

# **Global Forum on International Investment**

***Encouraging Modern Governance and Transparency for Investment:  
Why and How?***

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## **IMPROVING TRANSPARENCY OF THE INVESTMENT PROCESS THROUGH STAKEHOLDER PARTICIPATION: *THE TANZANIA EXPERIENCE***

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### **Executive summary**

During the past decade Tanzania has distinguished itself as one of the few African countries that have radically transformed their economies. Successes of these reforms are reflected in the country's strong macroeconomic fundamentals with consistently increasing growth rates, consistent falling inflation and increasing inflow of foreign direct investments. There are many factors that have contributed to this success and one of them is the president's unwavering commitment to build a strong private sector.

This achievement is a result of a number of measures to reform the business environment by improving transparency of the investment process and encouraging stakeholder participation. A number of institutions and forums have been put in place to ensure a broader participation of different stakeholders including representatives of the private sector, trade unions, professional associations, media, government departments and other representatives of civil society. Existing institutions with stakeholder participation in the investment process include:-

- Tanzania National Business Council
- Investor's Roundtables
- Special Reform Task Forces
- Investment Seminars
- Board membership in TIC and other Government Agencies.

The Tanzania National Business Council 50% government and 50% Private Sector is the lead dialogue institution where government interact with diverse stakeholder representatives from the private sector for dialogue on strategic issues related to the investment process and business environment in Tanzania. The Council is chaired by the President of Tanzania. The President's commitment to transparency manifests itself in the workings of the roundtables such as the local Investor's Round Table (LIRT), International Investor's Roundtable (IIRT) and the Chief Executive Officers (CEO) Roundtable where the President meets private sector representatives on a regular basis to discuss specific issues aimed at improving Tanzania's business competitiveness.

In order to tackle specific technical issues of related to rules and regulations governing the investment processes in Tanzania, specialized task forces have usually been created including the Tax Reform Task force, the Land Reform Taskforce and the Labour Laws Reform Taskforce. These task forces take on board stakeholders from the private sector, respective government departments, professional associations and civil society. Legislation related to the investment process has been developed jointly through the participation of key stakeholders.

Stakeholders are also involved in the investment process through special seminars targeted to special issued affecting the business environment in Tanzania. In these seminars and forums stakeholder openly brainstorm existing challenges related to investment operations. To ensure that stakeholder are entrenched in the entire investment process from developing the nations vision to the implementation of agreed decisions the government has appointed stakeholder representatives in all government agencies that are in one way or another involved in the investment process. For example, the TIC's board of seven directors has 3 members who are businessmen, one academician, one permanent secretary, and a member from civil society. Investment seminars, focus group meetings and the public print and visual media are open and vigorous.

Most of the information related to the entire investment process in Tanzania to make available in the Investors Guide to Doing Business in Tanzania that is cordely distributed across the country and overseas. The guide is updated on a regular basis. In order to measure the improvement of transparency in the investment process the TIC in collaboration with other stakeholders carries out periodic surveys to seek opinion on investor's perception of the business environment in Tanzania including, Investors Guide (1996, 1999 and 2003), Capital Flow and FDI survey and the Good Governance Survey.

Results of these surveys indicate that Tanzania is making great progress in improving transparency in the investment environment. Challenge still remain include overcoming distrust among stakeholders, financial constraints, limited institutional capacity and the underdeveloped infrastructure. The challenge of corruption also has persisted. On the other hand, the establishment of the Business Environment Strengthening (BEST) program that is expected to take off in December 2003 is an effort to further the challenges of building a more transparent investment regime and an efficient business climate.

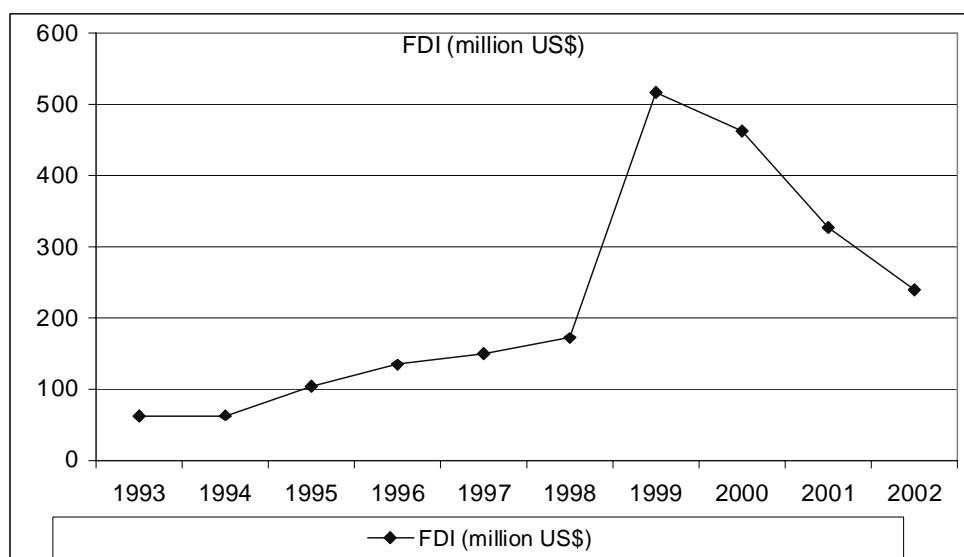
## Introduction

*“This forum is also intended to show **Government’s firm and demonstrable commitment to dialogue.....** It is a dialogue that will also help us in Government to understand better the concerns of the drivers, promoters, and managers of the tourism sector. **Our commitment to dialogue is also a commitment to private sector led growth and development.** That is why we consider it a priority to engage, on a regular basis, the private sector, both local and foreign”.*

(His Excellency President B.W. Mkapa addressing the Tanzania Tourist Investment Forum at the AICC Arusha 22<sup>nd</sup> October 2002)

Tanzania’s efforts to create a conducive business environment for a private sector led economy has seen increasing inflow of foreign direct investment (Figure 1). During the last decade foreign investment has increased from US\$ 12 million in 1992 to US\$ 240.4 million in 2002. This consistent growth of foreign direct investment into Tanzania reflects the confidence that investors have in the country’s successful transformation efforts. One of the most important factors in this success is the government’s commitment to a more transparent and investor friendly regime.

**Figure 1 Growth of Foreign Direct Investment in Tanzania**



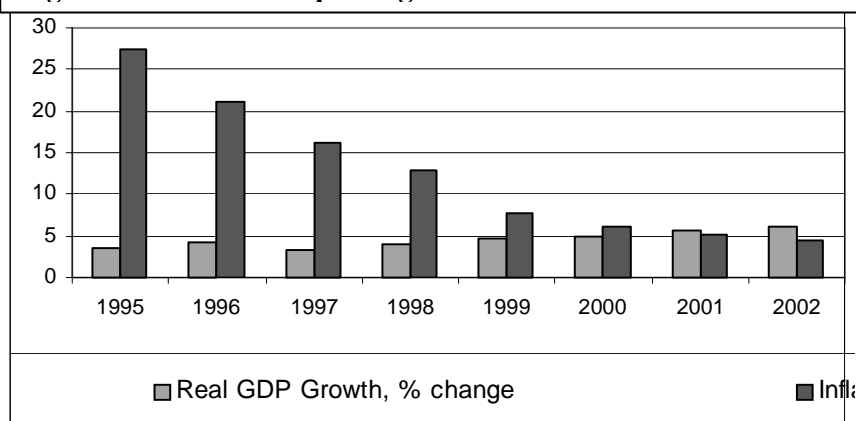
1999 – 2000 Heavy investments in new gold mining start up following Mining Act 1998

Source: Ministry of Planning and Privatization 2002

Tanzania’s successful reforms effort is characterised by relatively strong economic fundamentals with stable political institutions. In recent years the country has consistently increased its economic (GDP) growth rates from 4 percent in 1995 to 6.2 percent in 2002. Inflation rate has also been consistently falling. From 27.4 percent in 1995 to less than 4.5 percent in 2002.

Source: Bank of Tanzania 2003

**Figure 2 Tanzania's Improving Macroeconomic Environment**



Tanzania's achievement in improving its investment environment has been widely recognised by the international community. International surveys of business opinion rank Tanzania at the top among African countries in terms of optimism concerning reforms and economic improvement. As shown at Table 1., last year, Tanzania was also ranked as the most competitive among the East African countries. This clearly demonstrates that Tanzania has been successfully transforming its institutions towards a more investor friendly market economy.

**Table 1 Tanzania's Competitiveness Compared**

	Tanzania	Kenya	Uganda
Business Environment Improvement (2000-2003)	8	11	13
Optimism Index (1999-2001)	2	14	11
Improvement Index (1996-1999)	1	15	5
Attractiveness of FDI (2000-2003)	15	10	19
Africa Competitiveness Index (2000)	14	17	22

Source: UNCTAD 2002

This paper seeks to share with you Tanzania's experience in improving transparency in the investment process through greater involvement of stakeholders. Although transparency simply means the extent to which all investors have access to the same public information, in practice however transparency has often been used in a broader context to include a wide range of issues including corporate governance, public interest, accountability, open tendering, media freedom, and other measures of good governance. In this paper we refer to transparency in its broad sense to include good governance.

The investment process refers to all the procedures and processes that relate to an investor's access to permits and approvals in starting up and when operating a business in Tanzania. The investment process in its broad sense reflects the country's investment environment. Stakeholder participation in the Investment process in Tanzania is as illustrated in Figure 3.

### **Tanzania's Transparency and Stakeholder Participation Model**

Recognizing the importance and the role of transparency in achieving its Vision 2025 goal of transforming Tanzania into a middle – income country, the government of Tanzania undertook a series of radical economic reforms to ensure deeper transparency and greater stakeholder participation in the investment process. A giant step was made in 1996 when Tanzania's national investment policy was

launched. The national investment policy clearly outlined the important role of transparency in the investment process for building a vibrant private sector. It also accepted the need for a stable and predictable investment regime that was later incorporated into the Tanzania Investment Act of 1997.

### **Tanzania Investment Centre (TIC):**

The Tanzania Investment Centre (TIC) is the primary government agency designed to coordinate and facilitate investment initiatives in Tanzania. It was formed by the 1997 Investment Act to replace the original Investment Promotion Centre (IPC) with the mandate to coordinate, encourage, promote and facilitate investment in Tanzania and to advise the Government on investment policy and related matters.

The TIC is a one-stop-shop assisting investors through all stages of the investment process, including inquiry, implementation, and registration. The Ministry of Labour and Land, the Business Development Bank of Tanzania (BDBT), the Investment Promotion Centre (IPC), the Investment Authority (TRA) are located under one roof at the TIC building. These individuals are middle-level managers and have the authority in most cases to make the necessary approvals. The TIC has established links with designated ministry officials not represented in the TIC offices and are able to assist investors in arranging meetings. Through the TIC an investor can obtain the needed government approvals in a much shorter time. TIC staff provides the investor with the information needed to apply for investment approval and assists each applicant in completing the necessary paperwork.

**Figure 3: Transparency and Stakeholder Participation in the investment**

Throughout the investment process, the Tanzania Investment Centre acts as a government window to facilitate investors and has played a central role to improve transparency and investment promotion through vigorous advocacy at policy making levels of government. To enhance its capability, the Centre, in May 2000, acting on FIAS 1998 recommendations and resolutions of the UNIDO sponsored workshop titled “National Workshop on Investment 2001 - 2006 Regulations” came up with a comprehensive Corporate Plan and Action Plans. The workshop involving stakeholders from private sector urged a private public partnership program of action to put in place a simpler business regulatory framework that will improve Tanzania’s business climate and called upon every regulatory agency to evaluate their procedures for licences, fees, permits and other authorizations.

The success of that workshop encouraged other donors to participate in the transformation of TIC. The TIC was then transformed from a passive government bureaucracy to a modern proactive investment promotion agency. The transformation involved the recruitment of new staff on competitive basis and training them to a more business oriented mindset that is result driven.

Consequently the Centre has streamlined its organizational structure and processes to allow prompt delivery of services to investors. Inquiries and permits through TIC offices for business registration, certificates, visas, work permits, etc, are now approved within a maximum of 14 days and within 7 days for routine approvals.

For greater transparency and facilitation of the investment process the TIC has put in-place a computerised management information system within its own Local Area Network connected to the Internet where it has its own Website. The new management information system has greatly enhanced transparency and efficiency. Investors are now able to have access to investment information at the TIC’s website. Through the TIC website information is updated at a faster rate and at a much lower cost. The TIC website is also linked to other websites of other government departments and agencies and therefore serves as a one-stop-shop for all government information. On the other hand the TIC website is also linked to the Government website. Visitors to the government website can also access the TIC website.

Apart from the website, the TIC uses different contact tools to inform its investors through telephone and e-mails and actual site visits. Investors contacts and follow ups are managed through a tailor made customer relationship management software that allows each TIC staff to proactively respond to any investor enquiry by tracking past contacts through the existing database.

The Tanzania Investment Centre has also established working relationships with other stakeholders including other Government departments, private sector representatives bodies, the media and diplomatic agencies through regular seminars and focus group meetings which are called from time to time for zeroing in on specific issues such as Business Licencing etc.

To ensure greater dissemination of investment information to the public across the country, the TIC publishes a Tanzania Investment Guide in print form. The guide has details of the entire investment process in Tanzania including the government structure, procedures for obtaining permits and the rules and regulations governing businesses in Tanzania. The guide also provides detailed procedures, requirements and costs for access to utilities and other related services. This guide has been widely disseminated across the country and at Tanzanian embassies abroad. In its electronic form it has been sent to all Tanzania embassies abroad and is also available in CD Rom format.

The TIC also conducts special seminars at district and regional levels to existing and potential investors and other stakeholders. These seminars have been very useful in enlightening the different stakeholders about the existing investment regime in Tanzania and the willingness of the government to listen to the public. The seminars have had the effect of energising SMES towards more meaningful entrepreneurship.

As a bridge between the government and the private sector the TIC also monitors the improvement of the investment environment in coordination with other stakeholders. The TIC is also the secretariat to the National Investment Steering Committee.

### **National Investment Steering Committee**

In order resolve investor related problems that cut across different government departments or those that have strategic economic significance, in May 2001 the President of Tanzania inaugurated the National Investment Steering Committee (NISC). This is a high powered committee chaired by the Prime Minister and whose members include: The Ministers of Finance, Planning/Privatisation, Agriculture, Lands, Industries and Commerce, the Hon. Attorney General and Governor of Central Bank. The Tanzania Investment Centre is Secretariat to the NISC. This structure allows investors fast-track connection with the highest levels of government.

Since its inception the NISC has resolved many issues that impeded decision making in the investment process of projects that were of strategic significance but were difficult to approve because of their complex nature or cross sectoral impact such as large infrastructure projects. Although the Tanzania Investment Act 1997 provide for granting special incentives to strategic investors it was not until the NISC was formed that such incentives are now being granted.

### **Business Environment Strengthening Tanzania (BEST) Programme**

The Government of Tanzania's commitment to transparency through stakeholder participation in the investment process is solidified by the government initiative now known as the Business Environment Strengthening for Tanzania (BEST) programme. The BEST programme's main objectives include removing regulatory and administrative constraints on private sector operations and improving the government service delivery process and attitude. The program has five components.

The first component deals with achieving better regulations. The aim of this unit is to radically reduce red tape, improve regulations governing business and institute a system that reviews and puts in place new laws/regulations to facilitate business.

The second component deals with improving commercial dispute resolution. This unit is targeted towards improving the speed and quality of processing commercial disputes at all levels.

The third component is that of capacity enhancement of the Tanzania Investment Centre to effectively facilitate both foreign and local investors. The fourth component is that of changing the culture of Government through training including the Executive, Judicial and Parliamentary arms of the Government at both the Central and Local level. The final component is that of strengthening the ability of the Private Sector support organisations such as the Chamber of Commerce to effectively advocate its needs. The BEST programme documents for its establishment have now been completed and the programme is ready to take off on December 1, 2003.

### **Involving Stakeholders in the Investment Process**

To ensure transparency in the investment process the Government of Tanzania has been inviting all the major stakeholders including investors and the civil society to take part in the investment process for all issues related to changes in the business environment. Participation of stakeholders in the investment process in Tanzania has enabled the government to speed up the economic reforms by encompassing a broader ownership of the reform process. On the other hand transparency through greater stakeholder participation has also enabled the Government of Tanzania to be more accountable, efficient and effective in response to private sector needs.

In Tanzania stakeholders have been actively engaged right from the initial stages in the formulation of policies, rules and regulations as well as in other areas such as charting out strategies in promoting growth in their respective sectors. To ensure that a vision of a nation that is politically stable, united and pursuing increased prosperity for all, the government involved different stakeholders in formulation of the Vision 2025 which is the blueprint for growth strategies that will enable Tanzania to become a middle-income country. This has ensured that all stakeholders are involved in a process that requires serious commitment by all.

### **Specialized Task Forces**

A number of specialized taskforces have been in the formulation and revision of regulations through task forces such as the Tax Reform Taskforce, the Land Reform Taskforce, and the Labour Reform Taskforce, etc. These task forces have as a matter of policy included members from different government departments, civil society, academia and the business community.

### **Investors Roundtables**

Such stake-holders involvement manifests itself the workings of the roundtables such as the Local Investors Round Table (LIRT), International Investors' Roundtable (IIRT), Chief Executive Officers (CEO) Roundtable. In these roundtables the President meets the privates sector representatives to discuss specific issues that are pertinent and are related to the improvement of the business environment in Tanzania.

### **Tanzania National Business Council**

The most powerful institutionalised forum for formal public and private sector dialogue is the Tanzania National Business Council (TNBC). It was inaugurated on April 9, 2001 to provide a forum for

public-private sector dialogue with a view of reaching consensus and mutual understanding on strategic issues relating to the efficient management of development resources. Its membership of forty is 50% public and 50% private sector.

The TNBC from time to time reviews developments in the external and domestic business environment and proposes the appropriate courses of action to meet those developments. It is also used as a platform for exchange views on the prevailing regulatory environment and makes proposals on ways to facilitate the public service to improve on service delivery that is business friendly.

Some of the policies and legislative issues recently discussed include recommendations for the amendment of the Lands law of 1999 aimed at enhancing collateralisation of land titles for loans to be advanced to medium and small scale enterprises, revision of the labour laws for the purpose of promoting employment in the country and review of the tax system to overcome problems emanating from multiple taxes, and strengthening security of citizens and their properties and enhancement of private sector participation in negotiations of international trade and investment agreements. Other issues addressed by the TNBC include measures to enhance the attractiveness of Tanzania to both local and foreign investors.

### **Monitoring the Investment Process**

To ensure that the public and the private sector are adequately informed about the investment process in Tanzania, the TIC conducts regular visits and other contact channels to identify existing constraints in the investment process. However, in order to have a global picture for the entire nation, and to have an independent opinion, the TIC in collaboration with donors, other government departments and stakeholders has been conducting investors' roadmaps and investor perception surveys to identify existing constraints. Such studies include three investor roadmaps (1996, 1999, 2003), and the Good Governance in Investment Promotion and Facilitation Study (2003), and the Capital flows and Foreign Direct Investment Surveys (2001 and 2003).

### **Investors Roadmaps (1996, 1999, 2003)**

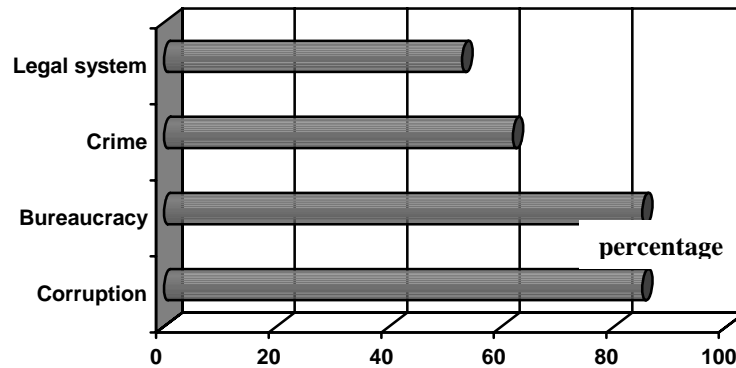
Three roadmaps have already been conducted, the first roadmap was conducted in 1996, the second in 1999 and the third has just been completed (2003). The 1996 investors' roadmap (IRM 1996) was a giant step towards improving transparency of the investment process in Tanzania. The consultants went through all the necessary steps that investors have to go through when starting a business in Tanzania. It was the first document to bring in one place most of Tanzania's investor-related regulations and their cost to investors. The 1999 and 2003 Investors' roadmaps studies identified fewer and fewer constraints. The reduction in the number of obstacles in later investors roadmaps shows that the government has taken the findings of the roadmaps seriously by instituting adequate measures to address them.

### **Good Governance in Investment Promotion and Facilitation (2002)**

The Good governance and Investment Promotion and Facilitation (2002) study was conducted by the UNCTAD as part of the programme to promote good governance in investment promotion and facilitation in Ethiopia, Lesotho, Maldives, Mali and Tanzania. Results of that survey shows that investors found the legal system, crime, bureaucracy, and corruption as the main factors leading to a negative business environment in Tanzania.



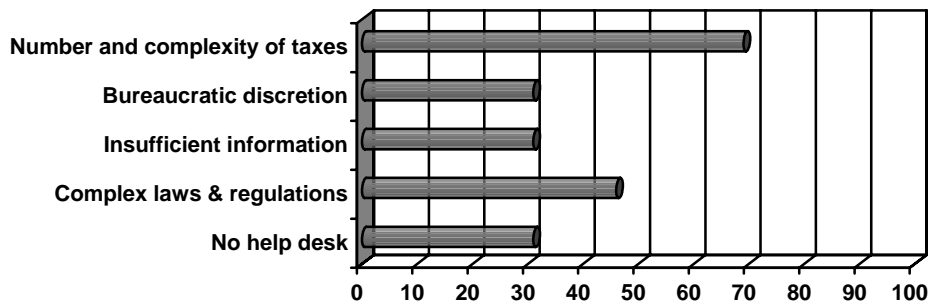
**Figure 4: Negative Factors leading to negative environment in Tanzania**



Source: UNCTAD Survey 2003

According to the survey among the negative transparency issues encountered include the number and complexity of taxes and complex laws and regulations (Figure 5). About 30 percent of the respondents thought that bureaucratic discretion, insufficient information, and no help desk contributed to negative transparency.

**Figure 5 Negative Transparency Issue percentage**



Source: UNCTAD Survey, 2003

In the same survey when investors were asked about their satisfaction with government-business relations, 75 percent of them were satisfied with relationships and nearly 95 percent admitted that there was substantial progress in building working relationships between the government and the private sector. They raised their satisfaction with the way Tanzania's president spearheaded the TNBC. Investors also agreed that their government offices were now more accessible and relationships with private sector show broad based continuous improvement.

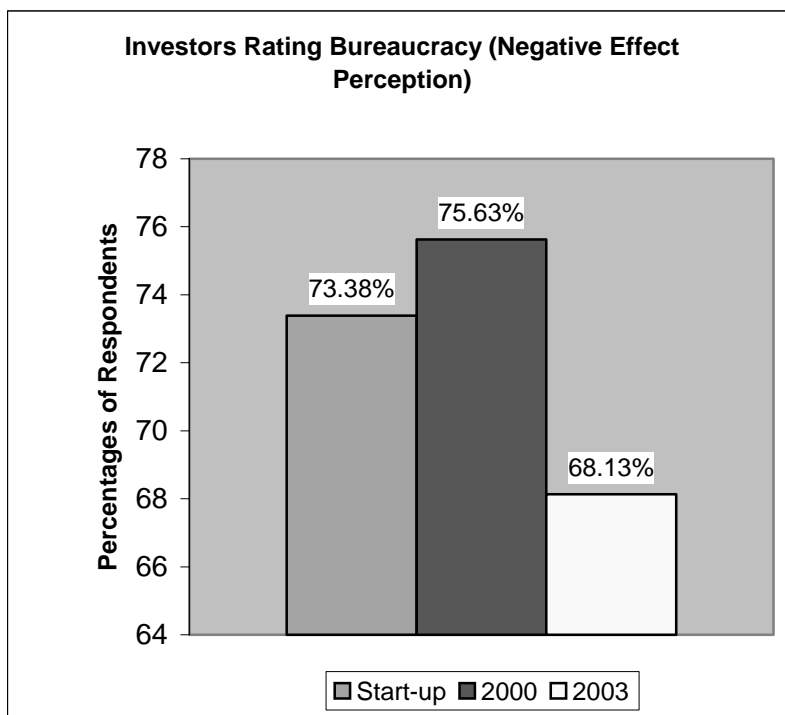
### **Capital Flows and Foreign Direct Investment Survey (2001, 2003)**

In order to map investors' perceptions, the TIC in collaboration with the Bank of Tanzania and the National Bureau of Statistics, carries out period census of all investors in Tanzania. The survey is used to

establish the existing stock of capital flows and foreign direct investment in Tanzania. It is also formulated to provide perceptions of investors regarding the existing investment environment including bureaucracy, political stability, legal system, access to utilities and investment facilitation.

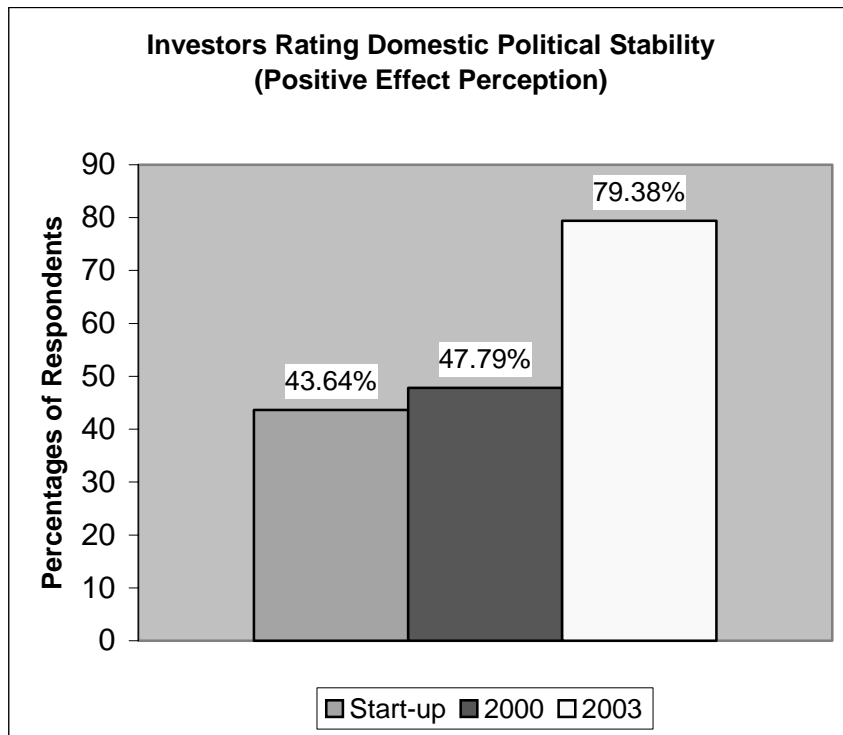
When bureaucracy measures are compared between the startup year and the years 2000 and 2003. Results from the surveys show that the number of investors with a negative perception on bureaucracy has been falling. Dropping from 75% in 2000 to 68% in 2003.

**Figure 6: Investors Perception of Bureaucracy in Tanzania**



Investors' perception of Tanzania's political stability has continued to improve. Positive perception of domestic political stability level has increased from 47% in 2000 to 79% in 2003. They are commending the government on its ability to contain domestic political stability and raising effects rule of law.

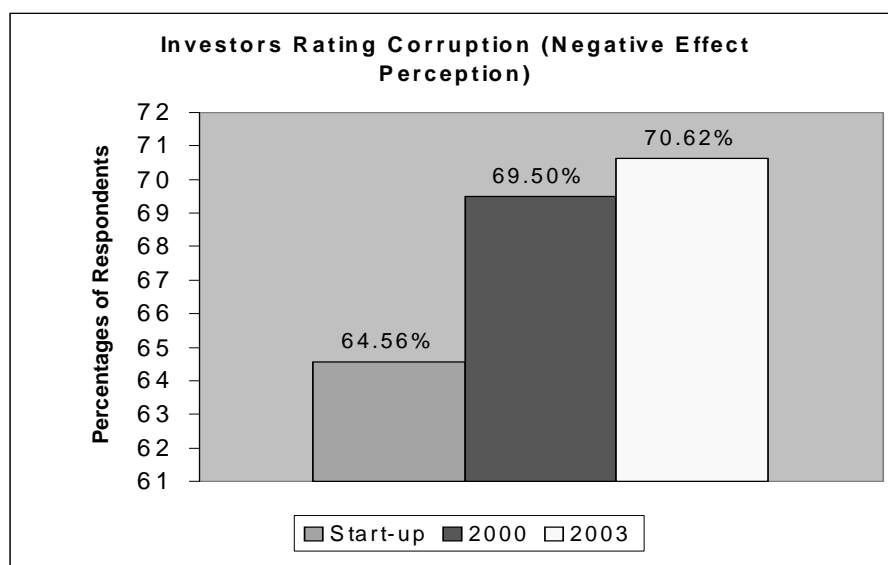
Figure 7: Investors Perception of Tanzania's Political Stability



There has been a rise in positive perception of investors to the legal system being positively supportive to their operations. It is now (in 2003) supported by 79 per cent of respondents rising from 48% of the year 2000.

Results on the measure of investment facilitation has improved, the negative perceptions of investors on TIC has fallen from 48% of responses (2000) to 27% of responses in 2003. Less success is not in the area of Public sector corruption. The negative effect perceptions investors have with regard to corruption has continued to rise (Figure 8).

**Figure 8: Investors' Perception on Corruption**



### **Challenges in Enhancing Transparency in the investment process In Tanzania**

Tanzania has made great strides in enhancing transparency in the investment process. However, there still remain a number of constraints that hamper the successful transformation towards greater transparency through stakeholder involvement. Some of these constraints include;

- Institutionalised mindset,
- Limited institutional capacity
- Financial constraints,
- Lethargic acceptance of reforms at the bureaucratic level.
- Underdeveloped infrastructure

#### **Institutionalised mindset**

For the past 30 years Tanzania had been building a socialist economy where the private sector was considered as an obstacle to socialism. Business people quite often were considered as exploiters who only thought about their profits. On the other hand the private sector had been operating in a manner of hiding their transactions not willing to disclose their true profits from fear of being overtaxed. So there was an element of **distrust** among stakeholders. This element of distrust among stakeholders has become a great impediment to improving transparency since each side is not reassured about the others intentions. Some regulations may not be improved for the fear that business will abuse the system. It is less than 10 years since this current government began efforts to build up the trust between the government and the private sector. The mindset of the past is still there even though through training and sensitisation progress is being made.

## **Limited institutional capacity**

The successful engagement of stakeholders in the formulation of rules and regulations governing investment processes in Tanzania has to some extent been constrained by limited institutional capacity on both sides. The private sector in Tanzania is relatively young and is made up of a very few companies with a large informal sector. Although some of the institutions that are supposed to represent the private sector interests have been able to structure themselves accordingly, most of them suffer from mismanagement, personality conflicts, and lack of effective participation among members. This reduces their credibility as serious institutions capable of handling their obligations. This also makes it difficult for the government to consider them as equal partner with the government. On the other hand, public service delivery is perceived to be inadequate because of unimaginative bureaucracy and lack of incentive to achieve results.

## **Financial Constraints**

Like many other developing countries, the process of improving transparency in Tanzania has been hampered from the lack of sufficient funds to support these processes. Some of the stakeholders have not been able to participate and meet their obligations as they lack the funds to do so. In the last Investors' round table meeting held in Zanzibar, May 27<sup>th</sup> 2003 for example, close to 100% of the Tanzania National Business Council's participation had to be financed by government.

The requirement that all potential investors must have all meaningful information on all regulatory measures affecting investments made available to them is an expensive task. The cost of processing and publishing information, as well as, distributing it to the public is relatively expensive in Tanzania, even when compared to other developing countries. Although all the changes in rules and regulations governing investments are published in the government gazette, the number of copies made to the public and their distribution is limited to the government funds available. Conducting seminars and sensitisation program for greater transparency requires a substantial size of financial resources.

Lack of government funds to pay civil servants reasonable salaries has also partly constrained government efforts to improve transparency. The high levels of investors' negative perception of corruption in the country may be attributed to the low salaries that government officials receive.

## **Underdeveloped Infrastructure**

Efforts to disseminate investor related information to the public has been improving, however, because of the Country's underdeveloped infrastructure, some stakeholders have not been promptly or adequately been informed. The development of the Internet has greatly enhanced information to potential investors overseas and in cities and towns where the Internet is accessible. On the other hand, very few businesses in Tanzania are connected to the Internet or even have access to it. Even for those that have access very few of them are aware of its potential. Providing investment information on the Website has limitations as a greater portion of the investors especially those outside Dar-es-Salaam, cannot access the internet as infrastructure coverage is limited.

## **Conclusion**

Transparency of the investment process through the involvement of stakeholders has greatly benefited both the Tanzanian government as well as the private sector. Involving stakeholders in the formulation of laws and regulations has enabled the government to better understand the costs and benefits of any new proposed legislation. A good example of stakeholder participation in the investment process in Tanzania is the new Income Tax bill that is now being discussed in different forums. The bill was made available to the public through different media including the Internet. Stakeholders were then required to submit their proposals of the bill to the National Board of Accountants and Auditors (NBAA) that would then table

them to the Tax Reform Taskforce where all stakeholders are represented. Many of the proposals have been very useful to policy makers. Some of them have provided alternative routes of revenue generation that had been overlooked. The Tax Reform Taskforce has been broadened to include representatives of workers trade unions, professional associations and representatives from each major industry sector.

By incorporating all major stakeholders in the investment process, Tanzania has also benefited from the commitment that stakeholders have made to ensure the successful implementation of the ongoing reforms. The increased representation and dialogue between the government and the different stakeholders has enabled the private sector to take ownership of the ongoing economic reforms. This is reflected in the different roundtables where the private sector has participated in shaping the country's "Vision 2025" and also taking part in the implementation of strategies leading towards that vision as explained earlier.

By involving stakeholders in the investment process, the government has also begun to mobilise existing tangible and intangible resources for enhancing the country's competitiveness. A good example of this is the forum where the government and the private sector have agreed to overcome the current weakness of skilled manpower by jointly working out the means of achieving that object. As a start the government contributed US\$ 4 million to that end and the private sector agreed to contribute US\$ 1 million to enable the country achieve that objective.

As found in the results of independent surveys on transparency of the investment process in Tanzania, where more than 95 percent of the investors were satisfied with the governments efforts to build partnerships with the private sector. They also find a more positive attitude of government officials willing to provide access of government information to investors.

The establishment of the BEST programme will certainly consolidate strengthen the efforts made so far to increase transparency by greater involvement of the stakeholders in the investment process. This is articulated by the fact that the BEST programme has allocated one component for private sector advocacy that will be supported by the government and donors.

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