



**JAPANESE EXPERIENCE ON DECENTRALIZATION BY
DEVOLUTION:
OPPORTUNITIES AND CHALLENGES
FOR TANZANIA'S REFORM PROCESS**

**ECONOMIC AND SOCIAL RESEARCH
FOUNDATION**

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JAPANESE EXPERIENCE ON D-by-D: OPPORTUNITIES AND CHALLENGES FOR TANZANIA'S REFORM PROCESS

STRUCTURE OF PRESENTATION

- 1.Context of Training**
- 2.Lessons Learned**
- 3.Challenges for Tanzania's Reformers**
- 4.Conclusions and Recommendations**



1. CONTEXT OF TRAINING

- Cordial Relations
- North-South Cooperation
- Japanese Economic Growth and ODA
- PMO-RALG-JICA Cooperation
- Opportunity to learn and experience
- **Participants**
 - 4 RAs
 - 8 LGA Directors
 - ALAT
 - KEC



Cont' Context of Training

- IDS/UDSM
- PMO-RALG Rep
- One month training
- Training Method Delivery
- Diverse and experienced tutors.



2. Lessons Learned in D-by-D

- Many, interesting and challenging
- Similarities and Differences
- Advantage of late comer
- No recipe for D-by-D
- D-by-D is **complex, long** and **difficult** process of change & change mgt.
- Challenge: Selective adoption



(i) Central-LG Relations

- Political will and commitment
- Government Driving Force
- Regular Dialogue
- Balancing supply & demand governance
- Centralization crucial for D-by-D
- Arbitration Body



ii. Size of LGAs and Economies of Scale

- Japanese trend is towards amalgamation
- Prons an cons of amalgamation
- Rethink Tanzania's trend



iii. Popular Election of Mayors and Governors

- Elected by popular vote in Japan
- Independent candidates allowed
- Japanese Mayors are executive
- Powerful
- Have good working environment



iv. Promotion of National Dialogue on D-by-D

- Japanese culture of open and vigorous discussions on national issues
- Active and autonomous NSAs
- Active Private Sector
- Active Media
- Zero tolerance against corruption



v. Embedding R & D and ICT in D-by-D

- ICT and R & D are part of Japanese culture.
- Outward culture of learning from others
- Government huge investment in ICT and R&D
- Decisions based on empirical data
- Thorough research on every aspect of D-by-D
- Active involvement of various Japanese THINK TANKS
- Osaka Prefecture has own Think Tank



vi. Human Resource Dev & Mgt

- Key and strategic to D-by-D
- Crucial for sustainable service delivery
- Deliberate and Targeted investment
- Unique system of Recruitment, Training, retention, Promotion and Pension
- Conducive working environment
- Measurable performance indicators

Cont' Human Resource Dev & Mgt

- “Roomism”
- On the job training
- Workers do not leave workplace before the boss leaves
- “Corporate identity”



viii. Taxation System

- Efficient data base
- Efficient and user friendly collection system
- Incentive for paying well in advance
- Clear formula on sharing resources between central and LGAs
- LGAs have robust and easy to collect taxes
- **Humane Approach** to defaulters of key utility e.g. water



ix. Disaster mgt and preparedness

- Inbuilt in the whole Japanese infrastructural development
- Population trained in disaster mgt and preparedness
- Disaster mgt. and preparedness viewed as part of economic growth and national security

Cont' Disaster mgt and preparedness

- Disaster Mgt. and Preparedness contextualized in terms of comprehensive package with linkages.
- Disaster mgt and preparedness uses state of art ICT and R & D.
- Whole nation is involved in disaster mgt and preparedness e.g. NSAs, Private sector
- Heavy investment in disaster mgt and preparedness



x. Enhancement of National Identity

- Great pride in their nation
- Great pride in their **culture, language** and **tradition**
- Work-alcoholic people
- Respect for **law, authority, seniority** and **elders**
- Blending lessons/experiences from overseas with their own.
- Time Mgt. and Consciousness



xi. LED and D-by-D

- Japanese LGAs have robust revenue bases
- Have easy to collect taxes
- Have greater autonomy in using revenue
- Exercise greater political autonomy

3. CHALLENGES TO TANZANIA'S REFORMERS

Generally:

- Legal changes; rules and regulations;
- Change of Mindset;
- Inadequacy of resources;
- Illiteracy;
- Appropriate communication system.

Specific Major Challenges

1. Establishment of an Arbitration Body.
 - **Process**
 - Entry Point – PMO – RALG; Convince PMO – RALG;

- PMO – RALG – Convince other technical ministries;
- PMO – RALG Cabinet Paper – Ministry of Justice Parliament.

- **Possibilities of success**

- Last regime – D by D “irreversible process”;
- Cg & LG = intergovernmental; advisory & consultative; Partners
- Diplomas and degrees in the ranks of Mayors & Chairpersons;



2. Popular Election of Mayors and Chairpersons

■ Process

- Current/Vs the Popular system of election;
- The constituency of the MP and Chairperson/Mayor;
- Entry Point PMO – RALG;
- Demand from below.

■ Possibilities/Probabilities of success

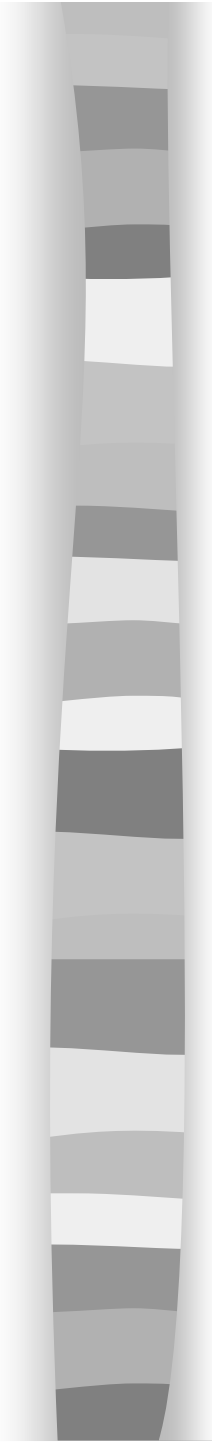
- Ministry of LG & ALAT made an attempt
- Another attempt – current

- Government = Tuwasikilize wananchi. The old philosophies: Bandubandu.....; Ndondondo si chururu; Biblical: Ombeni Piga hodi;
- Current need for strong leaders for change - popular based.

3. Promotion of national dialogue on D by D

■ Process

- Change of mindset
 - ❖ Sector Ministries; training institutions

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- ❖ Civil society: NGOs
CSOs;FSOS;
 - ❖ The community – their role
& needs.

▪ **Possibility/Probability of success**

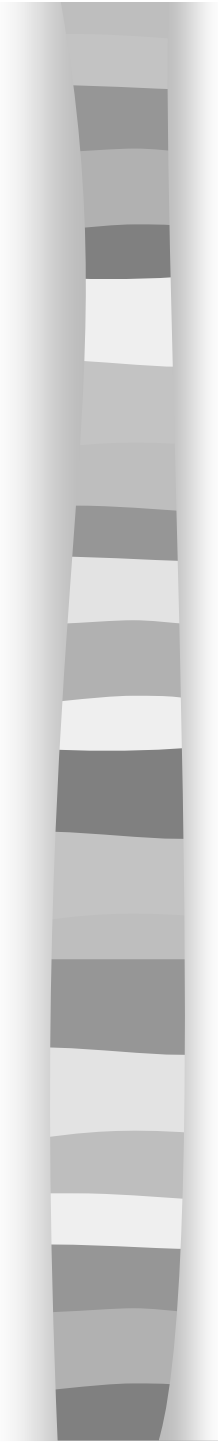
- The constitution in place
“Power to the People”;
- The Law in place;
- Process of D by D
irreversible (X Pres.
Mkapa);
- ALAT collaborates with
TANGO (Decentralize
MKUKUTA);
- IDS in motion;
- Core Group (DEDs)
committed to start in own
small way;

- Sector Ministries dragging
their feet;
- The community interest for
quality services;
- Sizable financial resources
for civic education.

4. **Strategic, Systemic HR
Development and
Management**

▪ **Process**

- Aim to produce “work
holics” & “corporate men”;
- Recruitment Policy – fresh
graduates – the best;
- On the job training;
(grooming)!
- Work environment;

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- Living salaries and good incentives;
 - Good retirement benefits;
 - Good policy and administrative evaluation;

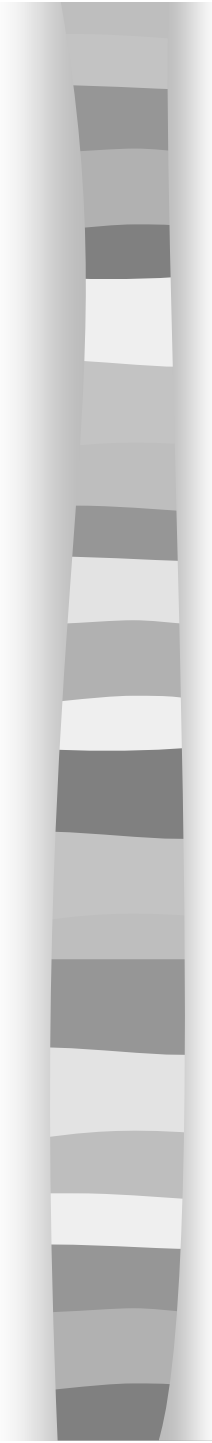
▪ **Possibility/probability of success**

- The Japanese miracle is inspiring; “Tanzania is a sleeping giant” “Buy Tanzania at any cost”;
- who would not if he/she would;
- ALAT is going to table the report on the Japanese experience before the Congress;

- The DEDs of the core Group are committed to start implementing some aspects of the report within their power;
- The political climate is friendly;
- Human and financial resources to sacrifice.

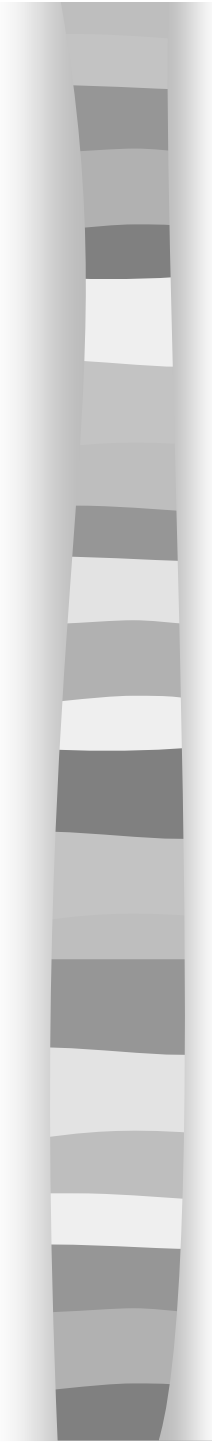
5. **Embedding R & D in LGR and D by D**

To promote the habit of establishing what (is) or what is not and what does or does not work by empirical data;

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- It requires a mindset that demands research for LGR and D by D;
 - Raise the awareness of the community needs to appreciate and demand statements supported by empirical data;
 - Encourage LGAs to establish data base to support their propositions with, and
 - To create a culture of having no right to say anything unless what is said is backed by empirical data.

- **Possibility/probability of success**

- Institutions of research exist in the country REPOA; Economic Research Bureau etc;
- Hombolo Local Government Institute exists which can accommodate unit;
- “Siasa si hasa” is the reaction of the common citizenry; it is a demand for substantiation and empirical data;
- LGAs can establish their own data basis for their own use;

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- To Promote the culture requires human and financial resources; it is a necessary evil – sacrifices must be made.

6. **Taxation**

▪ **Aspects:**

- Defined allocation of resources for Cg/Lg;
- Transfer of Taxation Powers to LGs;
- Tax incentives;
- Mechanisms for enforcing compliance;
- Introduce a percentum of proceeds of natural resources exploited in the areas of LGAs;
- Reviewing property Tax law.

▪ **Challenges:**

- Challenges include:
 - ❖ Legal
 - ❖ Human & financial resources (a necessary evil)

▪ **Mindset**

- Ownership of national resources; Cg; Lg; Citizenry;
- Education on importance of taxation in relation to the provision of quality services;
- Incentives.

▪ **Possibility/Probability of success**

- Nuisance taxes abolished plus Development Levy.

Conclusions and Recommendations

1. **Conclusions:**

- D by D a process of change and change mgt.
- D by D affects all aspects of the social fabric.
- Local autonomy, a vision bearing on economic growth, democracy and service delivery

Conclusions and Recommendations cont'd

- D by D is about power, relations and resource sharing.
- D by D is a crosscutting issue and calls for prioritization in implementation.
- JICA seriously considering assisting the Local Govt. Training Institute at Hombolo
- Centralization crucial for D-by-D

Conclusions and Recommendations cont'd

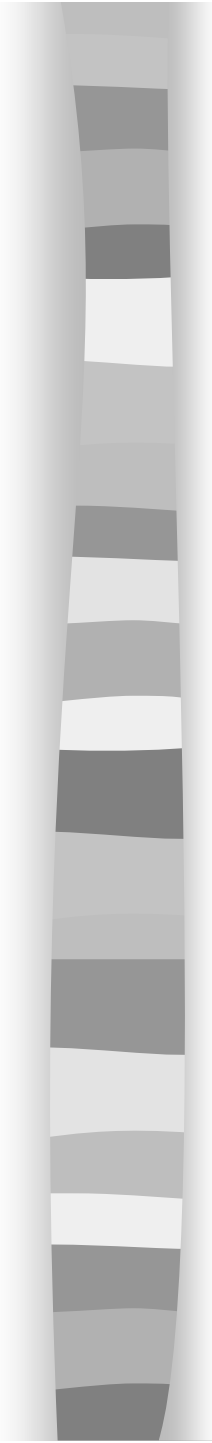
2. Recommendations:
 - A coordinated framework to oversee follow up activities
 - Invigoration of the JICA Alumni Association in Tanzania [Core Team]
 - JICA to support more capacity development and involve local Researchers in some of its activities

Conclusions and Recommendations cont'd

- PMO-RALG/JICA review the training programme since inception.
- PMO-RALG create a framework for monitoring and evaluating Action Plans.
- PMO-RALG/JICA review issues for presentation during training programme.

Conclusions and Recommendations cont'd

- Regular visits among trainees to exchange lessons of experience.
- Intensification of existing areas of cooperation be considered by PMO-RALG and JICA.
- More active role for NSAs and NGOs

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- Government has introduced LGCDG and CBG to LAs;
 - A study on taxation (LGRP) is on;
 - The community education on correlation of taxation & quality services & make it happen;
 - LG own sources ensure local autonomy than government grants.

7. **Tanzania Identity**

- Hospitality;
- Politeness/over politeness; assertiveness;
- Pride in the nation – (Kiswahili Language)
- Respect for law – (The President in power) = ukiona vyaelea vimeundwa
- Respect for authority –
- Respect for leaders and elders –
- visionary; religious (Torch on Kilimanjaro Mountain)
- Political/Tolerance – Human brotherhood
- Work ethic – “Kazi ni utu wa Mtanzania”.