

## Governance Indicators for social services Ministries

### - A quick reference guide

This brief note draws on publicly available sources to bring together governance indicators for the Ministries responsible for Health, Education and Water. It has been prepared by Geir Sundet, who is the coordinator for REPOA's Tanzania Governance Noticeboard (TGN). The data from the Controller and Auditor General's (CAG) report, is generated from the TGN Database, available on the REPOA website, [www.repoa.or.tz](http://www.repoa.or.tz).

## Ministry of Health

### Auditor General's Report

The Audits of the Ministry of Health has improved since the late 1990s. Whereas it received an adverse opinion in FY99 and FY00, it received a qualified opinion in FY01 to FY03. Also in the amounts of expenditure that has been questioned, as share of the total expenditure has, has decreased significantly, from 46% in FY99 to 4% in FY02, although it went up again to 5% in FY03.

It is also relevant to note, however, that on the latter measure, the Ministry of Health performed consistently worse than the average in FY99 and FY00, but that it has been on or just above the average for all Ministries since FY01.

<b>MINISTRY OF HEALTH</b>					
<b>Selected Indicators from the CAG reports FY 1998/99-2002/03 (Tshs.thousands)</b>					
<b>Problem</b>	<b>1998/99</b>	<b>1999/00</b>	<b>2000/01</b>	<b>2001/02</b>	<b>2002/03</b>
<b>Unauthorised expenditure</b>					
<b>Unvouchered expenditure</b>	3,222,093	53,801	664,054	2,115,452	24,138
<b>Improperly vouchered expenditure</b>	19,023,899	17,329,384	2,412,886	1,191,637	5,676,652
<b>Irregular payments</b>	56,403	2,868	158,657	101,849	335,704
<b>Payments supported by proforma invoices</b>	145,953	45,427	17,557	25,293	
<b>Sum selected items of questioned expenditure</b>	<b>22,448,348</b>	<b>17,431,480</b>	<b>3,253,154</b>	<b>3,434,231</b>	<b>6,036,494</b>
<b>Opinion</b>	<b>Adverse</b>	<b>Adverse</b>	<b>Qualified</b>	<b>Qualified</b>	<b>Qualified</b>
<b>Total actual expenditure</b>	48,746,191	45,389,481	65,679,991	78,784,438	116,356,519
<b>Questioned exp. as % of total exp.</b>	<b>46%</b>	<b>38%</b>	<b>5%</b>	<b>4%</b>	<b>5%</b>
<b>Average all MDAs and regions</b>	<b>16%</b>	<b>11%</b>	<b>4%</b>	<b>4%</b>	<b>4%</b>

### Public Expenditure Tracking Studies (PETS)

There have been two national PETS conducted that cover the health sector, the 1999 study conducted by Price Waterhouse Coopers and the 2001 study conducted by ESRF and REPOA.<sup>1</sup> Both studies looked at how Local Government Authorities used the Other Charges

<sup>1</sup> REPOA and ESRF 2001. "Pro Poor Expenditure Tracking," draft report submitted to the PER Working Group, March 2001, Dar es Salaam; and PWC 1999. "Tanzania Public Expenditure Review: Health and Education Financial Tracking Study," commissioned by the Government of Tanzania and DfID, March 1999, Dar es Salaam.

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component of the health budget that it was allocated from the Central Government. The studies sought to assess what proportion of the Other Charges funds reached hospitals, dispensaries and primary health facilities:

- The 1999 study, which covered three districts, found that only 12% of the funds reached the intended beneficiaries. In other words, **88% of the funds were diverted** for other uses.
- The 2001 study, which covered five districts, found that more than 50% of the funds had been used for administrative purposes by the councils, mostly allowances. **Less than half the funds reached the intended beneficiaries.**

### **The State of Corruption in Tanzania – Annual Report 2002**<sup>2</sup>

The Report gives the results of an opinion poll, which surveys the personal experiences of corruption 1,010 respondents. It shows that of all public services, most respondents had personal experiences of corruption with the health sector. **21.7% of respondents had personally experience corruption in dealing with the health sector** in the 12 months preceding the poll. Tax authorities were second, with 14.7%, followed by Traffic Police (14.6%), Business Licensor (13.4%), Public Utilities (10.2%) and Education and Local Government (both 9.6%).

### **Public Service Satisfaction Survey (PSSS)**<sup>3</sup>

Also the 2003 PSSS asked about personal experiences with corruption. **6% reported having paid a bribe to a health worker in the previous 12 months.** This was the second highest of any sector, with police topping the list with 11%. The same survey finds that 73% of respondents report that health care has become “less affordable” in the last 5 years. Cost of treatment is also ranked as the most serious problem in the health sector, with 50% stating that it is a “serious problem” (corruption was not one of the options offered on this question).

### **Afrobarometer**<sup>4</sup>

The Afrobarometer, a pan-continental poll that was conducted in 2001 and 2003, also polled respondents on their views of how well the Government was performing. Interestingly, this poll showed a marked improvement in the respondents’ assessment of the Government’s performance in the health sector. **In 2001, 50% of respondents thought the Government was performing well, while in 2003 this had gone up to 70%.**

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<sup>2</sup> ESRF and FACEIT. 2002. *The State of Corruption in Tanzania. Annual Report 2002.* Report Commissioned by the Prevention of Corruption Bureau, Dar es Salaam.

<http://www.esrftz.org/anticorruption/thestateofcorruptionintanzania.PDF>

<sup>3</sup> REPOA. 2003. *Public Service Satisfaction Survey.* Report commissioned by the PMS Research and Analysis Working Group, Dar es Salaam. [http://www.repoa.or.tz/rawg/reports/PSSS\\_october\\_2003.doc](http://www.repoa.or.tz/rawg/reports/PSSS_october_2003.doc)

<sup>4</sup> Chaligha, Amon, Bob Mattes and Annie Dzenga. 2004. *Public Perception on Democracy and Governance in Tanzania.* Institute for Democracy in South Africa (Cape Town), Ghana Centre for Democratic Development (Accra) and Michigan State University (East Lansing).

[http://www.repoa.or.tz/research\\_activities/Afrobarometer%20Executive%20Summary%20May%202004.pdf](http://www.repoa.or.tz/research_activities/Afrobarometer%20Executive%20Summary%20May%202004.pdf).

## Ministry of Education and Culture

### Auditor General's Report

Also the audits of the Ministry of Education have improved since the early nineties. After receiving an 'Adverse' opinion in FY99 and FY00, the Ministry received a 'Qualified' opinion in the next three years.

On the second measure, the share of expenditure questioned, there is no clear trend. The amounts questioned have varied between 10% of total expenditure in FY00 down to 0% in FY03. This does not necessarily indicate a downward trend, however, as FY02 registered the second highest proportion question at 7%. FY02 was also the only year in which the Ministry of Education had a higher share of questioned expenditure than the national average.

<b>MINISTRY OF EDUCATION AND CULTURE</b>					
<b>Selected Indicators from the CAG reports FY 1998/99-2002/03 (Tshs.thousands)</b>					
<b>Problem</b>	<b>1998/99</b>	<b>1999/00</b>	<b>2000/01</b>	<b>2001/02</b>	<b>2002/03</b>
<b>Unvouchered expenditure</b>	547,954	263,969	6,969	39,818	129,855
<b>Improperly vouchered expenditure</b>	50,139	1,737,803	684,679	3,862,584	22,303
<b>Irregular payments</b>	14,904	41,178	607,649	44,744	38,613
<b>Payments supported by proforma invoices</b>	10,172	5,137		111,727	
<b>Sum questioned expenditure</b>	<b>623,169</b>	<b>2,048,087</b>	<b>1,332,313</b>	<b>4,058,873</b>	<b>190,771</b>
<b>Opinion</b>	<b>Adverse</b>	<b>Adverse</b>	<b>Qualified</b>	<b>Qualified</b>	<b>Qualified</b>
<b>Total actual expenditure</b>	29,784,911	21,391,469	48,438,774	55,085,432	97,256,057
<b>Questioned exp. As % of total exp.</b>	<b>2%</b>	<b>10%</b>	<b>3%</b>	<b>7%</b>	<b>0%</b>
<b>Average all MDAs and regions</b>	<b>16%</b>	<b>11%</b>	<b>4%</b>	<b>4%</b>	<b>4%</b>

### Public Expenditure Tracking Studies (PETS)

Primary Education was covered by both the PETS cited under health above:

- The 1999 PETS found that **43% of the funds intended for schools reached their intended beneficiaries.**
- The 2001 study also found that **less than 50% of the funds reached the schools**, and that the majority of the funds were used for administrative purposes such as allowances, fuel and stationary for the district office.

There was also a PETS conducted in 2004, that examined the use of the funds channelled through the Primary Education Development Plan (PEDP).<sup>5</sup> The study, which was the

<sup>5</sup> REPOA 2004. "Tanzania Public Expenditure Tracking Study. Study of Financial and non-Financial PEDP flows from Central government to schools in 2002 and 2003." REPOA and the Ministry of Finance, Government of Tanzania, Dar es Salaam.

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most comprehensive one yet in Tanzania covering 21 districts, uncovered significant leakages. The study documents that in the surveyed districts, an **average of 50% of the capitation grants did not make it to the schools in 2002**, while the lesser amount of **42% were diverted in 2003**.

### **The State of Corruption in Tanzania – Annual Report 2002**

The survey conducted in the preparation of this report found that **9.6% of respondents indicated that they had had personal experiences with corruption in the education sector in the previous 12 months**. Although this indicates that there is a significant problem of corruption in the education sector, this still suggests that corruption is not worse and possibly marginally better than in some of the other major sectors. See the discussion of this survey under the Health above, for the relative rankings vis-à-vis the other sectors.

### **Public Service Satisfaction Survey (PSSS)**

Under this survey, only **1% reported having paid a bribe to a teacher or head teacher in the previous 12 months**. This was the lowest for the five sectors that were surveyed (police, health, judiciary and local government, listed in descending order of reported corruption).

### **Afrobarometer**

The Education sector was covered by a question in the Afrobarometer survey, that asked whether officials in that sector were involved in corruption. **In the 2003 survey, 45% of the respondents answered that they thought there was “some corruption” in the education sector. This was an increase from 36% in the 2001 survey.** However, again Education scored ‘below’ the other sectors covered, namely (in descending order with the sector showing most corruption first) Elected leader, Government officials, Police, Customs officials, Judges and Magistrates, Tanzanian Businessmen and Foreign Businessmen.

## Ministry of Water and Livestock

### Auditor General's Report

Of the service delivery Ministries reviewed in this brief paper, the Ministry of Water and Livestock Development performs worst in the indicators provided by the Auditor General's Reports. It received "Adverse" opinions from FY99 to FY01, before it achieved a "Qualified opinion" for FY02 and FY03.

Although the Ministry did relatively well, measured on the share of expenditure questioned in FY99 and FY00, despite receiving an "Adverse" opinion for both these years, this deteriorated in subsequent years. In FY01 as% of its expenditure was questioned, going up to 22% in FY02 before going down to 8% again in FY03. These years are all significantly above the national average.

<b>MINISTRY OF WATER AND LIVESTOCK DEVELOPMENT</b>					
<b>Selected Indicators from the CAG reports FY 1998/99-2002/03 (Tshs.thousands)</b>					
<b>Problem</b>	<b>1998/99</b>	<b>1999/00</b>	<b>2000/01</b>	<b>2001/02</b>	<b>2002/03</b>
Unauthorised expenditure		19,212	123,635	72,507	89,938
Unvouchered expenditure	22,393	44,542		129,213	9,201
Improperly vouchered expenditure	73,218	94,474	1,594,382	1,386,820	1,749,840
Irregular payments	251,799	34,393	56,535		315,082
Payments supported by proforma invoices			106,751	1,729,084	147,972
<b>Sum questioned expenditure</b>	<b>347,410</b>	<b>192,621</b>	<b>1,881,303</b>	<b>3,317,624</b>	<b>2,312,033</b>
<b>Opinion</b>	<b>Adverse</b>	<b>Adverse</b>	<b>Adverse</b>	<b>Qualified</b>	<b>Qualified</b>
Total actual expenditure	15,517,920	11,961,028	16,353,859	14,913,519	27,719,141
Questioned exp. As % of total exp.	2%	2%	12%	22%	8%
Average all MDAs and regions	16%	11%	4%	4%	4%

### Public Expenditure Tracking Studies (PETS)

There has been no tracking study to date in the water sector. A need to do a study has been identified, but so far the Ministry of Finance has not yet commissioned a study through the PER process.

### The State of Corruption in Tanzania – Annual Report 2002

The survey conducted in the preparation of this report found that **10.2% of respondents indicated that they had had personal experiences with corruption in public utilities in the previous 12 months.** This includes electricity, water and telephone.

### Afrobarometer

This survey found that **52% of respondents stated that the Government was doing "very badly" or "fairly badly" in delivering water to households.**