



United Republic of Tanzania



Project Document

Capacity Development in the Energy Sector and Extractive Industries (CADESE)

	79174: Capacity Development in the Energy Sector and Extractive Industries (CADESE)
UNDAP Outcome:	Outcome 1: Key MDAs and LGAs integrate climate change adaptation and mitigation in their strategies and plans
Key Results Area (UNDP Strategic Plan):	Capacity development as a driver for achieving development results
Project Titles: <i>Linked to the UNDAP key actions</i>	Project ID/ Title: 79174: Capacity Development in the Energy Sector and Extractive Industries 1.2.2 Assist key national institutions related to energy (Ministry of Energy and Minerals, Rural Energy Agency, Tanzania Bureau of Standards) to promote the use of renewable energy sources, energy efficient technologies and clean technology practices. Provide technical advice to develop energy standards and a code of proactive for Tanzanian government and business sectors.
Project Output(s):	<ol style="list-style-type: none"> 1. Capacity developed in project development and implementation support for MEM, REA, and AGC 2. Tanzania Country Mining Vision (CMV) developed and its implementation promoted 3. Knowledge on renewable energy technologies, tools, and systems developed at REA 4. Capacity developed in creating and reviewing of policies and regulations at MEM, REA, and AGC
Implementing Partner:	Ministry of Energy and Minerals (MEM)
Responsible Partners:	MEM, Rural Energy Agency (REA), UONGOZI Institute, Attorney's General Chambers, UNDP
Implementation Modality:	National Implementation (NIM)
Project Duration:	2012 - 2017

UNDAP Programme Period: March 2012 – April 2017
 UNDAP Programme: Energy and Climate Change
 Atlas Award ID: 61988

LPAC Meeting Date: 13th March, 2014

Total resources required:	USD 4,698,485
Total allocated resources:	USD 4,698,485
• Regular:	USD 2,194,094
• One UN Fund:	USD 119,235
• UNDP regional project on EI:	USD 200,000
• Government cost-sharing:	USD 2,185,156

Brief Description


This project aims to enhance the national capacity in managing the energy sector and extractive industries (EI) by supporting the Ministry of Energy and Minerals (MEM) in strengthening both policy and institutional capacities. The project also aims to enhance the capacity of the Rural Energy Agency (REA) in managing rural energy projects and programmes, thus enhancing access to energy in rural areas. Through these supports, the project is expected to contribute to realising the right to an adequate standard of living, right to a clean and safe environment and right to equality taking into account the gender balance. The project will be achieved through a set of integrated capacity development services provided to the MEM, REA, UONGOZI Institute (UI), and Attorney General's Chambers (AGC) focusing on both human and institutional capacities. This is a demand driven and scalable project intended to achieve specific outputs including: Capacity development in project development and implementation; Capacity development in developing the Country Mining Vision (CMV); Knowledge development in renewable energy technologies; and Capacity development in policy review and development. The project forms part of the implementation of UNDAP (2011-2016) agreement that was signed between UN agencies and the Government of Tanzania in June 2010.

Funding Agreement

UNDP and the Government Implementing Partner (IP) have mutually agreed to implement the Project as part of the UNDP in accordance with new UN business plan and Government of Tanzania's norms and procedures for nationally implemented projects. UNDP and the IP hereby understand that the project will be implemented on the basis of an estimated budget as per the cover page over 2014-2017 conditional to the mobilization of resources up to the said amount in the budget. Thus, in the event that resources mobilized do not meet the estimated budget, UNDP and IP will review project activities with the view to prioritise activities that could maximise delivery of outcomes. By appending a signature to this project document, UNDP and IP have entered a project cooperation agreement for the implementation of the project. This will include delivery of specific targets through use of the project resources aligned to do so.

Agreed and signed by:

UNDP and MEM mutually agree to the terms above in pursuing effective implementation of the project.


**PERMANENT SECRETARY
MINISTRY OF ENERGY
AND MINERALS**
Permanent Secretary, Ministry of Energy and Minerals

04 April 2014
Date


Country Director, UNDP



4/4/2014
Date

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1. Project Rationale

1.1 Background

This project is a demand-driven and results-based initiative to be implemented supporting the government of Tanzania in achieving the Big Results Now (BRN) initiative, implementing a UN Secretary General's Sustainable Energy for All (SE4ALL) initiative, and implementing and promoting an AU's initiative in Tanzania "the Africa Mining Vision (AMV)." The project will focus on capacity development for the management of the energy sector and extractive industries (EI)/mining sector. The project will focus on building the capacity of the Ministry of Energy and Minerals (MEM) with the objectives of strengthening of the institutional and policy frameworks for the inclusive and sustainable management of the energy sector and EI, and also improving the capacity of Rural Energy Agency (REA) in managing rural energy projects and programmes. Capacity development will be conducted through a range of training to be provided to MEM and REA officials, in collaboration with UONGOZI Institute (UI) and Attorney General's Chambers (AGC).

The Big Results Now (BRN)

The Government of Tanzania has just established a system to oversee, monitor and evaluate the implementation of its development plans and programmes based on Malaysian Model of Development – The Big Fast Results (BFR) Initiative in its own development outlook to be implemented beginning of 2013/2014 financial year. This comprehensive system of implementation will focus on six key priority areas of the economy: 1) Energy and Natural gas, 2) Agriculture, 3) Water, 4) Education, 5) Transport, and 6) Mobilization of resources. BRN initiative aims at adopting new methods of working under specified timeframe for delivery of the step change required. Under the energy and natural gas lab recommendation, three results are to be achieved; which aim at doubling of the base capacity and energy delivered 2015; (i) achieving 50% increases in energy delivered, (ii) delivering new gas to underutilized plants and (iii) realize energy sector aspirations by making the sector financially viable, creating and publishing a roadmap for sector reform, and gradually restructuring the national utility¹. These objectives coincide and support the objective that this project seeks to achieve.

UN Secretary General's Sustainable Energy for All (SE4ALL) Initiative

To coincide with the International Year of Sustainable Energy for All declared by the United Nations General Assembly, the Secretary General launched the "Sustainable Energy for All Initiative (SE4ALL)", to identify and mobilize action by stakeholders from government, business, civil society, academia, and the development community. Three linked objectives underpin the goal of achieving sustainable energy for all by 2030: ensuring universal access to modern energy; doubling the rate of improvement in energy efficiency; and doubling the share of renewable energy in the global energy mix². The government of the United Republic of Tanzania has demonstrated commitment to the implementation of the objectives and principles of SE4All initiative and is already developing plans and strategies as part of initial reforms necessary for scaling up significant investment in the energy sector. If sufficiently supported and well implemented, the SE4ALL initiative is expected to provide impetus in mobilizing additional support based on priorities identified by the government. UNDP in collaboration with the EU Delegation in Tanzania was jointly involved in mobilizing both political and stakeholders support towards the development and implementation of Tanzania national action plan for achieving the objective of SE4All initiative. UNDP has been able to mobilize significant political momentum before Rio+20 for the SE4ALL initiative in Tanzania and continued to play a role of coordination and technical assistance around the three goals of the SE4ALL including support

¹URT; President's Delivery Bureau, Big Results Now Programme

provided in the development of Gap Analysis Report in 2013. This project is one of the initiatives to support the implementation of this initiative in the country. UNDP will continue to work closely with the government in strengthening the partnership with key stakeholders who have already indicated their support for the SE4ALL in Tanzania, especially the development partners participating in EDPG group.

Africa Mining Vision (AMV)/Country Mining Vision (CMV)

The Africa Mining Vision (AMV) was adopted by African heads of state at the African Union (AU) summit in 2009, and the Africa Mining Vision Action Plan (AMVDP) developed in 2011 to guide implementation. In 2013, the African Ministers responsible for Mineral Resources supported the establishment of the African Mineral Development Centre (AMDC) to aid the implementation of the AMV. The AMDC is hosted by United Nations Economic for Africa (UNECA) on behalf of the African Union Commission (AUC), and includes UNDP and the African Development Bank (AfDB) as implementation partners. The AMV is informed by the outcomes of several initiatives and efforts made at sub-regional, continental and global levels to formulate policy and regulatory frameworks to maximize the development outcomes of mineral resources exploitation. The vision statement, which is *“Transparent, equitable and optimal exploitation of mineral resources to underpin broad-based sustainable growth and socio-economic development”* clearly stipulates the linkage between mining sector and its impacts on country’s development. The constituent elements of this shared vision are comprised of:

- A knowledge-driven African mining sector that catalyses and contributes to the broad-based growth and development of, and is fully integrated into, a single African market through:
 - Down-stream linkages into mineral beneficiation and manufacturing,
 - Up-stream linkages into mining capital goods, consumables and services industries,
 - Side-stream linkages into infrastructure (power, logistics; communications, water) and skills and technology development (HRD and R&D),
 - Mutually beneficial partnerships between the state, the private sector, civil society, local communities and other stakeholders, and
 - A comprehensive knowledge of its mineral endowment.
- A sustainable and well-governed mining sector that effectively garners and deploys resource rents and that is safe, healthy, gender and ethnically inclusive, environmentally friendly, socially responsible and appreciated by surrounding communities;
- A mining sector that has become a key component of a diversified, vibrant and globally competitive industrialising African economy;
- A mining sector that has helped establish a competitive African infrastructure platform, through the maximisation of its propulsive local and regional economic linkages;
- A mining sector that optimises and husbands Africa’s finite mineral resource endowments and that is diversified, incorporating both high value metals and lower value industrial minerals at both commercial and small-scale levels;
- A mining sector that harness the potential of artisanal and small-scale mining to stimulate local/national entrepreneurship, improve livelihoods and advance integrated rural social and economic development; and
- A mining sector that is a major player in vibrant and competitive national, continental and international capital and commodity markets.

The seven priority areas for AMDC implementation in the next 5 years coincide with national interest and request for technical assistance from UNDP Tanzania: Policy and licensing, Geological and mining information systems, Governance and participation, Artisanal and small-scale mining, Linkages, investment and diversification, Human capital and institutional capacities, and Communication and advocacy. Tanzania with its mineral wealth must embrace this continental vision in order to guarantee benefits to its people by developing and implementing the Country

Mining Vision (CMV), considering challenges and benefits facing the mining sector and the extractive industries (EI) sector in the country. The tentative framework for action stipulated in AMV indicates in a matrix what needs to be done at national, sub-regional and continental levels to implement the Vision. Three stages of implementation have been proposed, namely short-term (up to 5 years), medium-term (5-20 years) and long-term (20-50 years). This project will focus on a short-term implementation stage, which among other things proposes steps to be followed in the development and implementation of CMV. The overall objective of a CMV for Tanzania is to ensure that a nationally owned and cohesive vision is truly participatory and able to catalyze broad, transparent, equitable and sustainable growth and socio-economic development for all its citizens.

1.2. Problem Statement

1.2.1. The energy sector

Tanzania is experiencing an increasing scarcity of affordable, reliable, sustainable and efficient energy services particularly at household and institutional levels, which is a pre-requisite for ensuring sustainable livelihood and enhancing socio-economic development. Scarcity of energy is mentioned to have significant effects on hindering successful implementation of MKUKUTA II and the MDGs at large. Until 2010, the national energy balance was still skewed towards the use of biomass fuel to about 90%. The rest being petroleum (8%), electricity (1.2%) and coal, solar and biogas combined (0.8%). Coupled with ever increasing prices of electricity, petroleum products and poor infrastructure, that limits improved access to alternative energy sources.

The possibility to alter the energy balance in Tanzania remains a huge problem, although the electricity sector is broadening the range of primary sources and legal arrangements opening the door for independent power producers. Households constitute the largest share of total energy consumption in the country with manufacturing, agriculture, commerce, transport and mining sectors remaining far behind. Household energy consumption accounts for 91% of the total energy and is mainly used for cooking and lighting.

The projected population for Tanzania in year 2010 was about 43 million people of which 94% relied on biomass fuels for cooking. Population using LPG and kerosene for cooking were 1.9 million (4.4%) and those using electricity for cooking were 700,000 (1.6%). Various energy studies have revealed that biomass fuels will remain the main household energy source for the long time in Tanzania due to low-income levels by the majority of people and un-availability of reliable energy alternatives.

Utilisation of biomass fuels in Tanzania is unsustainable with estimated sustainable supply of wood resources around 18 million m³ (mean annual increment) while annual consumption of biomass is over 50 million m³. As a result of non-renewable forest harvesting coupled with rapid annual population growth of 2.9%, the country's forest cover has declined over the past 40 years from 6.3 hectares per capita in 1961 to around 0.7 ha per capita in 2010. The UNFCCC estimates biomass based energy is 97% non-renewable when accounting for carbon emissions. The non-renewable fraction of biomass used for energy services suggests that continued unsustainable cropping of biomass will deplete these resources further while prices are likely to climb in the short term.

Continuing non-renewable exploitation of forest resources to meet energy demand is contributing to deforestation, destruction of water catchments areas, loss of biodiversity resources and climate change. However, even with the high level of consumption, there is no firm strategy to develop or utilize existing renewable energy technologies (RET) and opportunities thereof to reduce the energy demands both for households and institutions. RET which include grid-connected renewable power (e.g. wind farm, biomass cogeneration, geothermal, and small hydro) and off grid renewable rural

electrification (e.g. photovoltaic, biomass) is hugely available in Tanzania, and the country could easily leapfrog across the entire stage of energy sources to a RET development path.

While grid electricity extension to all Tanzanians would be ideal for meeting some of the energy service needs, the cost of this is prohibitive, and in many instances not the optimum solution for areas remote from the national grid, where cost recovery for electricity access may not be recovered. Meanwhile electricity access, including grids, mini-grids, stand-alone systems and solar lanterns provide 24% of the population with electricity. Current targets are to reach 30% access by 2015 and universal access by 2030 (if SE4ALL initiative is supported by political and financial leadership).

The barriers facing the energy sector in Tanzania have traditionally been identified to be related to policy, human and institutional capacities, finance, and awareness and information. All these barriers are interrelated and cannot be dealt with separately, for instance activities to remove barriers at policy level are closely linked to and partly overlapping with those in strengthening institutional framework. The barriers can be generally grouped into four categories as detailed below.

- Policy - Appropriate policies, policy enforcement, institutional framework, management and negotiation skills, and commitment on the part of governments,
- Human and institutional capacities - The existing capacity building activities and opportunities in RE are scattered and fragmented in Tanzania. Existing opportunities lack adequate co-ordination and implementation. There are few training RE opportunities in the country for officers/decision makers, technicians from the ministries, utilities and local industry,
- RE financing - Lack of interest by financial institutions to support RE projects, and
- Awareness and Information barriers - There is lack of awareness and confidence in the RE technologies which is a key barrier to the commercial application of RE technologies. For the technologies to be accepted and widely disseminated, a critical number of key stakeholders need to be aware of the RE technologies and strategies.

This project sets out to address some of the barriers above by enhancing the capacity of the Ministry of Energy and Minerals (MEM) and Rural Energy Authority (REA) in strengthening the management of the energy sector in Tanzania focusing on improving the policy and institutional capacities.

1.2.2. The extractive industries (EI)/mining sector

The extractive industries (EI), which include mining, oil and gas production (in Tanzania, also coal and geothermal), are a major source of investment and revenue in many African countries. However, developing countries including Tanzania generally have not succeeded in translating EI revenues into sustainable social and economic development.

With very few exceptions, in many cases, revenues from EI appear to have retarded economic and social development through a number of phenomena often referred to collectively as the “resource curse.” Quality of governance and management has normally been seen as a key factor influencing the ability of countries to use EI revenues for development. As Tanzania’s gas discoveries makes it one of the most important global players in the industry, it is important for the country to be sure that its laws and regulations are up to date and balance the need to protect national interests with the need to attract investment. The country has been working towards finding this balance, and ability to keep its industry regulations consistent, clear and free of loopholes that will determine its success. Tanzania has been implementing or at least considering implementing various initiatives to increase the contribution of EI to the economic development. At present, the natural gas sub-sector

is governed by production sharing agreements (PSA) negotiated individually with each company. International best practice advises against this arrangement but instead following the auction route. The Government is also proposing the establishment of a sovereign wealth fund (SWF) to ring-fence future natural gas revenue as part of the Natural Gas Policy using experience from other mineral wealth African states. This is expected to strengthen the capacity of the country in the management of the natural resources revenues for sustainable human development. However, a number of factors have been identified as challenges in managing the EI sector in Tanzania including:

- Lack of comprehensive and coherent national policy and strategy fully consistent with the AMV as a result there is incoherence and lack of alignment in the country's sectoral policies, strategies and plans which diminishes chances of the extractive sector becoming one of the main drivers for sustainable development.
- Lack of effective inter-departmental and sectoral coordination mechanisms and enforcement of legal and policy regulatory frameworks and interventions supporting the extractive industries due to institutional and policy fragmentation and incoherence.
- Inadequate capacity to negotiate, draft and manage investment contracts beneficial to the country and fair to investors.
- Inadequate capacity for long-term visioning, spatial planning and promotion of integrated development.
- Inability to manage multi-stakeholder's expectations and communicate effectively on the extractive industry value chain and its potential benefits.
- Poor engagement of communities and local stakeholders in the decision making process due to a lack of institutional platform for dialogue among stakeholders.
- Inadequate capacity of MEM to effectively coordinate all key stakeholders in the extractive industries, provision proactive policy leadership and effective regulation of the EI as and when required.
- Lack of capacity by Local Government Authorities to effectively forge beneficial economic linkages with EI entities operating in their areas for the benefit of the communities and local stakeholders.
- Lack of systemized participatory approaches and effective communication mechanisms to keep the citizen informed and engaged on governance and shaping of policies related to the EI.

To ensure that investment in EI benefit the country there is an increasing need for the governments to strengthen its capacity in managing the sector in order to maximize accrued benefits to its people. The focus should be on putting in place an effective policy and institutional framework and the associate implementation plans, coupled with an in-built monitoring and evaluation strategy with the key aims of ensuring that an appropriate fiscal regime is in place; requisite human resources are made available and developed; local content and ownership in the extractive industry value chain is maximized with the view to increasing local retention of mineral wealth and value; contract negotiation capacities are strengthened; visioning, strategic setting and strategic planning ability are enhanced; the negotiation processes are transparent and consultative; local communities benefit effectively from the resource; and politicians rise above their party interests so that they contribute positively towards the development of the sector.

This project sets out to assist the government in strengthening the policy framework and institutional coherence to achieve an equitable and sustainable management of EI in the country. More specifically, this project will support the government in the development and implementation of the Country Mining Vision (CMV).

2. Project Description

2.1 Project Goal and Objectives

2.1.1 Project goal

The overarching aim of this project is to improve the standard of living of Tanzanians through improved access to energy and benefits associated with extractive industries (EI). This project responds to the expressed needs from the Government for strengthening of policy, human, and institutional capacities for MEM and REA in managing the energy sector and EI (especially mining sector) in the country.

2.1.2 Project objectives

The specific project objectives are:

- Strengthening the institutional framework for the management of the energy sector and extractive industries.
- Strengthening policy framework for the management of the energy sector and extractive industries.
- Improving the capacity for REA in managing rural energy projects and programmes.

2.2 Project outputs

This is a result-based project with clear outputs specific for MEM and REA, with all outputs focusing on capacity development for the enhanced management of the Energy Sector and EI. UONGOZI Institute (UI) and Attorney General's Chambers (AGC) will be supported in facilitating the institutional platform for engaging all stakeholders in the policy process and organizing training programs to build capacity of MEM, REA, and other relevant MDAs in contract negotiations and investment decision making. The specific project outputs include the following:

- 1) Capacity developed in project development and implementation support for MEM, REA, and AGC - The project will support MEM, REA, and AGC in capacity development in terms of project management, project proposal development, evaluation and monitoring, and procurement issues through training and capacity support to be provided to relevant officials.
- 2) Tanzania Country Mining Vision (CMV) developed and the roadmap for its implementation promoted – Through MEM and support to be provided through UI and AGC, the project will support the Government in implementing the Africa Mining Vision by supporting the process and methodology for developing the Tanzanian Country Mining Vision (CMV).
- 3) Knowledge on renewable energy technologies, tools, and systems developed at REA - The project will build the capacity of REA officials in building their capacity in terms of RE technologies, tools, and systems; knowledge on GIS and GEOSIM, and gender mainstreaming and energy.
- 4) Capacity developed in creating and reviewing of policies and regulations at MEM, REA, and AGC - The project will support MEM, REA, and AGC in enhancing the capacity of officials in policy review and development. A number of policies especially in the energy sector are expected to be reviewed and developed.

Details on the project outputs and activities are highlighted in the results framework matrix.

2.3 Project response

This project intends to develop capacity within MEM and REA in managing the energy sector and EI (mining) through capacity building to MEM and REA officials in terms of policy development and

institutional capacity. The project will provide a set of support to both MEM and REA mainly through training programmes in collaboration with UI and AGC, which will be involved in provision of training especially in contract negotiations skills, investment decision making, and in the formulation of the CMV.

2.3.1 Support to be provided to the Ministry of Energy and Minerals (MEM)

Based on the requests from MEM through letters dated 18th February 2014 and 20th February, 2014 with reference numbers CBA.88/318/01/I/9 and CBA.88/318/01/I/10 respectively, the project will support the Ministry in the following areas:

- **Development of the Country Mining Vision (CMV)** – The focus of this project is to support MEM as the lead government institution in the development of a participatory CMV which will serve as the overarching framework for assessing compliance and consistency with the AMV in Tanzania. A number of activities will be implemented to facilitate this initiative including;
 - Implementing a roadmap using the CMV methodology and process in partnership with the UONGOZI Institute and the UNECA’s African Mineral Development Centre (AMDC) providing technical advisory services.
 - The organization of a high-level multi-sectoral and multi-stakeholder Roundtable of Political Dialogue on Extractives in Tanzania, using the World Economic Forum Responsible Mineral Value Management Assessment Tool.
 - Conduct a thorough and multi-sectoral review of existing legal, institutional, policy and regulatory frameworks with regards to compliance and alignment with the AMV and national development goals.
 - Development of a CMV Action or Business Plan Integrating mining in national development plans, poverty reduction strategies and visions for development in Tanzania.
 - Integrating gender equity in mining policies, laws, regulations, and standards.
 - Conduct capacity needs assessment of the AGC and other departments and provide training to public officials on contracts negotiation skills to enhance country’s bargaining power.
 - Technical support to stakeholders at local and national levels to create an on-going space for dialogue on extractives including but not limited to the TEITI and the APRM in order to facilitate consultations with local communities and national stakeholders.
 - Technical support to national Human Rights actors, including the National Human Rights Commission, to engage on the extractive industries and convene dialogue around extractives with civil society and affected populations with the aim towards managing expectations.
- Enhancing capacity for long-term visioning, strategy setting and integrated development and planning as well as to create and implement policy, legal and regulatory framework in the energy sector and EI.
- **Human capacity development to MEM staff** - Enhancing existing knowledge and skills through training in the fields of negotiation skills, projects management, monitoring and evaluation.
- **Strengthening of the Information and Communication Technology (ICT) Unit** - Enhancing the efficiency and capacity of ICT Unit including database development, management and use.
- **Budget and revenue collection tools** - Providing the tools to help the MEM and its institutions to build capacity in budget preparation and revenue collection.

- **Proposal development** - Enhancing the capacity within MEM in project proposal development.
- **Procurement of equipments and experts** – To strengthen operational capacity owing to the increased Ministry's activities, and to reduce cost, support will be provided in the procurement of vehicles and experts.
- **Project management** – Providing training aimed at improving capacity of MEM official in project management.
- **Project monitoring and evaluation** – Providing training to MEM officials to strengthen the capacity in monitoring and evaluation of projects and programmes.

2.3.2 Support to be provided to Rural Energy Agency (REA)

Based on the request from REA through email dated 19th February, 2014 with the heading “*REA Capacity Building Tentative Proposal*”, the project will support the Agency in the following areas:

- **Project management** – Enhancing capacity in project related function includes identification and planning, awareness creation, promotion of project concepts, appraisal, cost-benefit analysis, project financing, and preparation of socio-economic baseline material and market surveys. Other areas include project facilitation functions, technical assistance, and project supervision. Training will be provided to staff dealing with project identification, technical assistance, project appraisal and project supervision.
- **Project monitoring and evaluation** - To achieve project targets and impacts, project monitoring and evaluation are key factors in the project cycle. Training will be provided focusing on performance monitoring of the rural energy projects including monitoring and evaluation of achieved milestones learning from lessons and constraints faced during designing and implementation of the previous projects. Training will be provided to M&E staff in order to improve their capacity in M&E.
- **Procurement** - Procurement Management Unit will be strengthened through training to be provided to build capacities of staff to be able to handle procurements that are increasing as the Agency grows. The training will improve understanding of the Public Procurement Act and other Procurement Regulations at REA focusing as well issues on procurement planning, record-keeping and filing systems.
- **Environmental and Social Management framework (ESMF)** - Environmental and Social Assessment for rural energy projects project has been emphasized and hence calls for effective and efficient production, procurement, transportation and use of energy in socially and environmental sound manner. A range of capacity building will be provided to REA in order to strengthen their capacity meet this goal.
- **Gender mainstreaming and Energy** - Although the Agency has been gender sensitive since its inception by working with both male and female partners, it has not formally institutionalized gender mainstreaming in its programs and operations. It also faces limited capacity to be more systematic in mainstreaming gender in areas of energy service provision, M&E of projects, planning and budgeting. Hence specialized training in gender and energy, gender sensitive M&E and budgeting will be provided.
- **Auditing and Financing** - In order for the Agency staff to cope with emerging and diverse challenges in finance and accountancy, modern skills are vital hence training on modern financial management systems to strengthen the finance and audit sections will be provided.
- **Renewable Energy Technologies** - Renewable Energy Technologies (RET) play a great role in increasing access to modern energy services in rural areas. REA is promoting these technologies in collaboration with private and public project developers. Specialized training on RET will be provided to strengthen knowledge foundation within REA.
- **GIS Techniques and GEOSIM** - The Agency has acquired GEOSIM software that will be used to generate maps and geo-reference all projects implemented in rural areas together with

social economic data. Training in understanding and using GIS, Spatial analysis, Load forecast, and Supply options will be provided to improve the quality of generated project maps.

2.3.3 Support to be provided to UONGOZI Institute (UI)

Based on the request from UONGOZI Institute (UI) through a letter dated 30th January, 2014 with reference number D/ADM/3740 CBA.88/318/01/l/9, the project will support UI in facilitating capacity building activities for MEM, REA and other relevant MDAs. These activities will be conducted mainly in the areas of negotiation skills for government officials regarding the investment contracts in the energy and mining sectors. The aim will be to transfer knowledge and sophisticated negotiations skills and techniques to senior public officials in order to optimize their competency to lead in defining and achieving strategic national and sustainability objectives during complex negotiations, especially with multinational enterprises. With this role, UI will have a role of enhancing and developing the institutional capacity in the energy and EI sectors, thereof improving the management of the sectors, and contributing to poverty reduction and sustainable economic development of the country. UONGOZI Institute will as well be instrumental in supporting the implementation process of alignment with the AMV through support provided in the development of the CMV at the national level, in collaboration with UNDP, AMDC and MEM.

2.3.4 Support to be provided to the Attorney General's Chambers (AGC)

The Government has entrusted the Attorney General's Chambers (AGC) with responsibility of being the main advisor on the Legal matters. This obligation according to the Attorney General (Discharge of Duties) Act 2005 has increased in terms of the number of staff and complexities in negotiation of treaties and attendant contractual agreements. On the other hand, investments carried out under Public Private partnership arrangement have equally brought in new challenges that demand specialized technical skills in areas relating to negotiation and drafting of treaties and contractual agreements. In order to effectively deal with these challenges there is a need to strengthen technical skills and knowledge through specialization to Attorneys and other relevant stakeholders dealing with treaties and contracts. Based on the request from the Attorney General's Chambers (AGC) through 28th January 2014 with reference numbers AGCC/U10/5/5, this project will support ACG in the following areas in the areas of capacity building:

- To develop the basic knowledge in oil and gas industry in terms of types of contracts, key industry players, structuring of the endowment fund, drafting and negotiating dispute settlement mechanisms, related agreements such as Joint Operating Agreements to junior Government officials,
- To enhance knowledge in complex technical matters such as taxation in oil and gas sector, structuring of oil and gas projects like LNG Projects, profit split, ownership and access in infrastructure (pipeline costing, storage, processing facilities LNG terminals), farm in and farm out agreements, border disputes, current issues in terms of updates in conventional gas or other challenges in the industry to senior Government officials,
- To develop drafting skills in oil and gas contracts and laws,
- To enhance general knowledge in terms of environmental issues underlying oil and gas sector and how to mitigate the risks associated therein, how to deal with site clean-up, decommissioning and abandonment,
- To enhance general knowledge in financial matters, and
- To provide technical assistance for negotiating and drafting new contracts.

2.4 Project implementation strategy

The basic strategy for achieving the project objectives would be to introduce long-term mechanisms for enhancing capacity for Tanzania in managing the energy sector and EI, especially the mining sector through active engagement of MEM, REA, other relevant MDA and LGAs, development partners, private sectors, and NGOs. These stakeholders can play different roles - political, financial, social, and technical. This project is designed to be expandable with potential of scaling up activities whenever deemed necessary and when resources are available. The activities covered by this project e.g. developing and implementation of CMV and its Action Plan, require huge investment both financially and technically. However, the current state of the project will be limited to activities to support actual implementation of the process in support the formulation of CMV and its Action Plan.

Further, in order to ensure ownership and sustainability of this project, this project will be implemented using the National Implementation Modality (NIM) under government established mechanisms and coordination structures. In this case, MEM will be the overall executive agency as mandated by law in coordinating all energy and mineral issues in the country. MEM is therefore representing Tanzania at National and International forums on all matters related to energy and minerals. The Ministry also playing the lead role in providing policy guidance to actors in energy and mineral areas is responsible for the implementation and monitoring of the Africa Mining Vision in Tanzania.

Additionally, gender mainstreaming strategy will be applied to ensure that successful implementation and achievement of the project objectives adequately address gender equality and women's empowerment. Owing to the results of a number of studies carried out on the impact of extractive industries and unequal distribution of energy on gender equality, this project aims to integrate gender concerns throughout the support to the development of the CMV and through trainings for REA in order to ensure legal frameworks promote gender equality and sensitise officials on how to prevent the discrimination of women within the EI workplace, prevent the prevalence of gender based violence as a result of an influx of men in the community for work, and understand the effects of EI on land use and productivity.

Lastly, there will be strategic engagement of development partners in supporting Tanzania within the UN system, the project will be implemented under the framework of United Nations Development Assistance Plan (UNDAP 2011 – 2016). The strategy under the new UN business plan provides an opportunity for leveraging partnership and coordination with other UN agencies within the context of DAO. The aim is to provide collective support to Tanzania for the achievement of the National and International development goals, including the Millennium Development Goals (MDGs), MKUKUTA-II consistent with international human rights at country level. UNDAP strives to reduce duplication in planning requirements for UN agencies and national partners.

2.5 Linkages with ongoing activities

This project provide overall framework and forms part of a suite of DPs supported initiatives that aims at strengthening Tanzania's capacity in managing energy sector and extractive industries. The project will therefore coordinate closely with other related initiatives supported by members of E DPG and other co-financiers (see Project Matrix in Annex 3). The idea is to identify areas that UNDP or others can take the lead in supporting the implementation. The project stands to benefit significantly through accessing lessons and experiences from DPs and UN involvement in similar programmes globally and nationally. At the international level, UNDP is progressively taking lead on supporting LDCs in achieving universal access to modern energy for the poor and enhanced quality, security and affordability of modern energy. UNDP is helping developing countries to achieve these

outcomes through the provision of sound policy advice and a focus on three key areas of intervention:

- Strengthening policy and institutional frameworks consistent with low-emission, climate-resilient development,
- Mobilizing and expanding financing options aimed at achieving market transformation to catalyze public and private finance, and
- Developing effective approaches for scaling-up energy service delivery, through a combination of field-proven and innovative business models that are financially and institutionally sustainable.

In the EI, UNDP's Regional Project on Harnessing Extractives for Human Development brings a comprehensive package of services on managing extractive industries, advising countries and regional institutions on legislation, policy and planning, exploration and extraction focused on people, better collection and management of revenues, and investing in human development and structural transformation. The organization is helping countries across Africa, including Kenya, Lesotho, Liberia, Mozambique, and Sierra Leone, to improve their capacity to negotiate and regulate investment contracts and develop policies that link minerals with development. In collaboration with the Economic Commission for Africa (UNECA), the African Union Commission (AUC), and AfDB, UNDP launched the African Minerals Development Centre (AMDC) in 2013, based in Addis Ababa, this centre helps countries to best use mining revenues for sustainable development. In Tanzania, AMDC in collaboration with the UNDP CO has initiated activities to support the country to implement AMV in collaboration with the local institutions and MEM. This project is a continuation of these activities, which mainly focused on development of the CMV. AMDC successfully facilitated the formation of the country mining visions in Mozambique and Lesotho; the project will therefore tap through this wealth of knowledge and experience gained in these countries in ensuring successful process in Tanzania, taking into account the country context, and also ongoing and already implemented initiatives.

Related initiatives by international organizations

The international development community has a strong presence in Tanzania. The Ministry of Energy and Minerals in Tanzania and development partners have already set up a string coordination mechanism on energy. This is represented by an active Energy Development Partners' Group (EDPG). Active members in EDPG are Norway, Japan, Korea EDCF, AfDB, Netherlands, European Commission, France, USA – Millennium Challenge Corporation, Finland, UNDP, SIDA, Netherlands, KfW Germany Financial Corporation. The activities of the EDPG are governed by a memorandum of understanding and terms of reference which is being reviewed from time to time. The EDPG continues to meet quarterly and operates 'virtually' to prepare for Joint Energy Sector Working Group (JESWG) meetings and seeks to speak as "one voice". The Donor Partners Group on Energy has established the Joint Energy Sector Review (JESR) as a key element for coordination, planning and financing of the energy sector. JESR establishes a common basis for monitoring the performance and set the priorities of the energy sector. The Ministry of Energy and Minerals in collaboration with Development Partners (DPs) have been facilitating JESRs since 2007. The exercise is carried out annually to give a general overview of the sector performance to the public and private stakeholders involved in the energy sector and generate inputs for the General Budget Support (GBS).

Some of the past and existing initiative in the energy sector include formulation and review of energy policies, acts; laws and regulations by Sweden, Rural Areas electrification by EC 10th EDF Energy Programme, Institutional support to REA by Sweden; REA Capacity Development by Sweden and AfDB; Renewable energy support in rural areas by WB TEDAP project; Rural PV-Market by Sweden; facilitation of developers/investors in off-grid by WB; Scaling up adoption of renewable energy technologies by UNDP; Mini-hydros by UNIDO; USA energy sector projects under MCT-

Account including Second Zanzibar Interconnector; Distribution Systems Rehabilitation and Extension in 6 Regions and Malagarasi Hydropower and Kigoma Region Distribution; Support to Stable Power Supply by JICA focussed on improving the maintenance of TANESCO's transmission and distribution system through staff capacity building. Others include ambitious Natural Gas Development initiatives; revision of Petroleum Exploration and Production Act (1980) and Model of Production Sharing Agreement, development of Gas Supply Act and Natural Gas Master Plan; and development of Bio-fuel policy, legal and regulatory framework. More activities and support is expected to cover projects and programmes prioritized in the BRN.

2.6 Project transformative results

This project will improve the capacity of the Government in managing the energy sector and EI through capacity development of MEM and REA in terms of policy, human, and institutional framework. Regarding REA, improving the capacity will lead to better management of rural project through since most of the identified barriers could be eliminated. Among the other benefits, this will provide the private sector with the necessary incentive to improve their participation in the rural energy projects and set up new businesses for the sale of renewable systems. This will benefit rural customers in Tanzania in that they will have access to environmentally clean electricity services without the long wait for the arrival of grid-connected electricity; they will also have increased access to alternative energy services in places where the grid is already connected. The net result will be four-fold:

- Provide rural consumers with a better quality of life,
- Create opportunities for income-generating activities based on the availability of electricity services, thus assisting in poverty eradication,
- Have potential to substantially reduce the rural energy sector carbon emissions, and
- Eliminate safety hazards associated with candle and paraffin fires, while simultaneously providing better indoor air quality (decrease the number of smoke and soot-related health problems associated with prolonged exposure to paraffin fumes).

Regarding EI, enhanced capacity of the Government in managing the sector, plus the successful formation and implementation of the CMV, the project will ensure that extractives are leveraged for sustainable human development by increasing fiscal space and domestic resource mobilization which are key to addressing poverty in Tanzania and also adoption of international best practices in the management of natural resources including the management of the proposed Sovereign Wealth Fund, among others.

2.7 Risk mitigation and monitoring

No.	Risk	Type	Impact	Mitigating Measures
1	The UN may fail to achieve resource mobilisation target for fully implementation of this project	Financial	Low	Strategy for resource mobilisation will be started early with support from all stakeholders including DPs. The UNDP is already putting US\$ 2m of its core resources into the project. The government (MEM) has contributed US\$ 2.1 as co-financing.
2	Slow response in decision making and endorsement of actions required in order to	Operational	Low	Project planning directly involved key partners to ensure they are on board in the major undertakings and

	move to the next step			informed about the need for timely decision making. Endorsement of the project has been guaranteed by the IP.
3	Low participation of MDAs in the project implementation	Operation	Low	The project is demand-driven from both the IP and RPs. Monitoring measures are in place to guarantee active participation of partners.
4.	Low political will for undergoing fundamental transformation on the institutional structure for energy management.	Political	Medium	Involvement of political structures in securing commitment from highest levels of government.
5.	Low political will for undergoing fundamental transformation on the institutional structure for implementing Country Mining Vision.	Operational	Medium	Encourage collaborative partnership DPs, research institutions, AU, UN, and other key stakeholders.
6.	Low Support from Development Partners in financially supporting implementation of this project.	Strategic	Medium	Strengthening of the financial management and accountability for responsible Government institutions as part of building the enabling environment for effective implementation and management of available resource.
7.	Too many RPs involved in the implementation of various project activities.	Operational	Medium	Establishment of strong project coordination unit at MEM and strengthening coordination structure amongst the project partners.

3.0 Project Management and Implementation Arrangement

3.1 Project duration

The project will be implemented over a period of three years starting from March, 2014 to March 2017. The project design provides flexibility for review in consultation with the project steering committee in order to strengthen any areas that may require special attention depending on the prevailing situation. The project implementation plan is presented below.

3.2 Execution Modality

The project on will be implemented using National Implementation Modality (NIM) under government established mechanisms and coordination structures. The Ministry of Energy and Minerals shall be the main National Implementation Partner in the virtue of its mandate for policy development and coordination of energy issues at national level, the Rural Energy Agency will be the lead executor for this project. MEM, REA UONGOZI Institute, Attorney General's Chambers, and UNDP constitute the Responsible Partners (RPs).

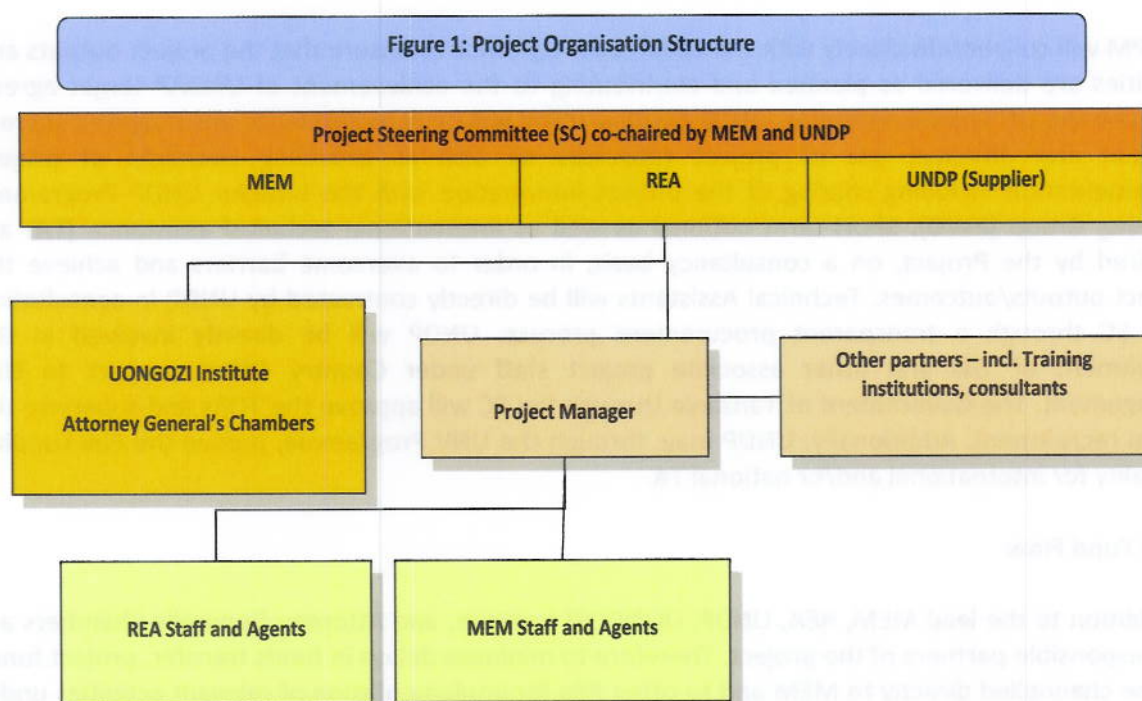
MEM will work in close cooperation with REA and UNDP. Collaborating MDAs, including UONGOZI Institute and Attorney General's Chambers will contribute to the achievement of the planned outputs through a Steering Committee and training facilitation. Other project partners will include

training institutions, UNDP Regional Office, UN Economic Commission for Africa (which is championing the Africa Mining Vision), and potential development partners who will be involved in resource mobilization and even possibly joint project implementation and scaling up. E-DPG members (e.g. WB, SIDA, DFID, DANIDA, NORAD, etc.) will also have roles to play, for example in supporting various studies, sharing lessons and dissemination of best practices.

3.3 Implementation Modality

MEM will assume the project executive role representing the project ownership and shall perform the coordination role through creation of a Steering Committee (SC) team that will be responsible to link activities of the project partners coherently.

At a highest level, coordination among implementing partners will be achieved through a **Project Steering Committee (SC)** responsible for providing policy and management guidance when required by the Project Coordination team or Implementing Partners. The Steering Committee will be constituted by the **Permanent Secretary (PS)** MEM, UNDP Country Director, Director General of REA, and senior officials from UONGOZI Institute and Attorney General’s Chambers. Members from CSOs, Media and Academia/Research Institutions and development partners will also be invited to join the committee as needed to add value to the committee and ensure high standards in project management for achieving the results, getting best value for money, fairness, integrity and transparency. The project management structure is indicated in Figure 1 below.



3.3.1 Project Steering Committee (SC)

The project coordination team will report to the Project Steering Committee (SC). The Steering Committee will be co-chaired by Permanent Secretary in MEM and UNDP. In addition to policy and management guidance, the SC will be responsible to:

- Provide strategic advice to the project coordination team during the implementation of project activities to ensure the integration of activities into MDAs strategies and plans.
- Ensure coordination between the project and other ongoing activities in the country, so that these contribute to poverty alleviation and sustainable development.

- Ensure interagency coordination, and full participation of stakeholders in project activities including bi and multilateral donors.
- Participate in project reviews and assist in channelling issues advocating for policy change from the project to higher levels.
- Approve Annual Work Plans (AWPs), review and approve Annual Project Implementation progress and financial reports and authorizes any major deviation from the agreed plan as stipulated in the agreed project document.
- Receive the evaluation report and assist in further resource mobilization for the project.
- Ensure that required resources are committed and arbitrate on any conflicts within the project or negotiates a solution to any problems between the projects and external bodies.
- Provide guidance to a Project Manager (PM).

The SC shall meet at least twice a year; the coordination team at MEM will form the secretariat to the SC responsible for presenting quarterly progress reports to the SC, taking and distributing minutes to SC members and ensure all logistics for the SC meetings are adequately covered. The SC chair shall convene an inception meeting that shall plan steps towards the appointment of the PM and a inception workshop to process and agree first 12 month plan of the PM within 4 weeks of the commencement of the PM's contract. The first meeting thereafter will end the probation period of the PM.

3.3.2 UNDP Support

The PM will collaborate closely with the UNDP Country office to ensure that the project outputs and activities are delivered as planned and contributing to the achievement of UNDP target agreed between the UN and Government. UNDP Country office will be responsible for ensuring that there is efficient and effective use of project resources as well as providing oversight of project implementation including sharing of the project information with the broader UNDP Programme Working Group (PWG). Short-term national as well as international technical assistance (TA) are required by the Project, on a consultancy basis, in order to overcome barriers and achieve the project outputs/outcomes. Technical Assistants will be directly contracted by UNDP in consultation with SC through a transparent procurement process. UNDP will be directly involved in the recruitment of TAs and other associate project staff under Country Office support to NEX arrangement. The Government of Tanzania through the SC will approve the TORs and supervise the actual recruitment. Additionally, UNDP may, through the UNV Programme, pursue the Full Funding modality for international and/or national TA.

3.3.3 Fund Flow

In addition to the lead MEM, REA, UNDP, UONGOZI Institute, and Attorney General's Chambers are the responsible partners of the project. Therefore to minimize delays in funds transfer, project funds will be channelled directly to MEM and to other RPs for implementation of relevant activities under the specific agreed project document outputs and agreed to by the SC. Funds will be channelled through the MoF (via MEM) to REA. All efforts are being made to discharge the funds through the Exchequer system. However, considering the fact that this project is not yet included in MTEF, funds for this project will be channelled using existing special UNDP accounts in IPs for the first year. Each implementing IP will be accountable through the normal accountability procedures.

3.3.4 Reporting and Monitoring

As head of the coordination team, the Project Manager (PM) will be responsible for the preparation of various reports for the Project Steering Committee on a regular basis, including the following:

(i) Quarterly project technical progress and financial report; these are brief quality assessment and records of progress towards the completion of key activity or results and these will be recorded in the UNDAP Resource Monitoring System (RMS) tool. An Issue Log shall be activated in Atlas and updated by the Project Specialist to facilitate tracking and resolution of potential problems or requests for change. For consistency, the risk and issues log will be harmonized with the data input into the UNDAP RMS. Lessons generated by the project shall be captured and regularly updated to ensure on-going learning and to facilitate the preparation of the Lessons-learned report that will form a critical input during a terminal evaluation of the project. The Quarterly progress reports will provide a basis for managing project disbursements. These reports will include a brief summary of the status of activities, explaining variances from the work plan, and presenting work-plans for each successive quarter for review and endorsement.

(ii) Annual Implementation Project Report; An Annual Progress Report shall be prepared by the Project Coordination team annually, and will entail a more detailed assessment of progress in implementation, using the agreed indicators. The performance of the project will appraise the Annual Work Plan (AWP) for the subsequent year. It will further evaluate the causes of successes and failures, and present a clear action plan for addressing problem areas for immediate implementation. This report will be shared with all project partners including the SC. In the last year of the project, this review will be a final assessment and may involve other stakeholders as required. In addition, there will be an annual review of progress at the sectoral working group level (PWG) of which the project contributes within the UNDAP framework. This will take place at the UNDAP outcome level. The annual review report will therefore be used as the specific input into the sectoral working group review. As a minimum requirement, the Annual Progress Report shall consist of the Atlas standard format for the QPR covering the whole year with updated information for each above element of the QPR as well as a summary of results achieved against agreed annual targets at the output level.

(III) Various technical study reports: These are generated from various consultancies including Project evaluation and regular monitoring reports.

(IV) Mid-term Evaluation will be undertaken at the end of the second year of implementation. The Mid-Term Evaluation will determine progress being made towards the achievement of outcomes and will identify course correction if needed. Depending on the prevailing situation after two years of implementation, this review could be internal or external; the project management team would determine the scope and contribute to the review process.

(V) Final Independent Evaluation will take place three months prior to the final SC meeting, and will focus on the same issues as the mid-term evaluation. The final evaluation will also look at impact and sustainability of results, including the contribution to capacity development and the achievement of global environmental goals.

(VI) Audit Reports: The project team will provide the UNDP Resident Representative with certified periodic financial statements, and the project will be subjected to annual audit of the financial statements relating to the status of funds according to the HACT guidelines.

4. Legal context

This project document together with the CCPD and UNDAP signed by the Government and the UN on 24th June 2011 shall be the instrument referred to as such in Article 1 of the SBAA signed between Government of Tanzania and the United Nations Development Programme on 30th day of May 1978

which is incorporated by reference constitute together a Project Document as referred to in the SBAA and all UNDP provisions apply to this document.

Consistent with the Article III of the Standard Basic Assistance Agreement, the responsibility for the safety and security of the implementing partner and its personnel and property, and of UNDP's property in the implementing partner's custody, rests with the implementing partner.

The implementing partner shall:

- a) Put in place an appropriate security plan and maintain the security plan, taking into account the security situation in the country where the project is being carried,
- b) Assume all risks and liabilities related to the implementing partner's security, and the full implementation of the security plan.

UNDP reserves the right to verify whether such a plan is in place, and to suggest modifications to the plan when necessary. Failure to maintain and implement an appropriate security plan as required hereunder shall be deemed a breach of this agreement.

The implementing partner agrees to undertake all reasonable efforts to ensure that none of the UNDP funds received pursuant to the Project Document are used to provide support to individuals or entities associated with terrorism and that the recipients of any amounts provided by UNDP hereunder do not appear on the list maintained by the Security Council Committee established pursuant to resolution 1267 (1999). The list can be accessed via:

<http://www.un.org/Docs/sc/committees/1267/1267ListEng.htm>. This provision must be included in all sub-contracts or sub-agreements entered into under this Project Document

Annex 1: Multi Year Resources and Results Frameworks

<p>---Implementation of energy and mining policies is ineffective</p> <p>Targets:</p> <ul style="list-style-type: none"> ---Energy policy reviewed ---Capacity in policy and legislation formulation and review ---REA Act reviewed ---RE and EE policies developed ---Bio-fuel policy developed ---MEM System improve delivery of policy implementation is enhanced <p>Indicators:</p> <ul style="list-style-type: none"> ---Relevant Energy and mining policies & policy instruments in place. ---Policy implementation performance monitoring system in place <p>Programme support</p>	<p>4.5. Training on review and update mining legislation and procedures</p>	<p>UNDP/AGC</p>	<p>14,000</p> <p>0</p> <p>0</p> <p>0</p> <p>0</p> <p>0</p>
<p>Project manager</p> <p>Logistical support to governance of the project (workshops, meetings, & travels, progress reports, evaluation of this project or components of it.</p>		<p>UNDP</p> <p>PM</p>	<p>0</p> <p>0</p> <p>0</p> <p>0</p> <p>0</p> <p>0</p>
<p>TOTAL</p>		<p>266,273</p> <p>252,056</p> <p>3,090,756</p> <p>899,000</p> <p>430,000</p>	<p>4,698,485</p>
<p>GRAND TOTAL</p>			

Annex 2: Annual Work Plan 2014-15

Expected Outputs	Indicative Activities	Timeframe	Responsible Party	Description	Amount (USD)
		Q1	Q2	Q3	Q4
<p>Output 1: Capacity developed in project development and implementation support at MEM, REA, and AGC</p> <p>Baseline:</p> <ul style="list-style-type: none"> ---Low capacity in proposal development at MEM ---Low capacity in project management at REA and MEM ---Low capacity in monitoring & evaluation at REA, MEM, and AGC ---Low capacity in financing & auditing at REA ---Lack of tools for budget preparation & revenue collection at MEM ---Low capacity in procurement at MEM & REA ---Expensive and complicated procurement process at MEM ---ICT Unit at MEM has low capacity <p>Targets:</p> <ul style="list-style-type: none"> ---Capacity in proposal development enhanced at MEM ---Capacity in project management enhanced at REA & MEM ---Capacity in monitoring & evaluation enhanced at REA & MEM ---Capacity in financing & auditing enhanced at REA ---Tools for budget preparation & revenue collection created & used at MEM ---Capacity in procurement enhanced at MEM & REA ---Cheaper & less complicated procurement process at MEM 	<p>1.1. Project proposal development training for MEM</p> <ul style="list-style-type: none"> - Identify trainees within MEM - Identify training institution - Identify UNV M&E Specialist for MEM and REA and to carry out the CD activities related to project development and management (i.e. activity 1.1 to 1.5) -ToR for training institution - DOA for UNV M & E specialist developed -Training conducted - Resources Mobilized and UNV recruited <p>1.2. Project management training for MEM</p> <ul style="list-style-type: none"> - Identify trainees within MEM - Identify training institution -ToR for training institution -Training conducted <p>1.3. Project management training for REA</p> <ul style="list-style-type: none"> - Identify trainees within REA - Identify training institution -ToR for training institution - Training conducted 	<p>X</p> <p>X</p> <p>X</p> <p>X</p> <p>X</p> <p>X</p> <p>X</p> <p>X</p>	<p>UNDP/MEM</p> <p>UNDP/MEM</p> <p>UNDP/REA</p>	<p>Training costs</p> <p>Training costs</p> <p>Training costs</p>	<p>25,000</p> <p>25,000</p> <p>30,000</p>

<p>--- Public officials & relevant stakeholders effectively negotiate mining contracts resulting to an increased share of benefits to the nation and communities</p> <p>--- 100% of mines implement required safety measures resulting to significant reduction of accidents</p> <p>--- Mineral database is in place/improved and geo-scientific information upgraded leading to increased accessibility of data</p> <p>---100% increased engagement of communities in the mining sector.</p> <p>---Significant decrease in human rights violations in the mining sector</p>	<p>2.18. Developing methodologies and tools for conflict risk analysis and mainstreaming them into planning frameworks to eliminate human rights abuses & conflicts</p> <p>2.19. Developing methodologies & tools for conflict risk analysis and mainstreaming them into planning frameworks to eliminate human rights abuses and conflicts</p> <p>2.20. Developing methodologies & tools for conflict risk analysis and mainstreaming them into planning frameworks to eliminate human rights abuses and conflicts</p> <p>2.21. Training on capital mobilization through PPPs and partnerships</p> <ul style="list-style-type: none"> - Identify trainees within MEM - Identify training institution - ToR for training institution <p>2.22. Training on capital mobilization through PPPs and partnerships</p> <ul style="list-style-type: none"> - Identify trainees within MEM - Identify training institution - ToR for training institution <p>2.23. Training on capital mobilization through PPPs and partnerships</p> <ul style="list-style-type: none"> - Identify trainees within MEM - Identify training institution - ToR for training institution <p>2.24. Training on optimization of land use options, environmental stewardship and social responsibility</p> <ul style="list-style-type: none"> - Identify trainees within MEM - Identify training institution - ToR for training institution <p>2.25. Training on optimization of land use options, environmental stewardship and social responsibility</p> <ul style="list-style-type: none"> - Identify trainees within MEM - Identify training institution - ToR for training institution <p>2.26. Training on optimization of land use options, environmental stewardship and social responsibility</p> <ul style="list-style-type: none"> - Identify trainees within MEM - Identify training institution - ToR for training institution 	<p>X</p> <p>X</p> <p>X</p> <p>X</p> <p>X</p> <p>X</p> <p>X</p> <p>X</p> <p>X</p> <p>X</p> <p>X</p>	<p>X</p> <p>X</p> <p>X</p> <p>X</p> <p>X</p> <p>X</p> <p>X</p> <p>X</p> <p>X</p> <p>X</p>	<p>X</p> <p>X</p> <p>X</p> <p>X</p> <p>X</p> <p>X</p> <p>X</p> <p>X</p> <p>X</p> <p>X</p>	<p>UNDP/MEM</p> <p>UNDP/UI</p> <p>UNDP/ AGC</p> <p>UNDP/MEM</p> <p>UNDP/UI</p> <p>UNDP/AGC</p> <p>UNDP/MEM</p> <p>UNDP/UI</p> <p>UNDP/AGC</p> <p>UNDP/MEM</p> <p>UNDP/AGC</p>	<p>Consultancy costs</p> <p>Consultancy costs</p> <p>Consultancy costs</p> <p>Training costs</p> <p>Training costs</p> <p>Training costs</p> <p>Training costs</p> <p>Training costs</p> <p>Training costs</p> <p>Training costs</p> <p>Training costs</p> <p>Training costs</p>	<p>30,000</p> <p>31,000</p> <p>0</p> <p>0</p> <p>0</p> <p>0</p> <p>0</p> <p>0</p> <p>0</p> <p>0</p> <p>0</p>
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	<p>2.27. Conduct training to public officials on complex technical matters such taxation in oil and gas sector, structuring of oil and gas project, profit split, ownership and access in infrastructure (pipeline, storage, processing facilities and LNG terminals), farm in and farm out agreement, border disputes, current issues in terms of updates in conventional gas or other challenges in the industry to senior government officials.</p> <ul style="list-style-type: none"> - Identify trainees within MEM - Identify training institution - ToR for training institution - Training conducted 	X	X	X	0
	<p>2.28. Conduct training to public officials on environmental issues underlying oil and gas sector and how to mitigate the risks associated therein, how to deal with site clean-up, decommissioning and abandonment.</p> <ul style="list-style-type: none"> - Identify trainees within MEM - Identify training institution - ToR for training institution - Training conducted 	X	X	X	0
	<p>2.29. Conduct training to public officials on financial matters on large scale investments including oil and gas project.</p> <ul style="list-style-type: none"> - Identify trainees within MEM - Identify training institution - ToR for training institution - Training conducted 	X	X	X	0
	<p>2.30. Provide technical assistance to public officials for negotiating and drafting specialised investment contracts such as oil and gas.</p> <ul style="list-style-type: none"> - Identify trainees within MEM - Identify training institution - ToR for training institution - Training conducted 	X	X	X	0
<p>Output 3: Knowledge on renewable energy technologies, tools, and systems developed at REA Baseline: ---Inadequate knowledge in mainstreaming gender into energy at REA ---Inadequate knowledge on RE technologies at REA ---Inadequate knowledge on GIS techniques and GEOSIM at REA Targets: ---Knowledge in mainstreaming gender into energy at REA enhanced ---Adequate knowledge on RE technologies at REA generated at REA</p>	<p>3.1. Training for REA on gender mainstreaming into energy</p> <ul style="list-style-type: none"> - Identify trainees within REA - Identify training institution - identify UNV Gender Specialist -ToR for training institution - DoA for UNV Gender Specialist - Training conducted - Resources mobilized and UNV recruited 	X	X	X	25,000

			X	X	X	UNDP/REA	Training costs	25,000
<p>---Adequate knowledge on GIS techniques and GEOSIM at REA generated</p> <p>Indicators:</p> <p>---Number of men and women participating in rural energy project implemented by REA</p> <p>---Number of relevant REA officials trained on various RE technologies and systems</p> <p>---RE technologies training reports</p> <p>---Number of REA relevant officials trained on GIS and GEOSIM techniques - Generated Maps by GEOSIM techniques at REA.</p> <p>--- Energy social economic data processed and stored by GIS</p>	<p>3.2 Training for REA on RE technologies</p> <ul style="list-style-type: none"> - Identify trainees within REA - Identify training institution - ToR for training institution - Training conducted <p>3.3 Training for REA on GIS techniques and GEOSIM</p> <ul style="list-style-type: none"> - Identify trainees within REA - Identify training institution - ToR for training institution - Training conducted 		X	X	X	UNDP/REA	Training costs	30,000
<p>Output 4: Capacity developed in creating, reviewing, and implementing policy and regulations at MEM, REA, and AGC</p> <p>Baseline:</p> <p>---Energy policy of 2003 requires review</p> <p>---REA Act of 2006 requires review</p> <p>---RE and EE policy & strategy does not exist</p> <p>---Bio-fuel policy under development</p> <p>---Implementation of energy and mining policies is ineffective</p> <p>Targets:</p> <p>---Energy policy reviewed</p> <p>---REA Act reviewed</p> <p>---RE and EE policies developed</p> <p>---Bio-fuel policy developed</p> <p>---MEM System improve delivery of policy implementation is enhanced</p> <p>Indicators:</p> <p>---Relevant Energy and mining policies and policy instruments are in place.</p> <p>---Policy implementation performance monitoring system in place</p> <p>Programme support</p>	<p>4.1 Energy policies review & development</p> <p>4.2 Establishing policy research targets at MEM to monitor policy performance</p> <p>4.3 Establishing policy research targets at REA to monitor policy performance</p> <p>4.4 Conducting training to public officials on policy formulation and drafting mining legislation.</p> <ul style="list-style-type: none"> - Identify trainees within REA - Identify training institution - ToR for training institution - Training conducted <p>4.5 Training on review and update mining legislation and procedures</p> <ul style="list-style-type: none"> - Identify trainees within REA - Identify training institution - ToR for training institution - Training conducted 		X	X	X	UNDP/MEM UNDP/MEM	Consultancy costs Consultancy costs	30,000 30,000
			X	X	X	UNDP/REA	Consultancy costs	30,000
			X	X	X	UNDP/AGC	Consultancy costs	0
			X	X	X	UNDP/AGC	Consultancy costs	0
			X	X	X		Project management	0
			Project support	Project support	Project support			0
TOTAL								3,090,756

Annex 3: Project Matrix

DP Name	Project Name	Financing Scheme	Status	Estimated Completion	Project Area	Project Description	Progress
AfDB	Iringa- Shinyanga Transmission Line (Backbone transmission investment project)	Credit	Under implementation.	June 2014	Iringa, Dodoma, Singida, Shinyanga	Construction of new 400kV transmission line from Iringa to Shinyanga. WB finances Iringa-Dodoma line and some TA. Other Co-financiers are AfDB/JICA, EIB and EDCF	On track
AfDB	Backbone Project	Credit		Dec-15	Dodoma, Singida	Construction of the Dodoma-Singida Transmission Line	
AfDB	Electricity V	Mix	Under implementation	Severely delayed and not likely to be completed before 2015	Mwanza, Shinyanga	Construction of distribution lines in Mwanza and Shinyanga; and Rehabilitation of 4 substations in Dar es Salaam and Arusha;3 studies (from grant); Distribution System Master Plan for 8 regions (4 in Dar, Coast, Kilimanjaro, Arusha and Mwanza) Study supervisory control and data acquisition (SCADA)-Re-evaluation of TANESCO assets; and Project engineering, supervision and management	Delayed
AfDB	Rusumo Hydrofalls Project					Rusumo Hydro falls Transmission	
CIDA	Extractive Industries Transparency Initiative	Grant	Under implementation	Jul-18	Tanzania	Increase transparency and accountability in the extractive sector (mining, oil and gas) by supporting Tanzania to meeting global EITI standards.	On track
CIDA	Tanzania Minerals Audit Agency	Grant	Under implementation	Jul-18	Tanzania	Support for effective monitoring and auditing of mining operations including of environmental management practices.	On track
CIDA	Energy Sector Capacity Building Project	Grant	Doc under preparation	Jul-17	Mtwara/Dar es Salaam	Technical Assistance to enhance the GoT's legal and regulatory framework, and institutional capacity, in the natural gas sector and with regard to large power generation PPP projects.	On track
DFID	Green Mini Grid Program		Doc under preparation			Development of a GMG programme using climate finance	
DFID	Geothermal Development		Doc under preparation			Scaling-up the KFW managed GRMF and support for technical assistance	
DFID	Private Sector Challenge (AECF REACT)		Doc under preparation			Private sector challenge fund for renewable energy	
DFID	BRN Support		Doc under preparation			Funds for implementing energy and gas under BRN and support for technical assistance	
EU	Up-Scaling Access to integrated modern energy services for poverty reduction	Grant	Completed	December 2013	100 villages in northern Tanzania	Installation and commissioning of 50 Multi-Functional Platforms, 50 Productive Use Containers and 25 combined MFP and PUC	On track
EU	Mwenga 3 MW Hydro Power	Grant	Completed	December 2012	Mufindi	Construction and commissioning of a 3 MW hydro power plant, transmission and distribution to households in the surrounding villages	On track
EU	Integrated Rural Electricity Planning in Tanzania	Grant	Completed	November 2012	Tanga, Lindi, Morogoro and Dar es Salaam	To develop an integrated Rural Electrification Planning approach emphasizing the socio-economic impact of energy services	On track
EU	Yovi Hydro Power Project	Grant	Under implementation	September-14	Msolwa (Kilosa District)	Construction of a 1MW hydro power plant on Yovi river and mini-grid (independent) + connections in the surrounding villages	On track
EU	Upgrade of Mawengi micro hydro plant	Grant	Under implementation	September-14	Mawengi (Ludewa District)	Upgrading of the Mawengi hydro power plant and grid extension	On track

EU	Cluster Solar PV Project	Grant	Under implementation	October-14	Lake Zone	Installation of 15,000 Solar Households Systems in the Lake Zone through customers clustering and private sector development	On track
EU	Upgrade of Ikondo micro hydro plant	Grant	Under implementation	September-15	Ikondo (Njombe District)	Upgrading of the Ikondo hydro power plant and grid extension	On track
EU	Introducing a new concept for affordable biogas system	Grant	Under implementation	August 2015	All Tanzania	Market extension for the new affordable and locally made plastic bio-digester at the household level	On track
EU	Zanzibar Renewable Energies and Energy Efficiency	Grant	Doc under preparation	July-16	Zanzibar	Study including 1.5 years of wind and solar data collection. Design for combined use of solar, wind, biogas (landfill) and energy efficiency program. Regulatory framework update for energy efficiency and capacity development of DoEM and ZECO	
EU	Rural electrification in Kilombero and Ulanga Districts	Grant	Doc under preparation	December-15	Kilombero/Ulanga	on i) construction of a 220kV/33kV, 20MVA or more capacity substation around Ifakara (on the HV line between Kihansi and Kidatu power plants) to improve power supply (availability and reliability) in the Kilombero and Ulanga Districts, ii) installation of additional MV (33kV) transmission lines and iii) installation of LV distribution lines with additional (subsidized) connections.	
Finland	Improving the electric power supply reliability in the city of Dar es Salaam	Credit	Under implementation	October 2014	Dar es Salaam	Rehabilitation and strengthening distribution network in Dar es Salaam, including SCADA system.	Delayed
Germany (KfW)	Transmission Line Geita - Nyakanazi	Grant	Doc under preparation	April-17	Kagera	220 kV T-line from Geita-Nyakanazi including Substation in Nyakanazi	On track
Germany (KfW)	Hale HPP Rehabilitation	Credit	Doc finalized but not signed	June-15	Tanga	Project in Cooperation with SIDA	Delayed
Germany (GIZ)	Renewable Energy Programme	Grant	signed	December-16	All Tanzania	The programme focuses on improved regulatory and policy framework for renewable energy and energy efficiency; it covers measures on policy advice, capacity building and regulation issues as well as improved investment framework for the private sector	On track
Germany (GIZ)	Strengthening Good Governance in the Natural Gas Sector in Tanzania	Grant	signed	April-14		Focus will be on the support to a communication strategy in the natural gas sector	
Germany (GIZ)	BGR Renewable Energy Programme "Sustainable use of geothermal energy"	Grant	Doc under preparation	June 2017	All Tanzania	Within the joint programme "Renewable Energy and Energy Efficiency Program" BGR implements a project on the "sustainable use of geothermal energy"; it aims at supporting the national institutions in enabling themselves to integrate geothermal energy into the national-energy-mix. Therefore BGR supports the planning, setup and implementation of a national strategy for the use of geothermal energy and its integration into the national energy-strategy; secondly, BGR supports the respective institutions in identifying of the concrete geothermal potential.	On track
Germany (GIZ)	BGR GEOTHERM II - Geothermal as an alternative source of energy in Tanzania	Grant	Under implementation	December 2013	Mbeya/Ngozi	Within the sector-project "GEOTHERM II" BGR implemented a pre-feasibility-study in Mbeya/Ngozi-Area, geophysics, geochemistry, training-on-the-job (TEM and MT), courses on TEM and MT, training in field-work-methods.	Delayed
JICA	Backbone Transmission Investment Project	Credit	Under implementation	June 2014	Iringa, Dodoma, Singida, Shinyanga	Construction of new 400kV transmission line from Iringa to Shinyanga. JICA finances Dodoma-Singida line with AfDB. Other Co-	On track

JICA	Rehabilitation of Substations and Construction of New lines and Substations in Dar es Salaam	Grant	Doc under preparation	August-16	Dar es Salaam	financiers are WB, EIB and Korea EDCF. Reinforce power transmission and distribution networks.	On track
JICA	Formulation of Power System Master Plan in Dar es Salaam and Review of the Power System Master (2012)	Grant	Doc under preparation	March-16	Dar es Salaam	Technical Assistance	On track
JICA	Reinforcement of Distribution Facilities in Kilimanjaro Region	Grant	Completed	January 2013	Kilimanjaro	In order to improve the power supply in Kilimanjaro Region, the following construction will be done. Rehabilitation and upgrading of 3 substations, the construction of 2 new substations and a 34km 66kV transmission line	On track
JICA	Reinforcement of Power Distribution in Zanzibar Island	Grant	Completed	March 2013	Zanzibar	In order to improve the power supply in Unguja Island, Zanzibar, the following construction will be done. Upgrading of the main substation in Unguja Island and construction of 2 new substations as well as construction of distribution feeder to the north, east and south areas (total length: 80.8km)	On track
JICA	Capacity Development of Efficient Distribution and Transmission Systems	Grant	Under implementation	August 2014	All Tanzania	TANESCO's internal system for human resource development is established for operation of distribution/transmission/substations. Under this training system, engineer/technicians/artisans are trained in training school.	On track
Korea EDCF	Arusha-Kilimanjaro Transmission Line Project (A part of TEDAP)	Credit	Completed	June 2012	Arusha, Moshi	1)Construction of a 132kV transmission line from Kiyungi Sub-station, Kilimanjaro to Njoro Sub-station, Arusha 2) Rehabilitation of Kiyungi Sub-station 3) Procurement of equipment 4) Consulting services	Delayed
Korea EDCF	Backbone Transmission Investment Project	Credit	Doc finalized but not signed	June 2014	Iringa, Dodoma, Singida, Shinyanga	1) Expansion of four substations at Iringa, Dodoma, Singida, Shinyanga 2) Consulting for Preparation of bidding documents	On track
MCC	Distribution Systems and Rehabilitation	Grant	Completed	December-13	Iringa, Mbeya, Dodoma, Mwanza, Morogoro, Tanga	Rehabilitation of existing distribution infrastructure and a 1600 kms of distribution line extensions to unserved areas in six regions.	On track
MCC	Zanzibar Interconnector	Grant	Completed	July-13	Unguja Island and Mainland	Construction of a 132kV, 100MW capacity submarine cable to supplement and eventually replace existing power supply cable to Unguja from the Mainland. Project includes construction of new 132kV overhead lines on Unguja and Mainland and complementary expansion of substations at Mtoni and Ubungo.	On track
MCC	Malagarasi Hydropower and Kigoma Distribution	Grant	Completed	August-13	Kigoma	Project was re-scoped given the environmental concerns associated with Stage II of the Malagarasi hydropower activity originally envisioned for MCC funding. MCA-T and MCC have agreed to the following new activities: (1) Malagarasi Hydropower Stage III feasibility study, ESIA, preliminary designs, and bidding documents; These documents are under final review; (2) Kigoma distribution system rehabilitation; The Contractor has begun preliminary on-site surveys; (3) Solar PV project is still in the procurement stage with an anticipated contract award in March 2012.	On track

Netherland	Electrifying Rural Tanzania	Mix	Concept	August 2022	Kagera and Rugwa	Securing electricity generation and extending distribution in the rural districts of Biharamulo, Ngara and Mpanda in west and north-west Tanzania; operational and maintenance phase 50% grant	On track
Norway	Support to the Energy Sector	Grant	Under implementation	December-16		Includes: capacity building transmission (and distributions), feasibility study, existing hydropower generation, construction of Kihansi small hydro, repair of hydropower plants, rural electrification, scaling up and commercialization of modern energy technology and services transmission network	On track
SIDA	Rural Energy Fund Support		Under implementation	June 2014	Dar es Salaam	Support fund for rural energy transmission	On track
SIDA	Capacity Development to REA		Under implementation	June 2014	Dar es Salaam	Capacity building in advisory service	On track
SIDA	WB TF Electricity Access		Under implementation	June 2015	Dar es Salaam	Advisory Service	On track
SIDA	Ruhuji & Kakono Hydro		Completed	Sept. 2013		Ruhuji and Kakono Hpp studies, a technical study on Transmission	Pending
SIDA	Support in Strengthening Policy, Legal, Regulatory and Institutional Framework to the Development of a Sustainable Biofuels Industry		Under implementation	June 2014	Dar es Salaam	Capacity Building on Advisory Service	On track
SIDA	Makambako-Songea 132 kV Transmission Line	Mix	Under implementation	December 2014	Makambako-Songea	Construction of New 132 kV Transmission Line and Electrification of Districts in Ruvuma and Iringa Regions. The project consists of two parts: a) A 132 kV transmission system connecting Songea to the national grid in Makambako. b) 33 kV rural distribution systems, taking power from the transmission system to provide electricity to a substantial part of rural and urban Southwest Tanzania.	Delayed
SIDA	REF: Including Backbone, New Iringa - Shinyanga Transmission Line Project - Rural Electrification, and Scaling-up Rural Modern Energy Access Capacity Dev MEM		Doc under preparation		Iringa, Shinyanga	Scaling-up Rural energy access and Construction of distribution transmission lines	Delayed
SIDA	Hale HPP Rehabilitation	Mix	Doc under preparation Doc finalized but not signed	June 2016 June 2015	Dar es Salaam Tanga	PFM, Planning, JESWG Rehabilitation of Hale HPP to ensure for another 30-40 years secure contribution to the national grid of 10,5 MW, and when the river flow so allows another 10,5 yielding an annual energy contribution of about 63 GWh, to enhance the reliability and performance of the national transmission system and the local medium voltage distribution system. Also to improve the overall operational and safety aspects for the operation and maintenance staff at the Plant and to improve the generation reliability of the Plant.	Delayed
SIDA	Rural Electrification in		Completed	June 2011	Mwanza	Rural Energy Project Implementation Support	On track

WB	Ruhudji HPP	Mix	Doc under preparation	December 2018	Makambako-Songea	100MW private wind power generation project with the project Sponsor Wind EA and Tanesco. WB has been requested to consider providing a Partial Risk Guarantee of up to USD 200 mil to cover commercial lenders against certain risk for this 360MW Hydropower PPP generation project with the project Sponsor Aldwych International and the GoT/Tanesco.
WB	Regional Rusumo Falls Hydroelectric	Mix	Under implementation	December 2020		
WB	TZ First Power and Gas Sector DPO	Mix	Doc under preparation	December 2014		



United Nations Development Programme

Country: Tanzania

PROJECT REVISION IV



Project Title: Capacity Development in the Energy and Extractive Industries (CADESE)

Award Title:	79174: Capacity Development in the Energy Sector and Extractive Industries (CADESE)
UNDAP Outcome:	Outcome 1: Key MDAs and LGAs integrate climate change adaptation and mitigation in their strategies and plans
Key Results Area (UNDP Strategic Plan):	Capacity development as a driver for achieving development results
Project Titles: <i>Linked to the UNDAP key actions</i>	Project ID/ Title: 79174: Capacity Development in the Energy Sector and Extractive Industries 1.2.2 Assist key national institutions related to energy (Ministry of Energy and Minerals, Rural Energy Agency, Tanzania Bureau of Standards) to promote the use of renewable energy sources, energy efficient technologies and clean technology practices. Provide technical advice to develop energy standards and a code of proactive for Tanzanian government and business sectors.
Project Output(s):	<ol style="list-style-type: none">1. Capacity developed in project development and implementation support for MEM, REA, and AGC2. Tanzania Country Mining Vision (CMV) developed and its implementation promoted3. Knowledge on renewable energy technologies, tools, and systems developed at REA4. Capacity developed in creating and reviewing of policies and regulations at MEM, REA, and AGC
Additional Outputs:	<ul style="list-style-type: none">• Adoption of RETs as a means of poverty reduction in rural areas through provision of micro-capital grants• Procurement support for MEM, REA and TANESCO
Implementing Partner:	Ministry of Energy and Minerals (MEM)
Responsible Partners:	Ministry of Energy and Minerals (MEM), Rural Energy Agency (REA), UONGOZI Institute (UI), Attorney's General Chambers (AGC), Economic and Social Research Foundation (ESRF), TANESCO, UNDP
Implementation Modality:	National Implementation (NIM)
Project Duration:	2012 - 2017

UNDAP Programme Period: March 2012 – December 2017
UNDAP Programme: Energy and Climate Change
Atlas Award ID: **61988**

LPAC Meeting Date: 13th March, 2014

Total resources required:	USD 24,917,759
Total allocated resources:	USD 24,917,759
• Regular:	USD 2,194,094
• One UN Fund:	USD 119,235
• UNDP regional project on EI:	USD 200,000
• AMDC UNECA contribution	USD 56,378
• Government cost-sharing:	USD 22,348,052

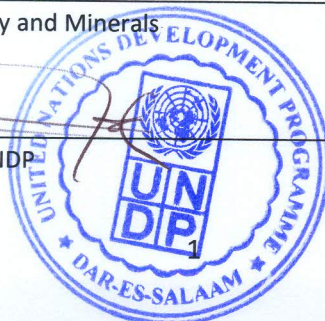
Agreed and signed by:

UNDP and MEM mutually agree to the terms above in pursuing effective implementation of the project.

Permanent Secretary, Ministry of Energy and Minerals

Date 01-08-2017

David Omozuafah, Officer-in-charge, UNDP



31.8.2017

Date

Justification for Substantive Project Revision IV

CADESE is a nationally implemented project. One of its key objectives is to accelerate achievement of the Sustainable Energy for All (SE4A) initiative through a wider adoption of Renewable Energy Technologies (RETs). The Implementing Partner (IP) is the Ministry of Energy and Minerals (MEM). Responsible Partners (RPs) include: Rural Energy Agency (REA), Uongozi Institute (UI), Attorney General's Chambers (AGC), Tanzania Electric Supply Company Limited (TANESCO) and Economic and Social Research Foundation (ESRF).

The project's fourth revision seeks to extend the project to 31st December 2017 to allow the current and outstanding activities to be completed – including project terminal evaluation, procurement support and micro-capital grant final monitoring visit.