

**Tanzania**  
**Aide Memoire**  
**Diagnostic Trade Integration Study**  
**Under the Integrated Framework (IF)**

During July 12-16, 2004, Helena Tang, Lead Consultant, visited Dar Es Salaam to discuss with the authorities a number of modalities for the Tanzania Diagnostic Trade Integration Study (DTIS). The mission met with staff in the Ministry of Industry and Trade (MIT), representatives from the private sector and the donor community, and researchers and consultants involved in trade-related work (see Appendix 1 for the list of meetings). The results of the mission are as follows.

First, **the mission agreed with the Government of Tanzania (GOT) on the scope and content of the DTIS.** In particular, it is agreed that the DTIS will take into account and incorporate the findings of the many trade-related studies that have already been undertaken and funded by various bilateral donors and multilateral agencies (Appendix 2). In addition, the DTIS will also cover the following areas, many of which may require the undertaking of new work: regional trading arrangements; erosion of trade preferences; the real exchange rate and its linkages to competitiveness; the impact of trade on poverty at the household level; trade-support institutions including export processing zones; trade facilitation (customs administration; transport infrastructure; product standards); and detailed studies on sub-sectors with export potential (gemstones; cut flowers; horticulture; spices; textile and clothing; wood and wood products).

Second, **it is agreed that a satisfactory institutional arrangement is in place for supporting the IF process.** In particular, there already exists an IF Steering Committee which has been set up to support the first IF process, for which Tanzania had qualified earlier. The IF Steering Committee is chaired by the Director of Policy and Planning in MIT (the focal point). Committee meetings are held to discuss various trade-related issues and are attended by staff from other government ministries, and representatives from the private sector, the donor community, and multilateral agencies.

Third, **it is agreed that a satisfactory institutional arrangement is in place for facilitating the integration of trade into the PRSP.** MIT is a member of the Poverty Reduction Strategy Committee, which is set up by the Poverty Reduction Strategy Secretariat in the Vice President's Office. This is the mechanism through which MIT can mainstream findings of the DTIS into the PRSP.

Fourth, **the mission raised the issue of the IF facilitator with the GOT.** GOT is in discussion with various donors active in providing trade-related technical assistance to Tanzania on their interest in assuming the role of IF facilitator. The discussions have not yet been concluded.

**Fifth, the mission agreed on the following processing schedule for the DTIS.**

Concept Paper	September 2004
Main Mission	October 2004
Draft Report for review	January 2005
Validation Workshop	February 2005
Implementation Workshop	March 2005

In the light of the earlier preparatory work undertaken no separate preliminary mission would have to take place. The other IF partners will be invited to join the main mission.

**Appendix 1**  
**List of Meetings**  
**Preliminary Mission for DTIS, June 12-16, 2004**

**Ministry of Industry and Trade**

Mr. J.G. Mrema, Director of Policy and Planning (overall DTIS coordination)  
Mr. B. Lyimo, Assistant Director, Head of Multilateral Trade Section (overall DTIS coordination)  
Mr. J.K. Mhina, Assistant Director, Head of Regional Trade Section (regional trade issues)  
Mr. Pastory M.D. Masohme, Principal Trade Officer, Regional Trade Section (regional trade issues)  
Dr. Mero (Export Processing Zones)  
Liz Turner, Economist

**Ministry of Agriculture**

Mrs. Wilma Mwaikambo, Senior Economist, Department of Policy and Planning

**Donors**

Lasse Moller, Programme Coordinator, Danida  
Jacob Wiersma, Second Secretary, Economics and Trade Department, Royal Netherlands Embassy (RNE)  
Emmanuel S. Maliti, Programme Officer-Economics, RNE  
Iain Jones, Economist, DFID

**Private Sector Representatives**

Louis P. Accaro, Executive Director, Tanzania Private Sector Foundation  
Mike Laiser, Director General, Small Industries Development Organization

**Researchers**

Dr. Josaphat P. Kweka, Research Fellow, Economic and Social Research Foundation  
Dr. Flora Musonda, Senior Research Fellow, Economic and Social Research Foundation

**Consultants**

Mr. Jelle Bergsma, Chief Technical Advisor, Product Quality Improvement, Danish Technological Institute  
Mrs. Amanda Sunassee Lam, Trade and Private Sector Expert, Ministry of Finance, Tanzania  
Mrs. Linda Mtango, Country Manager, Tanzania, Trade Law Center for Southern Africa

## Appendix 2

### References:

United Republic of Tanzania (2003), Tanzania Trade and Poverty Project (TTPP) - Tariff Policy and Effective Rates of Protection, unpublished report.

United Republic of Tanzania (2003), Tanzania Trade and Poverty Programme – Institutional and Organization Review, unpublished report.

United Republic of Tanzania (2004), Tanzania Trade and Poverty Programme – Trade and Poverty Linkages Study: Priorities for National Trade Policy and the PRSP Review, unpublished report.

United Republic of Tanzania (2003), Diagnostic Trade Integration Study – Mainstreaming Trade into Poverty Reduction and SME Development, unpublished draft report.

Baffes, J. (2003), Tanzania's Coffee Sector: Constraints and Challenges in a Global Environment, Africa Region Working Paper Series No. 56, World Bank, Washington, DC.

Baffes, J. (2002), Tanzania's Cotton Sector: Constraints and Challenges in a Global Environment, Africa Region Working Paper Series No. 42, World Bank, Washington, DC.

Baffes, J. (2003), Tanzania's Tea Sector: Constraints and Challenges, World Bank, Washington DC, unpublished report.

Mitchell, J. & J. Baffes (2002), Tanzania Agricultural Exports: Challenges and Constraints in a Global Environment, World Bank unpublished draft report.

WTO (2000), Trade Policy Review Tanzania, Report by the Secretariat, World Trade Organisation, Geneva.

World Bank (2001), The External Environment for Tanzania 2002 – 2011, Analysis and Prospects for Export Revenues, unpublished draft report (in the process of being finalized).

Kweka, J. & D. Booth (2004), A Review of Trade Policy Agenda and Empirical Studies on Trade and Poverty for Tanzania, Economic and Social Research Foundation, unpublished draft report.