Business Environment Strengthening for
Tanzania (BEST) Advocacy Component

Baseline Survey: Advocacy Capacity and Competency of Private Sector Organisations and Business Development Service Providers

Final Report (External Circulation)

November 2005

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BEST - AC
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Table of Contents

List of Tables and Charts

List of Abbreviations

ATE	Association of Tanzania Employers
BDSP	Business Development Service Provider
BEST-AC	Business Environment Strengthening in Tanzania - Advocacy Component
BET	Board of External Trade
CHAWASOKU	*Chama Cha Wafanyabiashara na Maendeleo Soko Kuu* (association for petty traders at Arusha central market)
CIPE	Center for International Private Enterprise
CTI	Confederation of Tanzania Industries
DANIDA	Danish Agency for International Development Assistance
DFID	Department for International Development (UK)
EAC	East African Community
EADB	East African Development Bank
ESRF	Economic and Social Research Foundation
FGM	Female Genital Mutilation
GoT	Government of Tanzania
ICISO	Iringa Civil Society Organisations
IFPA	Industrial Fishing Processors' Association
ITDA	Iringa Taxi Drivers Associations
ITTA	Intra-African Travel and Tourism Association
LGA	Local Government Authorities
MDA	Ministries, Departments, Agencies
MEM	Ministry of Energy and Minerals
MIT	Ministry of Industry and Trade
MNRT	Ministry of Natural Resources and Tourism
MS-TCDC	MS -Training Centre for Development Cooperation
PACT	Private Agencies Collaborating Together (Tanzanian Advocacy Partnership Program)
PSA	Private Sector Advocacy
PSDP	Private Sector Development Programme
PSO	Private Sector Organisations

SIDA	Swedish International Development Agency
SIDO	Small Industries Development Organisation
TANEXA	Tanzania Exporters' Association
TBS	Tanzania Bureau of Standards
TCCIA	Tanzania Chamber of Commerce, Industry and Agriculture
TCT	Tourism Confederation of Tanzania
TFC	Tanzania Federation of Cooperatives
TIRDO	Tanzania Industrial Research and Development Organisation
TNBC	Tanzania National Business Council
TPSF	Tanzania Private Sector Foundation
TRA	Tanzania Revenue Authority
TRACE	Training and Consultancy Centre
Tsh.	Tanzania Shilling (1150 Tsh. to 1 USD at the time of writing, Nov. 2005)
UDEC	University of Dar es Salaam, Entrepreneurship Centre
USAID	United States Agency for International Development
USD	United States Dollar
UWEMA	*Umoja wa Wenye Madukuni Arusha* (association of small shop holders in Arusha)
VIBINDO	*Viwanda na Biashara Ndogondogo* (small business and industry association)
ZATUC	Zanzibar Trade Union Congress

Executive Summary

The baseline survey aims to provide a narrative account of the point of departure for BEST-AC. The survey covers capacity and competency in business advocacy for Tanzanian private sector organisations (PSOs) and business development services providers (BDSPs) accredited by BEST-AC. The baseline for PSOs focuses on national PSOs as well as regional PSOs in the regions selected by BEST-AC for piloting the private sector advocacy facility, namely Arusha, Iringa, Kilimanjaro and Mwanza. The baseline is based on personal interviews with a sample of 28 national PSOs, 19 regional PSOs and 18 BDSPs, including two non-accredited consultancies. The survey captures main trends and themes without claiming strict statistical robustness.

Main Findings in Relation to National and Regional PSOs

Many PSOs have a weak institutional foundation: They typically have no or a small secretariat to support their activities and funding is also a major concern. Virtually all interviewed PSOs have some kind of dialogue with the authorities, and it is also common for PSOs to be in regular dialogue with other private sector organisations, but in both cases most often on an ad-hoc basis. Whereas the majority of national PSOs associate business advocacy with the act of dialoguing and influencing, fewer regional PSOs make this association. There is consensus among national and regional PSOs that business advocacy is directed towards the authorities with a view to create a conducive environment for business. When asked to define the corresponding tools for advocacy, regional PSOs cite letters, formal meetings and workshops, while national PSOs also mention other measures such as use of media, publications and analytical reports.

Very few PSOs have established particular systems for doing business advocacy: Hence, only a small minority have developed workplans addressing advocacy and, similarly, no one employs advocacy professionals to prepare and implement advocacy activities. Finally, budgetary constraints seem to be a serious limiting factor for advocacy activities. Notwithstanding the fragile advocacy systems in place, the sampled PSOs have covered many different issues through their advocacy issues, notably related to taxes, VAT, market entry regulations, and export/ import duties. The approach taken by the PSOs involves the utilisation of networks and contacts to support any formal requests submitted to the authorities. The outcome of such contacts and dialogues is typically described as "partially successful".

When trying to analyse their strengths, some of the national PSOs typically point to factors such as access to decision makers, networks with other PSOs, dedicated, visionary leadership, and well-managed secretariats as the main reasons. In terms of weaknesses and challenges, PSOs point to lack of funds as the main constraint, notably money to recruit and build technical expertise and to build up office infrastructure and the secretariat in general. Finally, it is interesting to note that half of all PSOs single out the mindset of the authorities as a major challenge for their advocacy work.

What capacity building needs do the PSOs see in view of the above analysis? The majority demand training and capacity building to improve their advocacy skills. General management and organisational training is also required: Many PSOs, both national and regional, could arguably benefit from a stronger foundation, including more paying

members and better organised secretariat. This may also give them increased leverage vis-à-vis the authorities.

Main Findings in Relation to BDSPs

The BEST-AC accredited BDSPs are generally well educated, but none of them are specialised in the area of advocacy or communication. Likewise, the majority of them have not worked professionally with advocacy for any significant period of time. Nevertheless they all have a good basic understanding of business advocacy, arguably a result of their recent exposure to BEST-AC training. When asked to mention specific tools for advocacy, they typically point to analytical papers, lobbying and workshops/ seminars, i.e. both formal and informal measures.

Not all of the BDSPs have applied their general skills and understanding of advocacy to actual assignments. Those with experience have typically supported specific groups to address a certain issue or have been involved in training PSOs. All of these activities typically focus on small scale entrepreneurs and organisations. Hence, the experience of the PSOs to work with national PSOs and larger corporate clients is limited. There is some evidence to suggest that this larger niche is mostly being attended to by consultants from larger BDSP firms not accredited by BEST-AC.

Whereas the practical advocacy experience of the BDSPs is somewhat limited, many of them are capable of offering good analysis why some activities fail and others succeed. They are however less confident when it comes down to a question of implementation. Accordingly, many of them express a need for more training in the area of applied advocacy and project management.

For PSOs, the BDSPs identify the major capacity building needs to be advocacy skills and general management and organisation. If the BDSPs are expected to address these needs, the Consultant agrees that more action-oriented capacity building of the BDSPs is necessary.

1 Introduction

The Business Environment Strengthening in Tanzania - Advocacy Component (BEST-AC) was started in October 2004. BEST-AC is responsible for the effective and efficient design, development and delivery of the Private Sector Advocacy (PSA) Fund.

The PSA Fund is provided through grants from the governments of Denmark (through Danida), the Netherlands, Sweden (through SIDA) and the United Kingdom (through DFID).

1.1 BEST-AC and the Private Sector Advocacy Fund

The aim of the fund is to empower the private sector in Tanzania through interventions which strengthen the advocacy work and capacity of private sector organisations (hereinafter referred to as PSOs). By providing direct financial and technical support to existing and emergent business advocacy organisations, the fund and BEST-AC (the fund manager) are aiming to:

- Strengthen the capacity and competency of business advocacy organisations in Tanzania;

- Support more efficient and effective linkages between business advocacy organisations; and

- Provide quality advice and other support on specific and important private sector advocacy issues.

BEST-AC has been brought into existence to improve the quality and the effectiveness of private sector advocacy, thereby having a direct and positive impact on public policy, legislation, regulations and the external business environment, insofar as they relate to the Tanzanian private sector.

Overall, the BEST-AC team have created three "windows" differentiating between three target "markets" for the PSA fund:

- Window I: National PSOs;

- Window II: Regional PSOs; and

- Window III: District PSOs.

BEST-AC has shortlisted and trained a number of registered business development service providers (hereinafter referred to as BDSPs). National and regional PSOs applying for funding from BEST-AC have the option to seek support from these BDSPs during preparation of their applications. It is assumed that where a BDSP is used, the provider will also be involved in the subsequent implementation of a successful project.

During the inception phase of the component, the need for a baseline survey of capacity and competency in business advocacy was identified by the BEST-AC Team. To undertake this survey, the BEST-AC Team Leader proposed a team of one consultant from COWI AS and one from COWI Tanzania Ltd. (hereinafter referred to as the Consultant).

1.2   Purpose of the Baseline Survey

The purpose of the survey is to establish a baseline on the current situation with regard to advocacy planning and advocacy initiatives within the Tanzania private sector. The objective is to articulate the point of departure for the BEST-AC, and simultaneously provide input to understanding reasons for success and failure of advocacy initiatives, and provide input on advocacy training and capacity building needs.

In a 13 October 2005 kick-off meeting with the BEST-AC team, the following was agreed with respect to the survey:

1   The aim is to establish a narrative baseline of important themes in private sector advocacy in Tanzania, and as best possible within the time limitations, to provide relevant quantitative data on advocacy capacity and competency;

2   Two surveys are to be established, for two distinct target groups: Private sector organisations (PSO) and business service development (BDS) providers;

3   The survey of private sector organisations will exclude organisations eligible to apply for funding under Window III;

4   The survey of private sector organisations will not necessarily be limited to those organisations that have applied for funding under Windows I and II, as the baseline is being carried out in a pilot phase that only applies to a limited number of regions;

5   The survey of BDS providers should focus only on those eligible to provide services to Windows I and II;

6   The survey should focus on advocacy between the private and the public sector, while private sector advocacy with other private sector organisations is still kept on record; and

7   The survey will be repeated at a time after the pilot phase ends in April 2006.

A separate workplan and methodology for the assignment was submitted to the BEST-AC team on 21 September 2005.

The BEST-AC team was subsequently informed of progress through a 21 October 2005 letter.

1.3   Organisation of the Report

This report is organised as follows:

Chapter 2 presents the conceptual framework for the assignment, i.e. definitions and indicators for advocacy capacity and competency.

Chapter 3 sets out the methodology for the assignment including methodology for data collection, establishment of sampling frame and sampling techniques.

Chapter 4 presents the findings for the baseline survey of advocacy capacity and competency among national and regional private sector organisations

Chapter 5 presents the findings for the baseline survey of advocacy capacity and competency among business development service providers.

Five annexes are attached to the report:

Annex 1 includes the Terms of Reference for the assignment.

Annex 2 presents the private sector organisations and business development service providers sampled for the assignment. The annex also provides names and dates for the particular persons interviewed.

Annex 3 provides the letters of introduction distributed to all sampled entities.

Annex 4 includes the interview guides developed for data collection purposes.

Annex 5 includes references for the report.

2 Conceptual Framework

2.1 Definitions

For the purpose of the survey, **business advocacy** is defined as: Actions to influence the authorities with a view to create and maintain a favourable environment for private sector business. As mentioned, "business advocacy" can also be strictly between private organisations, but this is not systematically examined in this survey.

Among typical **advocacy tools** can be mentioned:

- Lobbying;

- Use of media;

- Issuing of publications to influence public opinion;

- Seminars/ workshops/ conferences;

- Coalition building/ networking (horizontally and vertically);

- Analytical reports; and

- Training/ capacity building.

Advocacy capacity is defined as the general ability of PSOs or BDSPs to influence target groups or advise/ train clients.

For PSOs this mainly concerns the strength of the organisations (staff, budget, members etc.), networks and access to decision makers, as well as their ability to define and conceptualise advocacy in general terms.

Advocacy competency, in turn is defined as the ability of PSOs and BDSPs to apply their general knowledge to specific advocacy activities with a view to achieve desired results. It also concerns the ability to analyse and explain success and failure.

2.2   Advocacy Indicators

To facilitate systematised data collection, a list of indicators for capacity and competency in business advocacy has been developed. Most of the indicators are common to PSOs and BDSPs but given the fact that the former are organisations and the latter individuals, two separate lists of indicators have been developed.

The indicators are mainly of a qualitative nature. The data emanating from the qualitative indicators have subsequently been attempted quantified wherever possible.

In more detail, the indicators are listed below.

2.2.1   Advocacy Indicators for Private Sector Organisations

Advocacy Capacity
The capacity indicators relate mainly to the organisational set-up of the PSOs, their leverage in terms of members, funding and relations to public and private entities, and finally, their ability to define advocacy and specific advocacy tools:

*   **organisation:** regular budget for the organisations and any specific allocations for advocacy; funding scores; representation of the organisations in the sector in percentage; having staff devoted to advocacy and their seniority in organisation; senior management being involved in advocacy;

*   **access to decision makers:** frequency of meetings with decision makers; being member of government/ regional committees; being invited for policy dialogue; effectiveness of policy dialogue;

*   **networks:** meeting regularly with other business organisations to discuss policy issues and mutual interests;

*   **definition of business advocacy:** basic understanding of advocacy; and

*   **advocacy tools:** basic understanding of advocacy tools.

Advocacy Competency
The indicators for advocacy competency serve mainly to illustrate the ability of PSOs to apply their general advocacy capacity to specific advocacy activities and issues and to achieve tangible results as a consequence thereof.

*   **advocacy systems and planning:** workplan with appropriate schedule, budget and time allocation; activities linked to strategy and analysis; definitions of responsibility within the organisation/ coalition;

*   **experience:** previous experience with advocacy. This was previously listed as indicator for capacity but given the fact that it demonstrates the ability of PSOs to translate their general skills into action, it has been included as an indicator for competency;

*   **approach:** comprising the following sub items:

- **situation analysis**: an effective analysis of the problem as it effects members; including who are affected (stakeholder analysis);

- **analysis of policy environment and process:** which decision-makers can take the decision on the issue; administrative change process;

- **advocacy strategy:** including strategies for win-win situations; building of alliances; clear target group/ persons identified; and

- **effective communication**: selection of spokesperson; clear requests; branding of policy.

- **output/ outcome:** having carried out advocacy activities that were successful; and

- **analytical ability**: why some advocacy initiatives fail and others succeed.

2.2.2   Advocacy Indicators for Business Development Service Providers

Advocacy Capacity
The capacity indicators relate mainly to the educational background and professional experience of BDSPs and the degree to which these are relevant to advocacy, and finally, their ability to define advocacy and specific advocacy tools:

- **education and training:** BDSPs who have received education and/ or training relevant to advocacy processes are expected to have a stronger capacity to analyse and advise on advocacy issues;

- **professional experience:** BDSPs who have previously held advocacy positions in public or private sector may have additional experience to draw upon when advising clients;

- **definition of business advocacy:** basic understanding of business advocacy processes, target groups and objectives; and

- **advocacy tools:** basic understanding of advocacy tools and ability to define specific examples of effective advocacy.

Advocacy Competency
The indicators for advocacy competency serve mainly to illustrate the ability of PSOs and BDSPs to apply their general advocacy capacity to specific advocacy activities and issues and to achieve tangible results as a consequence thereof.

- **experience:** previous experience with advocacy. This was previously listed as indicator for capacity but given the fact that it demonstrates the ability of BDSPs to apply their general skills to support clients, it has been included as an indicator for competency;

- **approach,** comprising the following sub items:

- **situation analysis**: an effective analysis of the problem as it effects members; including who are affected (stakeholder analysis);

- **analysis of policy environment and process:** which decision-makers can take the decision on the issue; administrative change process;

- **advocacy strategy:** including strategies for win-win situations; building of alliances; clear target group/ persons identified; and

- **effective communication**: selection of spokesperson; clear requests; branding of policy.

- **output/ outcome:** having assisted PSOs to achieve the desired advocacy-related results; and

- **analytical ability**: why some advocacy initiatives fail and others succeed, comprising the following sub-items:

  - analysis of BDSP support to PSOs; and

  - analysis of PSOs obstacles and opportunities.

3 Methodology

This Chapter presents the methodology followed. Section 3.1 describes the sampling process while section 3.2 explains the data collection exercise.

3.1 Sampling

The survey covers national PSOs, regional PSOs in the four pilot regions of Arusha, Iringa, Kilimanjaro and Mwanza and BEST-AC accredited BDSPs. In addition, two qualitative interviews were carried out with non BEST-AC accredited BDSPs.

As presented in Table 1 the size of the sample frame for national PSOs is 66, the number of organisations identified in Dar es Salaam and the BEST-AC pilot regions, while the sample frame for regional PSOs in the pilot regions totals 23. Subsections 3.1.1 and 3.1.2 detail how these sampling frames have been established. Finally the total number of BEST-AC accredited BDSPs is 21.

A total of 18 person days were assigned for data collection. As the next section shows, the data were collected through personal interviews. At the start of the assignment, it was estimated that 70 interviews could be carried out, corresponding to an average of almost four interviews per day, against a total sampling frame of 110. Accordingly, it was necessary to draw a sample. The size of the sample is described in Table 1 showing the distribution per national PSOs, regional PSOs and BEST-AC accredited BDSPs.

Table 1 also describes the actual coverage in percentage in the far right column: In the end only 65 interviews could be carried out within the available time, primarily due to cancelled appointments and other practicalities. To use time effectively, cancelled appointments were replaced with new PSOs and BDSPs not included in the sample, typically in consultation with BDSPs familiar with the concerned area.[1]

No sampling frame was established for non-BEST-AC accredited BDSPs as these are not meant to be systematically covered by the survey. Subsection 3.1.3 has more details on their selection.

The survey has the size to capture main trends and themes in advocacy among PSOs and BDSPs without claiming to meet strict technical criteria for a statistically robust study.

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[1] Most importantly, only one BDSP from Mwanza was interviewed against the scheduled three. Please refer to Annex 2 for further information.

In some cases, it was not possible to establish contact with the sampled institution. Another sample was accordingly drawn from the original sampling frame to replace these organisations.

Table 1   Sample Size and Actual Coverage

	Sample frame	Sample size	Actual Interviews	Actual Coverage (percent)
National PSO	66	30	28	42
Regional PSO (pilot regions	23	20	19	83
BEST-AC accredited BDSPs	21	18	16	76
Subtotal	110	68	63	57
Non BEST-AC accredited BDSPs	n.a.	2	2	n.a.
Total	n.a.	70	65	n.a.

n.a.: not applicable

The specific procedures for sampling are listed below for each of the target groups. Stratified random sampling was in all cases done through Microsoft Excel.

3.1.1   National Private Sector Organisations

The sampling frame for national private sector organisations has been compiled on the basis of lists of national business organisations from Tanzania Private Sector Foundation (TPSF), University of Dar es Salaam Entrepreneurship Centre (UDEC), and BEST-AC. The sampling frame has been limited to organisations headquartered in Dar es Salaam and the BEST-AC pilot regions.

National PSOs have been selected by stratified random sampling, to ensure coverage of the following sectors, which are viewed as particularly relevant for economic development in Tanzania.

• Agriculture;

• Mining;

• Tourism;

• Transport; and

• Manufacturing;

Three private sector organisations have been selected by random sampling from each sector. The remaining 15 have been selected by random sampling from among the remaining sectors.

The inclusion of 15 PSOs from the abovementioned sectors ensures that the overall sample is representative and captures main trends and challenges for the economy as a whole, including some of the most dynamic sectors (mining and tourism), which account for a large proportion of the Tanzanian export revenue. The size of the samples (three PSOs per sector) from each of the sectors does however not allow for statistically robust conclusions with regard to characteristics and trends of the individual sectors.

Details on the specific sampled organisations are presented in Annex 2.

3.1.2   Regional Private Sector Organisations

Following a similar approach as described above, regional private sector organisations have also been selected by stratified random sampling from the four pilot regions of Arusha, Iringa, Kilimanjaro, and Mwanza.

To compile the sampling frame for each of these regions, the Consultant has collected information from each of the TCCIA offices in these regions as well as from the various BEST-AC accredited BDSPs based in these regions. The distribution of interviews among the region is as follows:

- 12 regional PSOs in Mwanza and Arusha (6 each); and

- 8 regional PSOs in Iringa and Kilimanjaro (4 each).

As the economic activity in Mwanza and Arusha is relatively higher, a higher proportion of respondents are selected from these areas.

As discussed during the debriefing for the inception phase, not all of the regional PSOs sampled are strictly regional. By contrast, a number of these have more of an urban character, focusing on organising a particular trade in the town or city where they are based, such as taxi drivers, butchers etc.

Details on the specific sampled organisations are presented in Annex 2.

3.1.3   Business Development Service Providers

The survey of business development service providers focuses on those providers accredited by BEST-AC.

Eighteen of them have been selected by stratified random sampling from Dar es Salaam and the four pilot regions (Arusha, Iringa, Kilimanjaro and Mwanza), with the following distribution:

- 8 BDSPs from Dar es Salaam;

- 6 BDSPs from Mwanza and in Arusha (each region 3); and

- 4 BDSPs from Iringa and in Kilimanjaro (each region 2).

The distribution reflects roughly the level of economic activity in each of these regions.

In addition, the sample of BDSPs includes two international consultancies. They have been selected on the assumption that they are able to attract the best staff, and thus represent state-of the–art in advocacy in Tanzania. The information obtained from these does not have any scientific value, but may serve to shed light on some issues and challenges facing the focus group: BEST-AC accredited BDSPs.

Details on the specific sampled BDSPs are presented in Annex 2.

3.2   Data Collection

The data collection methodology is based on individual interviews following a semi-structured interview guide, to ensure that qualitative data are captured. This is considered the most relevant approach, compared to other data collection approaches such as group interviews, postal questionnaires etc.

Two distinct interview guides were developed during the inception phase: One survey/ guide for national and regional private sector organisations, the other for business development service providers. The two interview guides were tested with two private sector organisations and two business development service providers. The interview guides are based on the indicators for capacity and competency mentioned in section 2.2.

In view of the time restraints, the information collected has been standardised and categorised to illustrate the main themes emerging from the interviews. To ensure transparency of the interpretation of such data, the original hardcopy questionnaires and a data matrix with all the original responses and categories will be handed over to BEST-AC upon completion of the assignment.

To kick-off the interview schedule, invitation letters were distributed to all sampled entities. The letters also present a brief outline of the questions to be discussed. The letters are attached as Annex 3.

The invitation letters have been followed up continuously to schedule the interviews. Efforts have consistently been made to meet with the chairperson, and/ or the executive secretary (where a secretariat exists). This has been possible in almost all cases. The names and titles of those interviewed is provided in Annex 2.

In the Consultant's opinion, the data collection progressed very well with almost all interviewees showing interest and enthusiasm to respond to the questions and discuss advocacy in general.

Still, it is worth noting that data reflect interviewees' own assessments, and have not been systematically verified by information from third parties. This would require a significant effort and is outside the scope of this assignment. Accordingly, some of the data on capacity, competency and particularly output/ outcome may be slight upwards biased under the assumption that interviewees prefer to talk about success rather than failure.

4 Findings: Private Sector Organisations

This chapter presents the findings on the baseline study for national and regional private sector organisations.

The actual findings are presented in three main sections; with section 4.1 setting out findings related to advocacy capacity, section 4.2 focusing on advocacy competency and, finally, section 4.3 describing findings with regard to capacity building needs. Section 4.4 summarises the findings.

4.1 Advocacy Capacity

As mentioned in section 2.2. advocacy capacity is for the purposes of this report defined as issues related to *organisation* (subsection 0), *access to decision makers* (subsection 4.1.2), *networks* (subsection 4.1.3), the *conceptual understanding* of advocacy (subsection 4.1.4), and the ability to define *advocacy tools* in general terms (subsection 4.1.5).

4.1.1 Organisation

The subsection presents the main findings with regard to the organisational set-up of the PSOs. It focuses on the availability of secretariats, outreach to members, budget and funding source.

Virtually all of the 47 PSOs interviewed exist to provide a forum for private sector operators in a given area and to promote the interests of that particular group.

Nevertheless, the sampled PSOs also differ by a number of characteristics: A distinction can be made between those formed with the encouragement or direct action of the Government and those that have a strictly private origin.

Another distinction, as illustrated in Chart 1, can be made between those that exist with a view to represent and advocate the interests of a given sector and those that have a broader or different focus. As the Chart shows, more than 85 percent of the national PSOs point to advocacy and representation of the sector as one of their main activities. More specifically, they typically perceive it as their duty to represent the sector and defend the interests of the members with a view to create a favourable business climate. Many also indicate that the purpose of the PSO is to act as a "forum" for discussion of issues pertaining to the sector.

75 percent of regional PSOs share this view, but one third of the regional PSOs also point to awareness creation and service delivery as main activities. A typical example

would be awareness creation on HIV/AIDS or making members aware of their rights and obligations as businesspeople and, more generally, as citizens.

Identification of new marketing opportunities, domestic and abroad, is another primary activity for roughly ten percent of the PSOs. This is typically the case for organisations representing members in the export sector. Finally, a number of PSOs point to other main activities such as provision of training programmes to their members and collection and dissemination of data pertaining to the sector in question.

Chart 1   Primary Activities of PSOs, National and Regional
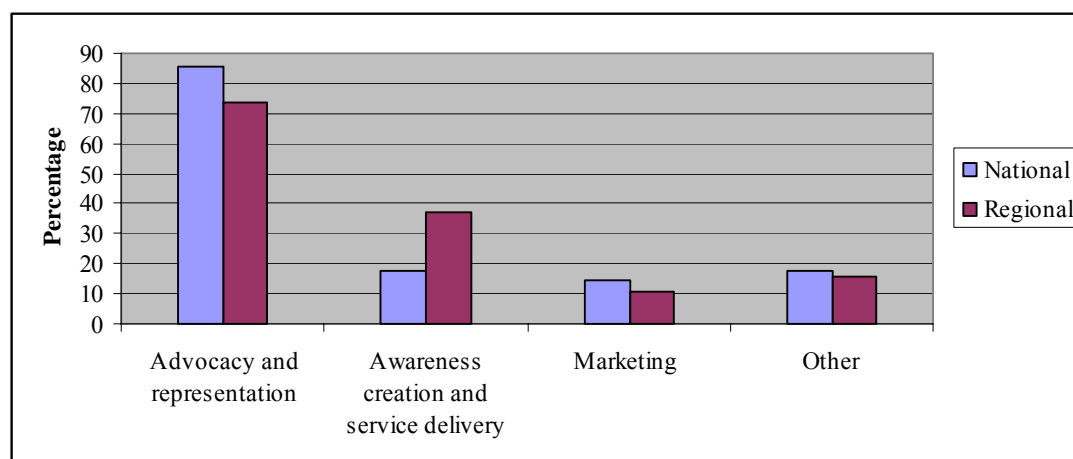
n: 47 (28 national, 19 regional). Annex 2 lists names of interviewees.
Note: Data reflect respondent's own assessment of their primary activities. Interviewees' open answers have been grouped into above categories by the Consultant.

Roughly a third of the PSOs who see advocacy and representation as one of their main responsibilities also point to other primary activities. It has not been systematically examined whether advocacy is typically seen as the most important activity for those. Still, the data suggest that national PSOs are more focused on advocacy work, while regional PSOs often have a more diverse agenda, with advocacy work being only one among other activities.

Secretariat
A major distinction can be made between PSOs with a secretariat to rely on and those that have to rely on voluntary support from members. The distribution for national and regional PSOs is presented in Chart 2 below: One quarter of the national PSOs have no secretariats, while more than one third of the regional PSOs are in a similar position.

It can also be seen that approximately 15 percent of national and regional PSOs have to rely on a one-person secretariat. In other words, many PSOs have no or only limited paid staff to look after their business and therefore rely on voluntary contributions from board members or ordinary members.

Chart 2 Secretariat Size for PSOs, National and Regional
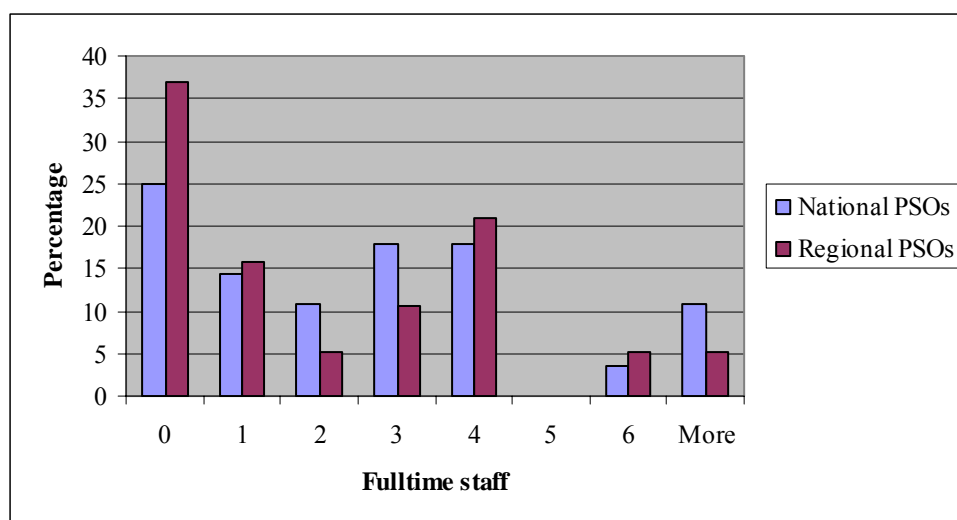
n: 47 (28 national, 19 regional). Annex 2 lists names of interviewees.
Note: Chart reflects paid staff.

As pointed out by several interviewees, lack of secretarial support may have negative implications for the capacity of the PSOs to be effective. Still, evidence from other interviews suggests that some organisations despite having no formal secretariat, receive very significant support through the offices of one or more member companies. This is typically possible in relatively small associations, where the benefit accruing to the member providing secretarial support is greater than it would have been in a larger association.

Where staffed secretariats exist they are typically composed of an executive secretary, an accountant, an administrative secretary, and a messenger.

Outreach

Outreach is defined as the number of members a given PSO has in relation to the total population of existing and potential members in that given sector. Outreach is believed to be an important factor in determining the leverage PSOs have. The outreach in terms of member coverage for the sampled PSOs is depicted in Chart 3 below.

Approximately one third of the national PSOs have coverage of between 80 and 100 percent. The two other thirds are evenly spread, with more than one sixth having outreach to less than 20 percent of the total potential membership base.

There is negative correlation of approximately -0.5 between outreach and number of members for national PSOs. This suggests that national PSOs with high outreach are typically representing relatively small sectors (in terms of number of operators), thus finding it relatively easy to identify and recruit all members.

For regional PSOs, one third has very high coverage and another third very low coverage: Those with high outreach are typically relatively small PSOs that are not regional *per se* but more typically urban based PSOs which find it easy to identify and recruit all potential members.

Chart 3   PSO Outreach, National and Regional
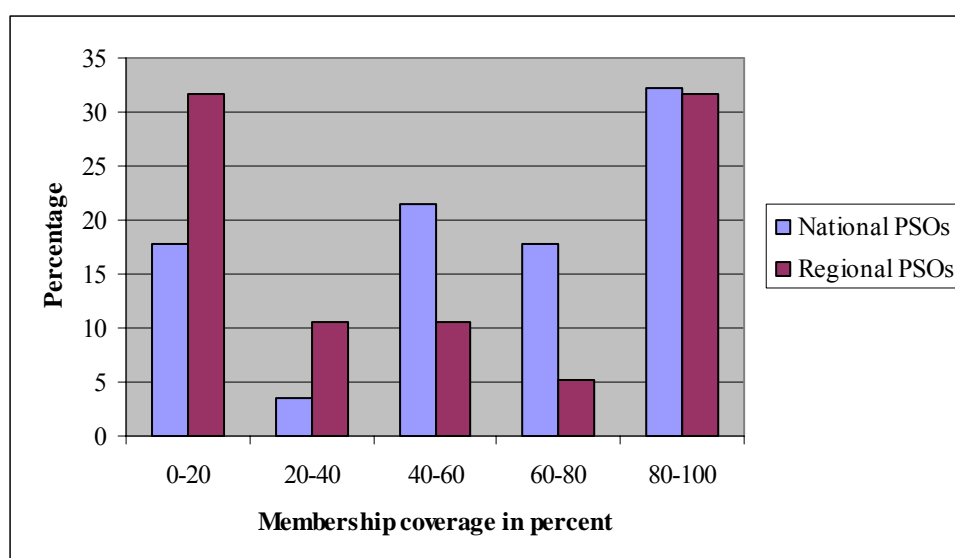
n: 47 (28 national incl. 2 missing, 19 regional incl. 2 missing). Annex 2 lists names of interviewees. Note: Data reflect actual paying members in relation to interviewees' estimate of total number of actual and potential members

The high proportion of regional PSOs with coverage less than 20 percent reflects the fact that the regional TCCIA offices typically represent less than five percent of the potential membership base. During the interviews, all of the regional TCCIA offices accordingly identified membership recruitment as a priority.

Funding

The annual budget for PSOs is illustrated in Chart 4 below. Approximately one third of national PSOs operate on an annual budget of less than Tsh. 5m. Towards the other end of the scale, approximately one quarter of the national PSOs operate on a budget of more than Tsh. 50m per year.

At the regional level, it is worth noting that more than a quarter of the organisations have less than Tsh. 1m available per year and another quarter has between Tsh. 1-5m. At the same time, it is striking to note that another quarter of the regional PSOs have between Tsh. 20-50m at their disposal. These are typically organisations receiving external funding from donors and organisations with a more diverse portfolio including for example externally funded micro-credit schemes.

The size of the annual budget is strongly correlated with the size of the secretariat (0.90 for national PSOs and 0.77 for regional PSOs), suggesting that the bulk of the budget is utilised for daily operation of the secretariat. It may also be an indication that PSOs with staffed secretariats find it relatively easier to recruit new members adding additional revenue to the organisation. As demonstrated in section 4.3, some PSOs have expressed interest in training and capacity building on how to recruit members.

Chart 4   Annual Budget for PSOs, National and Regional
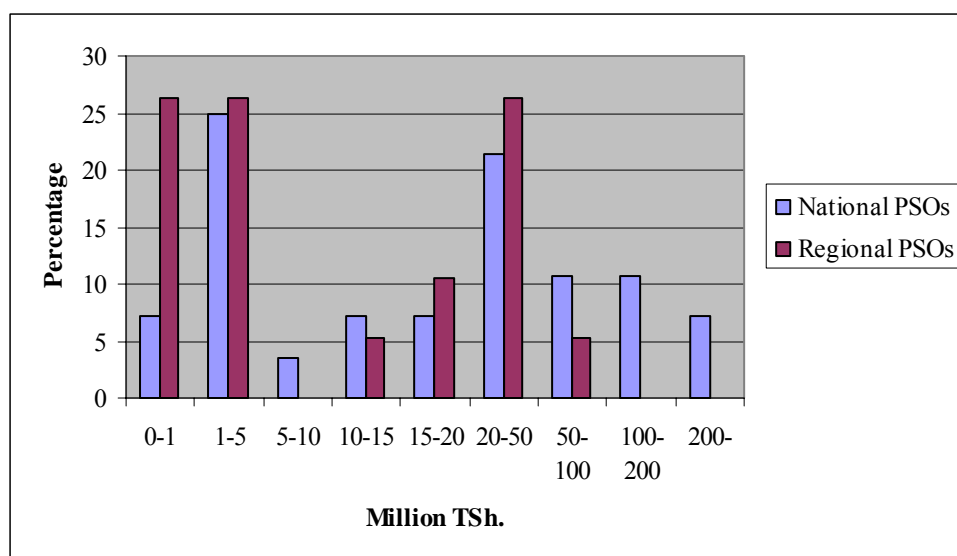
n: 47 (28 national, 19 regional). Annex 2 lists names of interviewees.
Note: figures reflects estimates by interviewees for latest available year

The majority of the PSOs rely on member contributions as the main source of funding. Still, a considerable number of regional PSOs have multiple sources of income, either from revenue from delivery of services (secretarial support, issuing of certificates of origin), or from external donations.

Chart 5   PSO Source of Funding, National and Regional
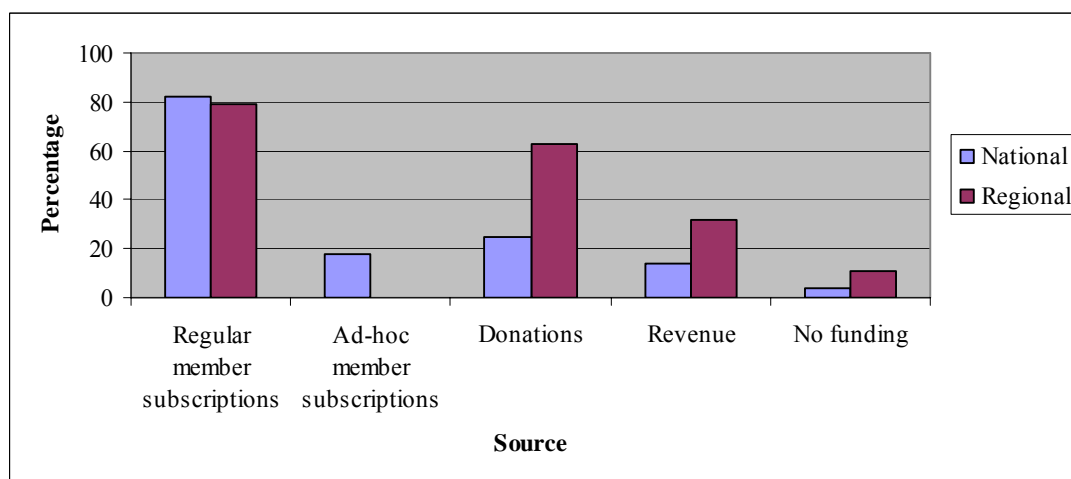
n: 47 (28 national, 19 regional). Annex 2 lists names of interviewees.
Note: Percentages total more than 100 percent as some PSOs have more than one source of income.

4.1.2   Access to Decision Makers

As illustrated by Chart 6 more or less all PSOs have regular contact with the authorities on various issues pertaining to the sector in question. Typically, national PSOs have regular contacts with the relevant line ministry, department, and/ or agency (MDAs).

As a large proportion of the PSOs represent members who rely on natural resources in one way or the other, Ministry of Natural Resources and Tourism (MNRT) and the Min-

istry of Agriculture and Food Security are among the line ministries most often approached by PSOs.

In addition, many national PSOs have been in discussion with crosscutting ministries and authorities such as the Tanzania Revenue Authority (TRA) and Ministry of Finance. This follows from the fact that the most common issue for advocacy is related to taxes, levies, duties and VAT (see subsection 4.2.2 for details on specific advocacy issues). Other crosscutting institutions such as Ministry of Industry and Trade (MIT) and Tanzania Bureau of Standards (TBS) are also approached by national PSOs from time to time.

For regional PSOs, dialogue with authorities typically goes though the relevant Regional Commissioners, the Regional Administrative Secretary, and, at district level, the District Executive Director (city, municipal, district) and sometimes, but more rarely, the District Commissioner. A few regional PSOs also have direct dialogue with central MDAs such as MNRT, the Ministry of Energy and Minerals (MEM), and the Ministry of Water and Livestock Development.
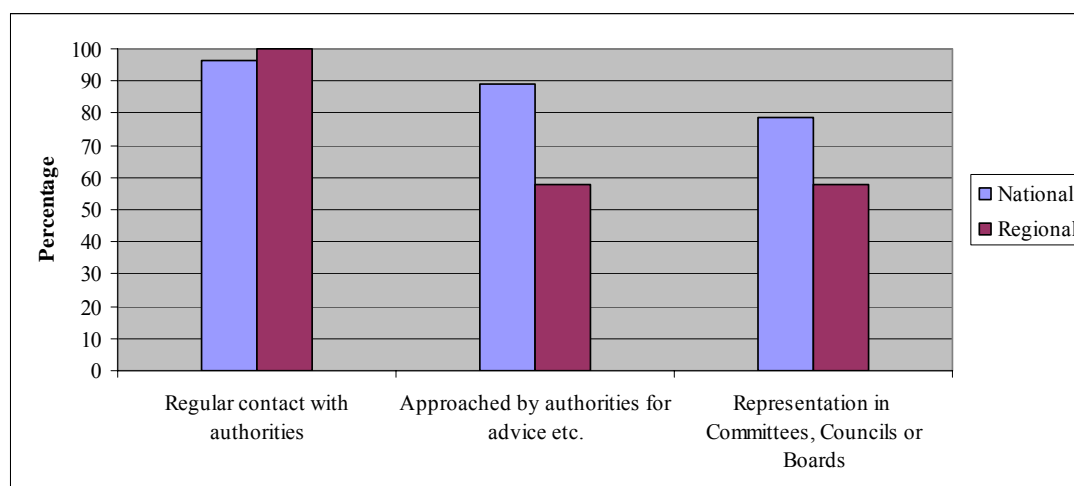
Chart 6   PSO Outreach to Authorities

n: 47 (28 national, 19 regional). Annex 2 lists names of interviewees.
Note: Interviewees' open answers have been grouped into above categories by the Consultant.

As Chart 6 also illustrates, the dialogue between national PSOs and authorities goes both ways. Close to 90 percent of the national PSOs have been approached by MDAs for advice and feedback on issues pertaining to their sector.

A smaller proportion of regional PSOs are approached by authorities, but it still corresponds to roughly half of them. The regional TCCIA Chambers are for example recognised and used in varying degrees by the various district and regional authorities, when there is a need to gather private sector related data and information.

It can be seen that 80 percent of national PSOs have some form of formal representation in GoT committees and councils, including Board of External Trade (e.g. TANEXA), TRA Stakeholders' Forum (e.g. Tanzania Private Sector Foundation, TPSF, and the Association of Tanzania Employers, ATE) and various ad-hoc committees established to support the drafting of particular policies (e.g. Tanzania Federation of Cooperatives,

TFC, for Cooperatives Policy and the Intra-African Travel and Tourism Association, ITTA, for tourism policy).

Finally, roughly 40 percent of the national PSOs are represented, directly or indirectly, in the Tanzania National Business Council (TNBC), chaired by the President of the Republic, as Chart 7 in the next subsection, demonstrates. Some interviewees see TNBC as an important instrument for high-level discussions with the authorities.

The share of representation in GoT committees is limited to approximately 60 percent for regional PSOs. Typically regional PSOs have representation in Tax Appeals Committees, Regional Security Committees, and Regional Environmental Committees. Such representation is however mainly limited to more established regional PSOs such as the regional TTCIA offices. The smaller urban-based PSOs such as *Chama Cha Wafanyabiashara na Maendeleo Soko Kuu* (CHAWASOKU), *Umoja wa Wenye Madukuni Arusha* (UWEMA) and MCBA typically have no representation in formal committees and councils.

Some PSOs in Kilimanjaro, Arusha and Mwanza regions are also looking to the future with optimism as regional business councils are in the process of being established, following in the steps of Tanga region, which was the first region in the country to establish such a council. In the opinion of one interviewee in Mwanza this would provide the currently lacking necessary formalised access to authorities: Even though access to the City Council is good, it is mostly a result of personal relations. Introducing a regional business council would formalise and institutionalise the dialogue, committing the authorities to consult the private sector on a regular basis.

Subsection 4.2.4 presents the PSOs' general assessment of the outcome from the various discussions and dialogue with the authorities.

4.1.3   Networks

In addition to the many contacts with the authorities, several PSOs also maintain close contact with other PSOs. Chart 7 describes the main trends: Roughly 40 percent of the national PSOs are members of TPSF, a recently established institution with the aim of promoting private sector interests across all sectors. TPSF also serves as secretariat to TNBC.

One third of national PSOs also use TCCIA and the Confederation of Tanzania Industries (CTI) as apex bodies for their particular trade or industry. Some interviewees have explained that using for example CTI to approach the authorities can be an effective way, as the GoT is seen to prefer talks with apex bodies over individual PSOs.

Moreover, national PSOs have regular contacts with other PSOs representing other businesses such as immediate suppliers or buyers.

Finally, looking beyond Tanzania, it can be seen that approximately one quarter of national PSOs have formal links or dialogue with international apex associations or sister organisations in other countries. This is especially the case for PSOs in the tourism sector, which are members of international associations, such as the East African Committee for Wildlife and the East African Tourist Council.

Chart 7 PSO Contacts with Other Organisations, National and Regional
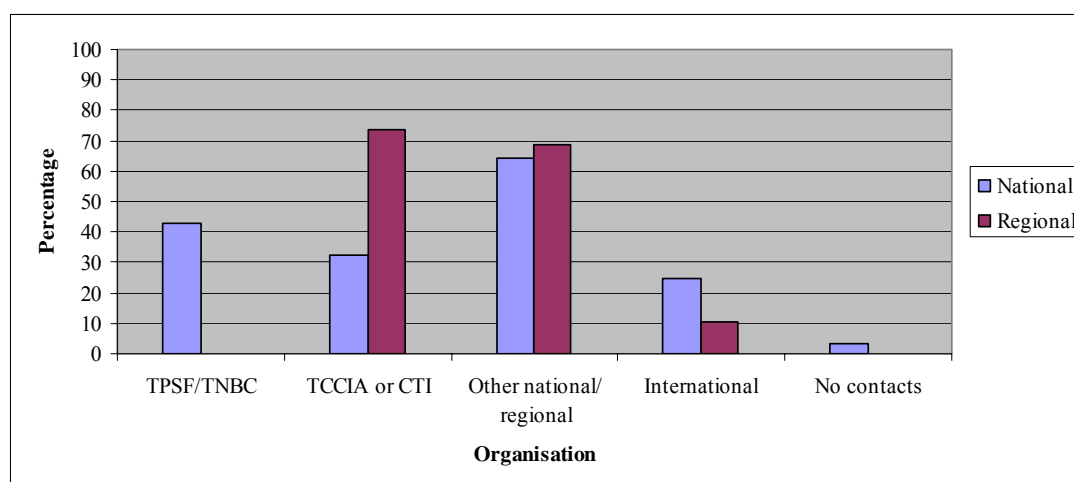
n: 47 (28 national, 19 regional). Annex 2 lists names of interviewees.
Note: The sample may be biased towards Regional PSOs with contacts to TCCIA as TCCIA regional offices assisted the Consultant in establishing the sample frame.

At the regional level, TCCIA emerges as one of the main fora for business-to-business dialogue. This is no surprise as TCCIA is the only apex body to have a fully developed structure throughout the country, with representation in all regions and in many districts.

Besides TCCIA, 70 percent of regional PSOs also interact with other national and regional PSOs.

4.1.4   Definition of Business Advocacy

All of the interviewees were asked to define the concept of business advocacy in general terms and identify what they associated with the concept. The question was asked in an open way. The answers have subsequently been analysed and grouped into i) process, ii) the target or addressee for advocacy actions, and iii) objective. Chart 8 summarises the results obtained from this exercise.

For national PSOs it is worth noting, that almost 70 percent associate business advocacy with the process of influencing, dialoguing and/ or advancing a particular interest. In other words, they have an understanding of advocacy in line with the definition in the conceptual framework.

Around one third of the national PSOs also relate other processes to advocacy, including:

• GoT support to business;

• Collection and dissemination of marketing information; and

• Business development.

Chart 8   PSO Definition of Business Advocacy, National and Regional
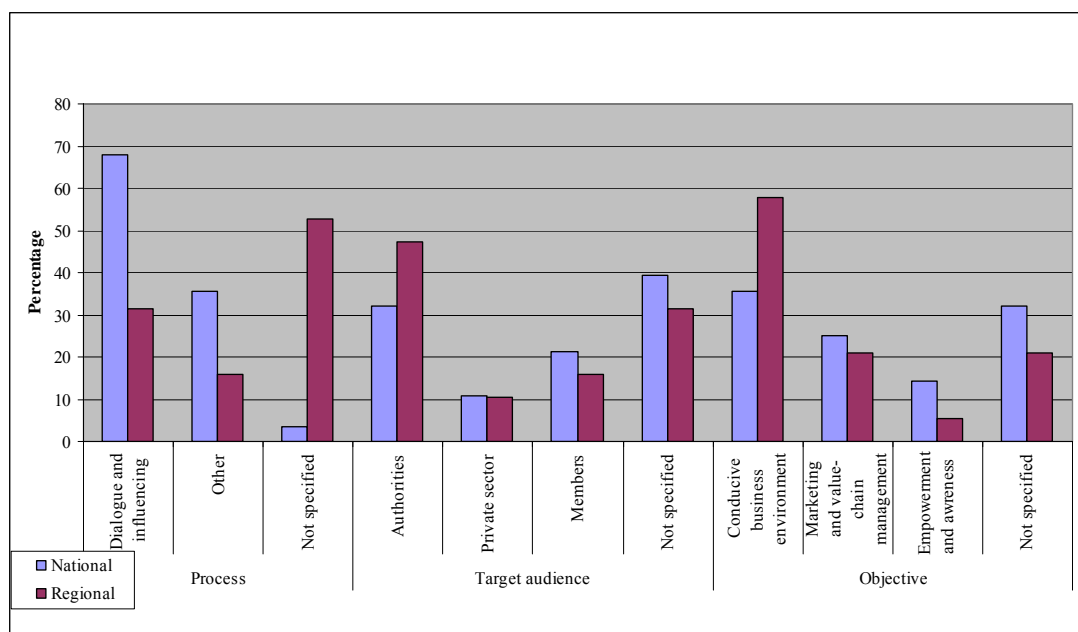
n: 47 (28 national, 19 regional). Annex 2 lists names of interviewees.
Note: Interviewees' open answers have been grouped into above categories by the Consultant.

A similar pattern can be observed for regional PSOs, except for the fact that a large pro-
portion did not specify a particular process when asked to define business advocacy; fo-
cus was more on target and objective as demonstrated below.

One third of the national PSOs identified the authorities as the main target, while one
fifth pointed to the members of the associations or the private sector in general.

Roughly, a similar pattern applies to regional PSOs, except for the fact that a higher pro-
portion (50 percent) of the regional PSOs pointed to the authorities as being the main
target for business advocacy.

Finally, with respect to the objective, approximately one third of national PSOs men-
tioned the establishment of a conducive business environment as the main objective for
business advocacy. Roughly one quarter also pointed to value-chain management as one
of the main objectives.

For regional PSOs, almost 60 percent saw the development of a conducive business en-
vironment as a main objective for business advocacy. As for the national PSO, the sec-
ond most common objective was business support/ value chain management.

In conclusion, the typical perception of business advocacy among PSOs correspond to
the definition listed in section 2.1, inasmuch as influencing of authorities for a better
business environment is seen as the most common definition. At the same time it is
worth noting, that advocacy is understood in many more ways than this.

4.1.5   Business Advocacy Tools

Further to the above question, the interviewees were asked to give examples of tools or measures for business advocacy. The replies have subsequently been categorised and the result is presented in Chart 9 below.

The Chart shows that the PSOs are able to mention a wide number of tools: National PSOs typically point to letters and formal meetings, workshops and conferences, lobbying, and use of media.

The pattern is similar for regional PSOs, except that almost 60 percent of regional PSOs point to letters and formal meetings compared to only 35 percent among national PSOs. Long-term policy involvement and networking on the other hand is only mentioned by one sixth, suggesting that these tools are so far only appreciated by a few groups. Hence, the regional PSOs may have more of a traditional approach to advocacy.

Chart 9   PSO Perceptions of Tools for Advocacy, National and Regional
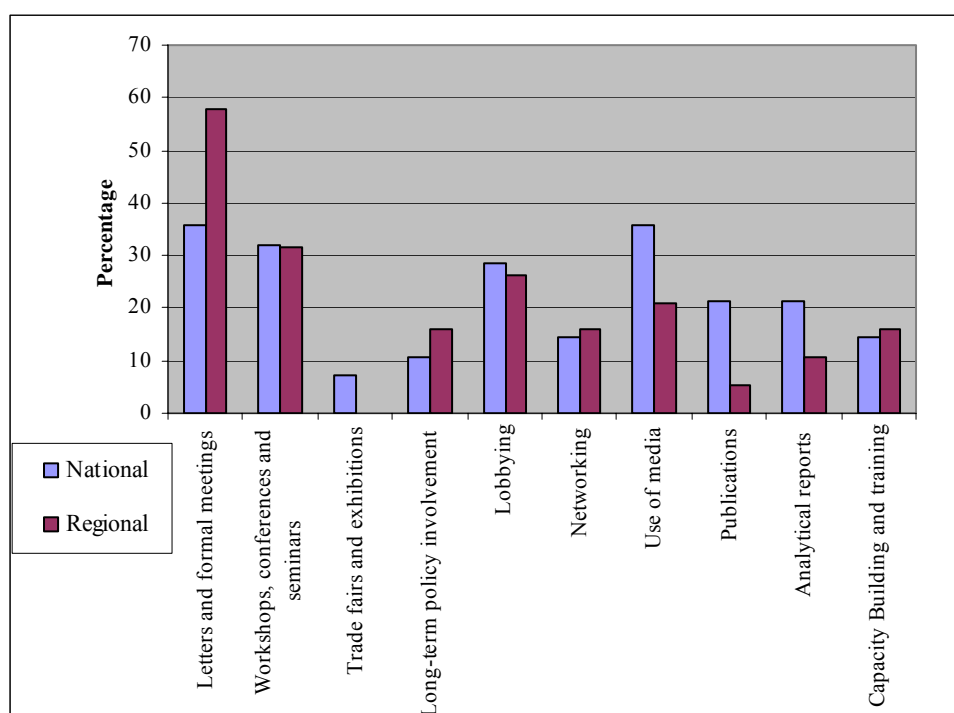
n: 47 (28 national, 19 regional). Annex 2 lists names of interviewees.
Note: Interviewees' open answers have been grouped into above categories by the Consultant. The distribution does not necessarily reflect tools applied by the respondents.

4.2   Advocacy Competency

As mentioned in section 2.1, advocacy competency is for the purpose of this baseline defined as the ability of PSOs to apply their general advocacy capacity to specific advocacy activities and issues and to achieve tangible results as a consequence thereof. The section will focus on the existence of *general systems and planning tools for advocacy* (subsection 4.2.1), *specific advocacy experience* (subsection 4.2.2), how any specific advocacy issues have been *approached* (subsection 4.2.3), the *outcome* of the specific activities and projects (4.2.4), and finally the PSOs own *analysis* of their advocacy ex-

periences, including identification of main strengths, weaknesses, opportunities and challenges (subsection 4.2.5).

4.2.1   Advocacy Systems and Planning

Advocacy systems and planning concerns any general systems set up by PSOs to address advocacy issues, including the existence of strategic plans, workplans, specialised staff for advocacy, and the existence of funding earmarked for advocacy purposes.

Planning

Chart 10 below summarises the approach taken by PSOs to advocacy planning: The Chart reveals that advocacy for roughly 45 percent of all PSOs is carried out in an ad-hoc way, with PSOs reacting to issues as they arise. Although approximately one third of all PSOs have some written strategy and/ or workplan upon which to base their work this plan does not contain specific mentioning of advocacy.

Accordingly, only one quarter of national PSOs have a workplan or strategy that explicitly mentions advocacy activities and objectives. For regional PSOs, the proportion is close to one sixth. Moreover it is interesting to note that two out of three PSOs sampled from the tourism sector has an advocacy related strategy document. This suggests that advocacy awareness is higher than average in this sector.

Whether the fact that the large majority of national and regional PSOs have no written document to guide their advocacy work reflects a lack of priority or, rather, a lack of competency is difficult to establish. A number of interviewees who demonstrated a good grasp of advocacy pointed to the lack of time and the need for flexibility as main reasons why advocacy work is mostly done ad-hoc.

Chart 10 PSO Advocacy Planning, National and Regional
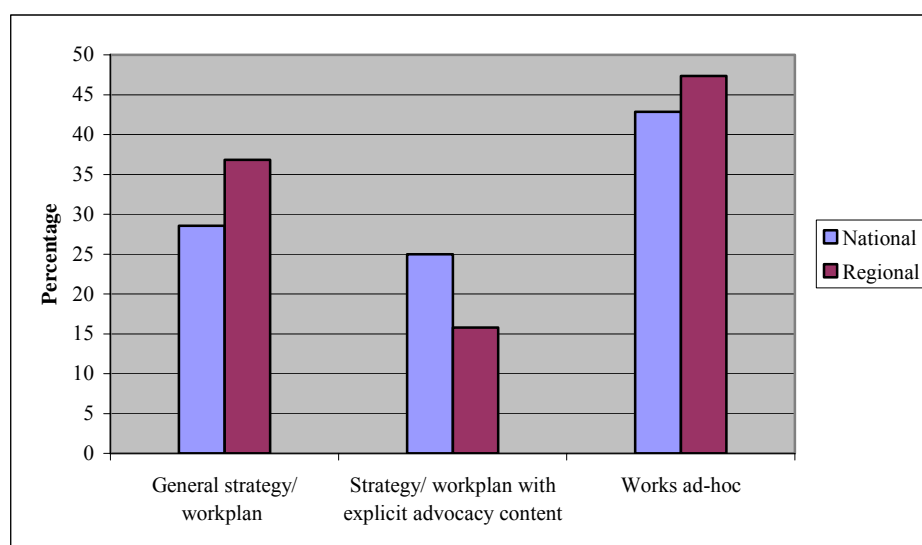
n: 47 (28 national, 19 regional). Annex 2 lists names of interviewees.
Note: Interviewees' open answers have been grouped into above categories by the Consultant.

Advocacy Staff

None of the interviewed PSO employs advocacy professionals in their secretariats. Only one PSO benefited from the support of a particular advocacy professional, but this was a person employed by one of the members, rather than the PSO *per se.*

Moreover, none of the PSOs expressed any plans to recruit an advocacy officer, but some of the larger PSOs considered recruiting an economist to assist in analysis, which arguably would contribute to raising the advocacy profile of the PSOs.

Rather, advocacy efforts are typically done as a team work between the executive secretary (where s/he exists) and the chairperson of the board and sometimes other board members. Whereas these are typically not formally trained advocacy specialists per se, they often possess substantial experience through learning by doing.

Several of the secretariats are for example run by individuals with a long track record in the relevant sector, and sometimes with several years of experience serving as a government official in sectors relevant to the work of the PSO.

A few executive secretaries have received specific advocacy training. Two interviewees in Iringa has been trained by Center for International Private Enterprise (CIPE, funded by USAID), and a number of interviewees in Mwanza had been trained through the Private Sector Development Programme (PSDP), a Dutch funded programme. Finally, a few interviewees had received advocacy training from MS -Training Centre for Development Cooperation (MS-TCDC) in Arusha, although not strictly business oriented.

The impact and added value of this training has not been assessed systematically, but it is worth noting that

- One of the Iringa-based PSOs which had received training from CIPE, displayed a very limited understanding of business advocacy. The interviewee pointed out that the training had been delivered in English and he had therefore found it difficult to understand, especially given the complexity of the topic;

- One of the interviewed PSOs in Mwanza claimed to have benefited substantially from training delivered through PSDP, which had enabled them to present and argue for cases more effectively; and

- One interviewee identified MS-TCDC as a very effective provider of general advocacy training.

Budget

Typically, PSOs do not reserve fixed allocations for advocacy purposes. This in turn does not suggest that advocacy is not a priority but is more likely to be an indication of the fact that few PSOs can afford the luxury of having budget for anything else than fixed costs. Besides, some PSOs prefer to keep the budget unallocated and hence more flexible.

Accordingly, many PSOs either have to limit their advocacy activities due to budgetary constraints or try to raise extra funds for the purposes: Several PSOs thus make specific written pleas to their members if a particular need arises. Others occasionally throw

functions to collect funding for specific purposes, including advocacy. Another typical solution is for the executive secretary and/ or board members to cover any costs from their own pocket.

In summary, the systems and planning tools in place for advocacy are limited: Only a minority make use of planning documents, the use of advocacy specialists is non-existent, and the room for manoeuvre is limited by budgetary constraints.

Nevertheless, as the next subsection will document, PSOs in Tanzania typically maintain a busy advocacy agenda. But the agenda is established on an ad-hoc basis, carried out by non-specialists and volunteers, and with very limited funds.

4.2.2   Experience

Of the 28 national PSOs interviewed, 27 claimed to have carried out one or more specific advocacy activities recently. The experience presented in this subsection covers advocacy activities carried out in the preceding 24 months.

The four PSOs representing the agricultural sector are amongst the most active PSOs with an average of 4.5 advocacy issues per PSO, followed closely by the three tourism sector PSOs which has addressed 3.7 issues on average.

Chart 11 below summarise the various advocacy issues undertaken by national and regional PSOs. More than half of both national and regional PSOs are concerned with tax and VAT issues. The agricultural sector is particular active in this area. Typically, PSOs campaign for reducing the number of taxes as well as the rates, claiming that the current plethora of taxes imply large transactions costs and that the high taxes makes it difficult for private entrepreneurs to be competitive.

Furthermore, half of the national PSOs have been involved in influencing drafting of sector policies for the concerned sector. Some PSOs have been proactive and have been leading the efforts to draft the policy, while others have been invited to comment on a draft from the line ministry. This is an area where the tourism PSOs have been particularly active.

Another major issue for national PSOs is regulations concerning market entry, licenses and standards. Examples include the issuing of mineral dealer licenses, licenses for tour operators and campaign against proposal for licensing requirement of individual consulting engineers although employed by firms. Typically, such licensing requirements imply heavy costs. At the same time some PSOs are keen that the GoT makes membership of PSOs a requirement for issuing of licenses.

Export/ import regulations and duties is another issue that more than 20 percent of the national PSOs have tackled. Typically import/ export duty issues are related to the 01 January 2005 entry into force of the East African Community (EAC), which implied a harmonisation of import duties between the three member countries, Kenya, Uganda and Tanzania.

Finally, more than a quarter of the national PSOs have carried out advocacy work with a view to improve value-chain management and or quality and flows of marketing information. Such advocacy does not necessarily involve the authorities.

Marketing and value-chain management has also been an objective for a quarter of the regional PSOs. Still, the biggest advocacy issue for regional PSOs is awareness creation. One regional PSO is campaigning to raise awareness among farmers that scales and weights used by some buyers are manipulated. Some national PSOs also campaign among their members to raise awareness on issues such as HIV-AIDS and child labour.

Infrastructure and utilities are also priorities for regional PSOs. These issues are often of a very practical nature, such as the lack of waste removal or irregular supply of utilities.

Another priority for regional PSOs is subsidies, finance and credit. Some of the regional PSOs organise members who are typically small and micro sized, with little access to credit from traditional financial institutions.

Chart 11 Advocacy Issues Addressed by PSOs, National and Regional
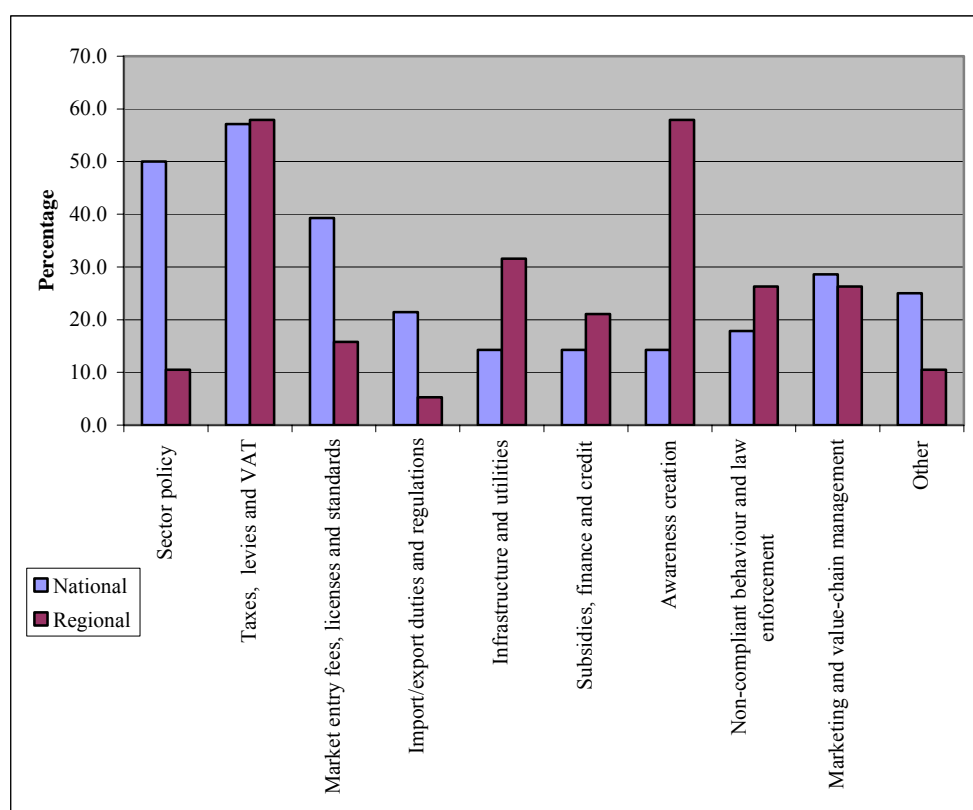
n: 47 (28 national, 19 regional). Annex 2 lists names of interviewees.
Note: The Chart includes ongoing advocacy activities and activities completed within past 12 months. Interviewees' open answers have been grouped into above categories by the Consultant.

Finally, more than a quarter of the regional PSOs have used advocacy in cases where the livelihoods of their members have been threatened by non-compliant competitors.

4.2.3   Approach

The previous subsection has summarised the character of advocacy issues carried out by national and regional PSOs in Tanzania. This section will describe the approach taken by the PSOs in addressing these issues.

Chart 12 below summarises the various approaches and tools used by the PSOs: More than half of both national and regional PSOs make use of consultations and analysis as well as submission of formal letters, followed up by meetings, sometimes involving presentations.

Chart 12 PSO Approach to Advocacy Issues, National and Regional
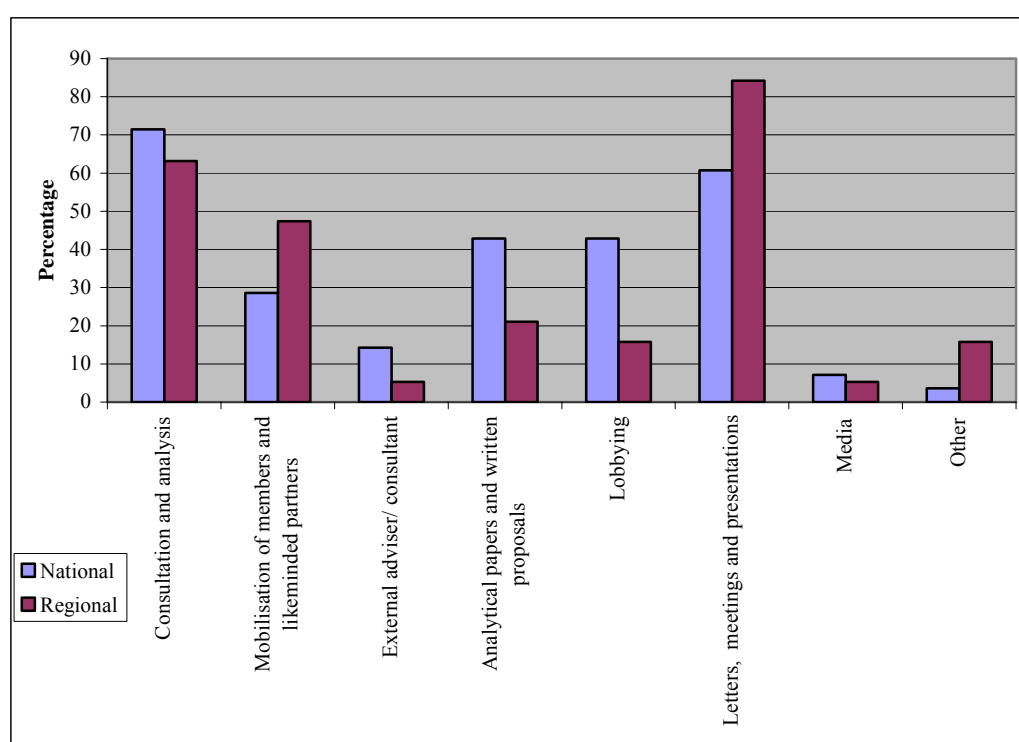
n: 47 (28 national, 19 regional). Annex 2 lists names of interviewees.
Note: Interviewees' open answers have been grouped into above categories by the Consultant.

In addition, more than 40 percent of national PSOs prepare written analyses and/ or written proposals and make use of lobbying (often through MPs) to make sure that the issues reach the relevant official or minister. Another way of doing lobbying, arguably only available to a selected few PSOs, is to actively utilise the presence of retired senior officials or ministers on the board to get messages across to senior decision makers.

For regional PSOs, mobilisation of alliances is preferred by almost half. Alliances with TCCIA, CTI and, in some cases donors have been used with varying degrees of success in all the visited regions.

Finally, comparing national and regional PSOs, the data presented in Chart 12 suggest that national PSOs typically have more strings to their bow. Hence, they are more likely to use a combination of direct formal approaches, preparation of analytical papers and informal lobbying techniques. One possible explanation is that national PSOs are more

experienced and have more resources at their disposal. Still, it may also suggest that lobbying and analytical papers are more appropriate for the kind of issues tackled by national PSOs: For example, general policy issues may require more sophisticated analysis than do issues such as lack of water and access to toilets in a central market.

4.2.4 Outcome

The advocacy issues addressed by the various national and regional PSOs have been discussed in the two above subsections. This subsection in turn will provide the PSOs own assessment of their achievements. The interviewees have been asked to evaluate the outcome of their efforts in a general and a specific way: First of all, they have been asked to assess the general outcome of their contacts with the authorities, assuming that this has a major impact on their overall effectiveness. Secondly, they have evaluated the results from all of the specific activities described in the below subsections.

The replies to the questions have been scored and demonstrate a positive correlation of approximately 0.6 (national PSOs) and 0.5 (regional PSOs) which in turn suggests that a successful outcome of discussions with the authorities is a good proxy for successful advocacy work in general. The two variables are illustrated in Chart 13 and Chart 14.

The overall picture presented in Chart 13 is mixed, with 75 percent viewing the outcome of discussions with the authorities as "partially successful", close to 20 percent characterising the dialogue as 'successful" and the residual group seeing the discussions as being "not successful". There is a tendency for national PSOs to be slightly more positive than their regional counterparts, but it is clear that the dialogue with the authorities is far from straightforward for most of the PSOs.

**Chart 13 Outcome of PSO Dialogue with Authorities, National and Regional**
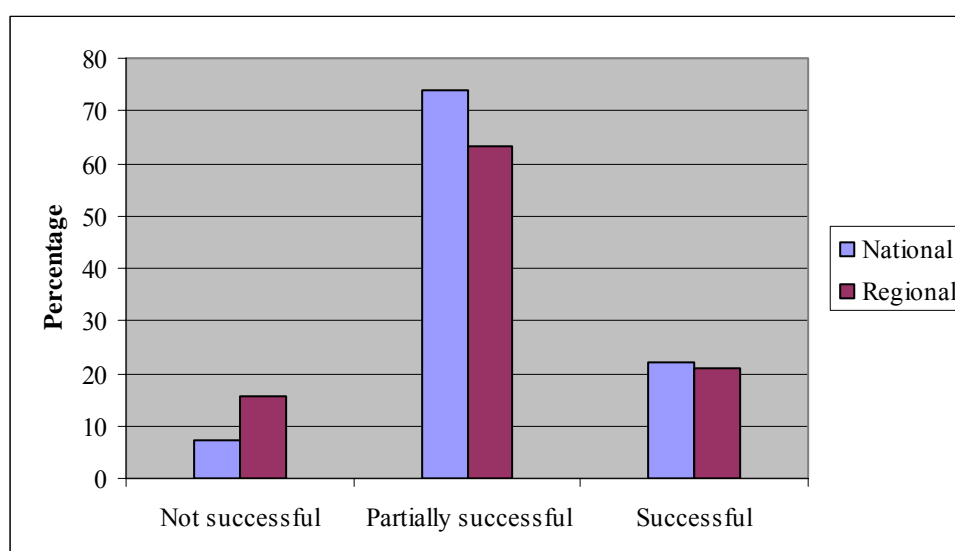
n: 46 (27 national, 19 regional). Annex 2 lists names of interviewees.
Note: Data reflects interviewees' general evaluation of dialogue with central and local authorities.

Chart 14 nevertheless demonstrates that roughly half of all PSOs have managed to achieve at least one result through their advocacy activities.

Ideally, the number of successful advocacy issues should also be adjusted to take the complexity of the relevant issue into account as well as the strength of any vested, opposed interests. Due to time constraints, it has not been possible to collect this kind of information in a systematic way, but it is assumed that advocacy with negative revenue implications (although of a short-term nature) will require considerable skill, whereas issues with no immediate costs would be easier to accept by the authorities.

Chart 14 Successful PSO Advocacy Activities, National and Regional
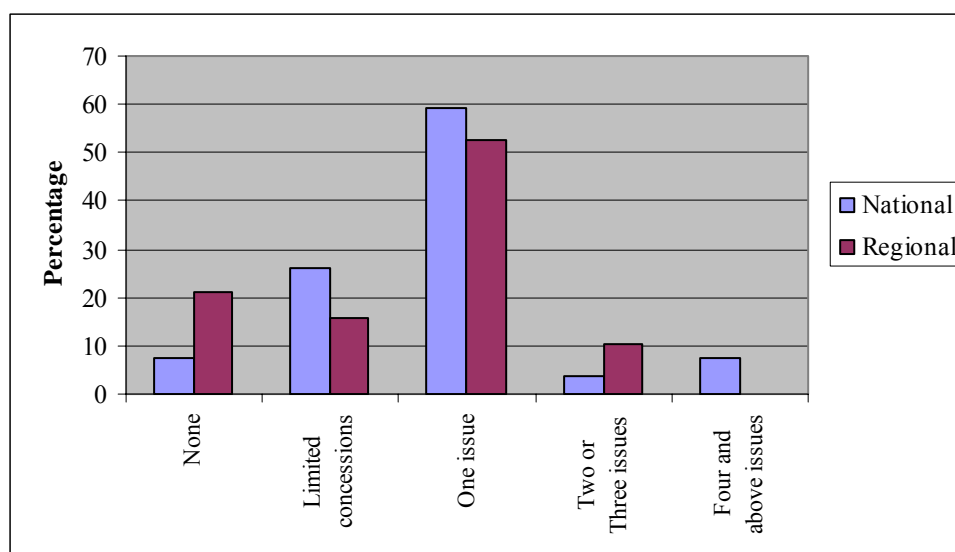
n: 46 (27 national, 19 regional). Annex 2 lists names of interviewees.
Note: Interviewees' open answers have been grouped into above categories by the Consultant.

It should be kept in mind that the data presented in the two Charts reflect the interviewees' own impression and may therefore be biased under the assumption that interviewees prefer describing the outcome of their own work as successful, rather than unsuccessful. As mentioned it has not been possible to verify these claims, but one indication that the replies are slightly biased towards success rather than failure is the fact that several PSOs have described themselves as being the main driving force behind the initiative to have the GoT abolish nuisance taxes.

Finally, it is important to note, that an organisation in theory may be both effective and competent, and still have no results to show, if there is nothing to advocate for. Still, for the purposes of this study, it is assumed that any PSO representing a sizable group of members would have one or more issues to advance as long as the adequate capacity to identify and analyse issues is present.

### 4.2.5   Analytical Ability

This subsection describes the PSOs own analysis of their strengths and opportunities, weaknesses, and threats. The objective is to evaluate their analytical ability and to explain why some advocacy efforts fail and others succeed. Strengths and weaknesses concern characteristics internal to the PSO, while opportunities and challenges relate to the external environment.

Strengths and Opportunities

Chart 15 presents the PSOs own perception of strengths and opportunities. With regard to strengths, national PSOs have a brighter outlook than their regional counterparts: Between one third and one half of the interviewed national PSOs point to leadership, secretariat, access to decision makers, and networks and alliances as strengths. Examples are provided below:

- One third of national PSOs point to the importance of having dedicated, experienced leaders providing motivation, stamina and focus for members and secretariat alike;

- Further to the above point, PSOs can benefit tremendously from having well-connected board members in charge. This will invariably facilitate access to decision makers: One national PSO, for example, has benefited from having a former senior GoT minister in the board to represent views and conduct dialogue with top government officials and ministers. Other PSOs have access to decision makers courtesy of that fact that the GoT was involved in establishing the association;

- Other PSOs point to the organisation and capacity of their secretariat as being main strengths; and

- Networks and alliances concern the ability of PSOs to foster and utilise relations with other private sector entities. One national PSO explicitly mentions its membership of various national and international associations as an advantage.

Chart 15 PSO Analysis of Strengths and Opportunities, National and Regional
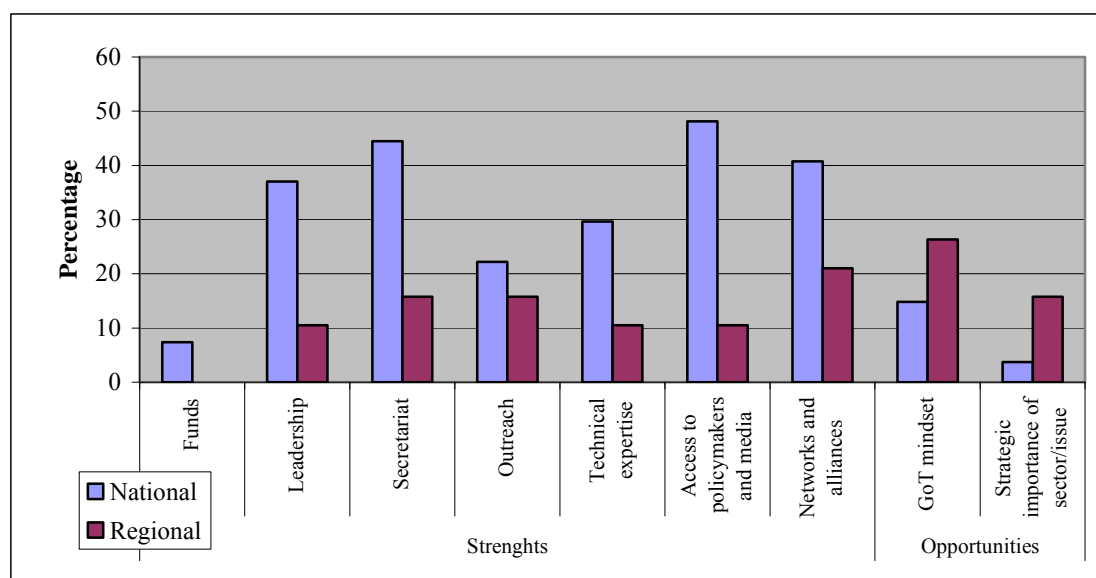
n: 46 (27 national, 19 regional). Annex 2 lists names of interviewees.
Note: Interviewees' open answers have been grouped into above categories by the Consultant.

With regard to opportunities, regional PSOs seem to be more optimistic than the national organisations. Hence, one quarter of the regional PSOs perceive GoT as being friendlier to business, which in turn has facilitated their advocacy efforts. For national PSOs, the organisations representing tourism are the most positive with two out of the three sampled tourism PSOs arguing that (change in) the GoT mindset has been to their advantage.

One sixth of the regional PSOs also claim to have taken advantage of the perception that their sectors have a strategic importance for the economy and thus the national interest.

Weaknesses and Challenges
Chart 16 illustrates the main weaknesses for national and regional PSOs, as pointed out by the PSOs themselves: Lack of funds is by far the most common factor, when PSOs explain their lack of effectiveness, especially so for regional PSOs, where more than 80 percent emphasise this point. Roughly half of national PSOs agree.

In addition to lack of funds, approximately one third of national and regional PSOs point to secretariat and/ or infrastructure as main weaknesses: Thus several PSOs consider the (limited) size of the secretariat as a main obstacle. Some PSOs also point out that lack of office facilities, telephones, computers etc. constitute a main impediment for the organisations.

Lack of technical expertise to analyse and prepare advocacy issues is another issue related to secretariat, which some PSOs emphasise as a weakness.

Finally, leadership has been singled out by approximately a quarter of the PSOs as hampering their effectiveness.

Chart 16 PSO Analysis of Weaknesses, National and Regional
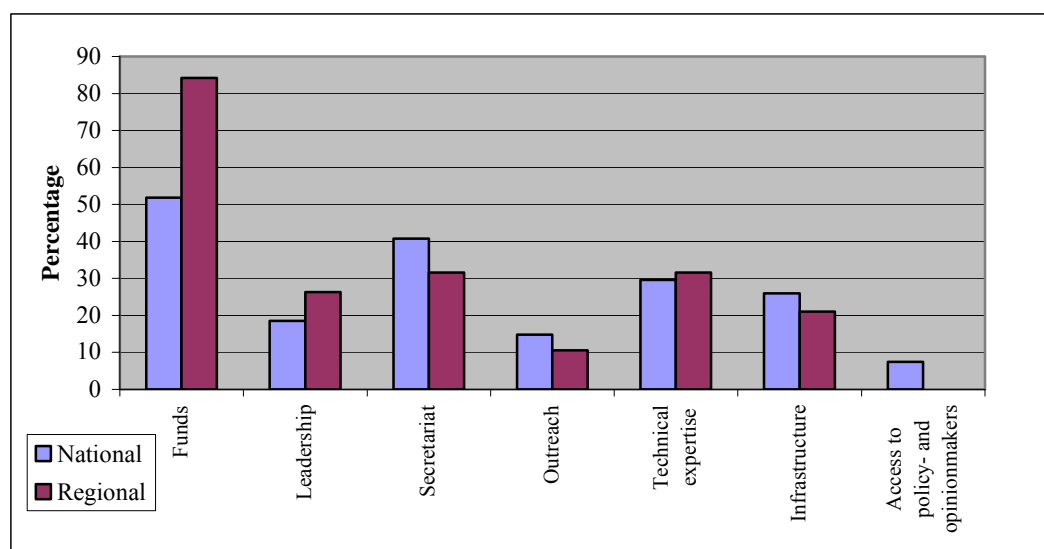
n: 46 (27 national, 19 regional). Annex 2 lists names of interviewees.
Note: Interviewees' open answers have been grouped into above categories by the Consultant.

Chart 17 describes the main challenges identified by PSOs: approximately half of all PSOs point to the government mindset. The argument typically goes that many GoT officials are trapped in a "socialist legacy" with no urgency to consult private sector representatives.

Another challenge concerns the lack of awareness and willingness among potential members to join PSOs. One regional PSO identifies lack of willingness to pay for services as a major constraint for the association.

Other challenges include lack of government capacity: a few PSOs argue that even though the GoT has the willingness to consult the private sector, it does not have the required technical capacity to handle issues of a more technical character, such as the export/ import implications of the entry into force of the EAC.

Related to the above issue, a few PSOs have also pointed out that the challenges facing Tanzanian PSOs have increased following the entry into force of the EAC. This has made it necessary for Tanzanian importers to compete with Kenyan manufacturer organisations. For some PSOs this has had severe implications, as their Kenyan counterparts, who, by virtue of being producers/ manufacturers, have successfully pursued a protectionist agenda.

Chart 17 PSO Analysis of Challenges, National and Regional

n: 46 (27 national, 19 regional). Annex 2 lists names of interviewees.
Note: Interviewees' open answers have been grouped into above categories by the Consultant.
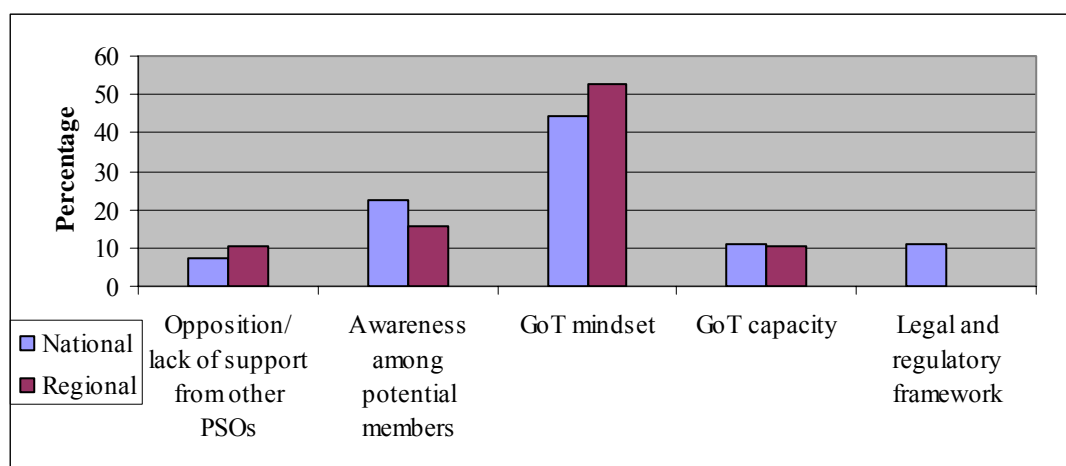
Looking across Chart 15 - Chart 17, the following issues emerge as the key determinants for effective PSO advocacy, according to the PSOs' own analysis:

• Virtually no PSOs appear to receive the volume of *funds* they need to do an effective, sustainable job. Most of the PSOs have great difficulty to sensitise existing and potential members to the potential benefits and opportunities that membership may bring. Several PSOs point to a vicious circle: The lack of funds makes it difficult for PSOs to demonstrate results which in turn makes it increasingly difficult for potential members (and existing members in arrears of which there are many) to see the point in paying member subscriptions;

• Many PSOs benefit from having experienced and dedicated *leadership*. Visible leadership provided through high profile individuals may for example be one of the ways to break the abovementioned circle;

• *Access to decision makers* is another major determinant: Several national and regional PSOs claim that they have good access to authorities, central or local, but often they also note that the access is mostly a function of personal contacts with certain officials or ministries. Several PSOs see this arrangement as unsustainable and are therefore keen to institutionalise access to the authorities. It is in this context,

that a number of regional PSOs are trying to establish regional business councils, which will give the private sector access to the authorities, independent of personal networks;

•   Another way to gain access to decision makers is to develop and work through *networks and alliances*, whether informal or formal: There is a tendency for apex bodies to become increasingly popular as a means for effective advocacy. Arguably the GoT is keen to negotiate with such bodies with a view to minimise transaction costs. Accordingly, CTI (and possibly also Tourism Confederation of Tanzania) appears to have inspired many PSOs in other sectors;

•   Most often, size, infrastructure and technical capacity of *secretariats* is seen as a limiting factor. This is closely related to the widespread lack of funds: Hence, many PSOs are keen to boost the capacity of their secretariats, but have no means to do so; and

•   Finally, the majority of the interviewees define the *GoT mindset* as a significant challenge. The typical impression is that the GoT is becoming more pro-business. Still, the change is seen to be slow, particularly among LGA officials: Hence, the pro-business mindset is yet to trickle down through the various administrative layers. As pointed out by one regional PSO, which deals regularly with the district and regional authorities, the mindset of GoT officials is also a function of the nature of the issue discussed. Hence, the PSO finds the regional authorities cooperative and accessible, whereas the district authorities appear unwilling to consult with the private sector. To explain this difference, the PSO points out that issues discussed with the regions have no revenue implications and that regions have to be in line with what is perceived as the pro-business line of the central GoT. Issues discussed with the district on the other hand often have revenue implications and the district administration has more autonomy to make decisions.

4.3   Capacity Building Needs

Further to the above analysis of PSO strengths and weakness, this section presents their views on capacity building needs.

Chart 18 presents the main priorities for regional and national PSOs. Roughly half of these prioritise training and capacity building in the area of advocacy. It is a priority among all of the four PSOs representing the agricultural sector and among two out of three representing the tourism sector.

Relatively few of the PSOs are however able to define more precisely what kind of advocacy skills they look for, which arguably reflects a relatively poor understanding of the advocacy concept as such. Still, a few express interest in learning how to do effective presentations for example.

Analytical skills, another tool for advocacy, are seen as a priority for a quarter of the national PSOs. Some PSOs are keen to have economists and other specialists to assist in the preparation of analytical papers etc.

Although not directly related to advocacy, more than a fifth of all national PSOs are keen to receive general management training. This arguably reflects a desire to build up the general capacity of the secretariats and thus have a stronger operational foundation.

Training in various product- and marketing-related issues is also a priority for a fifth of the PSOs, both national and regional.

Chart 18 PSO Priorities for Capacity Building
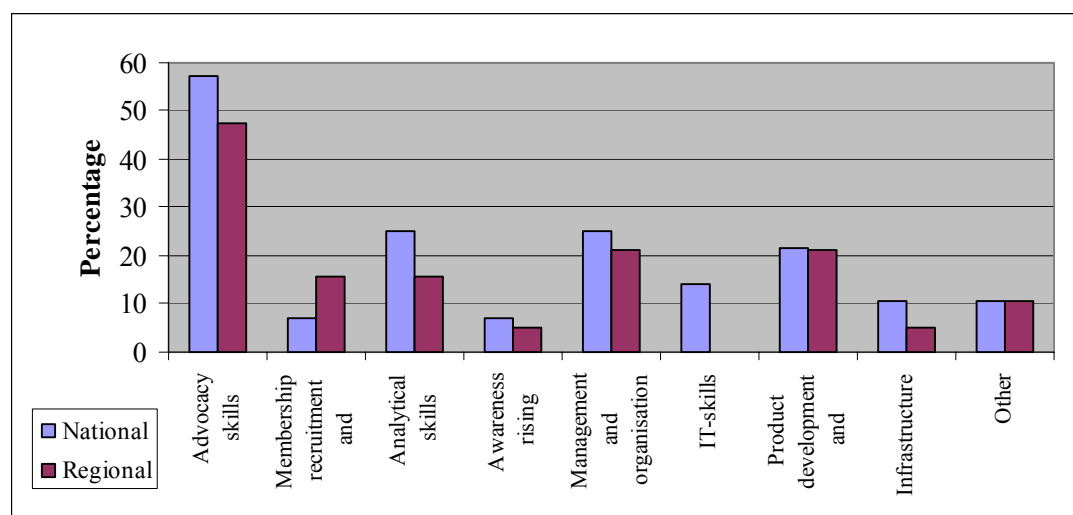
n: 47 (28 national, 19 regional). Annex 2 lists names of interviewees.
Note: Interviewees' open answers have been grouped into above categories by the Consultant.

Finally, regional PSOs differ somewhat from national ones by having a stronger preference for training in recruitment skills. As mentioned, lack of outreach is a major concern for many PSOs and need for boosting outreach is therefore seen as necessary.

4.4   Summary

This final section summarises the main findings related to the advocacy capacity and competency of PSOs.

4.4.1   Advocacy Capacity

Whereas the majority of national PSOs associate *business advocacy* with the act of dialoguing and influencing, fewer regional PSOs make this association. Among those who specify target group and objective for business advocacy, there is consensus among national and regional PSOs that business advocacy is directed towards the authorities with a view to create a conducive environment for business. This is a precise definition in the Consultant's opinion.

When asked to define the corresponding *tools for advocacy*, regional PSOs cite letters, formal meetings and workshops, while national PSOs also mention other measures such as use of media, publications and analytical reports.

Virtually all interviewed PSOs have some kind of *dialogue* with the authorities. For some it is a dialogue among equal partners, but the majority still find the responsiveness

of the authorities limited. They explain this by referring to the socialist legacy of the country, which is still influencing the mindset of officials in central, and, particularly, local government authorities.

It is common for PSOs to be in regular dialogue with other private sector organisations, but the dialogue typically takes place on an ad-hoc basis. Still, PSOs seem to be increasingly aware of the added value of *establishing alliances* and apex organisations to further raise their voice, impact and credibility vis-à-vis the authorities. CTI appears to be an inspiration to many.

Many PSOs have a weak *institutional foundation*: They typically have no or a small secretariat to support their activities. Still, several of those with no permanent secretariat in place are able to mobilise considerable human resources from their members, as and when required.

Funding is a major concern. Several PSOs argue that a vicious circle applies: For private entrepreneurs to join and pay subscriptions to a PSO, they need to understand the benefits they get from their member subscriptions. Many are not convinced as PSOs have no tangible achievements to refer to. Lack of funds, the PSOs claim, is the major reason for this. Some of the most resourceful PSOs seem to be those representing sectors dominated by a few, major players. In such circumstances it is easier for the individual members to see the benefit from membership. Larger associations with a broader focus are struggling hard to recruit members and to persuade existing members to pay their arrears.

4.4.2   Advocacy Competency

Very few PSOs have established particular *systems* for doing business advocacy, and only a small minority have developed workplans addressing advocacy. Similarly, none employs advocacy professionals to prepare and implement advocacy activities.

The abovementioned *budgetary constraints* seem to be a serious limiting factor for advocacy activities, as the core budget is typically spent on essential operating costs for the associations. Hence, associations will often have to go back to their members or to external sources (such as BEST-AC) to finance advocacy activities. The question is how advocacy funding can be made more sustainable: One possibility is that the funding made available through e.g. BEST-AC may enable the grantee PSOs to deliver tangible results to existing and potential members, which in turn may convince them of the added value of joining a PSO.

Notwithstanding the fragile advocacy basis, the sampled PSOs have covered many, different *issues* through their advocacy issues. Typical issues addressed by both national and regional PSOs are related to tax, VAT, and levies. Such issues are among the most difficult to address as they have direct revenue implications for the authorities, and a sophisticated, convincing approach is therefore required. Only very few PSOs have the required analytical and advocacy expertise to do so, and even fewer have the financial resources to contract external expertise to support them. This is particularly so for regional PSOs.

It is therefore largely a question of utilising *networks and contacts* to support any formal requests submitted to the authorities. The outcome of such contacts and dialogues is typically described as "partially successful." Hence, the PSOs manage to achieve something, although few can mention more than one issue that has been (partly or fully) accommodated by the authorities.

When trying to *explain their success*, national PSOs seem to be much more aware of the possible reasons than the regional ones. They typically point to factors such as access to decision makers, networks with other PSOs, dedicated, visionary leadership, and well managed secretariats as the main reasons. The fact that only few regional PSOs can list reasons for success may suggest that their awareness and understanding of advocacy issues is more limited than for their national counterparts.

It may also suggest that *regional PSOs are less confident* than national ones. The regional PSOs are for example much more vocal when they have to analyse weaknesses and threats: As already mentioned, they point to lack of funds as the main constraint, notably money to recruit and build technical expertise and to build up office infrastructure and the secretariat in general.

It is interesting to note that half of all PSOs single out the *mindset of the authorities* as a major challenge for their advocacy work. Still some of the interviewees take a positive approach, arguing the private sector mindset championed by the President of the Republic will gradually trickle down through the various administrative layers.

What *capacity building needs* do the PSOs see in view of the above analysis? The majority demand training and capacity building to improve their advocacy skills. Few are able to explain in detail what kind of skills they are looking for. This, in the Consultant's opinion, confirms the impression that advocacy is still not understood well among national and particularly regional PSOs.

Finally, it seems that efforts to build advocacy capacity needs to be coupled with *general management and organisational training*: Many PSOs, both national and regional, could arguably benefit from a stronger foundation, including more paying members and better organised secretariat. This may also give them increased leverage vis-à-vis the authorities.

5 Findings: Business Development Service Providers

This chapter presents the findings on the baseline study for business development service provider (BDSPs).

The actual findings are presented in three main sections; with section 5.1 presenting findings related to advocacy capacity, section 5.2 focusing on advocacy competency and, finally, section 5.3 describing findings with regard to capacity building needs. Section 5.4 summarises the findings.

5.1 Advocacy Capacity

As mentioned is section 2.2.2, the indicators related to advocacy capacity for BDSPs concern *educational background* (subsection 0) and *professional experience* of BDSPs (subsection 5.1.2), notably the relevance these have to advocacy. Advocacy capacity is also determined through the BDSPs' ability to *define advocacy* (subsection 5.1.3), *tools for advocacy* (subsection 5.1.4), and specific examples of *effective advocacy* in Tanzania (subsection 5.1.5).

5.1.1 Education and training

Chart 19 below summarises the educational profile of the BDSPs. More than half of them are trained in economics and finance, including specialised areas such as agricultural economics. A third of them are trained more generally in the area of business management, marketing and human resources management. Of these two broad disciplines, the latter is probably the one most likely to have specific advocacy content, but the general picture remains that none of the BDSPs have any particular education in the area of advocacy and communication.

Except for the training session provided through BEST-AC, few of them have after graduation received any specialised training in the area of business advocacy. Three BDSPs have, however, participated in advocacy related courses offered by TRACE, PACT, the International Trade Centre and the International Labour Organisation.

Chart 19 Educational profile of BDSPs
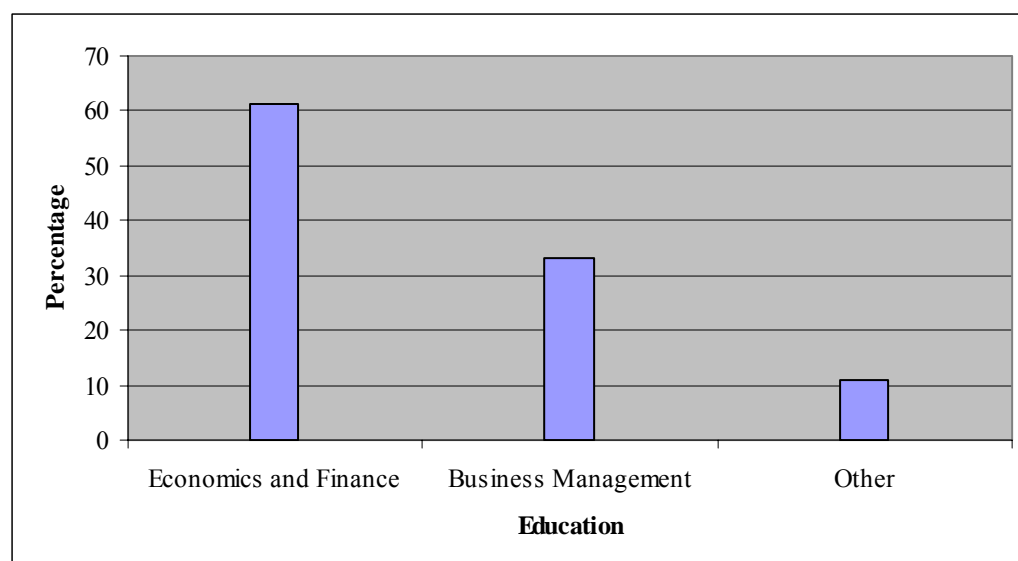
n: 18. Annex 2 lists names of interviewees.
Note: Interviewees' open answers have been grouped into above categories by the Consultant.

5.1.2   Professional background

As illustrated by Chart 20, approximately one third of the BDSPs have after graduation been employed in the GoT system, typically as LGA officials or in parastatals such as Small Industries Development Organisation (SIDO) or the Tanzania Industrial Research and Development Organisation (TIRDO). Another quarter of the BDSPs have worked in the domestic financial sector, but a few have also had international exposure, including one who worked in the headquarters of the East African Development Bank (EADB) in Kampala, Uganda.

Arguably the officers who have served in the government system have a comparative advantage, inasmuch as they understand the GoT system well and will be able to easily identify the most effective entry points to the authorities and to determine the appropriate tone and strategy for persuading Got officials.

The BDSPs with experience in the banking sector would arguably have more of a business mindset although several of the banks were in fact nationalised at the time of employment. Still, their main strength is development of business plans for submission to financial institutions with a view to access credit; something which is not closely related to advocacy activities (but in high demand in the Tanzanian market).

The rest of the BDSPs have pursued various other careers, including a few whose main occupation has been in consultancy, a secondary school teacher and a programme officer with UNDP. Similarly, none of these have obtained a particular advocacy profile through their professional work.

The fact the BDSPs have relatively little direct theoretical knowledge and working experience in the area of business advocacy is also reflected in the observation that none of the consultancy firms visited featured consultants, departments or units offering services

exclusively in the area of business advocacy.[2] Most often, it is seen as a crosscutting concern that consultants address, with varying degrees of capacity, as and when it is required for their assignments. The same situation applies to the interviewed international BDSPs.

Chart 20 Professional Experience of BDSPs
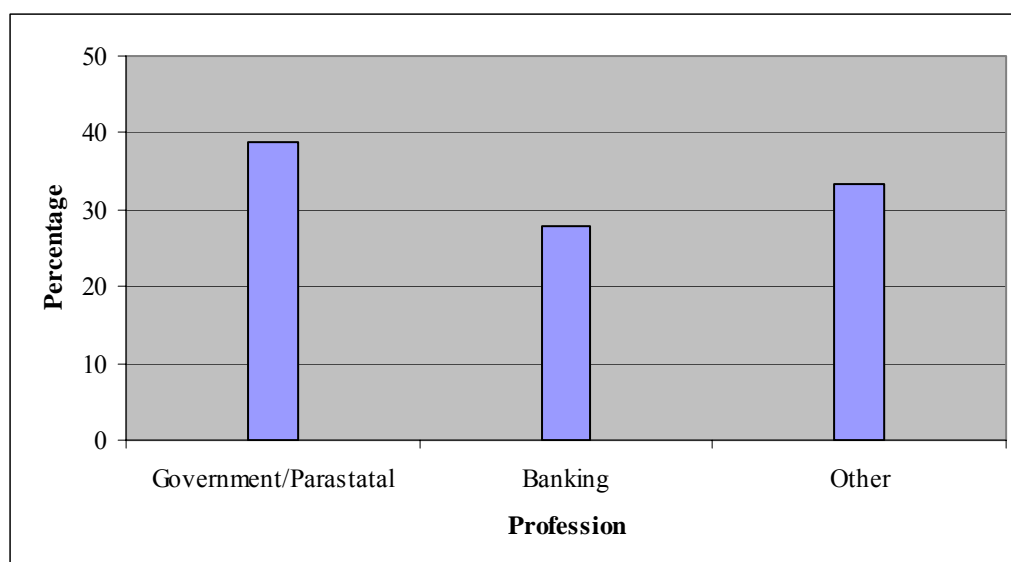
n: 18. Annex 2 lists names of interviewees.
Note: Interviewees' open answers have been grouped into above categories by the Consultant.

5.1.3   Definition of Business Advocacy

All of the interviewees were asked to define the concept of business advocacy in general terms and identify what they associated with the concept. The question was asked in an open way. The answers have subsequently been analysed and grouped into i) process, ii) target, and iii) objective following the definition outlined in section 2.1. Chart 21 summarises the results obtained from this exercise.

The main picture emerging is that business advocacy is seen by 70 percent as a process of influencing and dialoguing with a view to create a conducive business environment. The majority of the BDSPs are not explicit about the target for advocacy, but among those who are, the typical addressees are identified as the authorities.

This definition corresponds largely to the one listed in section 2.1. Accordingly, the BDSPs appear to have a fairly good conceptual understanding of business advocacy. The relatively large consensus is arguably a reflection of the fact that all of the BEST-AC accredited BDSPs have received specific training from the BEST-AC team.

Roughly a quarter of the BDSPs also point to other objectives for business advocacy, notably awareness creation, empowerment and support to less privileged groups. Some of these replies, although few, suggests that the definition of business advocacy is somewhat "out of focus".

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[2] Whereas the BDSP have been accredited by BEST-AC as individuals, several of them are working in small-scale consultancy firms.

Chart 21 BDSP Definition of Business Advocacy
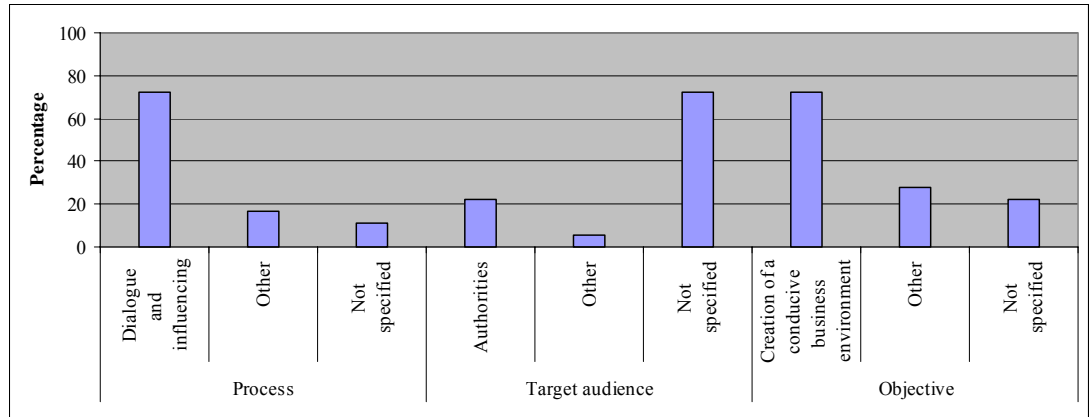
n: 18. Annex 2 lists names of interviewees.
Note: Interviewees' open answers have been grouped into above categories by the Consultant

5.1.4   Business Advocacy Tools

Chart 22 below sets out the various advocacy tools listed by BDSPs. Roughly half of the BDSPs point to analytical reports as a tool for advocacy. This arguably reflects that production of analytical reports is one of the ways in which BDSPs can make a living.

Other tools include workshops and seminars. These are typically seen as effective ways of engaging the authorities, as they not only provide opportunity for PSOs to present their views (ideally by presenting analytical papers, as mentioned above) but also, and crucially, commit the authorities to react to the presented paper. The trick is, however, to bring the authorities to the venue in the first place, and this is arguably where the difficult work lies.

Chart 22 BDSP Perceptions of Tools for Advocacy
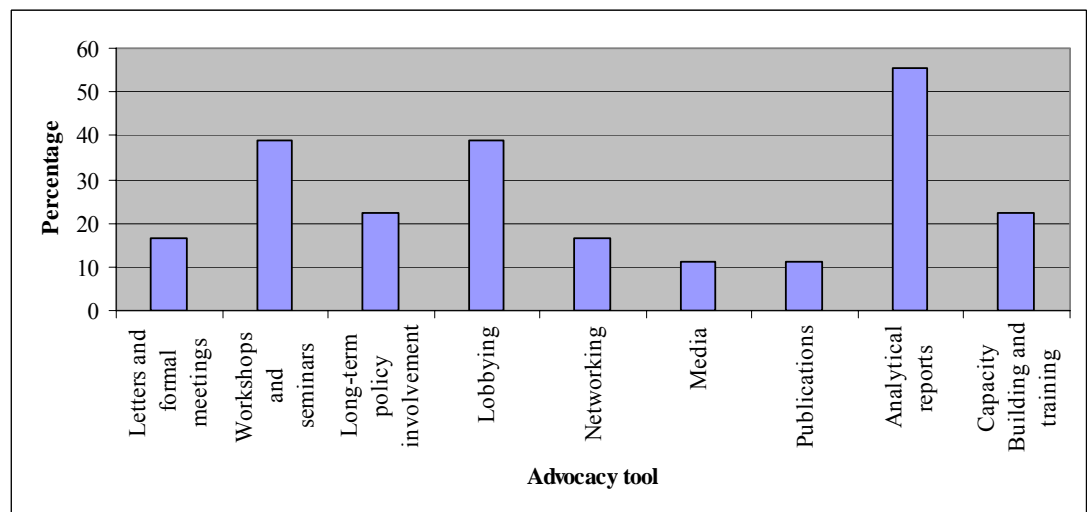
n: 18. Annex 2 lists names of interviewees.
Notes: Interviewees' open answers have been grouped into above categories by the Consultant

In this context, a number of BDSPs also pointed to lobbying as a tool for advocacy. One of the international BDSPs mentioned that if a sector really wants to achieve something it will be necessary to have the major entrepreneurs sit down with the relevant minister

and prepare the issues before they are formalised. This in turn suggests that high-level lobbying in the larger sectors (in terms of economic volume and export revenue) is not necessarily conducted through PSO secretariats and committee meetings.

Whereas the abovementioned tools were seen as being effective, obviously depending on the nature of the subject, a few BDSPs noted that more aggressive tools such as demonstrations and media campaigns were generally believed to be counterproductive in a Tanzanian context.

5.1.5   Advocacy Examples

To further examine the BDSPs' awareness and understanding of business advocacy, they were asked to give examples of effective business advocacy and to justify their selection. The response obtained is illustrated in Chart 23 below.

Chart 23 Examples of Effective Advocacy in Tanzania, BDSPs

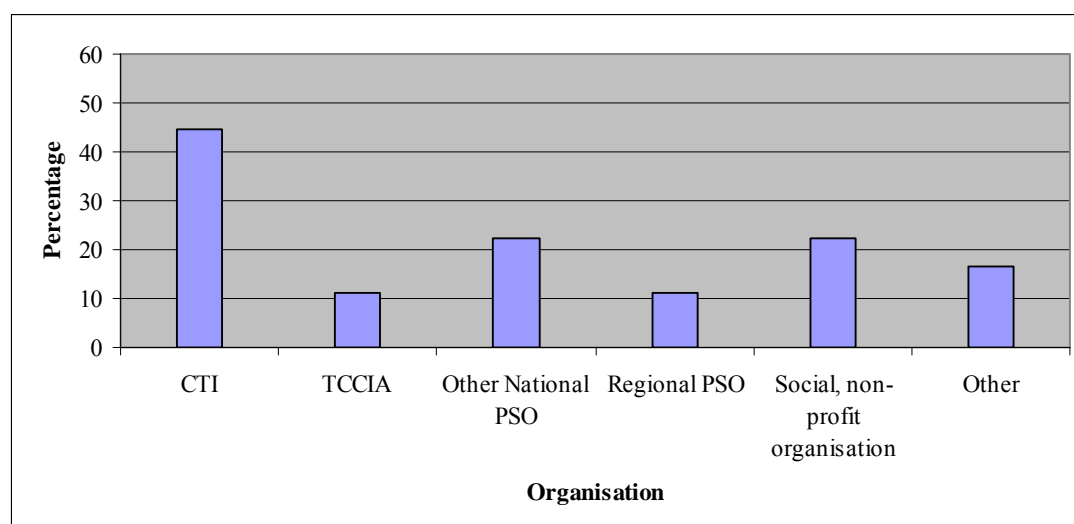n: 18. Annex 2 lists names of interviewees.
Note: Total exceeds 18 as some respondents gave more than one example. Interviewees' open answers have been grouped into above categories by the Consultant.

Almost half of the BDSPs point to CTI when asked to name an effective advocacy PSO in Tanzania. The argument is that CTI is well-organised and staffed with high calibre people who understand the issues well. Finally, CTI has the fortune of representing a large number of industrialists and manufacturers. This allegedly makes the GoT prefer general discussions through CTI to direct talks with the individual PSOs.

Moreover, it is worth noting that four of the interviewed BDSPs point to social, non-profit organisations when asked to give examples of effective advocacy: These include the campaign against female genital mutilation (FGM) and efforts by a social organisation in Mwanza, Kivulini, to raise awareness and support for marginalised groups in the local community.

This may be indicative of the assumption that the capacity of social organisations is seen to be greater than the capacity of private sector organisations. This question lies beyond

the scope of this report, but several interviewees have agreed that this is indeed the case, pointing to the following possible reasons:

- Social organisations have typically received more external support for advocacy activities such as FGM, civic education, and other human rights issues, since these are issues being addressed by many of the donors present in Tanzania. Allegedly this funding has made it possible for many of the officers of these organisations to participate in various advocacy-related training, including programmes offered by MS-TCDC in Arusha. The business sector, it is argued, has not benefited from similar support; and

- Secondly, another interviewee argues that the cohesion and organisation of social type organisations is seen to be greater than for private sector organisations. The crucial point, according to the interviewee, is that private sector organisations only exist if members perceive the economic benefits to be greater than the costs. Social type organizations, by contrast, thrive on dedication and stamina from their members, with the costs and benefits accruing to the individual member having less importance.

5.2 Advocacy Competency

As mentioned in section 2.1, advocacy competency is for the purpose of this baseline defined as the ability of BDSPs to apply their general advocacy capacity to specific advocacy activities and issues and to achieve tangible results as a consequence thereof. Accordingly, this section describes their specific *advocacy experience* in terms of consultancy assignments (subsection 0), the *approach* taken in these assignments (subsection 5.2.2), the perceived *output and results* from these activities (subsection 5.2.3), their ability to *analyse* the reasons for success/ failure of PSOs advocacy activities (subsection 5.2.4) and finally their ability to *explain and analyse* their own approach to advocacy assignments (subsection 5.2.5).

5.2.1 Experience

The typical BDSP interviewed as part of this assignment is heavily experienced in preparing business plans for clients. This arguably reflects that i) lack of access to credit is one of the main obstacles for small and medium sized entrepreneurs, and ii) that a large proportion of the BDSPs are specialised in finance and economics as pointed out in subsections 0.

The advocacy experience of the BDSPs is more limited: Approximately 75 percent of the interviewed BDSPs claimed to have been involved in some kind of advocacy-related assignments. More specifically, as demonstrated in Chart 24, roughly 45 percent have been involved in specific advocacy projects, including the following examples:

- One BDSP had advised farmers who were "being exploited" by informal middleman charging a high overhead of products procured from the farmers without adding value. The BDSP was involved in organising these groups and developing a sustainable solution that would allow the farmers to gain a greater share of the overhead;

- Similarly, another BDSP was contracted to organise orange growers who were ex-periencing unfair conditions from middlemen; and

- Finally, a BDSP was involved in convincing local authorities to create a favourable business climate in the region. This involved the establishment of an investment centre.

Chart 24 Advocacy assignments
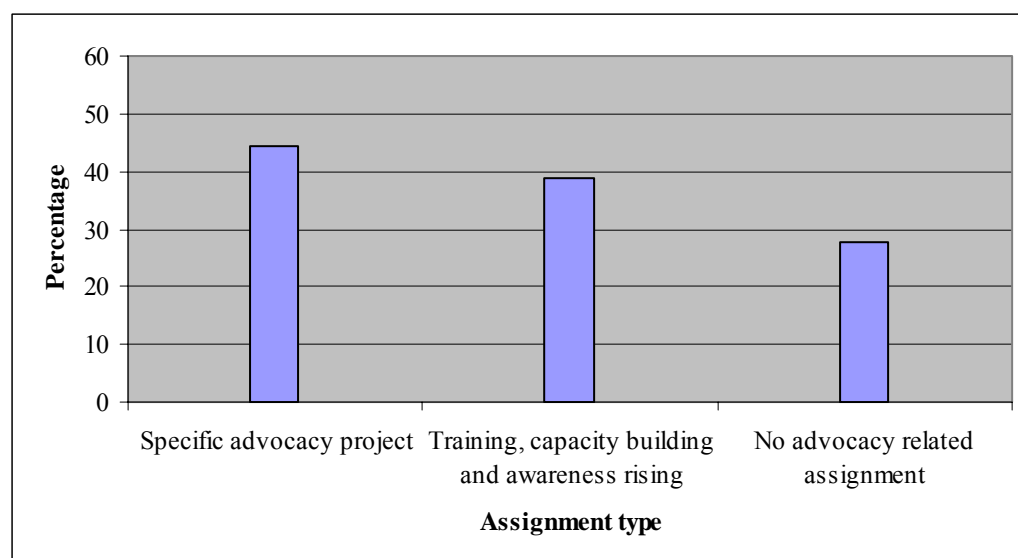
n: 18. Annex 2 lists names of interviewees.
Note: Total exceeds 18 as two BDSPs have done more than one type of advocacy assignment. BEST-AC related work has not been included. Interviewees' open answers have been grouped into above categories by the Consultant.

Moreover, roughly 40 percent of the BDSPs have been involved in advocacy-related training and capacity building. These assignments typically involve a large proportion of sensitisation and awareness building, given that many of the "clients" have no awareness about their rights, duties and obligations vis-à-vis the authorities. Some examples are given below:

- Some of the BDSPs have been involved in general capacity building of PSOs in the Lake Zone through PSDP;

- Several have been involved in group formation activities. Typically, the objective is to formalise (register) the groups with a view to facilitate their access to finance. Some of the assignments have also involved awareness building and confidence building, for example to make women organisations aware of their rights and pro-vide them with practical solutions as to how the authorities can be approached; and

- The Enterprise Development Centre, which employs one of the BDSPs, has also been involved in general capacity building by preparing specific manuals for the Eastern and Southern African Universities Research Programme (ESAURP). These manuals describe advocacy and lobbying techniques for civil society organisations.
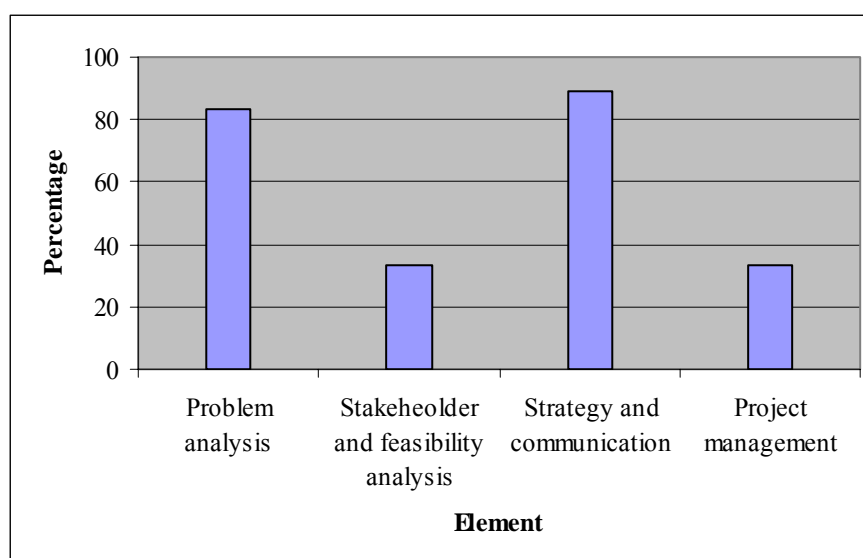
5.2.2 Approach

BDSPs typically describe their own role in the abovementioned assignments as being facilitators and advisers. Hence, few of them seem to have been involved directly in implementation of the activities, and have thus not been responsible for coordination and project management.

Asked about their specific approach to advocacy issues, almost all of the BDSPs point to the importance of careful, thorough analysis, according to Chart 25. The Chart illustrates the main elements of the BDSPs' typical approach to advocacy projects.

The focus on analysis corresponds well with the fact that analytical reports are the advocacy tool most frequently mentioned by BDSPs as per Chart 22. The purpose of the analysis is, according to the BDSPs, to grasp the nature of the problem with a view to establish, as a point of departure, whether the problem is a real issue applying to the majority of the members, whether it is misunderstood or whether it carries a hidden agenda? Relatively few BDSPs are on the other hand explicit about the need for stakeholder and feasibility analysis, i.e. whether the proposed project is implementable?

Chart 25 BDSP Approach to Advocacy Issues

n: 18. Annex 2 lists names of interviewees.
Note: Data reflects actual approaches taken by the BDSPs, or, for BDSPs with no practical experience, their proposed approach if contacted by a client with a specific advocacy project. Interviewees' open answers have been grouped into above categories by the Consultant.

With regard to strategies, BDSPs typically emphasise the need for building support among members and likeminded stakeholders. Several BDSPs also mention the need for involving the authorities throughout with a view to let them gradually take ownership of the initiative. The use of workshops and meetings was typically mentioned as the most effective way of engaging the authorities.

Most BDSPs are silent on the use and need for effective communication. A few, however, pointed to the importance of registering associations and appointing spokespersons to raise the profile and credibility of the associations.

5.2.3   Output

During the interviews, most of the BDSPs invariably claimed that their advocacy-related assignments had been successful with targets achieved and clients content.

This is arguably an upwards biased picture: The Consultant suspects that many of the BDSPs saw the interview as an opportunity to market their advocacy skills to the BEST-AC team, although it was made clear that the Consultant did not represent BEST-AC in any way. Nevertheless, it is clear to all BDSPs that the information received will be presented to BEST-AC, and it is therefore likely that the information provided was slightly more optimistic than the actual situation. As mentioned, it has not been possible to countercheck the information given by the BDSPs, so it has been taken at face-value.

Moreover, it should be emphasized that attribution is a problem for assessment of the BDSPs' work: Even though their clients have managed to achieve tangible results, it cannot be deduced that this is due to the assistance or facilitation of the BDSP.

Mindful of these reservations, output/ outcome related data is presented below:

As mentioned, 13 BDSPs had been involved in specific advocacy projects, either through advice to PSOs on specific issues or through general capacity building. Eight of these 12 evaluate the impact of their inputs as being successful: Examples of results from specific advocacy projects are presented below:

- A bye-law was introduced by the local authorities to eliminate the role of middlemen who were manipulating farmers. The BDSP sees the adoption of the bye-law as a result of his endeavours and believes that it will be successful in bringing an end to the issue;

- Increased awareness has been established among PSOs in the Lake Zone following the PSDP interventions. Coincidentally, the Consultant interviewed one of the beneficiaries of this programme who agreed, with no reservations, that the programme had played a major role in building skills and awareness allowing them to build cases effectively with the authorities;

- Capacity building of Zanzibar Trade Union Congress (ZATUC) has enabled the union to flag issues related to a new employment act to the authorities. According to the BDSP, some of these issues have subsequently been accommodated; and

- Finally, the various awareness and capacity building activities have led to the establishment of a significant number of groups. The subsequent results and sustainability of these groups could, however, not be assessed.

As mentioned, only a few BDSPs have any reservations about the effectiveness of their own work except the following:

- One of the BDSPs involved in the PSDP programme in the Lake Zone agreed that the interventions had been successful in building the capacity of the PSOs *per se*. Still, the project had been less successful to the extent that inadequate efforts were

done to simultaneously address the authorities and ensure that they were consulted and sensitised to the legitimate role of private sector advocacy; and

• Similarly, efforts to establish a business council in one of the regions have so far been in vain. Again, lack of involvement of counsellors in the early stages of the project was seen as the main reason: The proposal was only presented to the counsellors at a late stage. In response, they rejected the proposal on grounds that they had not been properly consulted.

On the basis of the collected data, it appears that the BDSPs have been fairly successful in doing general capacity building of PSOs. This in turn may have significant add-on effects, with organisations pursuing new opportunities and issues vis-à-vis the authorities.

It is less clear whether the BDSPs are successful in facilitating specific advocacy projects. None of the interviewed BDSPs were able to convince the Consultant that significant change had been obtained as a direct result of their efforts.

5.2.4   Analytical Ability: Advocacy Determinants

The ability of BDSPs to analyse and explain successful and failed advocacy activities is seen as a key competency, as this is indicative of their ability to understand the processes and propose the most effective solutions.

This subsection summarises the BDSPs' views on key determinants for effective advocacy and main challenges for PSOs. The data collected reflects the BDSPs' analysis of previous assignments as well as analysis of other advocacy examples (refer to subsection 5.1.5 for details on these examples).

Chart 26 Key Determinants for Effective PSO Advocacy, BDSPs
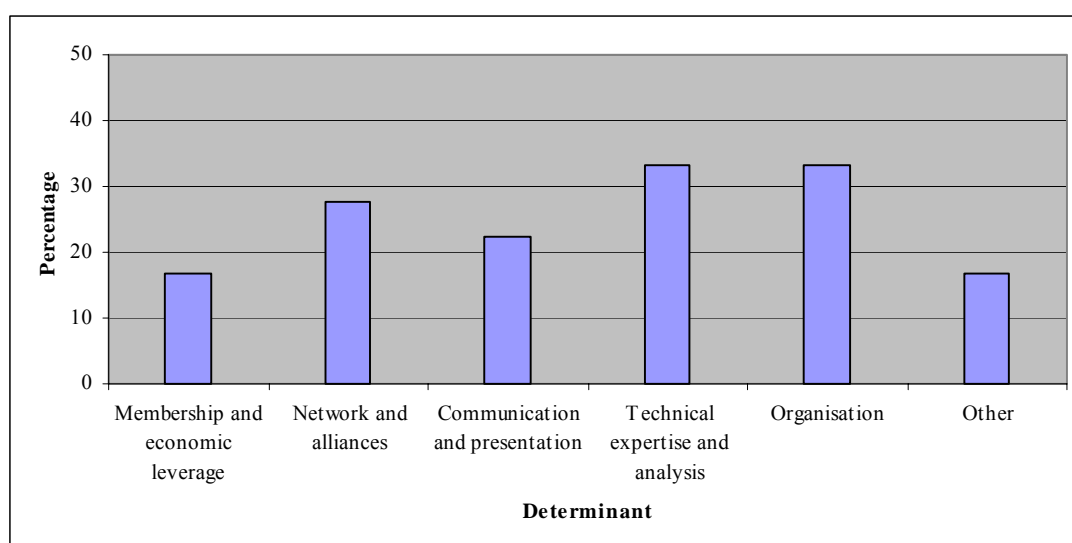
n: 18. Annex 2 lists names of interviewees.
Note: Interviewees' open answers have been grouped into above categories by the Consultant.

According to the information summarised in Chart 26, BDSPs see technical expertise and organisational issues as the two single most important determinants for effective ad-

vocacy. This is typically substantiated with references to CTI, which is seen as having a well-organised secretariat and the necessary analytical expertise to present clear-cut cost-benefit analyses. Allegedly this has enabled CTI to achieve significant results in pushing for lower utility costs. Similarly, another BDSP points to sound analytical expertise as the main factor why the Tanzanian dairy industry managed to persuade the authorities to maintain relatively high barriers to imports of dairy products.

Other important factors include networks and alliances as well as communication and presentation. With respect to alliances, one BDSP argues that the decision by the authorities to abolish nuisance taxes happened as a result of pressure from a broad coalition lead by CTI, but also including organisations and think tanks such as the Economic and Social Research Foundation (ESRF), UDEC, and donors, notably the World Bank.

Chart 27, in turn, presents the BDSPs' views of key challenges for PSOs. The challenges have been divided into internal and external challenges.

Focusing on internal challenges, roughly half of the BDSPs view lack of analytical skills and advocacy expertise as the most important challenges for PSOs. Several BDSPs observe for example that PSOs have a poor understanding of the advocacy concept. Accordingly, as pointed out by the one of the international BDSPs, PSOs need to bring in external expertise to assist in advocacy issues. However, the problem is allegedly that competent advocacy specialists are rare in Tanzania and thus among the most expensive BDSPs. In consequence, only few PSOs are in a position to recruit them and many PSOs are therefore left in the dark about priorities and course of action to take although issues may have been identified.

A third of the BDSPs also point to organisation as a weakness for PSOs. One BDSP observes that PSOs tend be "heavy on the top and thin on the bottom". Another remarks that some PSOs have become captured by individuals unwilling to step down from executive positions despite having served for a considerable number of years.

Chart 27 BDSP Analysis of Key Challenges for PSO Effective Advocacy
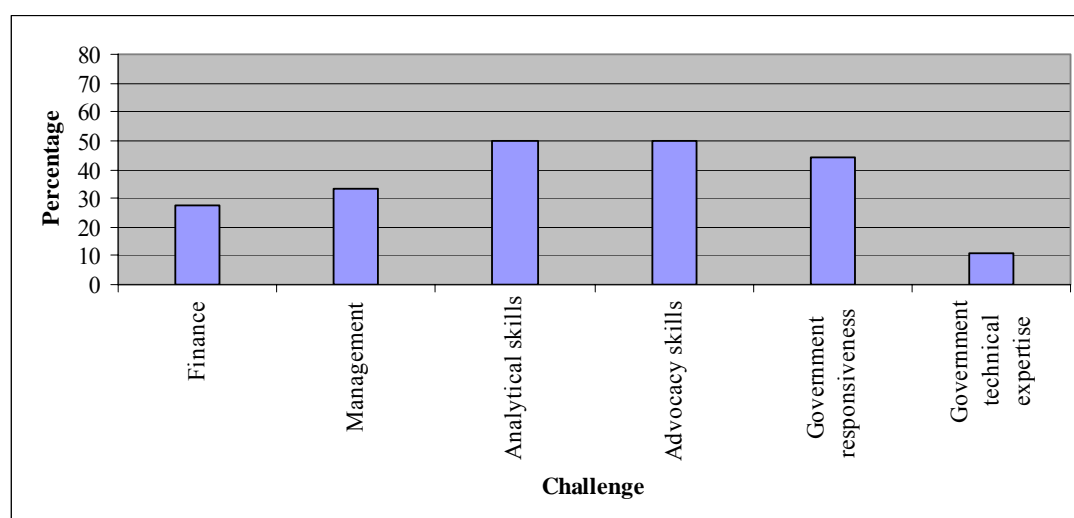
n: 18. Annex 2 lists names of interviewees.
Note: Interviewees' open answers have been grouped into above categories by the Consultant.

Consistent with the picture presented by the PSOs themselves, a significant number of BDSPs also view the government mindset as a major impediment for the PSOs. Two BDSPs also suggest that lack of capacity and external expertise on part of the government create obstacles for the PSOs.

5.2.5 Analytical Ability: BDSP support to PSOs

Whereas the above subsection presents the BDSPs analysis of the PSOs *per se*, this subsection present the BDSPs analysis of their own work to support PSOs in advocacy related areas.

Previously it has been suggested that lack of consultation of authorities is one possible explanation why advocacy efforts may not succeed. The data presented in Chart 28 confirms this suggestion, inasmuch as mobilisation of authorities is seen as one important determinant for successful business development services in the area of advocacy.

In this context, roughly a quarter of the interviewed BDSPs observe that they always take a dialogue approach when designing strategies for engaging the authorities: The rationale is that authorities can only be persuaded through dialogue and constructive persuasion. As mentioned elsewhere, pressure through demonstrations and media campaigns will only be counterproductive.

Chart 28 Effective BDSP Advocacy Support to PSOs, Key Factors
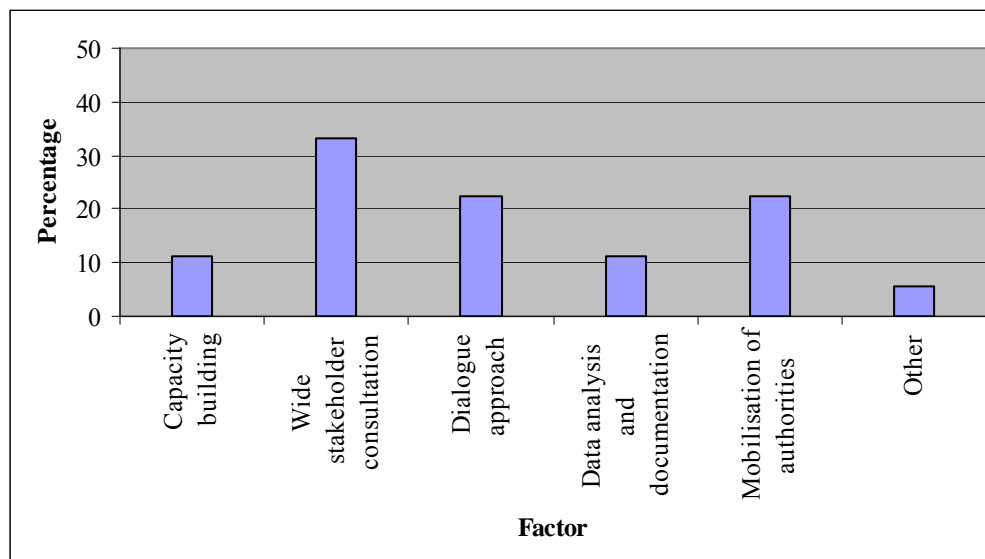
n: 18. Annex 2 lists names of interviewees.
Note: Interviewees' open answers have been grouped into above categories by the Consultant.

Capacity building of authorities, as pointed out by a few BDSPs, can sometimes also be an effective strategy to help mobilise authorities: For example, one BDSP remarks that capacity building of LGA counsellors can be a necessary first step to make sure that they understand a certain issue.

Still, the most important factor, as pointed out by a third of the BDSPs, is broad stakeholder consultation as a point of departure for any advocacy issue: In this context the BDSPs typically point out the need for brainstorms to make sure that all issues and

grievances are aired and unleashed. Some of the BDSPs working in rural settings use Participatory Rural Appraisal techniques to facilitate such brainstorms. No other specific techniques were mentioned, except for the fact that it is "necessary to bring all stake-holders together around the same table".

5.3   Capacity Building Needs

This final section presents the BDSPs' views of capacity building needs for PSOs (sub-section 5.3.1) as well as themselves (subsection 5.3.2).

5.3.1   Private Sector Organisations

Chart 29 illustrates the main capacity building needs for PSOs, in the view of the BDSPs. The needs are expressed mostly in general terms, but it appears that half see a need for supporting PSOs to do advocacy in general. As pointed out by one BDSP, "PSOs need to be equipped with tools on how to deliver and reinforce messages - how to build up credibility with the authorities."

Another BDSP observes in this context that case-studies would be useful to make PSOs understand the advocacy concept more clearly.

Chart 29 PSO Capacity Building Needs: BDSPs
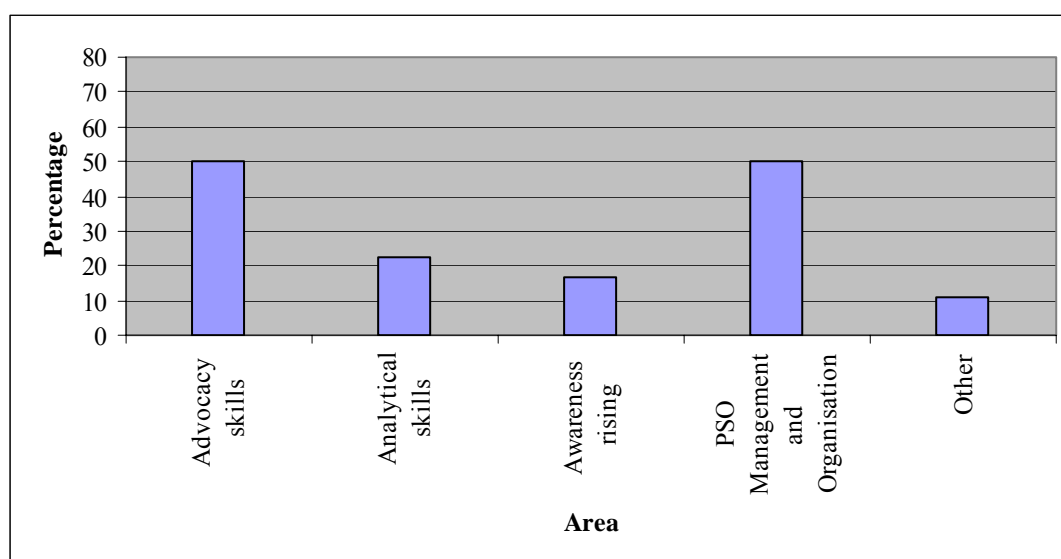
n: 18. Annex 2 lists names of interviewees.
Note: Interviewees' open answers have been grouped into above categories by the Consultant.

At the same time, half of the BDSPs also argue that PSOs need general capacity building in the area of management and organisation. For example, one BDSP argues that man-agement of PSOs is not taken seriously in Tanzania, although it deserves, in the consult-ant's opinion, to be recognised as a discipline of its own.

Another BDSP points out in this context that there is an urgent need for improving tech-nical skills and making PSOs capable of demonstrating results to prospective members so that the previously mentioned vicious circle (no members → no funding → no achievements → no members) can be effectively broken.

5.3.2 BDSP Capacity Building Needs

Finally, Chart 30 summarises the BDSPs' priorities for building their own capacity. Half of them have a strong preference for acquiring more skills in the area of advocacy. As mentioned in subsection 0, few of the BDSPs have any formalised training in the area, and point this out as a major reason why additional, training is necessary.

Several have referred to the training received through BEST-AC as being very helpful, but they have at the same time pointed to the need for more exposure (including to international examples) and for introduction to lobbying techniques and their application. Hence, although many have a fairly good conceptual understanding of advocacy, they express an explicit need for support to apply such knowledge to actual cases.

Five of the BDSPs have also expressed a specific need for strengthening analytical skills, for example the ability to carry out regulatory impact assessments, prepare policy briefs and conduct sector studies.

Chart 30 BDSP Capacity Building Needs
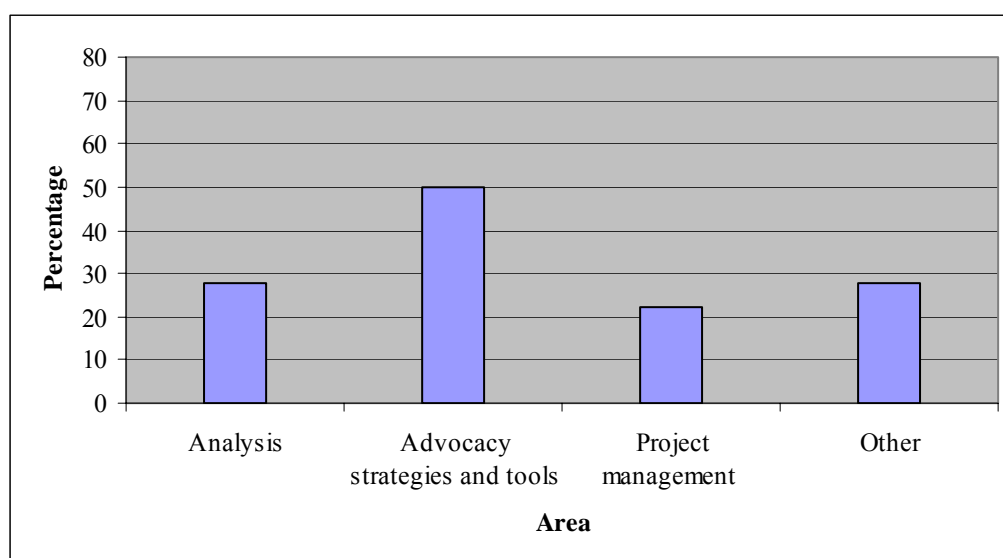
n: 18. Annex 2 lists names of interviewees.
Notes: Interviewees' open answers have been grouped into above categories by the Consultant.

A few BDSPs are also keen to receive project management training to assist them when carrying out assignments. This is particularly to support them in their efforts to support and guide potential BEST-AC applicants though the application forms.

Finally, one BDSP pointed to the need for standardisation/ accreditation of consultancy skills and for development of better networks between consultants. As the BDSP remarks, most of those attending the BEST-AC workshop had never met previously, but have much in common and may thus benefit significantly from further development of such professional networks.

5.4   Summary

This final section summarises the main findings related to the advocacy capacity and competency of BEST-AC accredited BDSPs.

5.4.1   Advocacy Capacity

The BEST-AC accredited BDSPs are generally well educated, but none of them are specialised in the area of advocacy or communication. Likewise, the majority of them have not worked professionally with advocacy for any significant period of time. By contrast they have mostly been employed in government service or as bankers. Nevertheless they all have a good basic *understanding of business advocacy*, arguably a result of their recent exposure to BEST-AC training. When asked to mention specific *tools for advocacy*, they typically point to analytical papers, lobbying and workshops/ seminars, i.e. both formal and informal measures.

Given the fact that they demonstrate a relatively good conceptual understanding of business advocacy it is somewhat surprising that only few can mention *specific examples* of effective business advocacy other than CTI.

5.4.2   Advocacy Competency

As for the ability of the BDSPs to apply their general skills and understanding of advocacy, the majority claim to have significant *experience*, although sometimes indirectly. This is arguably a somewhat exaggerated picture on the assumption that the BDSPs try to market themselves through the interviews. When asked to give specific examples of advocacy experience a more nuanced picture emerges: Several of the BDSPs thus point to development of business plans as examples of advocacy related work. This in not in the Consultant's opinion a good example of advocacy related work. Other examples are more valid, such as those who have supported specific groups to address a certain issue, and those who have been involved in training PSOs. All of these activities typically focus on small scale entrepreneurs and organisations: Farmers are typically the target for group formation and awareness building activities, while PSO capacity building has mostly been offered to regional or district-based PSOs. Hence, the experience of the PSOs to work with national PSOs and larger corporate clients is limited. There is some evidence, although limited, to suggest that this larger niche is mostly being attended to by larger BDSP firms with more international exposure.

Whereas the practical advocacy experience of the BDSPs is somewhat limited, many of them are capable of offering good *analysis* why some activities fail and others succeed. They are, however, less confident when it comes down to a question of implementation. For example, many of them express a need for more training in the area of applied advocacy and project management.

For PSOs, the BDSPs identify the major *capacity building needs* to be advocacy skills and general management and organisation. If the BDSPs are expected to address these needs, the Consultant agrees that more action-oriented capacity building of the BDSPs is necessary.

Annexes

Annex 1 Terms of Reference

TERMS OF REFERENCE

NAME OF STE	KIM CLAUSEN THOMAS HANSEN	POSITION OF STE	BASELINE STE INT BASELINE STE LOC
START DATE	5TH SEPTEMBER 05	FINISH DATE	11TH NOVEMBER 05
ELAPSED TIME	10 WEEKS	INT OR TZ	1 X INT // 1 X TZ

1. Context

It is very apparent that the Government of Tanzania is committed to the continued development of a liberalised market economy. It has recognised the private sector as an engine of economic growth. As an important step towards creating a more enabling environment for the private sector, the Government launched, in November 2003, the Business Environment Strengthening for Tanzania (BEST) programme. BEST is a cross-cutting, multi donor funded programme which has been established to reduce the burden of regulatory and administrative constraints on the private sector, and to improve service from Government to the private sector. BEST has five components:

1. Achieving Better Regulation
2. Improving Commercial Dispute Resolution
3. Strengthening the Tanzania Investment Centre
4. Changing the Culture of Government
5. Empowering the Private Sector.

The first four components are being implemented through the Government system. The fifth component has been designed to be implemented outside of the Government in conjunction with the private sector. The fifth component of the BEST programme is designed to specifically respond to the need for a strong and articulate private sector where advocacy is essential in ensuring an improved business environment including proper prioritisation of regulatory reforms.

Research indicates that private sector advocacy is "biased" toward the interest of the better resourced and organised sectors in Tanzania. The fifth component of BEST aims to improve the business environment in Tanzania by implementing support for private sector advocacy through a "fund" which will target private sector advocacy organisations in Tanzania at all levels. It is clear that the promoters of the fifth component, now known as BEST-AC, place a strong emphasis on the relatively weak and under represented businesses and organisations in Tanzania.

2. Introduction

The BEST-AC team comprises five persons. This team are responsible for the effective and efficient design, development and delivery of the Private Sector Advocacy (PSA) Fund. The PSA Fund is provided through grants from the governments of Denmark, the Netherlands, Sweden and the United Kingdom. The aim of the

fund is to empower the private sector in Tanzania through interventions which strengthen the advocacy work and capacity of private sector representative organisations. The fund is predicated on the well recognised importance of a strong and articulate private sector whose advocacy is essential in improving the operational business environment. By providing direct financial and technical support to existing and emergent business advocacy organisations, the fund and BEST-AC (the fund manager) are aiming to:-

- Strengthen the capacity and competency of business advocacy organisations in Tanzania
- Support more efficient and effective linkages between business advocacy organisations
- Provide quality advice and other support on specific and important private sector advocacy issues

BEST-AC has been brought into existence to improve the quality and the effectiveness of private sector advocacy, thereby having a direct and positive impact on public policy, legislation, regulations and the external business environment, insofar as they relate to the Tanzanian private sector.

The BEST-AC will close in June 2008. By this time, the BEST-AC team will have expected to have delivered the following seven objectives:-

1. To have provided support to 22 existing and established national business advocacy organisations in the form of significant grant funding and technical services to strengthen advocacy skills and to develop strategies to change policies and regulations in favour of a competitive Tanzanian private sector.

2. To have provided support to 60 existing and established regional (in Tanzania) business advocacy organisations in the form of grant funding and technical services to strengthen advocacy skills and to develop strategies to change policies and regulations in favour of a competitive Tanzanian private sector.

3. To have provided support to 150 emergent, weak and under represented organisations in the form of small grants which will directly enhance organisational plans, capacity and competencies, including direct organisational support and generic training and development support in group formation, organisation and management.

4. To have created a cadre of emergent business development service providers with a range of specific advocacy planning and management skills.

5. To have created a specialised group of accredited facilitators and trainers with skills which are targeted at the strengthening of emergent, weak and under represented private sector membership organisations.

6. To have significantly expanded public and media awareness of the role of private sector advocacy and public / private dialogue via demonstration.

7. To have enhanced the quality and quantity of dialogue within the private sector in order to create more efficient economic and industrial cooperation within key sectors and sub sectors.

3. Current Situation

BEST-AC is now established and has designed a programme for implementation from August 2005. This programme is predicated on three specific target groups. Essentially, the BEST-AC Team has divided the Advocacy Challenge Facility (ACF) into two windows. The first window targets the established national private sector advocacy associations and chambers and the second targets the established regional private sector advocacy associations and organisations. The Outreach and capacity Building Facility (OCBF) remains. However, in order to reduce confusion, the BEST-AC team are intending to refer to *National ACF as funding window I,*

regional ACF as funding window II and OCBF as funding window III. The BEST-AC team now have collected, collated and analysed sufficient information to broadly determine how the fifth component of BEST will be implemented through to the end of June 2008 and to specifically determine modalities for implementation through to 1st May 2006.

4. Programme and PSA Fund Design

The PSA fund has been designed to have two facilities. The first facility is called the Advocacy Challenge Facility (ACF). This is targeted at existing and established private sector advocacy organisations with national and / or regional remits. The second facility is called the Outreach and Capacity Building Facility (OCBF). This is targeted at emergent, weak and under represented private sector membership organisations. These organisations are most likely to be operating at a district or ward level. During the Inception Phase, the BEST-AC team concluded that the ACF would better serve the target groups for which it was designed if it were to be divided. Of the resulting two "windows", one will serve the organisations with a national remit and the other will serve organisations with a regional remit. It has become apparent that these two groups have very different advocacy support needs and should be differentiated accordingly. Overall, the BEST-AC team have created three "windows" of funding. These directly relate to the original design. In reality, they augment this design with a clearer differentiation of target "markets" for the PSA fund. Accordingly, the three funding "windows" are directly aligned to the original design as follows:-

Advocacy Challenge Facility (National)	Window I
Advocacy Challenge Facility (Regional)	Window II
Outreach and Capacity Building Facility	Window III

5. Modalities for Programme and Fund Delivery

Window I

- Estimated Average Project Size will be US$ 45,000.00
- Total Allocation to Window I will be US$ 1,000,000.00
- Total Number of Funded Projects will be 22
- Total Number of Funded Projects for the Preliminary Phase will be 7 or 8
- Grant Funding Required for Window I Preliminary Phase is US$ 350,000.00
- Total Direct Costs for Window I are Estimated to be US$ 80,000.00
- Total Direct Costs for Window I Preliminary Phase are Estimated to be US$ 50,000.00
- Estimated Number of BDS Providers for Window I and II is 20 (individuals and organisations)
- Total Number of BDS Provider Familiarisation Workshops is 4
- Number of BDS Provider Familiarisation Workshops in Window I Preliminary Phase is 2
- Estimated Number of M&E, Audit, Impact Assessment Organisations in the Framework Contact is 8
- Estimated % of Successful Applicants for Window I is 20%

Window II

- Estimated Average Project Size will be US$ 15,000.00
- Total Allocation to Window II will be US$ 900,000.00
- Total Number of Funded Projects will be 60
- Total Number of Funded Projects for the Preliminary Phase will be 8
- Grant Funding Required for Window II Preliminary Phase is 120,000.00
- Total Direct Costs for Window II are Estimated to be US$ 90,000.00

	• Total Direct Costs for Window II Preliminary Phase are Estimated to be $ 36,000.00
	• Estimated Number of BDS Providers for Window I and II is 20 (individuals and organisations)
	• Total Number of BDS Provider Familiarisation Workshops is 4
	• Number of BDS Provider Familiarisation Workshops in Window II Preliminary Phase is 2
	• Estimated Number of M&E, Audit, Impact Assessment Organisations in the Framework Contact is 8
	• Estimated % of Successful Applicants for Window II is 25%
Window III	• Estimated Average Project Size will be $ 4,000.00
	• Estimated Average Training Course will be US$ 8,000.00
	• Total Allocation to Window III will be US$ 860,000.00
	• Total Number of Funded Projects will be 150
	• Total Number of Training Courses will be 32
	• Total Number of Funded Projects for the Window III Preliminary Phase will be 46
	• Total Number of Training Course for the Window III Preliminary Phase will be 10
	• Total Grant Funding Required for Window III Preliminary Phase is US$ 264,000.00
	• Total Direct Costs for Window III are Estimated to be US$ 106,000.00
	• Total Direct Costs for Window III Preliminary Phase are estimated to be US$ 44,500.00
	• Estimated Number of OCB Facilitators and Trainers is 28 (individuals and organisations)
	• Total Number of OCB Facilitator / Trainer Workshops for Window III is 7
	• Number of OCB Facilitator / Trainer Workshops in Window III Preliminary Phase is 3
	• M&E, Audit and Impact Assessment will be undertaken by a sub group of OCB Facilitators and Trainers
	• Estimated % of Successful Applicants for Window III is 80%

6. The Requirement for Short Term Expert Inputs

During the Inception Phase of BEST-AC, the team identified that no research had been undertaken on the current situation with regard to advocacy planning and advocacy initiatives within the Tanzanian private sector. There is a need to better understand and articulate the "point of departure" for the BEST-AC and the Private Sector Advocacy (PSA) Fund. Accordingly, the team is now seeking inputs which will result in two baselines or "points of departure". These baselines will establish the capacity and competency to undertake advocacy planning and advocacy processes within **two distinct groups**.

1. The **first group** is the private sector organisations which represent groups or sub groups operating within the private sector in Tanzania. This might include business associations, chambers of commerce and industry, trade associations, chambers of agriculture, sector representative groups, and regional or local groups.

2. The **second group** is the business development service providers who provide direct support services to the private sector and to those organisations represented in 1 above. These will include private sector consultants and advisers but also non governmental organisations, donor funded institutions and universities / higher education organisations.

At a later stage, the BEST-AC team will be considering a baseline on media awareness and public perceptions relating to advocacy. It has been decided not to include this initiative at this juncture.

The requirement is for two Short Term Experts who have been pre selected and approved. These are Mr Kim Clausen and Mr Thomas Hanson

7. The Objective of the Assignment

The objective of the assignment is to design, develop and deliver two baseline investigations as set out in Section Six basis of two baselines for the BEST-AC programme and the Private Sector Development Fund. These baselines will allow the BEST-AC team to measure performance and impact against a "point of departure" in the areas of increased advocacy capacity and competency within the two distinct target groups described in Section Six.

8. The Scope of the Assignment

The Assignment will cover:

- The design of an agreed work plan, including tasks, for the assignment
- The design of an agreed methodology which will include statistically relevant sampling
- The undertaking of data / information collection and collation within the two target groups
- The production of a draft baseline report for each distinct target group as per Section Six
- The presentation of a draft baseline report for each distinct target group as per Section Six
- The submission of two final baseline reports

The final baseline reports will comprise an integral input which will inform the monitoring and evaluation system for BEST-AC and the PSA Fund. Increased advocacy capacity without both distinct target groups, as set out in Section Six, is a key performance indicator for the BEST-AC team which will be integral to the M&E system for BEST-AC.

9. Working Arrangements

The two Short Term Experts will provide their own lap top computers for the assignment but they are welcome to base themselves, when is Dar es Salaam, at the BEST-AC offices at 21 Ghana Avenue where they will have access to office facilities. This assignment will require significant travel within Tanzania and the BEST-AC team will provide the two Short Term Experts with basic logistical support and a room for presentation of findings. Fees, per diems and reimbursable costs have been agreed within the contract between COWI A/S and Danida.

10. Timing and Input

The International Short Term Expert (STE) – Mr Kim Clausen – will provide twelve (12) working fee days of inputs during the calendar months of September, October and November 2005. This will include one visit to Tanzania where, at least eight working days will be expended. The Local STE – Mr Thomas Hansen – will provide thirty two (32) working fee days of inputs during the months of September, November 2005. The commencement date for the assignment will be Monday 5th September 2005. The completion date for this assignment will be Friday November 11th 2005.

11. Outputs

There will be five outputs for this assignment. They are as follows:-

1. Work Plan and Methodology for the Assignment by Friday 9th September. This should be no more than eight pages of typed A4 paper.

2. Two Interim Progress Reports. One for September and One for October. These reports should be no more than five pages of typed A4 paper and should be delivered on or before the last day of the relevant month

3. Two draft baseline reports. One for each distinct target group as set out in section Six above. These draft reports should each comprise no more than forty A4 pages excluding the Executive Summary, the Annexes and the Appendices. Two typed copies (one original) and one electronic copy in MS Word should be submitted on or before 17h00 (local time) on Thursday 3rd November.

4. A presentation of the two draft baseline reports. This power point presentation should be no more than one and a half hours and will take place on Monday 7th November at the BEST-AC offices (21 Ghana Avenue). Final feedback will be provided after the presentation.

5. Two final baseline reports. One for each distinct target group as set out in section Six above. These reports should each comprise no more than forty A4 pages excluding the Executive Summary, the Annexes and the Appendices. Five typed copies (one original) and one electronic copy in MS Word should be submitted on or before 12h00 (local time) on Friday 11th November

12. Reporting and Liaison

The two STEs will report to the Managing Director of BEST-AC. A mobilisation and briefing meeting will be held with the BEST-AC team at the commencement of the assignment and update meetings will be arranged, via the Work Plan, every two weeks for the duration of the assignment.

All draft and final reports should be delivered to the BEST-AC offices at 21 Ghana Avenue, Dar es Salaam.

11. General Information

For further information and contact details relating to this assignment please visit the BEST-AC web site at www.best-ac.org. For further information on the above, please contact Jon Burns at Tel: (+255) (0) (22) 212 8377 Fax: (+255) (0) (22) 212 8378 Mobile: (+255) (0) 744 222 418 or E-Mail: jon@best-ac.org.

Annex 2 Sample

Sample of National Private Sector Organisations

The following national PSOs have been selected through stratified random sampling. Name of organisation followed by name and title of person(s) interviewed and date of interview.

Agriculture

Tanzania Chamber of Agriculture and Livestock: E. R. K. Mushi, Chairman, 11 November 2005

Tanzanian Smallholder Tea Growers' Association: George O. Kyejo, Chairman, 5 October 2005

Tanzania Cotton Growers Association: Lazaro Nduta, Chairman and Francis J. Shakanyi, Treasurer, 15 November 2005

Tanzania Coffee Association (replacing Tanzania Horticulture Association): Mr. William Harris, Chairman, 7 November 2005

Manufacturing

Tanzania Pharmaceutical Manufacturers Association: Mr. Dipen Shah, Executive Director, 11 October 2005

Textile Manufacturers Association (not interviewed)

Union of Tanzanian Arts and Crafts: Origenes K. Uiso, Chairman, 4 October 2005

Mining

Tanzania Mineral Dealers' Association: Sammy Mollel, Chairman and Alli S. Zullu, Executive Secretary, 11 November 2005

Tanzania Chamber of Mines, Minerals & Energy: Emmanuel W. Jengo, Executive Secretary and Theonestina Mwasha, Technical Officer, 1 November 2005

Tanzania Women Miners Association: Martha J. N. Bitwala, Chairperson, 11 November 2005

Tourism

Intra-African Travel Tourism Association: Hilary Biduga, Chairperson, 4 October 2005

Tanzania Hotel Keepers' Association: Damasi Mfungale, Chairman, 16 November 2005

Tourism Confederation of Tanzania (not interviewed, replaced by Tanzania Association of Tour Operators): Mr. Mustapha Akunaay, Chairman, 10 November 2005

Transport

Tanzania Association of Port Services: Mr. A J. Temba, Shipping Freight Consultant, 16 November 2005

Tanzania Motor Traders Association: Michael C. Roussous, Chairman, 17 November 2005

Tanzania Shipping Agents Association (interviewed during inception phase only so not formally part of the survey): S. I Mushi, former Chairman, 16 September 2005

Other

Tanzania Association of Oil Marketing Companies: Thomas F. M. Masili, Executive Secretary, 17 November 2005

Association of Tanzania Employers: Mark Mfungo, Executive Director, 17 November 2005

Industrial Fishing & Processors' Association: Harko Bhagat, Chairman, 1 November 2005

Association of Tanzania Insurers: Steve Bonney, Chairman, 31 October 2005

Media Owners Association of Tanzania: Henry Muhanika, Executive Secretary, 1 November 2005

Publishers Association of Tanzania: Daudi Kilasi, Executive Secretary, 10 October 2005

Tanzania Association of Consultants: Aloyse Peter Mushi, Chairman, 11 October 2005

Tanzania Association of Women Lawyers: Ms. Tumaini Silay, Executive Director, 17 November 2005

Tanzania Civil Engineering Contractors Association: Clement P Mworia, Executive Secretary and S Dhiyebi, Hon. Treasurer, 18 November 2005

Tanzania Confederation of Co-operatives: Mr. Mbogoro, Director of Cooperative Development, 4 October 2005

Tanzania Exporters' Association: Peter G. O. Lanya, Chairperson Agriculture, 30 September 2005

Association of Consulting Engineers in Tanzania: Exaud Mushi, Chairman, 2 November 2005

Tanzania Private Sector Foundation: Louis P. Accaro, Executive Director, 3 October 2005

Tanzania Fishers Association: Demai John, Programme Officer, 14 November 2005

Tanzania Chamber of Commerce, Industry and Agriculture (not interviewed)

Sample of Regional Private Sector Organisations

The following regional PSOs have been selected through stratified random sampling: Name of organisation followed by name and title of person(s) interviewed and date of interview.

Arusha

TCCIA Iringa: Mr. Edwin W. Shetto , Regional Executive Officer, 9 November 2005

AREMA: Hamisi I. Lyoba, Chairman, & Omary Manyendi, Treasurer, 11 November 2005

CHAWASOKU: Phillip Kullaya, General Secretary, Simbo Munisi, Chairperson, 10 November 2005

UWEMA: Anette Tanhmulai, Chairman, & Happiness Doughsulai, Secretary, 9 November 2005

CTI Outreach for Arusha and Kilimanjaro: Anup L. Modha, Outreach Chairman, 10 November 2005

Iringa

Iringa Taxi Drivers Associations: Masoud Mursali, Chairman and Silver Kalinga, Secretary, 13 October 2005

TAFOPA Iringa: Flora Hera Sumaye, Vice-Chairperson, 13 October 2005

Iringa Civil Society Organisations: Mr. Saleh Hamis Masoli, Treasurer, 12 October 2005

TCCIA Iringa: Mr. Dunstan Mpangale, Executive Officer, 13 October 2005

Kilimanjaro

Kilimanjaro Cabs Association: Mr. Moses Mrisha, Secretary, 8 November 2005

TCCIA Kilimanjaro: Mr. Boniface Mariki, Executive Officer, 8 November 2005

Northern Forest Industry Association (added after sampling, replacing Kilimanjaro Tourists Association): Mr. William Jimbe, Chairman and Frank Kanonye, Secretary, 08 November 2005

Kilimanjaro Tour Operators Association (added after sampling, replacing Kilimanjaro Hotel Association): Musa H. Kopwe, Secretary/Administrator, 7 November 2005

Mwanza

Mwanza City Butcheries: Itimbula Robert Itimbula, Chairman, 14 November 2005

TCCIA Mwanza: Hassan Karambi, Executive Officer, 14 November 2005

Tanzania Association of Women's Entrepreneurs, Mwanza Region: Eunice Bangili, President, Margareth Kazi, Asst. Chairperson, Daisy Mboneko, Founder Member, and Elizabeth Shawa, Secretary, 15 November 2005

Mwanza Women's Development Association (added after sampling, replacing Tanzania Micro-Enterprises Association): Joseline Juma, Board Member and William Yolaye, Facilitator, 14 November 2005

Mwanza Press Club (added after sampling): Abubakar Hassan, Chairman, 14 November 2005

SIDO Mwanza Region (added after sampling): Damian J. M. Chang'a, Regional Manager, 15 November 2005

Sample of Business Development Service Providers

The following BDSPs have been selected through stratified random sampling. Name followed by date of interview.

BEST-AC Accredited BDSPs (Dar es Salaam)

Gilliard Nkini: 29 September 2005

Ernest Mafuru: 30 September 2005

Benedict Lema: 03 October 2005

Bonaventure Batinamani : 11 October 2005

Tobias M Mapesi : 30 September 2005

Estomih Mallah : 03 October 2005

Shainul Dhanji : 03 October 2005

Barton Shipella : 18 October 2005

BEST-AC Accredited BDSPs (Mwanza)

Kussaga R. Majinge (not interviewed)

Lawrence Limbe (not interviewed)

Richard Jackson:15 September 2005

BEST-AC Accredited BDSPs (Arusha)

Zephania Darema: 09 September 2005

Charles T. Panyika: 09 September 2005

Zebedayo Swai: 10 September 2005

BEST-AC Accredited BDSPs (Kilimanjaro)

Ambrose M. Kweka: 07 September 2005

Felician Ifunya: 07 September 2005

BEST-AC Accredited BDSPs (Iringa)

Micca Shilla: 12 October 2005

Marco Vingillah 03 October 2005

International BDSPs

Deloitte: Joe Eshun, Director, Management Consulting, 17 October 2005

Matchmakers Associates Ltd. (replacing PriceWaterHouseCoopers): Mr. Henri van der Land, Director/ Consultant, 10 November 2005

Annex 3 Introduction Letters

Private Sector Organisation

Attn.: Executive Director/ Chairperson/ Chief Executive Officer

BY ELECTRONIC MAIL

**COWI Tanzania
Consulting Engineers and
Planners Ltd
398 Kawawa Road
P.O.Box 1007
Dar es Salaam**

**www.cowi.co.tz
cowi@cowi.co.tz**

Baseline Survey: Business Advocacy and Competency of Private Sector Organisations

Dear Sir/Madam,

My company, COWI Tanzania Ltd., is currently working for the BEST-Advocacy Component (AC) team to do an independent baseline survey on business advocacy and competency of private sector organisations in Tanzania. We are now about to initiate the data-collection phase and the purpose of this letter is to kindly ask for your cooperation.

BEST-AC forms part of the BEST-programme, which is designed to create an enabling environment for businesses in Tanzania. The BEST-AC team is responsible for the design, development, and delivery of the Private Sector Advocacy (PSA) Fund, which is provided through grants from the governments of Denmark, the Netherlands, Sweden, and the United Kingdom.

The aim of the PSA fund is to empower the private sector in Tanzania by financing interventions, which strengthen the advocacy work and capacity of private sector organisations. More information is available through the website www.best-ac.org.

The survey we have been asked to carry out focuses on both national and regional private sector organisations (PSO). We intend to interview 30 national PSOs and 20 regional PSOs. These have now been identified through random, stratified sampling, and your organisation was among those selected.

I will be responsible for carrying out the interviews for the survey and would appreciate to receive confirmation that you will participate. I have attached an outline of the survey questionnaire to allow you to prepare yourself for the interview. Each interview is expected to have duration of 45-60 minutes. The information provided will be treated as confidential.

Should you have any written material related to advocacy activities of your organisation, I would be very grateful to receive a copy thereof in advance.

Our Department Assistant Ms. Truphena Folleni (see contact details below), will be in touch with you shortly to schedule an appointment.

COWI

With my best regards,

Thomas Hansen

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Encl.: Outline of Questionnaire

For the Attention of BEST-AC Accredited Business Development Service Providers

BY ELECTRONIC MAIL

Baseline Survey: Business Advocacy and Competency of Business Development Service Providers

Dear Sir/Madam,

My company, COWI Tanzania Ltd., is currently working for the BEST-Advocacy Component (AC) team to do an independent baseline survey on business advocacy and competency of private sector organisations and business development service providers in Tanzania. We are now about to initiate the data-collection phase and the purpose of this letter is to kindly ask for your cooperation.

As you may know from previous presentations, BEST-AC forms part of the BEST-programme, which is designed to create an enabling environment for businesses in Tanzania. The BEST-AC team is responsible for the design, development, and delivery of the Private Sector Advocacy (PSA) Fund, which is provided through grants from the governments of Denmark, the Netherlands, Sweden, and the United Kingdom.

The aim of the PSA fund is to empower the private sector in Tanzania by financing interventions, which strengthen the advocacy work and capacity of private sector organisations. One of the seven objectives of the PSA Fund is to have created, by June 2008, "a cadre of emergent business development service providers" with a range of specific advocacy planning and management skills.

More information is available through the website www.best-ac.org.

The survey we have been asked to carry out focuses among other things on those business development service providers (BDSPs), which have been accredited by BEST-AC. We intend to interview 18 BEST-AC accredited BDSPs. These have now been identified through random, stratified sampling, and you were among those selected.

I will be responsible for carrying out the interviews for the survey and would appreciate to receive confirmation that you will participate. I have attached an outline of the survey questionnaire to allow you to prepare yourself for the interview. Each interview is expected to have duration of 45-60 minutes. The information provided will be treated as confidential.

Should you have any written material related to any previous advocacy activities, I would be very grateful to receive a copy thereof in advance.

Our Department Assistant Ms. Truphena Folleni (see contact details below), will be in touch with you shortly to schedule an appointment.

COWI

With my best regards,

Thomas Hansen

Consultant
Development Planning Department
Direct: 2 666 161 ext. 304
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Contact details for Ms. Truphena Folleni:

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Encl.: Outline of Questionnaire

Annex 4 Interview Guides

Interview Guide for Private Sector Organisations, Final version (20.9.2005)

1 Name, organisation, position, e-mail and telephone number for the person being interviewed

2 Primary activities, number of staff, yearly budget and funding source of the organisation?

3 How many members do you have? How many percent of your sector would you say you represent?

4 Definition of business advocacy

4a How would you define advocacy?

4b Can you give us examples of tools for advocacy?
       Check for:
       - long-term policy involvement
       - lobbying
       - networking
       - use of media
       - publications
       - analytical reports

5 General Advocacy Capacity

5a Within the last 12 months, have you:
       □ held meetings with gvt/regional authorities
       □ been invited by gvt/regional authorities to take part in business policy dialogue
       □ been a representative in gvt/regional committees

5b Do you generally feel that your meetings with the authorities have a successful outcome?

5c Within the last 12 months, how often have you meet with other organisations to discuss mutual interests in policy issues?

5d Do you have a strategy for advocacy activities?

5e Do you have a workplan for advocacy activities?

5f For your advocacy initiatives, do you allocate specific budget?

5g For your advocacy initiatives, do you allocate specific staff

5h Have you or any staff received specific advocacy training/ capacity building?

6 Advocacy competency and output I (respondents with experience in advocacy)

6a Within the last 12 months, on how many issues have you carried out advocacy activities to improve the business conditions for your members?

Affirmative = Go to Q6b Negative = Go to Q7.

6b If affirmative, please tell us about one of the issues and what you did?

Check for:
  □ situation analysis (as data background; stakeholder analysis)
  □ policy environment and process (other players position and 'road map' to change)
  □ strategy (as win-win situations; long-term policy dialogue; alliances; a good case;)
  □ effective communication (as selecting spokesperson; written policy request;)
  □ project management (as defining work-plan, a budget, time schedule)

6c What was the outcome?

6d Which factors lead to this outcome? (positive/negative)

GO TO 8

7 Advocacy Competence and Output II (respondents with no experience in advocacy)

7a If you have not carried out any activities, why is that?

If no answer is forthcoming, prompt eventually with the following reasons:
- no problems related to gvt policies/regulations?
- uncertain how to go about it?
- no access
- no documentation
- don't believe in advocacy
- time

7b If you were to prepare an advocacy campaign for a given issue, how would you go about it?

Check for:
□ situation analysis (as data background; stakeholder analysis)
□ policy environment and process (other players position and 'road map' to change)
□ strategy (as win-win situations; long-term policy dialogue; alliances; a good case;)
□ effective communication (as selecting spokesperson; written policy request;)
□ project management (as defining work-plan, a budget, time schedule)

8 What are the main obstacles that you are facing as regards advocacy for your members?
Eventually prompt with:
- uncertain how to go about it?
- lack of time?
- lack of access to key persons?
- inability to document problem?
- no belief in advocacy?

9 What are the most pressing advocacy capacity building needs in the sector you are working?

10 What kind of advocacy capacity building do you believe would be most beneficial to your organisation?

- check for use of BDS providers/consultant for advice

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Interview Guide for Business Development Service Providers, Final version (20.9.2005)

1 Your name, email, address, telephone-number?

2 Your previous professional experience?

3 Definition of business advocacy

3a How do you understand business advocacy? What is your definition?

3b Can you give us examples of tools for advocacy?

    Check for:
         - long-term policy involvement
         - lobbying
         - networking
         - use of media
         - publications
         - analytical reports

4 Advocacy Experience

4a Have you received any specific advocacy training/ capacity building?

4b Do you have a specific unit for business advocacy? (only for organisations)

4c Within the past year, how many advocacy initiatives have you been involved with? (IF None = Q 5)

4d If affirmative, please tell us about one of the issues and what you did?

4e What was your role in the activities?

4f What was the outcome of the activities?

4g In your opinion, which factors lead to this outcome?

5 If you were advising an organisation about an advocacy initiative to influence Government officials to change policy or regulations in a given area, how would you go about it? Please take your time…

 Check for:
    □ situation analysis (as data background; stakeholder analysis, needs analysis)
    □ policy environment and process (other players position and 'road map' to change)
    □ strategy (as win-win situations; long-term policy dialogue; alliances; a good case)
    □ effective communication (as selecting spokesperson; written policy request)
    □ project management (as defining work-plan, a budget, time schedule)

6 Effective Advocacy

6a Can you mention other examples of effective advocacy - in the business or in any other sector?

6b In your opinion, why do you think that they were effective?

7 In general what do you perceive to be the main challenges for effective advocacy initiatives by the private sector?

Check for:
    - business organisations are uncertain how to go about it?
    - no access to politicians
    - no ability to document the problems and how a solution can serve both gvn and private sector
    - lack of time among organisations

8 What are the most pressing advocacy capacity building needs among business organisations you are aware of?

9 What kind of advocacy capacity building do you believe would be most beneficial to you personally?

COWI

Annex 5 References

Literature

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