues relating Technical Barriers to Trade (TBT), and partly Sanitary and Phytosanitary Measures (SPS Agreement under WTO), it supports Tanzania's trade facilitation strategies and SMTQ policies.

Furthermore, the project matches perfectly into the operational mandate and the core competencies of UNIDO, which is to alleviate poverty and promote social advance, by supporting developing and transition countries to participate in the world production system by helping them to raise productivity and to develop competitive economies. Enhancing trade infrastructure, the reduction of trade barriers, introducing measures to increase competitiveness of products, promoting standards and quality labels are among the core areas of SECO's support to developing and transition countries to better integrate into the world economy.

The project collaborated with the appropriate institutional partners to cover TBT issues; however it did not include the government agencies directly responsible for SPS and domestic food safety.

A participative assessment of the needs of the main direct beneficiary (TBS) by UNIDO experts led to a high degree of relevance for this organization in specific areas. However, no needs assessment at the enterprise level was conducted.

B. Formulation

The project was designed as a comprehensive, inter-linked approach to promoting SMTQ, including strengthening the institutional side (Government of Tanzania) and the demand side (enterprises).

Despite the absence of a specific preparation phase¹³, the project document includes comprehensive, country-specific background information (e.g. principal industrial development issues, a broader analysis of the country's institutional and policy framework and the environmental context). It seems that at the design stage, areas of intervention of

¹³ Note that there had been previous UNIDO activities in SMTQ in Tanzania and these contributed towards project preparation by, for example, conducting pre-project assessments of the metrology laboratories.

other donors were carefully taken into consideration and areas of overlaps or duplications with initiatives funded by other donors seem to be marginal.

The project design is aligned with priorities of the TBS. There is however evidence that some important stakeholders, such as the TFDA (responsible for food safety) and the Ministry of Agriculture, Food and Cooperatives (MAFC) (responsible for SPS issues) were not included in the needs assessment. The same is true for the (apparently still fledgling) consumers' associations. It also seems that the private sector was not or only marginally consulted at the design stage. The evaluators found no sign that a systematic mapping of the NQS (including private SMTQ providers) had been conducted at the design stage¹⁴. The participatory needs assessment focused on TBT (part of the supply side) rather than on the demand side (exporters and manufacturers). The project rightly identified coffee and cashew nuts for improving sectoral quality chains, which are priority exports. For both products, SPS would be an important issue. In retrospective, it is therefore hard to understand why the agencies responsible for SPS issues were only marginally included (MAFC). Also, already existing capacities of the private sector were not duly taken into consideration. Pro-poor and gender orientation were not addressed in the document, however, the focus on creating favourable conditions for the export of agricultural products has potentially a higher and more immediate income generating impact in the most neediest rural areas than a focus on industrial production.

In-bound trade and protection of consumers against substandard products has been incorporated into the design (TFDA inspectors, WMA), although not in the project objectives.

The project document could have given more prominence to private product standards, such as EUREPGAP (or now Global Gap), which become increasingly important for exporters to markets in Europe and the United States.

There is an explicit reference in the project document that special attention would be given to facilitate transfer of know-how between Tanzanian and Swiss institutions dealing with standardization, training, certification, metrology, accreditation, packaging and import promotion. Paragraph 3.3 of the project explicitly mentions that relationships with the "Swiss Packaging Institute" will be established to facilitate TPC access to knowledge and good practices. The project document (3.1) also calls for linkages with foreign metrology institutions "such as the Swiss Federal Office of Metrology and Accreditation (METAS), Swiss Calibration Services (SCS) and Swiss Accreditation Services (SAS)". "Possible cooperation with internationally recognized National Bureau of Standards, such as with the Swiss Standardization Association" is included as part of output 2.1.3 of the project document. It is unclear whether this was to be understood as an element of tied aid (thus compulsory use of those institutions for consultancy services) or just a suggestion to include those institutions in a bidding process. Project management clearly understood this as an obligation. As it became clear that the cost of using Swiss suppliers would exceed the project budget, some activities (e.g. certification) of crucial importance for achieving project objectives were subsequently cancelled rather than looking for other possible service providers.

An explicit strategy on how to achieve sustainability of results and the expected impact at the end of the envisaged second phase was not included in the project document.

¹⁴ Planned to be conducted ex post as UNIDO contribution to the „One UN“ Programme and also under the regional UNIDO/EAC SMTQ Project funded by NORAD.

The project document included a logframe, although not in a state-of-the-art fashion. While outputs are linked to performance indicators (some of which are measurable, some not), expected outcomes and assumptions and risks relating to expected outcomes were not defined¹⁵. A number of indicators refer to activities that were not envisaged by the Government of Tanzania (e.g. private sector associations playing a key role in the management of the Packaging Centre of TBS, national certification body in place and functioning with adequate staff and skills with private sector associations playing a key role in the management of the National Certification Body).

The project document outlines a management structure but does not define the specific responsibilities, competences, accountabilities and human resources needed at the various levels (including the Steering Committee).

The budget is structured according to UNIDO-budget lines and budget lines are linked to outputs. A further breakdown to the activity level could have been envisaged as part of Result Based Management (RBM).

As a conclusion, the Project Document does not meet standard international practice for project plans¹⁶, in particular because the logical framework was not consistently applied. It should however be noted that, recognizing the importance of strengthening RBM for project formulation and project management, UNIDO and SECO have recently put significant efforts into improving the use of Project Cycle Management techniques in project management. These efforts are naturally not yet reflected in the formulation of this project.

¹⁵ Nb: Since the project was designed, new logical framework guidance has been issued by both UNIDO and SECO.

¹⁶ See for example SECO's manual on logical frameworks published on www.seco.admin.ch. Both the SECO's manual on logical frameworks, which is referred to in the Evaluation Report as well UNIDO's own RBM guidelines have been published in 2007. At the time of preparation, the project document was prepared in line with UNIDO Technical Guidelines and SECO's approved format to which the project document complied with.

IV

Project Implementation

This section describes the financial implementation, the management and the outputs of the project.

A. Financial implementation

The project budget and expenditures are shown in Table 1.

Table 1: Project budget and expenditures (US\$)

Output number	Title	Initial allocation (as per inception report of May 2006)	Actual expenditure and commitments as of September 2008	Balance (\$)
1.1	TBS in a position to provide calibration services (traceable to international standards) to the industry/exporters and meeting the needs of the country in all metrology fields	- ¹⁷	512,681.80	-
1.2	TBS mobile calibration facility established	-	304,306.67	-
1.3	TBS electronic/mechanical repair facility established	-	18,953.29	-
1.4	TBS Packaging Technology Centre (PTC) upgraded to cover consumer packaging	-	123,161.00	-
Sub-total 1		908,734.76	959,102.76	-50,368.00
2.1	TBS developed as a quality system certified (ISO 9000, ISO 14000, ISO 22000, traceability, EUREGAP) as well as in the implementation of product standards with emphasis on export requirements to access foreign markets	338,694.12	243,701.81	94,992.31
2.1.1	Capacity building for conformity	-	70,642.30	-

¹⁷ “-“ means no figures available

Output number	Title	Initial allocation (as per inception report of May 2006)	Actual expenditure and commitments as of September 2008	Balance (\$)
	assessment			
2.1.2	Capacity building for trade inspection	-	0	-
2.1.3	Management systems/product standards dissemination and certification capability acquisition	-	31,616.64	-
2.1.4	Pilot demonstration of projects to promote the adoption of management system standards in the selected sectors such as textile/RMG, agro food sectors	-	51,877.75	-
2.1.5	Awareness creation/promotion ¹⁸		89,565.12	
Sub-total 2		338,694.12	243,701.81	94,992.31
3.1	Assessment and streamlining quality chains for export of coffee and cashew nuts	184,571.20	188,972.23	-4,401.03
3.1.1	Baseline survey to assess level of quality and safety of selected products to determine hazard for consumption and compliance with market requirements	-	175,115.81	-
3.1.2	Evaluation and streamlining the quality chain of selected goods	-	13,856.42	-
Sub-total 3		184,571.20	188,972.23	-4,401.03
Sub-total 1 – 3		1,432,000.08	1,391,776.80	40,223.28
CTA, project staff, supervision by UNIDO and “visibility”		337,912.00	351,228.41	-13,316.41
Support costs (13%) ¹⁹		230,088.00	230,088.00	0
Total (before additional instalment)		2,000,000.08	1,973,093.24	26,906.84
Additional instalment		174,000.00	-	174,000.00
Additional instalment support costs (13%)		26,000.00	26,000.00	0
TOTAL (after additional instalment)		2,200,000.08	1,999,093.24	200,906.84

Source: Project Document and Project data

¹⁸ Nb: this is a new activity, not identified in the project document or inception report

¹⁹ Support costs taken from SECO/UNIDO project document plus an assumed 13% of the US\$200,000 “additional installment” from SECO.

The original project budget of US\$2,000,000 was increased in December 2007 by an additional instalment of US\$200,000 motivated by exchange rate losses.

According to the UNIDO the remaining funds are fully allocated to activities planned during the final three months of the project.

The financial management responded in good time to changing circumstances. However, as we shall see below, there have been a number of unplanned expenditures and reallocations of financial resources that, it could be argued, have led to the financial short-fall.

B. Management

The project counterpart in the Government of Tanzania was the Ministry of Industry, Trade and Marketing (MITM). The main implementing agent was the Tanzania Bureau of Standards (TBS), an executive agency of MITM. Other key government stakeholders who could have been involved are the Ministry of Livestock Development (MSL), the Ministry of Agriculture, Food and Cooperatives (notably the plant protection and competent authorities for phytosanitary matters) and the Ministry of Health and Social Welfare but, in practice, their roles in managing and directing the project were minimal.

UNIDO project management responsibilities were centralised in the UNIDO Trade Capacity Building Branch and lines of management authority and communication were clear. In retrospect, the decision of largely ignoring the certification objective might have been better addressed if the UNIDO department dealing with Sanitary and Phytosanitary Standards (SPS) had been included in the supervisory structure.

The project was directly managed from UNIDO Headquarters in Vienna. During project implementation the UNIDO project manager was changed once in January 2008. A part-time Chief Technical Advisor (CTA) was appointed to oversee project delivery and provide technical support.

From the Government of Tanzania (Government of Tanzania) side, a National Project Coordinator was provided. This official was released from his duties at the Tanzania Bureau of Standards (TBS) at the start of the project and received local consultancy fees from the project budget. The National Project Coordinator was changed once during the project with a break of one month in December 2007, when nobody was available for this task. The project paid for a full-time secretary who was a seconded TBS staff member.

Soon after project start the UNIDO Project Manager and the CTA decided that another locally hired international staff member was needed to ensure project delivery. Terms of Reference for an "International Consultant for promotion activities and networking" were drawn up and a local expatriate, who previously worked as an UN-volunteer, was hired and located in the UNIDO field office. As far as the evaluation team can ascertain, there was no open competition or interview for this post. We also note that the professional

qualifications of the post-holder are not related to the subject (e.g. SMTQ)²⁰. According to the Job Descriptions²¹, 20% of the time was dedicated to supporting the local UNIDO office in promotional activities. The evaluation team was informed that these promotional activities were related to the project.

There is no evidence that a full-time international consultant for public relations and curriculum development was indeed needed. Most of the activities in the job description were not foreseen in the project plan, such as “student’s promotion campaign” and “training for the tourism sector”. Other activities in the job description such as “introduction to HACCP standards for hotel and restaurant staff” were actually not performed. Although the decision to create this position was “noted” in the “minutes” of one Steering Committee Meeting, the Evaluation Team found no written evidence that this decision was fully shared by all project partners.

It is the view of the evaluation team that – contrary to the job description - the promotion and networking consultant has effectively ensured project delivery on the ground, releasing the National Project Co-ordinator, the CTA, the UNIDO project manager and the project secretary from much of the day -to-day burden of implementation. While this may have been an effective way of ensuring project delivery under the prevailing conditions in Tanzania, it has critically diminished ownership by Government of Tanzania as we shall discuss below.

The evaluation team recognizes that the “International Consultant for Promotion Activities and Networking” was hired in good faith and appreciates that UNIDO considers this approach the best way to ensure diligent project delivery. The evaluation team trusts that the discussion of this approach in the present report will contribute to further debate of implementation norms and adherence to project plans and, eventually, to improved implementation norms in future. In case it is recognized that junior local experts are required to ensure project delivery this should be included from the outset in future project designs.

The project document required annual reporting, a mid term review and a final evaluation. Actual reporting (identified by the evaluation team) is summarised in table 2 below. Most reporting was limited to outlining activity progress rather than reporting on results achieved against objectives.

²⁰ Though the post-holder’s fluency in Swahili and local knowledge was greatly appreciated.

²¹ Job Descriptions for International Consultant for Promotional Activities and Networking (2 January 2007 until 31 December 2008)

Table 2: Reports identified during the evaluation

Type of report/title	Frequency	Number found	Notes
Inception Report	Once at project start	1	Outlined activities but did not revisit project logic of OVIs
Monthly Progress Reports	Roughly every month up to July 2008	12	Reports activities. No financial reports.
Ad hoc "Progress" reports	Jan – Sept 2007 April – June 2007 Jan – March 2007	3	The progress report Jan-Sept 2007 was prepared to be presented to the planned Steering Committee meeting to be held on 4 th October 2008 and postponed to Feb 08 1 week prior to the meeting
Final Report	January 2008	1	Seems to be the terminal report of the National Project Coordinator
Annual report	Feb 2006 - Jan 2007 Feb 2007 – Jan 2008	2	Reports activities and financial expenditure separately

Source: UNIDO office Dar es Salaam

The range and content of these reports is worth noting. There seems to have been little clarity about what reports were required and how they should be used.

As it is common practice in the UNIDO reporting system, the reports do not provide links between results and expenditure. On request of the Evaluation Team, UNIDO prepared an additional report on expenditure by outputs (Table 1).

The involvement of Government of Tanzania and other stakeholders in the day-to-day management of the project and in key decisions (e.g. hiring the "International Consultant for Promotion Activities and Networking" and replacing the planned activities in the area of "strengthening national institutions for conformity assessment" by the development of food processing quality and safety teaching material) is not reported transparently and the evaluation team could not find a record of who made these decisions.

Management supervision and support from UNIDO HQ seems to have been sufficient. However, no mid-term review was undertaken as foreseen in the project document. Had this review been conducted, some of the problems identified during this evaluation might have been avoided.

C. Outputs

The outputs of a project are the sum of the resources used and the activities carried out. The projects financial resources are outlined above.

As a preliminary comment, there is variance between the documents that explain the logic and the actual progress, which makes evaluation challenging. Firstly, the project has several different logical frameworks. There was one in the original UNIDO project

proposal which included risks and Objectively Verifiable Indicators (OVIs). This was substantially changed in the agreed logical framework attached to the SECO/UNIDO signed project document of November 2005. A further iteration of the logical framework seems to have been included in the Project Inception report of May 2006, but without reference to any of the original indicators. Project annual progress reports make no reference to indicators whatsoever. For the purposes of this evaluation the team has decided to use the indicators in the SECO/UNIDO project document as the means of judging progress towards achieving the project objectives.

The physical resources included a Chief Technical Advisor (CTA), a National Project Coordinator, a Project Secretary and the International Consultant for Promotion Activities and Networking, acting as the local coordinator from UNIDO's side. In addition the project has a number of short term consultants, both local and international (see table 3). There was a bias in the use of consultancy resources toward the procurement of international consultant. This probably fairly reflects the highly specialised technical nature of the inputs. However, it seems that the payment for the International Consultant for Promotion Activities and Networking came from the International Consultancy budget line for Food Quality/Safety and this distorts the picture somewhat.

Table 3: List of short-term consultancies

Project objective	Expertise area	Length (person months)
<u>International consultancies</u>		
1	Metrology	2.7
	Preventive maintenance	1.3
	Packaging Centre	0.3
2	Standardisation	1.0
	Accreditation	0.3
	Certification	5.3
	Food Quality/Safety	15.0
3	HPLC	1.1
	Traceability	3.0
Total International Consultancies		30
<u>National consultancies</u>		
1	Preventive Maintenance	1
	Mobile calibration	1
2	Certification	2.4
	Food Quality/Safety	5.4
3	Value chain support	3
Total National Consultancies		12.8

Source: UNIDO records. Nb: The International and National Project Coordination Consultancies (CTA, NPC, and Project Secretary) are not included in this list.

A sample of key project outputs per objective is described in Table 4.

Table 4: Project outputs per objective

Objective	Indicator	Actual Output	Comments
1. TBS metrology/ calibration/ testing capacity strengthened and recognized internationally			
1.1 TBS in a position to provide calibration services to the industry/exporters and meeting the needs of the country in all the selected metrology fields	International accreditation for metrology system obtained	Metrology lab accredited for Mass, Temperature, Small volumes and Timers by SANAS in December 2006	Large mass, length, dimensions, pressure, force, large volumes, density, viscosity, temperature and electrical accreditation still needed
	Demand for metrology/calibration services increased	No evidence of project impact	Increase of 3 certificates per year from 2006 to 2008 (from 868 to 871)
	Increased revenue for TBS from metrology/calibration services	No figures supplied	No anecdotal evidence of increase due to project
	Number of exporters using TBS metrology/calibration services increased	No figures supplied	No evidence of substantial increase
	WMA operating satisfactorily and providing high-level services according to the code of conduct for inspection	No figures supplied	Some equipment supplied to WMA who are using it. Some equipment delivered without corresponding software, some of the planned training not provided. WMA needed roller weights and were not supplied as planned
1.2 TBS Mobile calibration facility established	Number of exporters using TBS mobile calibration services outside Dar es Salaam	Unit in place in Sept 2007 and operational in February 2008	There were many delays in procuring and commissioning this complex piece of equipment. Hence its use to date is limited
1.3 TBS electronic/mechanical repair facility established	Reduction in lab equipment break-down and reduction in repair time	Training in preventive maintenance was conducted and preventive maintenance plan draft undertaken	No data on break-down and repair time collected. Some pieces of equipment not working during evaluation
1.4 TBS Packaging Centre upgraded to cover consumer packaging	Number of exporters using TBS packaging services increasing	None	Packaging Centre not yet operational
	Number of exporters improving their market access and meeting international market requirements thanks to better packaging	None	Packaging Centre not yet operational

Objective	Indicator	Actual Output	Comments
	Packaging Centre showing tangible progress in achievement of financial self-sustainability	n/a	Packaging Centre not yet operational
	Private sector associations playing a key role in the management of the Packaging Centre	n/a	Packaging Centre not yet operational
2. Strengthening national institutions for Conformity Assessment			
2.1 TBS developed as quality system certifier (ISO 9000, ISO 14000, HACCP, ISO 22000, traceability, EUREPGAP...) as well as in the implementation of product standards with emphasis on exporters requirements to access foreign markets	National Certification Body in place and functioning with adequate staff and skills	Not done – TBS has been functioning as a quality system certifier but is not accredited. The project, in cooperation with 2 other UNIDO projects, has trained auditors and lead auditors both in TBS and also from TFDA on ISO 22000 Food Safety Management Systems Standard. The awaited new SMTQ act is needed to fulfil this objective	Activity to gain accreditation for ISO 9000, 14000 and 22000 initiated
	Private sector associations playing a key role in the management of NCB	Not done	
	NCB showing tangible progress in the achievement of financial self-sustainability	Not done	
	International accreditation obtained [for NCB]	Not done	
	Strong demand for the services of the NCB	n/a	
	More companies able to implement quality systems and obtain certification	9 companies were selected through a national advertisement and were trained on ISO 22000, followed by in-situ gap analysis in each company. One company has already received certification, having benefited from the gap analysis and technical advice. Two others have received a further internal auditor training in July,	

Objective	Indicator	Actual Output	Comments
		followed by factory floor staff training by SIDO in September and audit in April and October 2008. The two companies should be ready for certification early 2009	
	Enhanced compliance of exporters to market requirements	None	
	Reduction of quality problems, rejects and barriers to trade	No figures supplied	
	Export inspection system upgraded	Not done	
3. Improving Tanzanian Quality Chain for Testing and Certification for Export			
3.1 Assessment and streamlining quality chains for export of coffee and cashew nuts	Coffee and cashew producers using the services of TBS in terms of metrology, packaging and management systems along the quality chain	Limited due to late commissioning of Aflatoxin testing equipment	Some metrology services used
	Better coordination and repartition of tasks between TBS, TFDA and TPRI	No	Objective failed
	TBS playing a greater [role?] in the quality chain control through increased services in this area	Limited evidence of progress	The preparation of the Guidebook for coffee farmers and the development of the Food Safety Manual are considered contributions towards this objective
	Streamlining the Tanzanian quality chain system	Study tour to Egypt conducted. Pilot electronic traceability system initiated and tested	

Source: various project documents and interviews

Table 4 illustrates a particular problem in the formulation and subsequent use of the project logical framework in this case, i.e. the confusion between outputs and outcomes in the logical framework. In theory, project outputs result in an outcome.

New laws, for example, are not an output of the project, as their enactment is the responsibility of the Government. The project is not in a position to pass laws. Therefore, they are beyond the immediate control of the project. Ideally, this design problem should have been noticed and corrected early-on during project implementation.

It should be noted that this confusion in the project design between ‘outputs’ and ‘outcomes’ is also problematic for the evaluation of the project. This is because it makes the logical thread of relationships between Objectives, Outputs and Inputs hard to maintain. One effect of this is that the reader may find that the analysis below under ‘effectiveness’ and ‘efficiency’ is somewhat arbitrary since the authors have had to assess the effectiveness and efficiency of ‘Outcomes’ rather than ‘Outputs’.

Notwithstanding the weak quality of the OVI in the project document, the Evaluation Team concludes from this analysis that only a limited number of planned outputs were achieved or will be achieved during the remaining project period. A number of outputs have been shifted from one objective to another (e.g. some aspects of certification have been funded under objective 3), others have been added (e.g. food quality and safety teaching manual for schools). Some key outputs expected and needed to attain the project overall objective have been ignored. In this regard the development of a National Certification Body and the limited progress towards attainment of the necessary capacity for inspection and packaging testing are of concern. However, notwithstanding the above, the Evaluation Team would like to observe that a) the project did manage to largely achieve its objectives in the field of metrology; and b) any progress towards such ambitious objectives in such a short period of time under the constraints of the given developmental context is highly laudable.

There has been a considerable amount of capacity building done under the project, mostly through short-term training inputs by international consultants, but also through the means of study tours. The project delivered 172 training days through 14 consultancies. Four study tours were commissioned to Egypt, Switzerland, Tunisia²² and Uganda. The project commissioned a total of 14 short-term consultancies in various technical specialisations (see table 3 above).

The project also developed pilot material for secondary school teachers (integrating food quality and safety into courses for home economics and biology students).

The project has invested heavily in equipment, particularly laboratory equipment and associated software and commissioning expenses. A comprehensive list was supplied to the Evaluation Team. The main locations of this equipment are a) the TBS physical metrology laboratory, b) the TBS packaging testing unit and c) various TBS testing laboratories. Some computer equipment was also supplied to those involved in the traceability pilot scheme. A substantial investment was made in a mobile metrology laboratory. Some metrology equipment was also supplied to the WMA.

²² According to information provided by UNIDO following the presentation of initial findings, conclusions and recommendations. This Study Tour was not mentioned in any of the reports seen by the Evaluation Team.

V

Assessment

The assessment is based on the analysis carried out in chapter II, IV and V and includes the following aspects: relevance, ownership, efficiency, effectiveness and sustainability.

With exception of some areas of physical metrology, where international accreditation is now available, the project will not achieve its immediate objectives and therefore will fail to have any impact on its development objective of facilitating industrial development and export capabilities by reducing technical barriers to trade through strengthening of standards, metrology, testing, quality and conformity assessment institutional structures and national capacities.

In particular, the Evaluation Team considers that the failure of the project to identify the inter-departmental problems between the TBS and other service providers in the SPS/TBT sector (e.g. TFDA, TPRI, MAFSC, MLD etc) and to develop mitigating measures has been a major flaw.

In order to achieve the development objective many of the originally planned activities which were either not done or whose resources were re-aligned will still need to be completed.

Insufficient mechanisms were put in place to allow ex-post assessment of the impact of this project.

A. Relevance

Relevance to Tanzania

The project is well aligned to the country's main policies and strategies, including:

- **Tanzania's Vision 2025** is the blue print for sustained economic and social development, postulating eradication of abject poverty by 2025 and attained the level of a middle-income country. It envisages building a well diversified economy that is regionally and globally competitive.
- **The National Strategy for Growth and Reduction of Poverty (MKUKUTA 2005 – 2010)** is a medium term framework translating the vision into objectives. Its cluster 1 (achieving poverty reduction through equitable and sustainable growth) aims at the development of competitive productive sectors (in particular agriculture) and strengthening the role of the private sector, in particular SMEs.

- **Tanzania's Trade Policy 2003** aims at poverty reduction by developing a competitive and export lead economy through trade liberalization and investment promotion.
- The **Sustainable Industrial Development Policy** (SIDP 1996 – 2020) has as its major objective to transform the current rural-based into a vibrant semi-industrialized economy. This includes enhancing efficiency and competitiveness of production.
- The **Tanzania Trade Integration Strategy** (TTIS) has as its main objective to increase Tanzania's exports in order to contribute to economic growth, poverty reduction, and improvement of social and economic wellbeing of the people.
- The **Export Development Strategy (2007)** confirms the importance of the export sectors defined in the Diagnostic Trade Integration Study 2005, in which coffee and cashew nuts were included.
- **Relevance to the Corporate Strategy and Plan for TBS:** The project was highly relevant to the objectives defined in the strategy of TBS, in particular the Corporate Plan 2001/2002 – 2003/2004 and remained relevant to the TBS Corporate Plan for the period 2007/2008 – 2008/2010²³. This Corporate Plan is an excellent example of a good strategy paper for an SMTQ office.

Overall, the objectives of the project are highly relevant to policy documents of the Government of Tanzania. This was also confirmed during all interviews the mission had conducted.

Beyond this, an adequate metrology and quality infrastructure also contribute significantly to poverty alleviation through fostering *domestic* trade in Tanzania. Without a well developed testing and metrology infrastructure, Tanzania risks to be turned into a dumping ground for substandard and even hazardous imports from other countries as well as for domestically produced goods of low quality. The already limited purchasing power of the poor is further exploited. Sub standard goods circulating in the domestic market jeopardize health of the population, especially the poor.

Relevance to the national legal framework

The objectives of the project were relevant and in line with the following legal documents:

- The Standards Act (1975) (amendments currently under consideration);
- Tanzania Food, Drugs and Cosmetic Act, 2003, for establishing one independent agency outside the Ministry – the Tanzania Food and Drug Authority (TFDA) being responsible for food and drug matters;
- The Animal Disease Ordinance Act (2003) under the Ministry of Water and Livestock Development cover all aspects of animal health protection in the country;
- The Plant Protection Act (1997) under the Ministry of Agriculture and Food security, which provides for plant health regulations; and,
- The East African Community Standardisation, Quality Assurance, Metrology and Testing Act (2006).

It should be noted that activities of the project only marginally addressed SPS issues and the sector focus did not address issues relating to animal health.

²³ Objectives defined in Section 3, „Corporate Plan Objectives“

Relevance to Target Groups

The objectives of the project were highly relevant to all counterparts and beneficiaries. The project was highly relevant for *exporting* enterprises (indirect beneficiaries), consumer organizations and other stakeholders. Access to high precision metrology and testing facilities that provide accurate and internationally recognized services and the implementation of QMS contribute to quality and efficiency improvements and hence to increased international competitiveness²⁴.

Overall, the Project has been and is of high ongoing relevance for the Government of Tanzania, the direct counterpart (TBS), enterprises, consumers and to the people of Tanzania overall. It is also highly relevant to the donor, UNIDO and overarching international objectives, such as the MDGs.

Relevance to the Millennium Development Goals

The overall objective of the project indirectly contributes to the achievement of the Millennium Development Goal 1 (Eradicate extreme poverty and hunger) by creating more jobs and revenues through facilitating export-oriented development. It also directly supports MDG 8 - developing partnership for development – by improving the access of Tanzania to new markets and creates a level-playing field in international trade.²⁵

Relevance to UNDAF

The project is relevant to the UNDAF 2007 – 2010, namely to UNDAF objective (1) increased access to sustainable income opportunities, productive employment and food security in rural and urban areas.

Relevance to the Donor and to UNIDO

Thematically, the intervention fits well into the (current) project portfolio of the Swiss Government for Tanzania²⁶. The project covers one of the core areas of the Swiss development cooperation under the SECO Strategy 2006, which is to provide assistance in creating favourable framework conditions for enterprises to export. The project also matches perfectly the operational mandate and core competencies, expertise and experience in industrial development of UNIDO.

SECO's main focus on Trade Related Technical Assistance (TRTA) lies in concrete implementation measures based on DTIS. Within the SECO Trade-Cooperation portfolio, UNIDO is a strategic partner in the area of Standardization, Metrology, Testing and Quality (SMTQ). SECO's new economic cooperation strategy focuses geographically on middle income countries (South Africa, Ghana, Egypt and Viet Nam). At the same time, SECO aims at achieving a "spill over effect" by using its new priority countries as "development hubs" for poorer neighbouring countries (i.e. South Africa for the SADC region). In doing this, SECO endeavours to capitalize on its expertise in countries with previous strong involvement and/or priority countries of the Swiss Agency for Development and Cooperation (SDC), including Mozambique and provide LDCs with support in integrating

²⁴ For details, see summary of enterprise survey conducted by the Evaluators at Annex D.

²⁵ For a definition on MDG 8, see <http://www.undp.org/mdg/goal8.shtml>

²⁶ Source: Fact Sheets of the Swiss Cooperation Office in Dar es Salaam. See outline above.

into world markets. Such linkages would especially make sense in the field of SMTQ (e.g. harmonization of standards, regional accreditation and product testing services, etc.) where a stronger (sub-) regional focus will foster the integration of LDCs in world markets²⁷.

In conclusion, although Tanzania is not a priority country anymore, SECO's support in partnership with UNIDO in the field of SMTQ remains relevant.

Relevance to the Paris Declaration on Aid Effectiveness²⁸

The project was well *aligned* to the top priorities of the main local counterparts (e.g., TBS). It responded less well to the priorities of other beneficiaries, such as the WMA, the Ministry of Health and Social Welfare and the Ministry of Agriculture, Food and Cooperatives. The project was also well *harmonised* with interventions of other donors, with no significant overlaps identified by the evaluators. In particular, it aimed at synergies with the SECO-funded Technoserve project in the field of speciality coffee and cashew nuts in improving the quality chains and enhancing metrology, testing and certification services.

The implementation mode of the project is however clearly not in line with current trends of fulfilling ownership, harmonization, alignment, mutual accountability and results principles, expressed for example by the Paris Declaration on Aid Effectiveness. This in particular with regards to (1) Parallel structures established to implement the project (e.g. a Project Management Unit outside the partner organization) and (2) No responsibility of the counterpart in regards to implementation and to financial management.

While implementation through a Project Management Unit (PMU) (outside the organizational structure of the counterpart) is not conducive for working towards the long term perspective of building capacities and ownership, this set-up might have been commensurate with the rather limited absorption and management capacities of local partners at the time the project was designed. This is also evidenced by the fact that – besides other forms of delivering assistance, such as general budget support - many donors (e.g. Japan and the U.S.) are still using traditional execution modes for their projects in Tanzania. Nevertheless, most major European donors have or are considering shifting implementation modalities to a form of National Execution (NEX).

This is also likely to be increasingly the case for some key donors of UNIDO, including Switzerland²⁹. Those significant changes in how aid is likely to be delivered in the near future results in an urgent need for UNIDO to develop a strategy on how to respond to or even capitalize on changes of client (donor) requirements. Developing specific recommendations on the strategic level would exceed the scope of this project evaluation, but it can certainly be said that the possible move to NEX requires strengthening project management capabilities of partner governments, counterpart organizations and specialized service providers.

²⁷ According to information received by the Swiss COOF in Tanzania.

²⁸ Paris Declaration on Aid Effectiveness Ownership, Harmonization, Alignment, Results and Mutual Accountability, March 2, 2005 (Switzerland is signatory of the declaration, but not UNIDO). See also the Swiss Implementation Plan (SECO, 2005).

²⁹ The Evaluation Team note SECO's commitment to the implementation of the Paris Declaration. See SECO (2005).

As for the Government of Tanzania, a key factor for implementing projects under NEX is to successfully implement the pending civil service reform and the ability of the Tanzanian Government to undertake commitments to improve national systems institutions and procedures for coordinating and managing aid as per the Paris Declaration. Experience of other donors who already implement projects under the NEX mode showed significant challenges in procuring equipment through national procurement systems, limited access to highly qualified experts and opportunities to training courses and study visits if they are to be directly arranged by governments of beneficiary countries.

While implementation through a Project Management Unit (PMU) is not conducive for working towards the long term perspective of building capacities and ownership, this set-up might have been commensurate with the rather limited absorption and management capacities of local partners at the time the project was designed.

The question of whether applying agency execution or NEX should not be misunderstood in a way that NEX necessarily leads to ownership, while agency execution does not. Ownership is also driven by other factors such as whether the project is demand driven, feeds into national development priorities and strategies, the government is an informed partner, part of the decision making process and uses or "owns" the outputs.

For countries with still limited aid management capacities such as Tanzania, an immediate move to NEX for technically complex projects might not be the most efficient and effective way forward. UNIDO might rather consider gradually applying a form of "mixed execution", by which international expertise, international trainings and procurement of highly specialized equipment would still be delivered by UNIDO, while other services could be gradually subcontracted to a local counterpart.

B. Ownership

Ownership refers to the degree to which the stakeholders involved in achieving a project's objectives are involved in developing, implementing and sustaining the project and its actions. Means of measuring ownership include: clear identification of all stakeholders at project development, engagement of stakeholders in project governance and uptake by key partners of responsibility for project impact.

The project was 'governed' by a Steering Committee, which has met twice so far during the projects implementation. The Steering Committee consisted of various project stakeholders including the implementing agency (UNIDO), the key beneficiary (TBS), other donors in the same sector (DANIDA), some sub-beneficiaries (e.g. the WMA), Technoserve and a representative of the private sector (TCCIA). More noticeable are the absentees, particularly key partner organisations in the Tanzania national quality conformity infrastructure such as the TFDA, the TPRI and Competent Authorities for Sanitary and Phytosanitary issues (MAFC and MLD).

Government of Tanzania contributions were in-kind in terms of releasing staff members to service the project and to receive capacity building activities. The Evaluation Team question the advisability of using project funds to directly pay for services of Government officials (the National Project Coordinator and Project Secretary). In reality, whilst these staff members were offered salaries by the project, they have been undertaking both their normal duties and the duties expected of them by the project. Since the project then hired

an “International Consultant for Promotional Activities and Networking” to effectively do the day to day management, the functions undertaken were paid for twice. This was not a good way to promote ownership. Notwithstanding, the Evaluation Team recognises that the pool of potential local consultants to undertake the National Coordinator task was very limited, particularly given the short duration of the project.

Responsibility for financial disbursements was held by UNIDO. It is the view of the Evaluation Team that ownership cannot be fully achieved unless full co-management is designed into projects. This means that all key project decisions should be co-owned by the implementer and the stakeholders including financial disbursement. The Evaluation Team accepts that efforts have been made to involve stakeholders, particularly TBS, in budgeting, planning and financial reporting. However, we note that whilst this mode of co-operation responds to the reality on the ground, at the end of the day, the retention of signing rights by UNIDO staff alone unbalances the relationship and severely limits the possibility of ownership.

The building in of ownership at the design stage of the project was inadequate. The risk of conflict between TBS and TFDA, for example, was identified in the UNIDO project document, but not addressed by the project. The Evaluation Team concludes that the pre-project stakeholder analysis was insufficiently deep and post-project review of this inadequate (Nb: there was a stakeholder meeting during the inception phase, but this seems to have been for information only).

As a result of this analysis, the Evaluation Team considers that the ownership of the project is relatively weak.

C. Efficiency

Efficiency is a measure of how economically inputs (through activities) are converted into outputs.

Project design

The project budget was developed by objectives and related to UN budget lines but not to individual planned outputs and activities. This makes an assessment of the financial efficiency of the project impossible.

Project implementation mechanism

The project was implemented by direct management from UNIDO HQ (so-called ‘direct implementation’ or ‘agency execution’) under the Trade Capacity Building Division.

A part time Chief Technical Adviser provided technical management and the project hired National Project Coordinator (a seconded TBS staff member paid by the project) an International Consultant for Promotional Activities and Networking (a locally hired staff member based in the UNIDO office paid by the project) and a Project Secretary (a TBS staff member paid by the project).

Project coordination was conducted through a National Project Coordinator located in the TBS. In reality, most of the project coordination seems to have been done by the International Consultant for Promotional Activities and Networking based in the UNIDO office. This was particularly so during the period when the incumbent National Project

Coordinator was promoted to Officer-in-Chief of TBS (December 2007 to February 2008) and subsequently when a new National Project Coordinator was appointed who needed substantial back-stopping. The role of the project-financed secretary does not seem to have been substantial.

The project prepared an inception report and two annual progress reports in 2007 and 2008. A self-evaluation was also attempted, which is laudable. However, the Evaluation Team could not find a mid term review. It seems that a supervisory missions that occurred around the middle of a project has been considered as a mid term review. Reports focus on activities rather than progress towards the original outcomes. The original “Objectively Verifiable Indicators” and “Indicators” have been ignored. In October 2007 a “Short-term Action Plan” was developed followed by a “Short-term Work Plan” in February 2008. “Work plans” were developed in March, May and August 2008, which included objectives, activities, outputs and a budget. Though these plans came only late, they at least gave some idea what physical and financial progress has been made towards outcomes.

The roles and responsibilities of the various stakeholders and actors in this project were poorly defined and this let the implementation of the project drift towards direct action by the UNIDO hired International Consultant for Promotional Activities and Networking rather than ensuring ownership and co-management by the GoT.

This could be seen as the most efficient way of implementing this type of project because a hard working and capable individual got things done. However, this approach has led to increased cost (the project paid for National Project Coordinator, a Project Secretary, an International Consultant for Promotion and Networking and a CTA) and limited ownership. With the benefit of hindsight, it might have been better to have spent the money more slowly but encourage the key stakeholders to engage more in the process of implementation.

The International Consultant for Promotional Activities and Networking was expected to work in part for the UNIDO office (the figure of 20% was given to the Evaluation Team as the amount of time spent on UNIDO activities, including some work related to the NORAD-funded regional EAC-UNIDO project and the UN Joint Programme 1).

The quality of expertise provided to the project seems to have been high and on-the-whole efficiently delivered. Several of the short-term technical experts were considered to be particularly good, for example the Maintenance and Repair Consultant. A review of the reports delivered indicates that a fairly high standard was maintained.

Beneficiaries complained about some of the training that came with the equipment. In some cases this was hurried by the suppliers of training (e.g. with the measuring device for WMA metrology equipment) and in others manuals and software are still missing, inoperable (e.g. the software with the Aflatoxin testing equipment) or un-translated (e.g. the equipment provided to the WMA). Computers were not provided with uninterruptible power supplies in areas with regular power outages (e.g. the TCCCO).

Notwithstanding this list of short-comings a large number of items of specialist equipment were procured successfully and are being used.

Much of the funding and consultancy days went into international consultancies. This is not very surprising as there was a very limited supply of this type of technical expertise in Tanzania.

The Evaluation Team could not find any evidence of systematic international/local expert twinning. The style of delivery of expertise was more directive than by partnership. Twinning experts with specific local staff or consultants might be considered in future intervention. It is noted that twinning was used successfully with the ISO 22000 training provided to enterprises as well as the follow up used local experts, which the evaluation

considers as an effective approach to ensure capacity building to local experts in the view of long-term sustainability of the project.

Procurement of physical inputs seems to have been conducted on time, but TBS for example, reported a number of machines to be non-functional, parts missing or wrongly identified in the first place. The Evaluation Team are not technically qualified to formulate a judgement on any wrong identification of specialist equipment and were assured by the UNIDO office that TBS had been fully involved in developing specifications.

Some equipment seems to have gone missing, notably a laptop computer and a camera. This caused considerable extra work for UNIDO.

The project did not procure roller weights as planned for the WMA because the CTA considered the absence of a vehicle to transport them to outlying offices negated their purpose. The Evaluation Team considers that the roller weights are essential for the calibration of weight-bridges of which there are an increasing number in Tanzania. The Government of Tanzania has recently invested in a number of new weigh-bridges on key export roads to ensure compliance with regional truck loading to prevent damage to new road infrastructure and these will need regular calibration. One company in Arusha told the team that they spend Tsh.3 million (approximately US\$ 2,596) every 6 months to fetch and return the existing roller weights based at the WMA offices in Dar es Salaam. A set of roller weights stationed in Arusha, for example, would easily repay their cost in a year. A special vehicle to transport roller-weights is clearly not necessary. The existing weights (stored on the parking space outside the WMA office in Dar Es Salaam) are moved regularly over several hundreds of kilometres at the expense of the user. We note that the existing roller weights are not kept in appropriate conditions. We would recommend that roller weights are purchased with remaining project funds as a matter of urgency before the project closes and the Government of Tanzania provide a suitable location to house them.

Government of Tanzania inputs into the project were not substantial, but as planned. The greatest contribution was the secondment of two staff members to be National Coordinator and Project Secretary. As far as the Evaluation Team can judge, these two staff members were not called upon to commit very much time to project activities as most of the day-to-day work was done by the International Consultant for Promotion and Networking. Since these Government of Tanzania staff members were paid a salary by the project for these duties, it could be said that, effectively, project funds subsidised two positions in the TBS. This could be seen as responding to the realities on the ground, particularly in such a short intervention. The Evaluation Team note that identifying a suitably qualified local consultant to undertake the National Coordination Role was impossible in Tanzania (see comments above).

The perceived obligation to use Swiss service providers for certification under objective 2 in the project document led to substantial delays and contributed to eventually dropping of much of this essential component. Missions were conducted to Switzerland and return visits by Swiss Standards organisations to Tanzania received. The high cost of collaboration with these institutes precluded any long-term collaboration. UNIDO's was under the impression of some kind of "tied aid" element, an apparent misunderstanding that could have been clarified at an early stage. It seems that once this objective collapsed somebody (it is not clear to the Evaluation Team who) decided to use the funds for developing food processing quality and safety teaching manuals, an activity not envisaged in the project document. The Evaluation Team accepts that this change was fully endorsed by the Project Steering Committee.

The project conducted four “study tours” to Switzerland, Uganda, Tunisia³⁰ and Egypt. These seem to have been well managed and beneficial. However, the Evaluation Team do not understand why for some of those missions, it was necessary for the project to pay for two UNIDO staff (including the CTA) to attend (in addition to the NPC)³¹. Participants in the Egypt mission stated that the UNIDO International Consultant for Promotion and Networking was acting as Mission Leader and this, in the view of the Evaluation Team, is inappropriate.

The Evaluation Team notes that there are many day-to-day practical problems with implementing complex projects in Tanzania. For example, it is to the credit of UNIDO that the project conformed to UN rules and did not pay allowances to participants in workshops and training activities who were not travelling from out of town. Despite this being common practice of some other donors (Government of Tanzania include expenses; per diem rates and regulations).

The focus of project implementation within the TBS clearly led to resource capture in the sense that other key SMTQ institutions did not benefit from the project outputs to the extent planned. This in itself could be interpreted as an inefficient use of resources. The Evaluation Team found also much evidence of resource duplication in the laboratory sector of Tanzania which should have been addressed systematically at project inception (for example, one senior Government of Tanzania Official told the Evaluation Team that there are currently at least 30 HPLC machines in Tanzania, some of which are operational). It is recognised that some capacity has come on stream fairly recently (e.g. the TFDA) and that private testing laboratories are, like TBS, not accredited to international standards.

Some of these efficiency issues might have been identified at an early stage had a systematic collection of monitoring information been initiated at the beginning of the project. This was envisaged: in fact the CTAs and the National Project Coordinator’s terms of reference include collection of Key Performance Indicators. However, this was not done.

D. Effectiveness

Effectiveness is the extent to which the development objectives of an intervention were or are expected to be achieved. It is a measurement of the outcomes of the project and its impact and ability to reach the target groups.

In the present case, the evaluation of effectiveness turned out to be challenging because there has been some degree of confusion between outputs and outcomes during project design. Before entering into the evaluation of effectiveness some additional light needs to be shed on project design.

³⁰ According to feed-back provided by UNIDO after presentation of main findings.

³¹ For instance, the Swiss-Vietnamese Intellectual Property Project funded by SECO has successfully organized over 10 complex training courses for Vietnamese provincial officials to various Swiss government offices, with 16 participants each, most of which have neither travelled before, nor to they have any foreign language skills. Those training courses were lead by a Vietnamese head of the delegation and only accompanied by one expert of the project team.

Project design

Well designed projects have a clear and explicit causal chain between outputs and outcomes (accepting the confusion of 'outputs' and 'outcomes' - see discussion of this issue on page 16 above). As explained above, there was detailed project logic and causal chain in this project, but this has been changed significantly between the UNIDO project identification document and the inception report. The Evaluation Team consider that the intervention logic (objectives and outputs) described in the inception report are good. However, the indicators proposed were weak in that a) they were not quantified, b) they were not time bound and c) there is no means of measuring or verifying them. Whilst key risks and assumption such as over-lapping roles and responsibilities of lead institutions were identified in the UNIDO project document, they were then ignored in the SECO project document and the inception report.

The project framework was clearly not used as the central project management tool and there is no evidence that it was periodically reviewed and updated. Annual progress reports focus on activities rather than progress towards achieving outcomes. Some key changes were made in the activities of the project, but outputs were not adjusted accordingly. For example: a new output (2.1.5 – Awareness creation and promotion) was added which is unrelated to the logic of certification in Objective 2. The reasoning behind these decisions is not immediately obvious to the Evaluation Team.

It is reasonably clear who should use the outputs of the project, though in some cases the output to outcome link is not clear. An example of this is the decision to develop a traceability system in the absence of traceability certification. The Evaluation Team was informed by one coffee exporter that a) they already had full traceability before the project; and b) they could not see the purpose of traceability that was not certified. Since the project decided not to do the certification aspect planned, this component was removed from the logic and a 'disconnect' between output and outcome created.

By and large, the private sector service providers have not been fully engaged by the project with the exception of one certifying company involved in the ISO 22000 training component. There are many (at least 5) private certification agents operating in Tanzania and the project might have taken the strategy of promoting these rather than trying (and failing) to create competing services in TBS. In other countries, the national standards authority certify quality management and have successfully promoted the emergence of a private sector certification market by giving vouchers to companies. The determination to keep all activities in TBS is another example of resource capture that could have been predicted and planned for at the design stage.

Project implementation

There is no strong evidence that the project has developed the means to verify its effectiveness. The Evaluation Team found no monitoring plan or systematic collection of monitoring information related to indicators of outputs. The assumptions developed in the original UNIDO project design have not been revisited during implementation. Some data is available on the use of TBS services by clients, but (a) this is not very detailed and (b) there is no way of telling whether the data is related to project activities. This also applies the quality of services. For example, one way of assessing the before and after impact of service quality of TBS might have been a base-line and follow-up customer satisfaction

survey. The Evaluation Team have found no baseline survey and no effort to address the perceived needs of customers/clients and consumers³².

Another measure of effectiveness is whether outcomes are what were planned. As we have shown in Table 4 above, the outcomes are, by and large, not what was planned. We would add that where new plans were made (e.g. for traceability and food processing quality and safety teaching manual) these too are far from achieving what was hoped for.

Some of the project outputs have led to useful outcomes. For example, the accreditations of some aspects of metrology have led to an increase in demand for these services and will enhance the general credibility of the TBS as a national quality body.

E. Impact

Impact refers to both the positive and negative, primary and secondary *long-term* effects produced by the project including direct, indirect, intended and unintended impacts.

Project design

The causal chain developed in the project document (particularly the original UNIDO one) is both plausible and explicit. It is also, in the view of the Evaluation Team, as relevant now as it was when developed in 2005 (with a few provisos, noticeably the increased importance of private standards in trade). Some substantial changes were made to the project design during implementation and these needs to be considered in terms of likelihood of impacts.

Firstly, the issue of certification of standards and demarcation of inspection/regulation was dropped from the programme of activities. Well designed national conformity systems that meet WTO and private sector requirements a) separate voluntary standards from domestic market regulation, and b) separate certification of standards from inspection and regulation. This problem was rightly foreseen in the project design but dropped during project implementation. As a result, the project will not achieve any impact in this area despite considerable investment in pilot quality management training.

It is hoped that this situation will be remedied by the long awaited new Standards Act. This finding emphasises the necessity of ensuring that structures and systems are right before developing capacity in the wrong place. For a country like Tanzania with a small emerging market for SMTQ the balance between what Government does and what the private sector does is already a challenge. Instead of focussing on this issue, the project focussed on building the capacity of the TBS which, in retrospect, might not have been the ideal solution. The evaluation team recognizes that the aim here was also strengthening the demand side by building capacity for training and internal auditing.

³² Nb: the accredited services of the metrology laboratory are an exception to this since they had to have a management system to address customer concerns in order to comply. However, this is NOT base-line information.

In sum, the project largely ignored objective 2 and only focussed on the traceability aspects of objective 3. The funding saved by not doing these activities seems to have been used for the school curriculum development component.

Impact expected from the project was not clearly defined (e.g. reduced rejection rates, increased number of certificates issued, exports under standard marks increase by x %) which makes objective evaluation impossible. External factors that might threaten impact were defined (in the UNIDO project document) but then not acted upon (e.g. the TBS vs. TFDA conflict).

Complementary to the awareness raising and training activities undertaken with industry and local trainers/auditors on Food Safety Management Systems implementation, the project embarked on a number of awareness raising activities in the area of food safety at grass root level, due to the observation that general awareness on food safety was extremely weak in the national context. This aspect had not been included into the original project document. Project management identified the development and piloting of a curriculum on food safety as the most effective and efficient way to strengthen the demand side of STMQ at the grass root level – in addition to activities aiming at creating demand at enterprise level. This was certainly one among several responses that could have been made under the circumstances.

The development of the curriculum was jointly undertaken by the Ministry of Education, TBS and UNIDO and included the preparation of a Manual and Teachers' Guidelines. Those were piloted in 10 selected schools, however, not as a compulsory subject. The aim was that to evaluate the pilot implementation and then to include the technical material into the national curricula, which already has food safety as a subject but the Tanzanian Institute of Education responsible for preparing the curricula did not have the technical expertise to prepare the contents. Apparently, UNIDO was ensured that the manual would be further used and up-scaled. However, as unanimously confirmed by all persons interviewed by the Evaluation Team, the Government of Tanzania does not have the funds to introduce the curriculum nationwide. The Government of Tanzania representatives interviewed by the Evaluation Team expected considerable additional funding by UNIDO (beyond the scope of this and similar UNIDO TCB projects) and clearly stated that without a continuation of this support, it was not possible to implement the scaling up. Without additional funding, teaching of quality would in the best case remain limited to an elective course in the 10 pilot schools. It seems therefore highly unlikely to result in any widespread impact without huge further expenditure to extend it to all schools. This notwithstanding that apparently, UNIDO is currently developing popular versions for larger public use and dissemination through the EAC-NORAD project.

Conceptually, the Evaluation Team considers the introduction of ideas about hygiene into schools as innovative. However, the inclusion of the food processing quality and safety teaching manual was not the most efficient use of the projects resources, as there is no clear plan on how to fund the up-scaling of the curriculum nationwide and sustainability is questionable. Impact is likely to remain limited. Other means of awareness rising (e.g. through mass media) might have had a higher immediate impact.

Strengthening the demand side for quality among the population is a means of improving demand for SMTQ services. The Evaluation Team also think that the inclusion of creating demand for quality services at the grass root level as an objective into STMQ projects is appropriate. UNIDO might also study experiences learned by other UN-organizations who regularly implement large scale awareness raising projects on grass root level, in order to develop a concept on how to do this in a most cost effective way.

The decision by the project to invest in electronic traceability systems for coffee is understood neither by the beneficiaries nor the Evaluation Team. Paper based traceability was already available and being used by the coffee sector. What is missing is certification of traceability outside fair and organic certification which represents a tiny proportion of the total market. The Evaluation Team concludes that the work on traceability will have little immediate impact, since the existing system works well and the certification of traceability has still not been addressed.

In the field of physical metrology, equipment provision contributed to achieving accreditation. The equipment provided to the WMA also seems to have led to an increased demand for its services.

A number of activities necessary to allow proper measurement of impact were not done. For example, the national quality infrastructure was not reviewed or bench-marked at the start of the project. The importance of this activity in SMTQ projects should not be underestimated and the Evaluation Team noted that it is included as an activity in the start-up phase of the One UN trade capacity building project.

Where impact can be seen, its attribution to the project alone is unclear. Collaboration with DANIDA in the Packaging Technology Centre has been good, but no impact has been achieved yet. DANIDA have pulled out of the project.

The Evaluation Team concludes that the impact of this project is likely to be rather limited. It could be increased marginally if the project used its remaining funds to procure the roller weights for WMA as per the original plan.

F. Sustainability

Sustainability refers to the continuation of benefits from an intervention after the assistance has been completed. Issues to be considered include the probability of long-term benefits from the project investments and the resilience of the net benefit stream to risk over time.

Project design

One way to sustain SMTQ services is to build economically viable institutions either in the public or private sectors. The project has made limited progress towards this goal. Some aspects of accredited testing services have been achieved and will contribute to future income streams for TBS. In other cases, such as with certification services, no progress can be observed. TBS needs a business plan. In the view of the Evaluation Team, the TBS Corporate Plan (TBS, 2007) does not constitute a business plan.

There is some evidence that weak stakeholder identification and failure to adhere to the original project objectives has led to a worsening of the likelihood of sustainability of TBS. For example, TBS has been encouraged to continue offering mandatory standards when these are clearly contrary to the WTO SPS and TBT Agreements. By not addressing the needs of Tanzania for conformity services at a strategic level, the project has effectively entrenched existing inefficient and inappropriate roles and responsibilities. For example, TBS has been emboldened to take on activities like import and export inspection, the

regulation of which might be better institutionally separated from the development and testing of standards.

Far greater and earlier involvement of the private sector might, in retrospect, have delivered greater likelihood of sustainability. Specifically, the engagement of other public and private sector SMTQ service providers should have been emphasised.

Project implementation

The Evaluation Team offer the following analysis of the likelihood of sustainability of project outputs and outcomes.

Table 5: Summary analysis of project outputs and outcomes

Output/outcome	Likelihood of sustainability	Evidence
Metrology/calibration/testing capacity strengthened and recognised internationally		
Metrology	Highly sustainable	International Accreditation
Mobile calibration	Sustainable if operated regularly	Charges cover replacement cost
Repair and maintenance unit	Unsustainable	No such unit in place Much existing and project equipment already un-serviceable
Consumer packaging unit	Currently unsustainable	No business plan Limited demand (only 2 local packaging companies)
Strengthening national institutions for Conformity Assessment		
Capacity building for conformity assessment	Currently unsustainable	No accreditation
Capacity building for trade inspection	Unsustainable	Not done
Adoption of management system standards	Unsustainable	TBS competing with private sector service providers
Awareness of food quality and safety	Unsustainable	Strategy only sustainable if taken up by all schools – to be included in home economics curriculum which covers only very few schools
Improving Tanzanian Quality Chain for testing and certification of export		
Baseline survey	Unsustainable	Not done
Streamline quality chain	Unsustainable	Focus on traceability instead of competitiveness Financial sustainability of GNet not assured. Uptake of electronic traceability not assured

Source: Interviews and review of project documents

In the view of the Evaluation Team, further support is warranted to meet the objective of developing the National Quality Infrastructure of Tanzania towards conformity with international norms and standards. Several pipe-line projects are proposed for this area, so further effort should be aligned with these proposals.

Issues that, in the view of the Evaluation Team, still need to be addressed to ensure sustainability include (in no specific order of priority):

- All aspects of integrated SPS conformity (as this was not tackled by the project)
- Comprehensive accreditation of physical, electrical, chemical metrology and legal metrology (many areas remain)
- Resolution of the national SMTQ strategic framework and its internal conflicts and overlaps and contradictions (most notably separation of regulatory, inspection and certification functions)
- Promotion of private sector SMTQ service providers
- Setting up a certification body for QMS within TBS as a launching pad for development of a private certification sector
- Eventual development of a National Accreditation Board for Tanzania
- A change of mind-set towards more market oriented SMTQ services

VI

Issues with regards to possible next phase

The purpose of this section is to consider the proposals put forth for future activities in view of the results achieved by the project under review.

The Evaluation Team have not received any explicit proposals for continued assistance in the field of SMTQ. A list of equipment still required by the Packaging and Technology Centre (Testing Unit) was appended to the Progress Report submitted to the Team (UNIDO, 2008)³³ along with some specific suggestions for areas of investment still needed in the various testing laboratories of TBS.

It is the view of the Evaluation Team that much work still remains to build the capacity of the Tanzania Quality Management and Conformity System to meet the existing and future needs of the domestic and export sectors. The objectives of this project remain highly relevant. However, we believe that the framework within which this support is provided needs to reflect a more comprehensive and market orientated approach. By this we mean that a partnership between all public and private actors involving all the competent authorities and key private companies needs to be developed which work in a much more systematic and comprehensive way than this project has been able to achieve. Whilst the objective of meeting market needs for conformity seems to be agreed, clarity on the most cost effective means to achieve this needs to be resolved. Division of roles and responsibilities is an essential starting point. Donors need to stop providing piece-meal support to different laboratories until a proper comprehensive framework has been agreed by all parties. It is the view of the Evaluation Team that existing proposals for Quality Management Systems in the TTIS and EAC projects should be the starting point for this kind of coordinated response to the problems identified.

Therefore, we would suggest that future support to the quality management infrastructure be provided only within the framework of multi-donor support.

³³ Though entitled “Progress Report” the Evaluation Team were told that this report was not “endorsed” by UNIDO. This is a pity, as the initiative shown by TBS is laudable.

VII

Recommendations

On the basis of the analysis conducted of the project, the Evaluation Team offer the following recommendations. These are divided into those directed specifically at UNIDO, those for Government and finally those for the Donor organisation involved.

A. Recommendations to UNIDO

- 1.1 Before initiating similar future projects the Evaluation Team recommends that certain activities are incorporated as a necessary part of the project development processes either prior to implementation or during a distinct inception phase. These should include:
 - Full stakeholder analysis with clarification of all roles and responsibility with respect to the project development objective
 - Mapping of existing service providers (government and non-government) to ensure that over-lap or over-capacity is not created and that private service providers are not crowded-out
 - Review of the project logic including re-casting of the OVI's in light of the conditions at the time of implementation
 - Development of a monitoring and evaluation plan to ensure collection of the information required to judge impact and sustainability
 - A suitable base-line survey including bench-marking of quality infrastructure
 - Development, with stakeholders, of an exit strategy
- 1.2 In order to facilitate management by results and co-ownership of financial implementation UNIDO need to develop an accounting system that allows UNIDO, the donor and the direct counterpart(s) to know the relationship between project finances and delivery of activities. Expenses according to UN-budget links should be presented in a matrix that links them to individual activities.
- 1.3 Complex projects such this with multiple stakeholders involved in management and outcome delivery are hindered by confused lines of responsibility. In the absence of clear agreement on roles and responsibilities among stakeholders, beneficiaries tend to assume that the implementing agent will take on all responsibility for achieving project objectives. Competences, responsibilities and accountabilities of all involved

in project management (including governance bodies) for such projects should be clearly defined in project documents.

- 1.4 It is the view of the Evaluation Team that UNIDO should re-consider how such projects are governed. A more structured and in-depth approach to governance would, in our view, promote ownership, better management and early identification of problems. For example, the strategic management and ownership should not necessarily be combined in a single “stakeholder” committee. Another approach might be to separate these function by having a small, more regular Technical Committee who fulfils the role of strategic management of the project, and a larger Steering Committee that meets annually to ensure stakeholder involvement and to consult on strategic matters. It might also be wise to develop a ‘contact group’ made up of those involved in the day-to-day management of the project to ensure smooth delivery. This ‘in-country’ group would be highly flexible and could meet very frequently for short problem-orientated sessions.
- 1.5 We further recommend under the theme of project governance that UNIDO establish a transparent mechanism for identifying and reaching consensus on changes to project content during implementation. By content we refer to project resources, both physical and financial, and re-interpretation of outputs and outcomes. A standard procedure should agree by all stakeholders prior to implementation.
- 1.6 We recommend that UNIDO develop manuals for preparation and delivery of TC projects in each individual area. For the TCB division, this manual should define the necessary minimum elements for a national quality infrastructure that complies with international requirements. The manual could also suggest a menu of solutions to the typical problems that arise in developing a national SMTQ system.
- 1.7 UNIDO should consider how to reposition itself in order to respond to or even capitalize on donors increasingly shifting towards new modes of aid delivery, such as budget support, basket funding and Sector Wide Approaches, which are mainly implemented through a form of national execution. Those developments may call for redefining UNIDO’s role as traditional “executing agency”. An assessment of which value added services will in the future be in high demand is needed – and based on this - a plan on how to develop the necessary competencies needed. As an intermediated step, UNIDO might consider initially applying a form of “mixed execution”, whereas international expert input and maybe provision of highly specialized equipment would still be delivered by UNIDO, but other services subcontracted to a local counterpart. Using the subcontracting mode might require waving bidding requirements under UN-guidelines. It would at this stage not require changes to UNIDO’s standard project agreements with donors (which allow the possibility of subcontracting).
- 1.8 We recommend that in future all TA should be embedded physically within the partner organisation and not be based either outside or in the local UNIDO office. This recommendation is made to further ownership, promote co-management and encourage day-to-day on-the-job capacity building.
- 1.9 The Evaluation Team Recommends that UNIDO resolve these outstanding procurement issues before the project ends.
- 1.10 It is recommended that the inclusion of UNIDO staff in study-tours or trainings should only be done when this can be fully justified by a clearly defined role in adding value to the activity (e.g. interpretation and/or special facilitation). UNIDO should consider developing a standard code of conduct in this regard.

- 1.11 Greater involvement of partners in procurement is recommended. For example, we suggest that repair and maintenance units are involved in the definition of specifications of equipment to ensure that the capacity to repair exists *ex ante*. This should become one of the criteria to select equipment suppliers, rather than only price considerations.
- 1.12 Copies of all manuals, warranties, guarantees, service agreements and so forth, must be shared with recipients of equipment immediately after procurement.
- 1.13 We recommend that in future UNIDO inception reports should become a core management tool and milestone for projects that is endorsed by stakeholders before full-scale implementation commences.
- 1.14 We also recommend that, in future, mid-term reviews should be conducted as an integral part of the Project Cycle Management System.
- 1.15 The Evaluation Team recommends that in future interventions, the issue of Consumer Rights should not be over-looked as this forms a key element in the overall demand for quality conformity within national quality infrastructure. This issue is a particular challenge in developing countries and should be the subject of strategic research to identify innovative and successful solutions. Creating demand for quality among consumers and firms through awareness raising projects should become a standard part of SMTQ projects.
- 1.16 UNIDO might consider including awareness raising activities among the broad population as a means to creating demand for quality services at the grass root level. In order to do this in the most cost effective way, UNIDO might study experiences learned by other UN-organizations who regularly implement large scale awareness raising projects (e.g. in the area of HIV/AIDS etc.).
- 1.17 Promoting exports of developing countries requires a three-pronged approach, including (a) *compliance* with technical market requirements (b) access to market information (*connect*) and (c) and *competitiveness* in terms of price and product quality. While the “connect” element is not part of UNIDO’s mandate (it comes under the mandate of ITC/UNCTAD), there is a need to coordinate these three elements to develop a comprehensive approach. UNIDO could position itself as the coordinating agency in projects covering all three areas, where calling on expertise of UNCTAD and ITC to implement the “connect” part. This would also require strengthening the ground (UNIDO Country Office).

B. Recommendations to the Government

- 2.1 We recommend that the Government of Tanzania urgently resolve issues relating to roles and responsibilities within the national quality system. Specifically, the demarcation between the roles and responsibilities of TBS and TFDA need to be addressed. We feel that there may be other systemic issues in the Tanzania NQS including conflicts of interest and development of overlapping capacities, particularly between competent authorities. These need to be addressed as a matter of priority.

- 2.2 With regard to the TBS the Evaluation Team have the following specific recommendations. The present metrology capacity in Tanzania is still insufficient to meet international standards, though progress towards accreditation is recognised. The depth and level of service to the Tanzania private sector is still inadequate to meet demand. We feel that the capacity of the WMA to reach the majority of the Tanzanian population is still far from assured and that further investment would be warranted. Future support to the TBS should concentrate on accreditation of testing and calibration services. The role of TBS in providing Quality Management Systems certification should be carefully developed to prevent crowding-out of the private sector in this area. The activity to develop a National Certification Body is still needed. The Evaluation Team believe that the current capacity to repair and maintain equipment in TBS is inadequate. We recommend that Government of Tanzania consider alternative ways of providing M&R for its laboratories including appointing private sector service provider.
- 2.3 It is recommended that future interventions in the area of SMTQ be highly focussed on the need of the private sector. Therefore, before investments in infrastructure and capacity are made, an objective assessment of demand should be undertaken. The involvement of the private sector in governance of the national quality infrastructure should be considered a norm.

C. Recommendations to the donor

- 3.1 The Evaluation Team do not recommend continuation of this project.
- 3.2 Further support to development of a NQS for Tanzania is needed and should be closely aligned to the TTIS framework. This recommendation reflects the view of the Evaluation Team that support of Quality infrastructure is needed, and would be more efficient and effective, if delivered system-wide rather than through a specific Tanzanian agency such as the TBS. This would promote a more collegiate approach to addressing the need for Tanzania in quality systems going forward. It is noted by the Evaluation Team that the TTIS project document differentiates between institutional/government support actions through budget support and more direct bilateral support to the private sector. Where future SMTQ efforts should fall within this framework needs to be clarified.
- 3.3 SECO might consider using an “umbrella approach” for trade capacity building instead of individual projects for each area. Technical assistance could be delivered through one project covering “comply, connect, and compete” aspects coordinated by UNIDO, which for “connect” aspects would call on other specialist multilateral agencies (e.g. UNCTAD and ITC). Further assistance should be aligned to objectives identified in the DTIS.
- 3.4 Linkages with Swiss organizations in the field of SMTQ should not be listed under project outputs, since this may create misunderstandings. If such linkages are intended, they should be formalized prior to the start of the project.
- 3.5 Aspects of consumer rights/consumer protection should become an integral part of future SMTQ projects funded by SECO trade cooperation programme.

- 3.6 SECO should insist on consistent application of a proper monitoring and evaluation system, mid term evaluations to be conducted as planned and sound governance structure for projects.

- 3.7 Roles and responsibilities of COOFs should be clearly defined. Areas where COOFs could add value are in the field of donor coordination, coordination among SECO projects, actively participating in project meetings and monitoring (representing SECO as a client of UNIDO).

VIII

Lessons learnt

The section highlights lessons of wider applicability for designing future interventions in the area of SMTQ that might be learned from this experience.

The most important lesson from this project is that the weak application of Project Cycle Management (e.g. comprehensive stakeholder analysis, proper development and use of a logical framework, application of monitoring and evaluation tools etc) results in poor performance. Flaws in project design have been the root cause of the project not being very effective in addressing key weaknesses of the National Quality System.

More effort is needed to identify the key success factors for SMTQ projects. An important success of this project was the accreditation of the metrology laboratories. The lesson here is that a focus on systematic development of compliance within a properly framed National Quality System is the key to meeting the needs of the private sector. This should be core to any future SMTQ interventions. A systematic (but not schematic) approach is needed to achieve this aim.

It is an important lesson from this evaluation that, during project implementation, the project managers became aware of the crucial importance of demand for quality by firms and indeed at the level of individual citizens. New activities to address this need were included into the project as it went. While the Evaluation Team is not convinced that developing curricula and text books for school was the most cost-effective approach to achieve this aim, the lesson here is that the issue of creating demand for quality at the level of citizens seems to be missed-out in many projects supporting NQS in developing countries. When designing future SMTQ programs, a combination of supply side intervention (e.g. strengthening competent authorities) and demand pull activities (e.g. quality awareness in enterprises plus among the broader population) might be considered.

Annex 1

Terms of Reference

Terms of Reference

Independent Evaluation of the UNIDO Project:

US/URT/05/002

“Trade Capacity Building: Enhancing the capacities of the Tanzanian Quality Infrastructure and TBT/SPS Compliance Systems for Trade”

I. BACKGROUND

The project “Trade Capacity Building: Enhancing the capacities of the Tanzanian Quality Infrastructure and TBT/SPS Compliance Systems for Trade” has been funded by SECO and executed by UNIDO starting in November 2005.

The project aims at enhancing the capacities of the Tanzanian quality to ensure compliance with TBT/SPS systems requirements and to deliver globally accepted metrology, testing, quality and certification services in order to facilitate exports in selected sectors with important trade potential.

The project comes under UNIDO’s thematic priority of Trade Capacity Building (TCB) that is structured under three headings:

Compete – Developing competitive manufacturing capability

Comply – Developing and promoting conformity with market requirements

Connect – Enhancing connectivity to markets

The project under evaluation deals with “Standards, Metrology, Quality and Testing” (SMTQ) and thus comes under the “comply” heading. In this perspective, the project applies the UNIDO trade-capacity building approach similar to the SECO/UNIDO metrology project in Vietnam involving institution building, equipment and training.

The main counterpart of the project is the Tanzania Bureau of Standards (TBS). TBS and other institutions of the Tanzania quality infrastructure such as the Weights and Measure Agency, the Tanzania Food and Drug Authority (TFDA) should be improved to provide metrology and calibration services including maintenance and accreditation, certification

and testing services to institutional and private sector customers through mobile testing, measurement facilities, consumer packaging and implementation of quality and productivity improvement/management systems.

Actions to achieve international recognition of tests, certificates and products will be pursued to ensure access to export markets of Tanzanian goods and overcome potential barriers to trade. The project focuses on improving the quality chain for coffee and cashew nuts production in keeping with the Standards Strategy adopted in 2003, which highlights the importance of having basic technical capacities and institutional infrastructure to deal with standards in main export sectors.

The project document defines the development objective of the project as follows:

Facilitate industrial development and export capabilities (and consequently spurring economic growth and employment opportunities) by reducing technical barriers to trade through the strengthening of standards, metrology, testing, quality and conformity assessment institutional structures and national capacities.

With a view to achieving this development objective the project document defines three outcomes (immediate objectives) and six outputs:

1. TBS metrology/calibration/testing capacity strengthened and recognized internationally:

- i. TBS in a position to provide calibration services (traceable to international standards) to the industry/exporters and meeting the needs of the country in all metrology fields
- ii. TBS mobile calibration facility established
- iii. TBS electronic/mechanical repair facility established
- iv. TBS Packaging Technology Centre (PTC) upgraded to cover consumer packaging

2. Strengthening national institutions for conformity assessment:

- ii. TBS developed as quality system certifier (ISO 9000; ISO 14000; HACCP (ISO 22.000), traceability, EUREPGAP) as well as in the implementation of product standards with emphasis on exporters requirements to access foreign markets

3. Improving Tanzanian quality chain for testing and certification for export:

- iii. Assessment and streamlining quality chains for export of coffee and cashew nuts

The project has been implemented by the UNIDO trade capacity building branch in close cooperation with the UNIDO Field Office in Tanzania.

II. BUDGET INFORMATION

<u>Project No.</u>	<u>Total allotment USD</u>	<u>Total expenditure</u> <u>USD³⁴</u>	<u>% Total implemented</u>
US/URT/05/002	1,946,903	1,567,576	81%

III. PURPOSE OF THE EVALUATION

The completion date of the project is 31 December 2008. In keeping with the UNIDO Evaluation Policy and Technical Cooperation Guidelines an independent terminal evaluation of the project is mandatory. The purpose of this evaluation is to enable the Government, UNIDO and the donor to have up-to-date information with regard to:

- a. the relevance of the project with regard to the priorities and policies of the Government of Tanzania and of the companies targeted by the project
- b. the effectiveness of the project in attaining its objectives and outputs
- c. the prospects for development impact
- d. the long-term sustainability of the results and benefits
- e. the efficiency in implementation: quantity, quality, cost and timeliness of UNIDO and counterpart inputs and activities

The evaluation shall provide recommendations for a possible continuation of the project in a next phase. The evaluation shall also contribute to a larger thematic evaluation of a number of UNIDO projects and initiatives in the area of Standards, Metrology, Testing and Quality (SMTQ).

In order to serve the above purposes the evaluation will address the following issues with specific reference to the indicators listed in annex 2 of the project document.

³⁴ As of 6 June 2008 (UNIDO Infobase)

Project identification and formulation

The evaluation of project design shall assess the extent to which:

- (i) The project was formulated by a detailed assessment of the needs and the gaps in the market for SMTQ services with participation of the counterpart and the private sector
- (ii) This formulation process was instrumental in defining problem areas, counterparts, project outcomes and outputs
- (iii) The project document or other documentation provides a logical framework including
 - a. logically valid and realistic causal chain from country level objectives to project objective(s), outcomes and outputs
 - b. verifiable indicators and sources of verification at all levels
 - c. assumptions and risks
- (iv) The project budget is broken down by outputs/outcomes

Relevance

The evaluation of the relevance of the project shall assess the extent to which:

- (i) the project is relevant to
 - a. priorities and policies of the Government of Tanzania
 - b. priorities of the companies targeted
 - c. priorities and policies of UNIDO
 - d. priorities of the donor
- (ii) the design and execution of the project take into account the priorities of the different parties in a balanced manner
- (iii) the private sector is utilizing the services provided by the various counterparts and finds these services to be in line with its demands
- (iv) The objectives of the project are still valid

N.B.: The evaluation of relevance shall be carried out specifically for each SMTQ area covered by the project.

Ownership

The extent to which the government and the counterpart organizations:

- (i) have been appropriately involved in the identification of their critical problem areas and in the development of the project
- (ii) are actively supporting the implementation of the project and able and willing to contribute (in kind and/or cash) to project implementation
- (iii) are actively using the outputs of the project with a view to achieving outcomes

Efficiency of implementation

The extent to which:

- (i) UNIDO HQ and the field office paid adequate attention to and were effective in project formulation
- (ii) UNIDO inputs have been provided as planned and were adequate to meet requirements
- (iii) The quality of UNIDO inputs and services (expertise, training, equipment, methodologies, etc.) was as planned and timely
- (iv) Government/counterpart inputs have been provided as planned and were adequate to meet requirements
- (v) Inputs led to the production of outputs
- (vi) The most cost effective resources and processes were used
- (vii) Coordination between different parts of UNIDO involved in the project, with other projects of UNIDO such as UNIDO's regional SMTQ project and with other relevant projects or activities in the country (e.g. DANIDA; SIDA; PTB) was effective

Effectiveness

The extent of the outcomes and outputs of the project were achieved or are likely to be achieved.

Sustainability

The extent to which:

- i. Counterpart organizations have reached technical and financial sustainability.
- ii. Companies demand SMTQ services and are willing to pay for the services provided by counterpart organizations.
- iii. Government has made the necessary arrangements to ensure sustainability of the project results.

Impact

The extent of the project has contributed to reaching the development objective and is likely to make such contributions in the foreseeable future. The evaluation should consider, *inter alia*, the following potential dimensions of impact:

- i. Reduced technical barriers to trade
- ii. Improved quality of goods (exported, imported and/or traded locally)
- iii. Increased financial volume of exports
- iv. Exporters entering new markets
- v. Exporters improving their position in the value chain
- vi. Secondary effects on upstream producers (agriculture or others)
- vii. Increased employment opportunities

The evaluation should also consider the extent to which the project is likely to contribute to reaching wider aspects of impact, not necessarily planned for, such as poverty impact, gender issues, environmental impact, etc.

Project coordination and management

The extent of the overall project management and field coordination mechanisms of the project has been efficient and effective. This involves, *inter alia*, the following aspects of project management:

- i. Overall coordination and management by the TCB branch
- ii. Relationships with the counterparts
- iii. Relationships with the donor
- iv. Steering committee
- v. Role of the field office
- vi. Chief Technical Advisor
- vii. Other international experts
- viii. Monitoring and self-evaluation based on parameters in the project document;

- ix. Effective use of monitoring and self-evaluation information for project steering and adaptive management.
- x. Approved and documented changes in planning during implementation

Recommendations for next phase

The evaluation shall assess the proposals put forth by the project team for the next phase and include a detailed analysis of relevant initiatives of other donors and other organizations that are ongoing or under preparation (including UNIDO's regional SMTQ project and forthcoming UNIDO projects). On this basis the evaluation shall identify options and make recommendations for a next project phase, which should be:

- i. relevant to Government and UNIDO priorities
- ii. compatible with currently available implementation capacities
- iii. based on logically valid means-ends relationships and take into consideration factors to mitigate likely risks

IV. METHODOLOGY

This independent terminal evaluation shall be conducted in compliance with the UNIDO evaluation policy.³⁵ It shall determine, as systematically and objectively as possible, the relevance, efficiency, results (outputs, outcomes and impact) and sustainability of the project. The evaluation shall assess the results of the project against its objectives and outcomes established in the project document, including re-examination of the relevance of the objectives and of the design. It also identifies factors that have facilitated or impeded the achievement of the objectives.

SMTQ projects aim at building, improving or consolidating the "National Quality System" (NQS) of developing countries. Although focusing on the "comply" area, such projects cannot be evaluated without taking into account the "compete" and "connect" aspects. The relevance of a SMTQ project critically depends on the existence of competitive companies that are connected to export markets and their active involvement in the project.

The evaluation shall therefore adopt a systemic evaluation approach analyzing the availability of critical functions of the NQS on which the relevance and effectiveness of the project critically depends although these functions may be external to the project.

The evaluation shall be carried out through analyses of various sources of information including desk analysis, observation at the project sites and interviews with counterparts, beneficiaries, partner agencies, donor representatives, project staff and through the cross-

³⁵ Available from www.unido.org

validation of data. While maintaining independence, the evaluation will be carried out based on a participatory approach, which will seek the views and assessments of all parties.

The analysis of the relevant facts includes the review of inputs used, activities carried out, management mechanisms applied (in particular planning, monitoring and self- assessment) and project-specific framework conditions (in particular policy environment, counterpart capacities and related initiatives of the Government, donors and the private sector).

The evaluation shall be conducted in the framework of a larger thematic evaluation of UNIDO projects in the area of SMTQ. It will therefore take into account a conceptual framework that will be developed and used as part of the thematic evaluation. The main purpose of the conceptual framework is to ensure comparability of the analysis, findings and recommendations across the different projects covered by the thematic evaluation.

List of Guide Questions used

Relevance

Framework conditions

- Is there a coherent National Quality System (NQS) with functions clearly attributed to private/public entities while avoiding potential conflict of interest?
- Is a national quality policy framework in place?
- Does a NQS development plan exist with clear priorities?
- Do the national quality policy framework and the NQS development plan take into account "pro-poor" aspects?
- Is a donor coordination mechanism for SMTQ in place?
- Is the private sector vocal with regard to NQS development and are effective advocacy and policy dialogue mechanisms in place?

Project design

- Relevant taking into account expressed government and private sector priorities?
- Mapping of NQS (including private SMTQ service providers)?
- Sound needs assessment with participation of beneficiaries?
- Priority sectors identified for improving sectoral quality chains?
- Well positioned with regard to perceived priorities of NQS development?
- Most appropriate counterpart structure?
- Supra-national/regional institutions, centres of excellence, etc properly considered as an option?
- Well coordinated with activities of other donors (e.g. Gates foundation / Technoserve)
- Plausible pro-poor and gender orientation?
- Social accountability standards considered?
- Has in-bound trade and protection of consumers against substandard products been a design issue?
- Project biased towards donor or UNIDO interests?
- Have any important needs been overlooked?

Project implementation

- Were relevance issues monitored during project implementation and has the project been steered and, if necessary, corrected accordingly?

Efficiency

Project design

- Project budget broken down by outputs/outcomes?

Project implementation mechanisms

- UNIDO implementation mechanism (HQ and country office: respective roles and coordination)
- Coordination with government and donor (steering committee meetings; progress reports)
- Competence of international and national expertise? Good balance between both? Proper know-how transfer between international and national experts?
- Have inputs been provided as planned and in time? By UNIDO; government; other public or private stakeholders?
- Did delays occur and, if yes, were they caused by internal factors (procedures), by funding issues or by external factors (counterpart contributions, other contributions)
- To what extent has the organisational and management systems and processes contributed to or hindered the efficiency of implementation?
- Have the methods and resources for implementation been cost-effective?
- Have administrative procedures been cost-effective?
- Is the project cost-effective compared to similar interventions?

Effectiveness

Project design

- Is the “causal chain” from outputs to outcomes explicit, realistic, detailed and plausible? Is it periodically reviewed for continuous validity? Is it clear who exactly is supposed to use the project outputs?
- Have the expected project outcomes been defined in a verifiable manner? Is there a clear understanding which variables/indicators will be used to observe outcomes?
- Did the project formulate assumptions on external factors (that it cannot control but monitor), which must be met so that outputs can be expected to lead to outcomes?
- Did the project formulate assumptions on external factors (that it cannot control but monitor), which must be met so that outputs can be expected to lead to outcomes?

- Would a greater involvement of private SMTQ service providers have been more effective and, if yes, why has the project not been designed for such an involvement?

Project implementation

- Does the project systematically monitor its outcomes? Are assumptions periodically reviewed for continuous validity of the planning?
- Is there a reliable database on whether and how partners/clients use the outputs of the project, whether they are satisfied and whether this use leads to effects?)
- Can improvements of the quality of SMTQ services provided be demonstrated?
- Have the organizations supported become more customer/consumer oriented as a result of the project?
- Are the outcomes in line with what was planned?
- Are the outcomes useful? For industry? For suppliers of food or agroproducts? For SMTQ institutions? For Government?

Impact

Project design

- Is the “causal chain” from outcomes to impact explicit, realistic, detailed and plausible? Is it periodically reviewed for continuous validity?
- Has the expected project impact been defined in a verifiable manner? Is there a clear understanding which variables/indicators will be used to observe impact?
- Did the project formulate assumptions on external factors (that it cannot control but monitor), which must be met so that outcomes can be expected to lead to impact?
- Can the impacts be attributed to the project alone, or to several contributing factors?
- Has there been a baseline study carried out in preparation of the project that determines the current/future demand for the various SMTQ services at stake?
- Has a control group of companies been established that are supposed not to benefit from the project?

Project implementation

- Does a database exist of client companies that have used the various SMTQ services originating from the project?
- Does the project systematically monitor the impact variables/indicators and the assumptions for impact?
- Are all necessary data available to assess the impact of the project on the beneficiary companies?

- Are the necessary data available to extrapolate future project impact on the target sectors?
- Are the necessary data available to assess potential secondary impacts (e.g. on illicit imports; on consumers; on health; on the environment; on working conditions; on poverty)?
- Is impact in line with expectations? Any negative impacts?
- Are there ways by which the impact could be enhanced, without increasing the amount of inputs?

Sustainability

Project design

- Have market studies been carried out for the various SMTQ services that demonstrate the economic viability of the envisaged institution building?
- Firm government commitment
- Would a greater involvement of private SMTQ service providers have been more sustainable and, if yes, why has the project not been designed for such an involvement?

Project implementation

- To what extent are the project results (outputs, outcomes) likely to continue after the project completion? (Financial, institutional and technical sustainability)
- Are annual income/expenditure reports of partner organizations available (since when)? Do these substantiate their economic viability? How reliable is the accounting system of the partner organizations? Have annual reports been audited by independent external auditors?
- Will the stakeholders be able to maintain the outcomes and impacts achieved through the project? Government? SMTQ institutions? Private sector stakeholders?
- Will the stakeholders be able to continue the development without further support?
- Mention risks that may realistically jeopardize the outcomes/impacts.
- Prioritise issues for which continued support is essential.

Annex 2

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Annex 3

Programme of activities and list of persons met

Date/Time	Organization/Persons met
September 11, Thursday 08h30 – 09h45	Briefing in Dar es Salaam (Tanzania) Ms. Patricia Scott, Unido Representative Ms. Giorgina Cattaneo, Programme Officer Mr. Peter Loewe, Evaluation Specialist Mrs. Theresia Hubert, NPC
September 11, Thursday 10h00 – 11h00	State Secretariat of Economic Affairs (SECO)/ Swiss Agency for Development and Cooperation (SDC) Mr. Emmanuel Maliti, Private Sector Development Officer Mr. Patrick Zimmer, Programme Officer
September 11, Thursday 11h30 – 17h00	Tanzania Bureau of Standards (TBS) Mr. Charles Ekelege, Director Mrs. Theresia Hubert, NPC Ms. Julitha Tibanyenda, Head Ms. Roida Andusamile, Head Mr. Hamis Sudi, Head Ms. Edna Msumba, Head Ms. Edna Ndimbaro, Head Ms. Agness Mneney, Head Mr. Thomas Mnunguli, Head Mr. Issa Manambi, Head Mr. Leandri Kinabo, Head Mr. Dominic H. Mwakangale, Head Mr. Katabwa Joshua, Head Mr. Joseph Masikitiko, Head
September 12, Friday 10h00 - 10h45	Ministry of industry, Trade and Marketing, (MITM) Dr. Florens Turuka, Deputy Permanent Secretary Mrs. Eline Sikazwe, Director of Industries Mr. Patrick Marwa Mr. Abdul Marwa Ms. Margareth Warioba
September 12, Friday 11h00 - 12h00	Weights and Measures Agency Mr. Peter Masinga, Assistant Commissioner and Technical Manager Mr. Jared Mushi, Principal Weights and Measures Officer Ms. Magdalena Chuwa, Business Support Manager
September 12, Friday 13h30 - 14h30	Ministry of Agriculture, Food Security & Cooperatives (MAFC) Mr. John Mungodo, Assistant Director Mr. Karimu B. Mtambo, Assistant Director
September 12, Friday 15h00 - 16h00	Tanzania Industrial Research & Development Organization (TIRDO) Mr. Nanyaro, Director General Dr. Ludovick Manege, Director for Industrial Research

Date/Time	Organization/Persons met
September 15, Monday 09h30 - 10h30	Tanzania Coffee Board (TCB) Mr. Leslie Omari, Director General Mr. Elias Temu, Marketing Officer
September 15, Monday 10h40 - 11h45	Tanganyika Coffee Curing Company (TCCCO) Mr. James Lema, Acting General Manager Mr. Willfred Mushi, Data Officer Mr. Andrew Kleruu, Chief Engineer
September 15, Monday 12h00 - 13h10	Taylor Winch (Tanzania) Ltd Mr. William S. Harris, Director
September 15, Monday 13h30 - 14h30	TechnoServe/ Kilicafe Mr. Primus Kimaryo, Marketing Officer
September 16, Tuesday 10h00 - 10h45	Bonite Bottlers (Coca Cola Factory) Mr. Peter Mayagilo, Quality Assurance Officer
September 16, Tuesday 12h30 - 13h30	East African Secretariat (EAC) Mr. Willy Musinguzi, Principal Standards Officer Ms. Khadijha Kassachoon, Regional Project Coordinator
September 17, Wednesday 09h00 - 10h00	UNDP Mr. Ernest Salla, Assistant Resident Representative
September 17, Wednesday 10h30 - 12h00	Kisutu Secondary School Ms. Gladis Busyanya, Headmistress Mr. Ekerege Fundikira, Project Officer Ms. Annatoria Kilama, Teacher Ms. Orupa Eliyeze, Teacher Ms. Flora Msaki, Teacher Ms. Florence Lyimo, Teacher Ms. Mtitu Jenimina, Teacher Ms. Aishi Kitomari, Teacher Ms. Lujeko Mwinuka, Teacher
September 17, Wednesday 13h30 - 14h30	World Health Organization (WHO) Mr. William Mlenga, Health Information and Promotion Officer
September 17, Wednesday 15h00 - 16h00	Tanzania Food and Drugs Authority (TFDA) Ms. Charys Ugullus, Acting Director General Dr. Ndengero Ndossi, Inspector Mr. Julius Panga, Inspector
September 17, Wednesday 17h30 - 18h00	Teleconference/ Phone Call Mr. Roberto Perissi, Chief Technical Adviser
September 18, Thursday 19h30 - 11h00	Private Sector Representatives Mr. Peter G.O Lanya, Vice Chairman of TANEXA Mr. Guru, Vice Chairman, TCCIA
September 18, Thursday 11h30 - 12h30	DANIDA Mr. Jorn Olesen, Programme Coordinator Mr. Samwel Kilua, Programme Officer
September 18, Thursday 15h30 - 16h00	Bakhresa Food Products Ltd/United Registrar of Systems Ltd Mr. Jamal Rashid, Technical Director Mr. Mwinyi Mshangama, Quality Assurance Manager Mr. Kadadi Anilkumar, Production Manager Mr. Naimesh Kansara, Production Manager Mr. V.N. Reddy, Assistant Production Manager Mr. Khurshid Ahmad, Production Manager Mr. Hussein Sufian, Quality Assurance Manager

Date/Time	Organization/Persons met
	Mr. Andrew Rowe, President of URS
September 19, Friday 08h00 - 09h00	European Union (EU) Mr. Stefan Schleuning, First Secretary-Advisor for Trade and Regional Integration
September 19, Friday 09h00 - 09h45	The Royal Netherlands Embassy Ms. Mirjam Tjassing, Second Secretary for Economic Affairs
September 19, Friday 11h30 - 12h30	Ministry of Industry, Trade and Marketing – TTIS Dr. Felician Mutasa, Interim Coordinator Mr. Alfred R. Mapunda, Assistant Director of Marketing Mr. Edward Sungura, Principal Trade Officer
September 19, Friday 14h00 - 17h00	TBS Laboratories Ms. Edna Ndumbalo, Head Mr. Kagoma Alphonse, Chemistry Mr. Kisamo Ingram, Mobile Metrology Mrs. Agnes Mnenei, Chemistry and Microbiology Mr. Culvert Kaplima, Packaging Materials Mr. Mwakatumbula Hosea, Condom Testing
September 22, Monday 09h00 - 10h00	Ministry of Education and Vocational Training (MoEVT) Mr. Leonard Musaroche, Chief Education Officer
September 22, Monday 11h00 - 12h00	FAO Mr. James Yonazi, Assistant Resident Representative Mr. Gerald Runyoro, Programme Assistant
September 23, Tuesday 09h00 - 10h00	SGS Mr. Boaz Kitaja, Manager for Agricultural Services, Oil, Gas, Chemical and Minerals
September 23, Tuesday 11h00 - 12h00	Sayona Drinks Limited Mr. Tushri Mehta, General Manager Mr. Pawar S. T., Production/Quality Manager
September 24, Wednesday 09h00 - 10h00	SIDA Mr. Jan Grafstrom
September, 25, Thursday 09h00 - 11h00	Meeting Stakeholders Validation of the preliminary Evaluation Findings, Conclusions and recommendations
September, 26, Friday 09h00 - 11h00	Debriefing at UNIDO Headquarters in Vienna Presentation of preliminary findings, conclusions and recommendations

Annex 4

Summary of findings from company survey

Summary of questionnaire for Enterprises in relation to the Evaluation of SMTQ projects in Tanzania

1. Introduction

The UNIDO supported Tanzania's SMTQ infrastructure to improve calibration, testing and certification services. It used questionnaire to survey beneficiary companies to access information on their feelings, comments and suggestions of enterprise Owners/Managers in regard to:

- i. Meeting international standards
- ii. the need of SMTQ services
- iii. the actual use of the services provided by government/private institutions
- iv. quality of services provided (improvement since 2005)
- v. willingness to pay for the services provided
- vi. relative importance of private standards vs. other
- vii. usefulness of training provided by UNIDO

2. Enterprises accessed

The questionnaire was submitted to 20 enterprises, being 8 from agro products processing; 5 from beverages (soft drinks and beer); 3 from iron and steel; 2 from wood and paper products; 1 from fishery; 1 from cement; and 1 from garments. Those which responded are described in Table 1 below.

Table 1: Enterprises Surveyed

Ref.	Main Products	Enterprise Name	Percentage of Business export	Number of Employees	Ownership
1.	Sisal and Jute bags	TPM (1998) LTD	80%	450	100% local private
2.	Roofing sheets, steel pipes, sections and plastics	ALAF LIMITED	0%	417	100% Foreign private
3.	Cement	Tanga Cement Company Limited	0%	330	62.% Foreign private, 35.4 local public, 2.1% under employee trust fund scheme
4.	Milk, Yoghurts, Cheese, Cream and Ghee	Tanga Fresh Limited	0%	59	Joint venture with local and foreign investor
5.	Soft drinks and bottled Kilimanjaro drinking water	Bonite Bottlers Ltd	0%	450	100% local Private

3. Need of SMTQ services

All the beneficiary companies responded that they strongly agree that meeting international standards is crucial for the success of their business. Also, they believe that meeting the international standards will give the services and/ or products a global acceptable/ recognition and competitive advantages.

4. Use of SMTQ services

The beneficiary companies have indicated that they use some government and privates sector services per Table 2 below:

Table 2: SMTQ Services by Government and Private Entities

Services	Government		Private	
	Number	%	Number	%
Product Certification	3	60	2	40
Process Certification	2	40	2	40
Buying Standards	3	60	1	20
Testing	3	60	3	60
Calibration	2	40	4	80

Also, they have put up comments that they use TBS services including product certification, testing and calibration (ALAF) and that such services will enhance attainment of quality standards of their products (TPM). On the other hand, the private sector's comments revealed out that ALAF was granted the ISO 9001 and EMS 14001 certificate by private service provider on April 2008.

5. Improvement on the service quality and Relative Importance

The majority of beneficiary companies have agreed that the service quality has improved on the side of Government (TBS) (Table 3). However, while one company indicated that there isn't any improvement on the side of the private sector, another commended the same for being able to offer a wide range of services in areas of calibration, testing, and offering training and certification in areas of management systems like ISO 22000:2005, ISO 9000, 14000, and 18000.

Table 3: Service Quality

Services	Government			Number (and %)	Private Number (and %)
	Strongly Agreed	Agreed	Disagree		
Product Certification	1	2		3 (60)	1 (20)
Process Certification		2	1	3 (60)	2 (40)
Buying Standards		2	1	3 (60)	0 (0)
Testing		1	3	4 (80)	2 (40)
Calibration		2	2	4 (80)	2 (40)

On the aspect of importance, the beneficiary companies confirmed that all the private standards should comply with acceptable international standards.

6. Willingness to pay for services

The survey also intended to examine the willingness of the beneficiary companies to pay for the services. 100% are willing to pay for product certification and calibration services. The majority are reluctant against payment for buying standards as indicated in Table 4 below.

Table 4: Willingness to pay

Services	Number	%
Product Certification	5	100
Process Certification	3	60
Buying Standards	2	40
Testing	4	80
Calibration	5	100

The survey commented that calibration and testing services should cover a wide range of expertise or at least be able to subcontract capable and registered private calibration and/or testing companies. Also, it indicated that the cost of the service is too expensive and should be revised downwards so as to avail the benefit on regular basis.

7. Usefulness of training provided by UNIDO

The beneficiary companies were requested to gauge the usefulness of the training they received from UNIDO project. The survey indicated that two (40%) of the

beneficiary companies appreciated for the training on some services including product and process certification, buying standards, testing and calibration. Also, they made further comments that more appropriate practical training is required in all the areas of SMTQ. In addition, they specifically indicated that regular training on testing and calibration is important to upgrade the skills of local engineers/ technicians for improved quality of the processes and products.

8. Other comments/suggestions

The survey suggested that TBS, among other priorities, should embark on a strategy of creating awareness on areas of its comparative advantages. Also, TBS should work hard to improve the standards on packing and packaging materials per each type of product being packed/ packaged. Further, the government (TBS) should improve weight specifics to get rid of unfair trade and payment to farmers, whose produces are weighed on basis of illegal packing materials known as “Rumbesa³⁶”.

³⁶ Rumbesa is a sisal sack which is designed and marked to carry 100 kgs but it can be elastic/ flexible enough to pack more than 100-115 kgs.

Evaluation SMTQ Projects Tanzania and Mozambique Questionnaire for Beneficiary Enterprises

Name of Enterprise:
Main Products:
Percentage of Business for Export:
Number of Employees:
Ownership (state-owned, local private, private foreign-invested):

UNIDO is evaluating its support to improve calibration, testing and certification services in Mozambique/Tanzania. Please read the following statements and tick the box that best describes your feelings. We would welcome any comments, suggestions you might have

Questions

Meeting international standards is crucial for the success of my business

- Strongly agree
- Agree
- Disagree
- Strongly disagree

Comment:

I use the following government services:

- Product certification
- Process certification
- Buying standards
- Testing
- Calibration

Comment:

I use the following services from private service providers:

- Product certification
- Process certification
- Buying standards
- Testing
- Calibration

Comment:

Services provided by government suppliers have improved since 2005 (tick all areas where services have improved)

<u>Area of service</u>	Strongly agree	Agree	Disagree	Strongly Disagree
Product certification	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Process certification	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Buying standards	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Testing	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Calibration	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Services provided by private providers have improved since 2005 (tick all areas where services have improved)

- Product certification
- Process certification
- Buying standards
- Testing
- Calibration

Comment:

Private standards (e.g. Global Gap) are more important for me than others (e.g. ISO)

- ? Strongly agree
- ? Agree
- ? Disagree
- ? Strongly disagree

Comment:

I would be willing to pay for services in the following areas (tick as appropriate)

- ? Product certification
- ? Process certification
- ? Buying standards
- ? Testing
- ? Calibration

Comment:

The training I received from UNIDO was very useful to my business. If yes, in which areas (tick as appropriate):

- ? Product certification
- ? Process certification
- ? Buying standards
- ? Testing
- ? Calibration

FURTHER COMMENTS/SUGGESTIONS

Thank you very much for taking your time to answer our questions!

Instruction regarding sample structure

We would like the survey to be tested at 1– 2 companies and to receive feedback before finalization. We would then like the survey to be administered to a sample of companies that meet one or more of the following criteria:

- Exporters/non-exporters;
- Large-, medium- and small scale businesses;
- Representative of project focus sectors (e.g. cashew nuts)/non-focus sectors;
- Direct project beneficiaries/project nonbeneficiaries.

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UNITED NATIONS INDUSTRIAL DEVELOPMENT ORGANIZATION
Vienna International Centre, P.O. Box 300, 1400 Vienna, Austria
Telephone: (+43-1) 26026-0, Fax: (+43-1) 2692669
E-mail: unido@unido.org, Internet: <http://www.unido.org>