



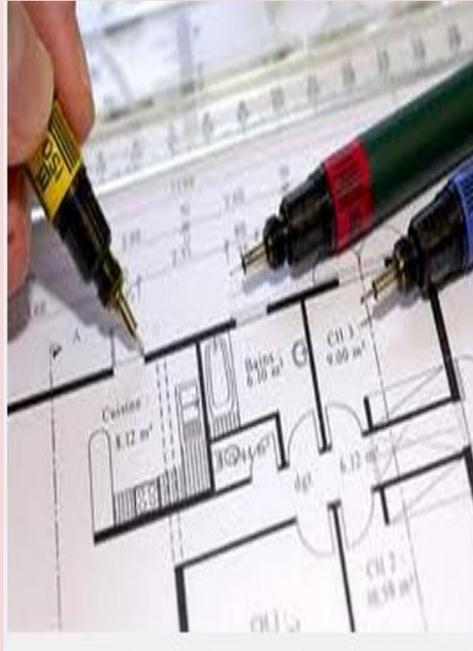
## Speeding up implementation of the Construction Industry Policy (CIP)

### Key Facts

- Tanzania adopted the Construction Industry Policy (CIP) in 2003. Implementation guidelines were issued in 2006. Yet up to now little of the policy's content has been implemented, its objective has not been met.
- TACECA research indicates that while the CIP addresses a number of issues and strategies needed in the construction industry, resources have not been made available to implement many of them.

### Challenges

- No coordination framework has been established, since the Implementation Action Programme for the CIP (IAP-CIP) was established, now seven years ago.
- No coordination framework or Steering Committee has been established and operationalized by Ministry of Works.
- Duplication of activities by various authorities and confusion in regulatory, promotion and capacity building roles.
- Discord between National Construction Council (NCC) and the Registration Boards due to failure of a set framework.



### Urgent measures

- Packaging of contracts in a way that allows participation from more and smaller contractors.
- Operationalization of the CIDF (Construction Industry Development Fund).
- Strengthening of institutions involved in the construction industry management and monitoring.

### The Ministry of Works is advised to:

- Ensure that a CIP coordination framework is properly established
- Establish the CIP Steering Committee and consolidate IAP-CIP, which provides for a coordination framework
- Ensure a coordination framework will stop duplication of activities by various construction authorities
- Establish a dedicated department that deals specifically with CIP related matters

### Weak points in management of the sector

- No laws or regulations to effectuate implementation of CIP
- Inadequate capacity (finance and skills) among CIP implementing institutions
- No specific department in the Ministry of Works specifically assigned for CIP
- There is no agency for CIP monitoring
- Procurement regulations do not favor local contractors

### Issue in the packaging of contracts

- Local contractors fail to win high-value projects, outcompeted by foreign counterparts
- Stakeholders want procurement regulations amended to favor local contractors
- Corruption influences the design of packages of construction contracts

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