



**THE UNITED REPUBLIC OF TANZANIA**  
**MINISTRY OF WORKS AND TRANSPORT**  
**ROADS FUND BOARD**



**STRATEGIC PLAN**  
**FOR**  
**THE FINANCIAL YEAR 2021/22 - 2025/26**

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## ACROYNORMS AND ABBREVIATIONS

AIDS	Acquired Immune Deficiency Syndrome
CAG	Controller and Auditor General
DFID	Department for International Development
DMFA	Deputy Manager Finance and Administration
DMRM	Deputy Manager Resources Mobilisation
DMTS	Deputy Manager Technical Service
EAC	East African Community
EWURA	Energy and Water Utilities Regulatory Authority
FY	Financial Year
HDM	Highway Development and Maintenance System
HICT	Head of Information Communication Technology
HIV	Human Immunodeficiency Virus
HPMU	Head of Procurement Management Unit
IA	Internal Auditor
ICT	Information Communication Technology
IK	Illuminating Kerosene
IT	Information Technology
LGAs	Local Government Authorities
MDA	Ministry, Department and Agency
MIS	Management Information Systems
MoFP	Ministry of Finance and Planning
MoWT	Ministry of Works, Transport
MoU	Memorandum of Understanding
NAOT	National Audit Office of Tanzania
PFA	Public Finance Act
PBPA	Petroleum Bulk Procurement Agency
PORALG	President's Office, Regional Administration and Local Government
POPSM	President's Office, Public Service Management
PPA	Public Procurement Act
PPRA	Public Procurement Regulatory Authority
PPP	Public Private Partnership
RF	Roads Fund
RFB	Roads Fund Board
SP	Strategic Plan
SWOC	Strength, Weakness, Opportunities and Challenges
TANROADS	Tanzania National Roads Agency
TARURA	Tanzania Rural and Urban Roads Agency
TPA	Tanzania Ports Authority
TRA	Tanzania Revenue Authority
VAT	Value Added Tax
VfM	Value for Money
VfMI	Value for Money Instrument
URT	United Republic of Tanzania

## PREFACE

Like in all other countries, roads network is the most valuable public asset in Tanzania. The value of classified roads in Tanzania Mainland is estimated to be TZS 21 trillion – equivalent to about 16 percent of GDP.

In addition, road transportation is the mode of transport most used for cargo and passenger transport as it is used by more than 90 percent of passengers and 80 percent of cargo. Therefore, road infrastructure plays vital role by providing mobility for efficient movement of people and goods across the country. It guarantees timely, safe and efficient transport for cargo and passengers and consequently lower costs of doing business.

However, to sustain these benefits, roads require proper and constant maintenance. This is because, like other assets, roads tend to deteriorate due to aging, traffic overloading and negative weather impacts. Therefore, adequate maintenance is important because it prolongs life of the roads, reduces road user costs and other social and economic costs associated with poor road conditions. Proper maintenance preserve value of road assets and sustain their utilization.

Institutional, technical and financial capacities are prerequisite for timely and adequate road maintenance.

In view of the above, the Government established the Roads Fund and its Board<sup>1</sup> to strengthen institutional and financial capacities necessary for ensuring proper road maintenance.

With establishment of the Fund and its Board, financing of road maintenance

programs is guaranteed. This has led to significant improvement of road condition, preservation of road asset value and sustenance of roads utilization. Over 85 percent and 58 percent of National and District roads, respectively, are in good and fair condition.

However, despite the achievements, inadequate financing of road maintenance programs has continued to be a critical challenge facing the Board. For the past five years, the financing capacity has remained below 50 percent of financing requirements for the maintenance from Road Agencies. The financial requirements have continued to increase due to expanding roads network, increased traffic and impacts of climate change. The persistent financing gap has led to build-up of back-log maintenance and further deterioration of roads network.

The Board also foresees challenges associated with technological development such as use of alternative energies for running vehicles and improved fuel-efficient vehicles. The Board plans to respond appropriately to prevent any impact of these developments on collections from fuel levy.

The Board's Strategic Plan for the FY 2020/21 – 2025/26 period has been prepared with focus on how to address the above challenges.

Specifically, the Board will continue to research on new sources of Roads Fund revenue with the view to diversify the sources and increase financial resources for roads maintenance. Use of new technologies will be promoted to improve

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<sup>1</sup> Established by the Road and Fuel Tolls Act CAP 220.

efficiency in revenue collection. In addition, use of low-cost technologies for road works will be promoted to maximize on use of limited financial resources.

The Plan is aligned with UN Sustainable Development Goals, National Vision 2025, National and Sectoral Development Plans and relevant legal frameworks and guidelines. Specifically, implementation of the Plan is geared towards achieving specific objectives of the third 5-Year National Development Plan, namely improving competitiveness, facilitating export-oriented growth, increasing Tanzania's share of international trade and transforming Tanzania into a manufacturing hub.

The Board will continue to be vigilant and ensure the limited resources from road users are spent appropriately to achieve the intended value for money. To this end, the Board will strengthen its monitoring and evaluation system and ensure its decisions are well informed by the results.

The Board would like to appreciate support that Government has continue to give that has allowed successful execution of its operations. The smooth transfer of funds to the Fund's account has enabled the Board to timely transfer the funds to Road Agencies.

The Board appreciates the continued productive cooperation with road users. Road users are the main contributors for road maintenance financing through payment of road user charges. They will be centre of the Board's operations by



Mr. Joseph O. Haule  
**Chairman of the Board**

ensuring roads are well maintained and ensure value of their money is achieved.

I appreciate the continued productive cooperation with Development Partners. The Partners have played an important role in financing various road works and strengthening capacities necessary for roads asset management. Given the magnitude of financial requirements for road maintenance, we urge the Partners to consider availing more resources to complement the Fund's resources.

To perform its mandate successfully, the Board counts on continued commitment of the Road Implementing Agencies in prudently managing and implementing road works.

We urge local contractors to put more efforts in strengthening their technical and financial capacities. This will enable them to effectively participate in execution of road works, benefit from funding opportunities and avoid costly delays to Road Agencies and road users.

For successful implementation of the Plan in the next five years, we request all stakeholders to continue cooperating with the Board to manage, protect and preserve road assets in order to optimize the use of the network by the road users and minimize the maintenance costs. This is vital for attaining the envisaged socio-economic well-being of the public.

The Board reiterates its commitment to deliver quality service to its stakeholders as we uphold our motto: ***"Together we maintain our roads for sustainable socio-economic development"***



## EXECUTIVE SUMMARY

This is the third Roads Fund Board Strategic Plan covering the period of financial year 2021/22 to 2025/26. The Plan presents the vision, mission and core values as the main attributes of the Board in executing its functions. It further expresses what the Board intends to attain during the five-year period in the form of objectives, targets and results. It also presents the result framework that specifies how results will be measured.

Preparation process for the Plan has been informed by results from review of implementation of the second Strategic Plan. Main critical issues that were identified include limited capacity of Roads Fund to finance road maintenance work programs; delays in execution of planned road maintenance works, limited capacity to analyse annual road maintenance programs from Road Agencies; and limited technical expertise in monitoring and evaluation of work programs.

Preparation of the Plan involved extensive consultations with key stakeholders, including relevant Government Ministries and informed persons in the roads transport sub-sector and roads maintenance.

On the other hand, various global, regional and national development agenda, strategies and plans were reviewed to ensure alignment of the Plan. These include the United Nations Sustainable Development Goals, Regional Plans and Strategies, the National Vision 2025, Development Plans, Ruling Party Manifesto as well as sectoral plans and strategies.

Financing roads maintenance practices in other countries were also reviewed with the view to benchmark with similar practices in Tanzania with the view to learn good practices and how to adopt them.

To ensure the Plan is in line with relevant legal frameworks, the following legal provisions were reviewed: The Road Traffic Act 1973; The Road and Fuel Tolls Act Cap 220; The Roads Act No. 13 of 2007; and The East African Community Vehicle Load Control Act 2016.

The following the priority areas of the Plan:

- (i) HIV/AIDS and Non-communicable Diseases (NCD) Intervention strengthened;
- (ii) Implementation of National Anti-Corruption Strategies enhanced;
- (iii) Funding adequacy for roads maintenance enhanced;
- (iv) Value for money on the road network and road works enhanced; and
- (v) RFB Institutional capacity to undertake its mandate improved.

During implementation of the Plan, special attention will be on strengthening institutional capacity to address the critical challenge of road maintenance financing deficit and ensuring value for money for road works. Particularly, robust monitoring and evaluation systems for revenue collection and road works will be developed and strengthened. In addition, analytical capacities will be enhanced to allow for more effective monitoring and evaluation.

Also, the Plan includes strategies to reduce costs of road maintenance works such as promotion of adoption of low-cost and labour-based technologies. Scale-up use of the

technologies and resultant reduction of costs will partly address the challenge of road maintenance financing capacity.

# CHAPTER ONE

## 1.1 INTRODUCTION

### 1.2 Historical Background

Towards the end of 1990s, road network in Tanzania was experiencing rapid deterioration and huge backlog maintenance due to inadequate and untimely maintenance. Inadequate and untimely maintenance were caused by inadequate funds to finance. By then, financing of the maintenance works was from Consolidated Fund Services.

To ensure sustainable financing of road maintenance works, the Government implemented reforms in 1990s in the road sub-sector. One of the reforms was establishment of the Roads Funds. Two Roads Funds were established under two separate declarations made by the Minister for Finance, namely:

- The "Declaration to Establish a Special Roads Fund" or "The Roads Fund" made in August 1991; and
- The "Declaration to Establish the Local Government Roads Fund" in August 1992.

The Government established the Fund to finance maintenance costs for regional core roads as well as rehabilitation and maintenance of urban and district roads. Sources of revenue for the Funds were road tolls levied on petrol, diesel, transit charges, overloading fees, and heavy vehicle license fees.

The Funds were administratively established in accordance with Section 17(i) of the "*Exchequer and Audit Ordinance*" (CAP 439). To give legal mandate to the Fund, the Roads and Fuels Tolls Act, 1998 was enacted. The Act established the Roads Fund and the Roads Fund Board. The Act has been revised and is titled as the "*Roads and Fuels Tolls Act, CAP 220*".

### 1.3 Mandate of the Roads Fund Board

The Board mandate is to manage the Roads Fund by ensuring full collection, disbursement of the funds to Road Agencies and monitoring the utilisation of the funds to ensure value for money.

### 1.4 Roles and Functions

Pursuant to the Act, the main functions of the Board with respect to the Fund are:

- a) To advise the roads Minister on new sources of roads and fuel tolls, adjustment of rates of existing roads and fuel tolls and on regulations for collection of roads and fuel tolls for the purpose of ensuring adequate and stable flow of funds to road operations;
- b) To set out procedures for agents with respect to the collection of roads and fuel tolls for the purpose of the Fund;
- c) To ensure full collection and transfer of collected roads and fuel tolls to the Fund's account;

- d) To develop and review periodically the formula for allocation and disbursement from the Fund to road agency and advise the roads minister accordingly;
- e) To recommend to the roads Minister an allocation of funds for road agency to undertake road management at a level that is suitable and affordable;
- f) To disburse funds from the Fund to road agencies;
- g) To ensure that the operations of road agencies and the Fund are technically and financially sound; and
- h) To monitor the use of the funds disbursed to road agencies for the purpose of the objectives of the Fund.

To perform its roles and functions effectively, the Board prepares and implement five-year strategic plans. The plans specify the following main elements:

- Vision and mission to give direction for planning and implementing Board's operations;
- Core values necessary for achieving the vision and mission;
- Objectives to be attained in order to achieve the vision and mission;
- Targets to be achieved for each objective; and
- Results framework specifying how results are measured.

### **1.5 RFB Five -Year Strategic Plan III**

The five-year Strategic Plan III covers the period 2021/22 to 2025/26. It has been developed at a time when the road maintenance needs have increased due to - among other factors - expansion of road network, impact of climate change and limited financing capacities of the Fund. The Plan has been prepared to address the challenges facing financing of road maintenance works.

### **1.6 Purpose of the Plan**

The purpose of Plan III is to present critical issues in management of road maintenance and strategic interventions that the Roads Fund Board intends to implement to address the issues during the period 2021/22 to 2025/26. The Plan provides the basis for accountability by assessing Board's performance against pre-set key performance indicators.

### **1.7 Approach**

The Plan has been prepared in accordance with the Medium-Term Strategic Planning and Budgeting Manual of 2007. The Board prepared the Plan in collaboration with road Implementing Agencies; Ministry of Works and Transport; President's Office Regional Administration and Local Government; and the Office of Treasury Registrar. President's Office-Public Service Management and Good Governance provided technical support for its preparation.

The Board conducted consultations with a wide range of external stakeholders through interviews and consultative meetings.

The Board reviewed the second Strategic Plan for the period 2015/16 to 2020/21 to inform the preparation process. From the review, critical issues and challenges were identified and they formed basis for preparation of the new Plan. In addition, documentary review was conducted to ensure alignment of the Plan with key related legal provisions, policies, visions, plans and protocols.

### **1.8 Layout of the Plan**

The Plan consist of four chapters. **Chapter One** presents introduction to the Plan including background, approach, purpose of the Plan whereas **Chapter Two** discusses the situational analysis covering performance review, stakeholder analysis and SWOC analysis. **Chapter Three** presents the plan for the period 2021/22 to 2025/26 including Mission, Vision, Core Values, Objectives, Strategies, Targets and Key Performance Indicators. **Chapter Four** presents the results framework for the Plan.

The Plan includes three annexes the organogram, the Plan implementation matrix and the results framework.

## CHAPTER TWO

### 2.1 SITUATION ANALYSIS

#### 2.2 Introduction

This chapter presents the internal and external situation analysis by analysing previous mission, vision, core values, and performance review on the previous objectives and targets, benchmarking, SWOC and stakeholder's analysis. Furthermore, the analysis involved recent initiatives undertaken out of the plan and later critical issues were drawn.

#### 2.3 Review of Vision, Mission and Core Values

<b>Vision</b>	"Excellence in road fund management for a well-maintained public road network"
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After review, it was concluded that the Vision is still valid to provide direction in executing RFB mandate.

<b>Mission</b>	"To provide sustainable and sufficient funding for road maintenance to Road Agencies through collection, disbursement, monitoring and control its utilisation for socio-economic wellbeing of the public".
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After the review, the Mission statement was confirmed still translates well the functions of the Board in respect to the Fund and it reflects the desired outcome of socio-economic wellbeing of the public. In addition, the Board aims to achieve at full maintenance cost recovery as well as optimisation of the value on the road network for the generated revenues from the road user charges.

#### Core Values

- Integrity** : We observe and maintain high standards of ethical behaviour and the rule of law.
- Transparency** : We are open, accountable and responsible to stakeholders.
- Teamwork** : We work as a team to achieve our objectives.
- Competence** : We depend on skills, knowledge, and experience in all fields of our operations.
- Innovation** : We believe in creativity, technologies, and practices to enhance quality, effectiveness and efficiency in road maintenance financing.
- Professionalism** : We execute our duties with respect to professional skills, ethics, standards and guidelines.

The core values of the Board have been included in the Plan to reflect the Institutional attributes to be observed in execution of its mandate towards the Vision.

## **2.4 Review of Relevant Information**

### **(i) Tanzania Development Vision 2025**

Tanzania Development Vision 2025 envisages transforming Tanzania to a middle economy society by 2025. The Vision accords high priority stimulating transport sector, which is considered vital in bringing about social and economic transformation. Under attribute number five of the Vision, one of the targets in the road sector is to have an adequate level of physical infrastructure needed to cope with the requirement of the Vision in all sectors.

One of the strategies for realisation of the Vision in economic competence and competitiveness is infrastructure development, in particular, road network for promoting rural development. Development of the road network will automatically attract a need for new financial resources to maintain the newly developed road network.

Adequate financing of road maintenance works is key for realization of the Vision objective of roads maintenance. However, inadequate capacity to finance road maintenance needs is one challenge the Board is facing. For the past five years, capacity to finance road maintenance works has been below 50 percent of actual financial requirements. Future financing capacity based on the current sources and rates indicate further decline of the capacity from 45.9 percent in the FY 2021/22 to 38.0 percent in the FY 2025/26. Therefore, it is imperative to devise strategies to strengthen resource mobilization initiatives to cater for road maintenance needs.

### **(ii) United Nations Sustainable Development Goals**

The 17 UN Sustainable Development Goals (SDGs) give a global plan for a sustainable future, both economically, environmentally and not least socially.

Investment in infrastructure and innovation are pointed as crucial drivers of economic growth and development. Technological progress is also key to finding lasting solutions to both economic and environmental challenges, such as providing new jobs and promoting energy efficiency. In some low-income African countries, infrastructure constraints cut businesses' productivity by around 40 percent.

### **(iii) The Five-Year Development Plan 2020/21- 2025/26**

The overall objective of the FYDP III is consistent with aspirations of the Vision 2025. It further focuses on spurring industrialisation with increased export growth and trade while consolidates competitiveness in the domestic, regional, continental and global markets.

Specific objectives of the Plan that relate to road sub-sector include the following:

- a) To transform Tanzania into a manufacturing hub of East, Central and Southern Africa, and significantly increase Tanzania's share of international trade;
- b) To facilitate continued industrialization as a basis for export-oriented growth, including focusing on new products and markets; and
- c) To improve competitiveness and productivity in all sectors, especially those in production, manufacturing and service provision.

Quality of infrastructure is identified as one of the factors that affect competitiveness of the economy. This is caused partly by and lack of regular and efficient maintenance mechanisms. The Plan will continue expanding networks and quality of infrastructural services. The following are key interventions in the road sub-sector:

- a) Complete construction of 2,500 km of paved roads;
- b) Decongestion of road networks in major cities;
- c) Construct 6,006 km of paved roads;
- d) Begin construction of 14 bridges; and
- e) Complete construction of seven bridges.

Effective road maintenance will contribute to ensuring good quality of infrastructural services as well as preserve value of the above road asset that the Government plans to construct.

#### **(iv) Transport Sector Investment Program Phase III**

The main objective of TSIP III is to address the TSIP II gaps as well as the targets identified in the 2<sup>nd</sup> FYDP (FY 2016/17 - 2020/21) in order to achieve transport policy objectives. The targets that were not met in TSIP 2 include narrowing of the road maintenance financing gap. The gap has increased to 58% in 2020/2021. TSIP III provides general financing sources such as government tax and non-tax revenues, support from development partners, agency own funds and public-private partnerships. To address the financing gap, the Board will continue with strategies to increase revenue and reduce maintenance cost through research and adoption of low-cost technologies and explore more sources of financing as proposed in the TSIP.

#### **(v) Construction Industry Policy 2003**

The Policy aims at creating and enabling environment for the development of a vibrant, efficient and sustainable local industry for sustainable economic and social development objectives. The policy recognises the establishment of Roads Fund and Roads Fund Board as one of the Government-led initiatives geared towards fostering local construction industry.

The objective of the Policy is to develop an internationally competitive industry that will be able to undertake most of the construction projects in Tanzania and export its services and products, and ensure value for money to industry clients as well as environmental responsibility in the implementation of Construction projects. It aims at creating an enabling environment for the development of a vibrant, efficient and sustainable local industry for meaningful economic and social development objectives.

Despite of its good guidance in the sector, it is outdated and therefore do not address new development in the construction industry. There is a need a review of the Policy to reflect current needs and aspirations of construction sector as it is more than 10 years since it was developed.



### **(vi) National Transport Policy 2003**

National Transport Policy of 2003 envisage having efficient and cost-effective domestic and international transport services to all segments of the population and sectors of the national economy with maximum safety and minimum environmental degradation.

The medium and long-term objective of the Policy is to bituminise all trunk roads while ensuring that all regional roads as well as district roads, are sufficiently rehabilitated and maintained. Therefore, the Policy calls for the need to have sustainable funds for roads maintenance financing needs. The Board has continued to implement measures to strengthen Fund's financing capacity and use of climate resilient technologies to mitigate impact of climate change on roads infrastructure.

### **(vii) Road Safety Policy 2009**

The National Road Safety Policy is a critical initiative in the effort to elevate road safety issues to a position of high priority on the national agenda. It provides the basis for working towards attaining the vision of a safe traffic environment. The Government intends to set-up a dedicated Road Safety Fund to be administered by the Roads Fund Board to finance road safety activities.

### **(viii) The Road Traffic Act 1973**

The Act mandates various authorities in issues related to roads and some have mixed implication on who should execute the provisions it contains.

- Section 2(1) of the Act defines a Minister as the minister for time being responsible for Road Traffic and empowers the Minister to make regulations to be conveyed to road user in the form of traffic signs.
- Section 96 of the Act gives power to Prime Minister to establish a National Road Safety council and Section 97 (a) and (f) of the same gives powers to the Council to identify road safety activities and make proposal for amending traffic and road safety legislation.

The above provisions pose challenge for financing road safety and maintenance in relation to the provision of the Road Safety Policy and the Roads and Fuel Tolls Act Cap.220. Smooth financing and implementation of road safety related activities would require harmonization of legal provisions.

### **(ix) The Road and Fuel Tolls Act Cap 220**

The Roads Fund and its Board were established by the Road and Fuel Tolls Act CAP 220. While the purpose of the Fund is to mobilize roads maintenance funds, the Board manages the Fund by performing the functions stipulated in Section 5(4) of the Act.

### **(x) The Roads Act No. 13 of 2007**

Section 4 of the Roads Act highlights the responsibilities of the Ministry responsible for roads with regards to development and maintenance of roads network. The Act provides for promotion and fostering capacity building, in the road sector, promote involvement

of the private sector in development, maintenance and management of roads; and to oversee and monitor road safety and environmental issues.

### **(xi) Ruling Party Election Manifesto 2020 - 2025**

The former Ruling Party Manifesto (2015) under Para 39 stipulated for strengthening of the Roads Fund, monitoring of the disbursed funds and institutionalising of a new Road Agency which will cater for the maintenance of districts roads. The achievements as indicated under Para 51(a) of the CCM Elections Manifesto 2020 were:

- a) Establishment of two new sources of revenue for the Roads Fund namely, parking fees and roads reserve user charges;
- b) Improved monitoring and evaluation of road works whereby the Councils were provided with gravel testing kits; and
- c) TARURA was established solely for management of district roads.

In addition to the above, Para. 55(a) of the Elections Manifesto 2020, directs RFB to improve revenue collection systems for TARURA and TANROADS in respect of roads user charges; improve collection from existing sources, research and establishment of new sources; review of Fund allocation Formula between Road Agencies; and strengthen road works monitoring to achieve value for money.

### **(xii) SADC Protocol on Transport, Communication and Meteorology**

Article 46 of SADC Protocol on Transport, Communication and Meteorology, provides for, among other things:

- a) Preserving assets vested in road infrastructure (Objective);
- b) Developing complementary strategies to reduce costs of constructing and maintaining respective road network including consideration for potential for reducing road financing needs (policy);
- c) Ensuring that revenue obtained from roads users under road user charges are dedicated to provision, maintenance and operation of roads (funding sources);
- d) Ensuring that road users contribute to a full cost of providing and maintaining roads (funding sources);
- e) Develop joint research to assess adequacy of roads funding (Initiative); and
- f) Establish Regional Road Maintenance Fund (Initiative).

Implementation of the Protocol at country level has been limited and therefore SADC Member States, including Tanzania still face challenges associated with road maintenance as follows:

- a) limited adoption of low-cost technologies;
- b) partial transfer of road user charges to Roads Fund accounts;
- c) collections from road users are not adequate to finance road maintenance works;

- d) limited information available on joint regional research to assess the funding adequacy; and
- e) Regional Roads Fund not operational to provide funding for roads maintenance.

To promote harmonized national road user charge systems, it would require Member States to agree on types of road user charging and introduce in their respective territories on basis of regular exchange of information.

### **(xiii) Program for Infrastructure Development in Africa**

Africa Union Infrastructure Framework - Program for Infrastructure Development in Africa (PIDA) intends to finance some road projects in Tanzania like the Central Corridor that would facilitate travel for people and goods across the borders between Tanzania, Uganda, Rwanda, Burundi and DRC. Under the Programme, 29 infrastructure projects are planned for financing in Tanzania – including 18 road projects<sup>2</sup>. The roads to be constructed will ultimately need funds for maintenance upon completion.

Information on implementation status of the Programme is limited. The Board plans to closely follow-up on implementation of the Programme with the view to establish maintenance needs from road projects to be constructed.

### **(xiv) National Environmental Policy of 1997**

The overall objective of the Policy is to ensure sustainable and equitable use of resources without degrading the environment or risking health or safety: also preventing and controlling degradation of land, water, vegetation, and air. Since Meteorological services are cross-cutting, the services provide inputs to environmental management. Hence there is a need to mainstream meteorological services with environmental management action plans within the country.

### **(xv) The East African Community Vehicle Load Control Act 2016**

The Act provides legal framework for harmonization of weighbridge operations in EAC. It requires EAC Partner States to establish and manage ICT systems for weighbridges and weighing stations to facilitate sharing of information within the regional network and Measurement of weight be based on single axles for controlled road damage.

Implementation of the Act face some challenges including delays in approving regulations for management of Regional ICT system by EAC Council of Ministers. The Act has been published but three Regulations enacted and approved by the EAC Council to implement the Act have not been published.

On the other hand, there is use of different types of axles that cannot be detected by the same system; and capacities of the Board to monitor and evaluate weighbridge operations is limited.

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<sup>2</sup> <https://www.au-pida.org/pida-projects/>

Capacities to monitor and evaluate weighbridge operations is key for protection of road infrastructure from pre-mature deterioration. Publication of the Regulations and regular monitoring and evaluation of their implementation is also important.

## 2.5 Cases of Financing of Roads Maintenance in other Countries

The road Funds are primarily established to finance road maintenance works. For example, in Tanzania, at least 90 percent of money deposited in the Road Fund account is used for maintenance and emergence repair of classified roads and related administrative costs while in Kenya the Fund is used for programs relating to the maintenance, rehabilitation and development of the road network.

Most of Roads Funds in African countries lack capacity to fully finance maintenance of the entire road network. Instead, they attempt to fully maintain a high-priority core network and are only undertaking spot repairs and emergency maintenance on the remainder of the network.

In Ghana, the main three sources of revenue to finance road maintenance are: (i) fuel levy, bridge and ferry tolls, and weighbridge fees; (ii) vehicle license fees; and (iii) international transit fees. Maintenance, minor rehabilitation and upgrading is also financed by the government's general budget, together with donor grants and loans.

Fuel levy, bridge and ferry tolls, and weighbridge fees are effectively charged for use of the road network, while vehicle license fees are charged for access to the road network. International transit fees are simply charged to foreign vehicles for use of the road network.

Fuel levy is widely used as source of roads fund revenue and is best practice to specify it as a discrete charge added to the price of fuel, rather than as a percent of the price, and to avoid referring to it as a tax. This emphasizes that it is a road tariff and not part of the regular fuel tax. The fuel levy is the most important charge and usually accounts for over 80 percent of road fund revenues in most of the countries. It is a good proxy for a user charge, since it bears a reasonably close relationship to the costs of road use. In some countries such as Guatemala and Honduras, 100 percent of road maintenance budget is financed through fuel levy.

Other common taxes and charges paid into the road fund include VAT, registration fees, vehicle inspection fees and driving license. However, these are regarded as general taxes, which are designed to collect general tax revenues or service fees.

## 2.6 Performance Review

Performance of the Board was reviewed by assessing achievement of objectives. The analysis also revealed challenges encountered in some areas during implementation of the Strategic Plan and the way forward to address the challenges.

Review of implementation of the Plan in the first four years indicate overall achievement of about 86%. The details are as shown in the KPI analysis in **Annex 3**.

Achievements, constraints and way forward for each objective are detailed below:

## **2.6.1 Objective A: HIV/AIDS infections reduced and support services improved**

### **2.6.1.1 Achievement**

- (i) Four awareness sessions were conducted: and
- (ii) Protective gears (condoms) were made available on monthly basis.

### **2.6.1.2 Constraints**

Lack of formal mechanism or system for reporting and management of HIV/AIDS cases.

### **2.6.1.3 Way forward**

Establishment of formal mechanism or system for reporting and management of HIV/AIDS cases.

## **2.6.2 Objective B: National anti-corruption strategy enhanced, sustained and effectively implemented**

### **2.6.2.1 Achievement**

- (i) Four awareness seminars on anti-corruption were conducted;
- (ii) Four integrity committee meetings were conducted annually; and
- (iii) There has been no reported or implied issue of corruption at RFB or involving RFB member.

### **2.6.2.2 Constraints**

Lack of formal mechanism for detecting and reporting of unethical conducts.

### **2.6.2.3 Way Forward**

Establish mechanism for reporting of unethical conducts.

## **2.6.3 Objective C: Funding adequacy for road maintenance enhanced**

### **2.6.3.1 Achievement**

- (i) RFB conducted study on new sources of revenue and two sources of revenue were established, namely parking fees and charges on use of road reserve. However, collection from the sources have not been effective due to conflicting legal provisions;
- (ii) Research grant guideline has been prepared and approved ready for providing guidance on research including new technologies of road maintenance;
- (iii) Mandatory vehicle inspection fee was identified as source of revenue for Roads Fund. However, collection from this has been constrained by contradiction between legal provisions; and
- (iv) A concept note on collection of vehicle parking fees was prepared with recommendations on electronic collection system and management framework.

### 2.6.3.2 Constraints

Implementation of the above measures for broadening the revenue base have been constrained by contradicting legal provisions. Therefore, financial requirement for roads maintenance have continued to be higher than the budget. The gap has increased from 51% in 2016/17 to 58% in 2020/21 as indicated in *Table 2.1* below.

**Table 2.1: Status of Maintenance Needs against Budget (TZS billion)**

<b>Unconstrained Budget</b>	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>	<b>2020/21</b>
TANROADS	775	855	999	1,199	1,268
PO-RALG/TARURA	779	706	587	639	699
<b>Total of Unconstrained Budget (A)</b>	<b>1,554</b>	<b>1,561</b>	<b>1,586</b>	<b>1,838</b>	<b>1,967</b>
<b>Constrained Budget</b>					
TANROADS	520	573	568	524	573
TARURA	248	245	243	225	245
<b>Total of Constrained Budget (B)</b>	<b>768</b>	<b>818</b>	<b>811</b>	<b>749</b>	<b>818</b>
<b>Finance Gap (A-B) = C</b>	786	743	775	1,089	1,149
<b>% of maintenance capacity (B/A)</b>	<b>49%</b>	<b>52%</b>	<b>51%</b>	<b>41%</b>	<b>42%</b>
<b>% of Financing gap (C/A)</b>	<b>51%</b>	<b>48%</b>	<b>49%</b>	<b>59%</b>	<b>58%</b>

Source: RFB, TANROADS & TARURA

### 2.6.3.3 Constraints

- (i) The Board submitted proposals for broadening the revenue base to the Government but were not approved. This include proposal to adjust the rate of TZS 263 per litre of petrol and diesel to compensate for impact of inflation. The rate was approved in July 2013 and has been eroded by inflation over the years. In addition, the proposals to introduce supplementary sources like insurance levy have not been approved.
- (ii) There has been a challenge in collecting revenue from use of road reserve for advertisement structures due conflicting legal provisions. Initially, Road Agencies were collecting respective annual charges and transfer to the Roads Fund account by virtue of the Roads Act Chapter 267. However, following amendment of the Local Government Finance Act Cap 290, Road Agencies do not collect annual collections and transfer to the account. After the amendment, TRA is mandated to collect the charges but do not remit collections to the account.
- (iii) Also the plan to collect compulsory motor vehicle inspection fees was not effected due to conflicting legal provisions. Whereas the Ministry of Home Affairs is mandated to conduct inspection, the ministry responsible for Works is mandated to manage Roads Safety Policy and mechanical issues.
- (iv) With regards to application of low-cost technologies, there has been limited efforts by Implementing Agencies to adopt and scale-up use of the technologies. Also there has been limited research activities for exploring low-cost technologies.

### 2.6.3.4 Way forward

To address the above challenges, the Board plans to implement the following initiatives during the next Strategic Plan period:

- (i) Submit proposals for review and amendment of laws that constrain its efforts to broaden the revenue base;
- (ii) Submit proposals for potential new sources of revenue for the Fund and adjustment of rates for existing sources;
- (iii) Conduct studies to address concerns from policy makers and road users regarding impacts of introduction of new sources and adjusting rates;
- (iv) Establish a strategy and mechanism to ensure low-cost technologies are adopted by Road Agencies; and
- (v) Set aside budget to promote research and adoption of low-cost technologies for road maintenance and development.

#### **2.6.4 Objective D: Allocation and disbursement of funds to Road Agencies improved**

##### **2.6.4.1 Achievement**

- (i) The allocation formula was reviewed. Results from the review suggested the critical main challenge is limited funds to finance road maintenance works and not the allocation of funds. Therefore, recommendation was to maintain the current formula while striving to solicit more resources.
- (ii) Disbursement of funds have been executed within two days

##### **2.6.4.2 Constraints**

- (i) Lack of effective road asset management system for management of District roads; and
- (ii) Lack of a single and comprehensive Road Maintenance Management System.

##### **2.6.4.3 Way forward**

- (i) Establish IT based data sharing system to be a strategy; and
- (ii) Establish of a single and comprehensive road maintenance and management system, the harmonised road asset management system together with a spatial database; and
- (iii) Facilitate policy dialogue to formulate prioritisation method for budget allocations to Road Agencies and road works.

#### **2.6.5 Objective E: Monitoring and evaluation of revenue collection and funds utilization enhanced**

##### **2.6.5.1 Achievement**

###### **2.6.5.1.1 Technical audit**

- (i) Preventive technical audit and follow-up visits were conducted as planned and recommendations are at various stages.

### **2.6.5.1.2 Revenue monitoring**

- (i) Monthly review of revenue reports from collecting agents and physical visits to collecting points.
- (ii) One special weighbridge monitoring was conducted and recommendations were submitted to TANROADS for implementation.
- (iii) Installation of CCTV camera and monitoring software to prevent road deterioration due to overloading. The installation and monitoring reduced percentage of vehicle overload from over one percent to below one percent. This implies less damage to roads and hence less maintenance cost.
- (iv) Transit charges operations were reviewed and harmonization advisory report were sent to relevant authorities for action.

### **2.6.5.2 Constraints**

- (i) Limited capacities to review proposals of roads maintenance works from the Implementing Agencies;
- (ii) Conflicting legal provisions regarding roads user charges limits smooth collection of the roads fund revenue;
- (iii) Inadequate communication and awareness creation for road users regarding changes in systems for revenue collection;
- (iv) Limited resources to conduct assessment of socio-economic impact of road maintenance works; and
- (v) Delays of implementation of maintenance works by road agencies and resultant delays in execution of preventive technical audits.

### **2.6.5.3 Way forward**

- (i) Set up, use and manage a monitoring and evaluation system for the Board;
- (ii) Enhance technical preventive audit of planning processes by Implementing Agencies – including rigorous scrutiny of annual plans presented by the Agencies;
- (iii) Facilitate capacity building on use of systems and interpretation of laws related to its areas of operations; including the development of a harmonised road asset management system together with a spatial database to enhance the Board's capacity to carry out monitoring and evaluations; and
- (iv) Conduct socio-economic impact evaluations of road maintenance work programs.

## **2.6.6 Objective F: Capacity of RFB to undertake its mandated functions improved**

### **2.6.6.1 Achievement**

- (i) Human resource plan was developed and various positions filled;
- (ii) Business Continuity Plan was prepared and is operational;



- (iii) Organizational structure and scheme of services was reviewed and submitted to Treasury registrar for approval;
- (iv) Cafeteria building is under construction;
- (v) Capacity building programme for staff and Board Members was developed, various trainings conducted;
- (vi) Staff houses are under construction;
- (vii) ICT strategic plan was developed and approved;
- (viii) Operational costs of RFB were met annually;
- (ix) Complaint handling mechanism was developed, approved by the Board and is operational; and
- (x) Research funding guideline was prepared and approved by the Board.

#### **2.6.6.2 Constraint**

Continued budget deficit that constrained setting of annual research fund

#### **2.6.6.3 Way forward**

Set fund for road related research funds as provided in the guideline.

### **2.7 Stakeholders' Analysis**

The Board's stakeholders are individuals or institutions with direct or indirect interest on roads; they are road users, financiers, fund collectors, information source or implementers of roads maintenance works. The analysis is as shown in *Table 2.2* below.

**Table 2.2: Stakeholder's Analysis Matrix**

	<b>Stakeholder</b>	<b>What RFB offer them</b>	<b>Stakeholders' Expectations</b>
(i)	Ministry of Works and Transport	<ul style="list-style-type: none"> <li>Proposals on new sources of revenue and adjustment of rates on existing sources;</li> <li>Recommendations on fund allocation formulae to Road Agencies;</li> <li>Mechanisms for collection and reporting of abnormal load permit fees;</li> <li>Annual, mid-year and quarterly performance and special reports;</li> <li>Funds for road development projects and road related activities;</li> <li>Technical advice on road related issues; and</li> <li>Guidelines on utilization of funds.</li> </ul>	<ul style="list-style-type: none"> <li>Sound advice on new sources;</li> <li>Recommendations on equitable funds allocation criteria;</li> <li>User friendly mechanisms for collecting and reporting abnormal load permit fees;</li> <li>Quality and timely reports;</li> <li>Timely disbursement according to operational plans;</li> <li>Sound technical advice on road related issues; and</li> <li>Easily understood and implementable guidelines.</li> </ul>
(ii)	Ministry of Finance and Planning	<ul style="list-style-type: none"> <li>Proposals on sources and use of roads fund;</li> <li>Proposals for amendment of Roads and Fuel Tolls CAP 220.</li> </ul>	<ul style="list-style-type: none"> <li>Realistic proposals on new sources and rates of Roads Fund; and</li> <li>Sound proposals for amendment of Roads and Fuel Tolls CAP 220.</li> </ul>
(iii)	President's Office, Regional Administration and Local Government	<ul style="list-style-type: none"> <li>Funds for road development and maintenance;</li> <li>Technical advice on road related issues;</li> <li>Guidelines on utilization of funds;</li> <li>Performance feedback; and</li> <li>Technical audit.</li> </ul>	<ul style="list-style-type: none"> <li>Timely disbursement according to operational plan;</li> <li>Timely and sound technical advice;</li> <li>User friendly guidelines on utilization of funds; and</li> <li>Timely and sound feedback.</li> </ul>
(iv)	Tanzania Revenue Authority	<ul style="list-style-type: none"> <li>Revenue study reports;</li> <li>Facilitation of data flow (system connectivity); and</li> <li>Revenue monitoring reports.</li> </ul>	<ul style="list-style-type: none"> <li>Clear, sound and credible reports;</li> <li>Automated and secured system; and</li> <li>Good cooperation in joint tasks.</li> </ul>
(v)	Road Agencies (TANROADS & TARURA)	<ul style="list-style-type: none"> <li>Mechanism for collection and reporting of overload, abnormal load permit fee and road reserve user charges;</li> <li>Funds for road maintenance;</li> <li>Technical advice on road related issues;</li> <li>Guidelines on utilization of funds;</li> <li>Performance feedback to TANROADS and TARURA; and</li> <li>Technical audit.</li> </ul>	<ul style="list-style-type: none"> <li>User friendly mechanism for reporting of overload, abnormal load permit fees and road reserve user charges;</li> <li>Timely disbursement of funds as per operational plan;</li> <li>Timely and sound advice;</li> <li>User friendly guidelines on utilization of funds; and</li> <li>Timely and sound feedback.</li> </ul>
(vi)	Transport Operators and Road Users' Groups	<ul style="list-style-type: none"> <li>Information on Road Fund operations;</li> <li>Platform for consultation and participation in fixing road user charges and reviewing laws and regulations;</li> </ul>	<ul style="list-style-type: none"> <li>Timely and reliable information on road fund operations;</li> <li>Well maintained roads;</li> <li>Business friendly roads legislation;</li> <li>Affordable road user charges; and</li> </ul>

	Stakeholder	What RFB offer them	Stakeholders' Expectations
			<ul style="list-style-type: none"> <li>Better management of funds.</li> </ul>
(vii)	Contractors / Consultants/ Suppliers	<ul style="list-style-type: none"> <li>Consultancy and non-consultancy work contracts, supply contracts; and</li> <li>Payments for the services/goods/works.</li> </ul>	<ul style="list-style-type: none"> <li>Adherence to public procurement procedures</li> <li>Timely payments.</li> </ul>
(viii)	Controller and Auditor General	<ul style="list-style-type: none"> <li>Financial statements within 90 days of closure of financial year;</li> <li>Facilitation of external auditing services; and</li> <li>Response to audit queries.</li> </ul>	<ul style="list-style-type: none"> <li>Timely submission of quality financial statements; and</li> <li>Adherence to national financial laws and regulations.</li> </ul>
(ix)	EWURA	<ul style="list-style-type: none"> <li>Collaboration during joint tasks;</li> <li>Fuel (diesel, petrol, IK and JET A-I) study reports; and</li> <li>Facilitation of data flow (system connectivity).</li> </ul>	<ul style="list-style-type: none"> <li>Effective participation in matters related to fuel importation, handling etc;</li> <li>Good cooperation in joint tasks; clear, sound and credible reports; and</li> <li>Automated and secured system.</li> </ul>
(x)	Development Partners	<ul style="list-style-type: none"> <li>Management of funds; and</li> <li>Performance reports and statistics.</li> </ul>	<ul style="list-style-type: none"> <li>Effective and efficient management of funds;</li> <li>Reliable statistics on roads; and quality and timely reports; and</li> <li>Good governance.</li> </ul>
(xi)	General Public	<ul style="list-style-type: none"> <li>Information on funds collection and disbursement and annual report.</li> </ul>	<ul style="list-style-type: none"> <li>Timely, accurate and reliable information.</li> </ul>
(xii)	Treasury Registrar	<ul style="list-style-type: none"> <li>Strategic Plan, MTEF and annual budget.</li> </ul>	<ul style="list-style-type: none"> <li>Performance Agreement calling for annual performance reports.</li> </ul>
(xiii)	CRB & ERB	<ul style="list-style-type: none"> <li>Support related to roads maintenance activities.</li> </ul>	<ul style="list-style-type: none"> <li>Collaboration on issues related to road maintenance activities.</li> </ul>
(xiv)	Non-State Actors	<ul style="list-style-type: none"> <li>Implementation reports; and</li> <li>RFB policies, guidelines, whistle blowing handling mechanism.</li> </ul>	<ul style="list-style-type: none"> <li>Timely accurate and reliable information.</li> </ul>
(xv)	Academia and Research Institutions	<ul style="list-style-type: none"> <li>Information and data on road maintenance; platform for consultation and participation in road related research and studies.</li> </ul>	<ul style="list-style-type: none"> <li>Effective collaboration in matters related to road maintenance activities; and</li> <li>Funding on research activities related to road maintenance.</li> </ul>

## 2.8 SWOC ANALYSIS

As part of a process for preparation of the Plan, analysis for strength, weakness, opportunities and challenges (SWOC) for the Board was conducted. Results from the analysis are presented in **Table 2.3** below.

**Table 2.3: SWOC Matrix**

Criteria	Strength	Weakness	Opportunity	Challenge
Management/Leadership	<ul style="list-style-type: none"> <li>(i) The Board is constituted by experienced government and private experts representing all key stakeholders;</li> <li>(ii) The Board performs its mandate independently and capable of overseeing operations of road implementing agencies;</li> <li>(iii) Schedule for Board meetings is clear and decision making process is transparent; and</li> <li>(iv) Management of the Fund is constituted of competent staff with extensive experience, diverse skills, and work as a team.</li> </ul>	<ul style="list-style-type: none"> <li>(i) Persistent inability of some Board Member to participate in meetings in person.</li> </ul>	<ul style="list-style-type: none"> <li>(i) Possibility to engage technical staff from other government ministries and institutions as well as private sector to carry out specific assignments.</li> </ul>	<ul style="list-style-type: none"> <li>(i) Long recruitment process for new staff and therefore prolonged vacant positions.</li> </ul>
System, processes and structure	<ul style="list-style-type: none"> <li>(i) Conducive working relationship between the Board and Management;</li> <li>(ii) Various internal controls are in place to ensure effective and efficient operations of the RFB, to achieve organizational objectives; and</li> <li>(iii) Roads Fund is governed by a Board, which is composed of multi skilled members drawn from Public and private sectors and provide high quality strategic decisions.</li> </ul>	<ul style="list-style-type: none"> <li>(i) As lean organization, the Management is stretched thin as it fulfils demands of new systems introduced by the Government such as MUSE and TaNEPS; and</li> <li>(ii) Non utilization of some modules in RFB MIS, which affects efficiency of RFB operations.</li> </ul>	<ul style="list-style-type: none"> <li>(i) Available capacities in the government to develop new systems such as revenue management system; and</li> <li>(ii) Possibility to integrate internal system with other system in government ministries and institutions.</li> </ul>	<ul style="list-style-type: none"> <li>(i) Persistent inability of some Board Member to participate in meetings in person;</li> <li>(ii) Delays to develop Road Asset Management Systems hinders prompt availability of information and high cost of data management.</li> <li>(iii) Reliance on one source (fuel levy) as a major source of revenue</li> <li>(iv) Lack of standard unit rates for road maintenance and development projects that leads to unreliable cost estimates.</li> </ul>
Political	Timely disbursement of funds based on a pre-determined formula with reference to Annual Performance Agreement.	Reluctance to adopt modern technologies in service delivery and change in mind set in utilisation of technology which results in inadequate use of available technologies.	Availability of other government institutions [e.g. TRA, TANROADS and TARURA] to collect revenues on behalf of the Board:	<ul style="list-style-type: none"> <li>(i) Increased traffic to neighbouring countries poses risks to road condition if road network is not adequately maintained due to limited resources.</li> <li>(ii) High cost of land acquisition</li> </ul>

Criteria	Strength	Weakness	Opportunity	Challenge
				for road construction associated with removal of roads reserve encroachers adds highly to the cost of the Fund.
Economic	Fund's revenue are ring-fenced by the law. This gives certainty to financing of planned and approved maintenance activities.	Limited revenue base and limited capacities of the Board to broaden the base and review of rates of existing revenue sources due to conflicting legal provisions.	<p>(i) Tanzania's geographical location provides opportunity for the ports and road network to serve passenger and cargo to/from landlocked countries. This contributes to Fund's revenue from fuel levy and transit charges; and</p> <p>(ii) Tanzania's membership in regional cooperation provide opportunity for increased trading and transport activities. This is key for revenue generation through transit charges and fuel levy.</p>	<p>(i) Limited local capacity for high-quality low-cost road construction and maintenance; and</p> <p>(ii) Slowdown of economic activities due to unforeseeable events. This pose risks of reduction in revenue collection.</p>
Social	Regular interactions with stakeholders build strong relationship that result to smooth implementations of various strategies.	Limited financing capacity for road maintenance for social development.	Stakeholders' readiness to support various implementation strategies.	Competing priorities and demands from the public such as use of road reserves.

<b>Criteria</b>	<b>Strength</b>	<b>Weakness</b>	<b>Opportunity</b>	<b>Challenge</b>
Technological	Existence of computerized systems and Financial Regulations, facilitate sound financial management of the Fund;	Limited capacities within the Board to adopt new systems due to limited number of staff.	(i) Availability of low-cost technologies which, if adopted, would reduce costs of road maintenance;  (ii) Available capacities within the Government to develop new systems such as revenue collection systems; and  (iii) Mandate of E-Government Agency (EGA) to coordinate IT systems within the Government. This shifts IT related risks and costs from RFB.	(i) Use of alternative sources of energy to run vehicles. This may reduce revenue collection in the short run before means are devised to collect revenue from the sources;  (ii) Increased use of new technology like super single tyres is detrimental to the road network resulting premature wear of the road assets; and  (iii) Rapid changes in technology and high cost of adapting such technologies lead to difficulties to cope with change.
Environmental	Annual allocation of funds for emergence budget.	Inability to provide enough funds to restore road infrastructure damaged by heavy rains.	Reliable source of weather forecast from Tanzania meteorological authority.	Human activities that are detrimental to the environment and roads infrastructure.
Legal Framework	(i) Funds for roads maintenance are ring-fenced by law [Road and Fuel Tolls Act CAP 220];  (ii) Funds for roads maintenance are ring-fenced by law [Road and Fuel Tolls Act CAP 220];  (iii) Legal frameworks that form basis for institutional frameworks for road maintenance and operations of Road Agencies, including Roads Act and Road and Fuel Tolls Act CAP 220.	(i) Road and Fuel Tolls Act CAP 220 does not specify some potential revenue sources as sources of revenue of the Fund. These include car parking fees and road reserve user charges.	(i) The current legal framework allows for introduction of new sources of revenue for the Fund.	(i) Different legal provisions that specify same revenue source as source of revenue for different entities e.g. Roads Act and Local Government Finance Act that specify car-parking fees as source of revenue.

## 2.9 Critical Issues

Based on the situation analysis the following critical issues have been identified:

- (i) Inadequacy of road maintenance financing funds;
- (ii) Inadequate evaluation of RFB plans and programs;
- (iii) Conflicting legal frameworks that constrains RFB capacity to execute its mandate;
- (iv) Prolonged staff recruitment processes and un-approved new organization structure;
- (v) Limited adoption and research on low-cost technologies for road maintenance works;
- (vi) Delays in execution of planned road maintenance works;
- (vii) Lack of integrated road maintenance and management systems;
- (viii) Delays in obtaining information from Road Agencies;
- (ix) Limited Board's capacity to analyse annual road maintenance project proposals from Road Agencies; and
- (x) Limited technical expertise in monitoring e.g. monitoring of weighbridge operations



## CHAPTER THREE

### 3.1 THE PLAN

### 3.2 Introduction

This Chapter presents the Board's Strategic Plan for the FY 2021/22 – 2025/26 period. The Chapter presents Vision, Mission and Core values; Objectives; Strategies; targets and outcome indicators

### 3.3 Vision, Mission, and Core Values

**Vision** : Excellence in road fund management for a well-maintained public road network for socio-economic development.

**Mission** : To provide sustainable and sufficient funding for road maintenance through collection, disbursement, monitoring and control its utilisation for socio-economic wellbeing of the public.

Core values	Description
Integrity	We observe and maintain high standards of ethical behaviour and the rule of law.
Transparency	We are open, accountable and responsible to stakeholders.
Teamwork	We work as a team to achieve our objectives.
Competence	We depend on skills, knowledge, and experience in all fields of Board's operations.
Innovation	We believe in creativity, technologies, and practices to enhance quality, effectiveness and efficiency in road maintenance financing.
Professionalism	We execute our duties with respect to professional skills, ethics, standards and guidelines.

### 3.4 Objectives

To facilitate its responsibilities in the five-year period of the Plan, the Board has set the following five key objectives:

- A. HIV/ AIDS infections reduced and non-communicable diseases interventions improved:
- B. National Anti-Corruption Strategy enhanced, sustained and effectively implemented:
- C. Funding adequacy for road maintenance enhanced:
- D. Value for money on the road network and road works enhanced; and
- E. RFB capacity to undertake its mandate improved.

### **3.4.1 A: HIV/AIDS INFECTIONS REDUCED AND NON-COMMUNICABLE DISEASES INTERVENTIONS IMPROVED**

#### **3.4.1.1 Rationale**

Prevalence of HIV/AIDS and Non-communicable Diseases (NCDs) affect the most productive age group. So far, there have been no HIV/AIDS reported cases within the Board. However, there is no formal mechanism for staff to report their status and management of HIV/AIDS cases.

To prevent or address impacts of HIV/AIDS and NCDs to its staff and operations, the Board has set the following strategy and targets:

#### **3.4.1.2 Strategies**

Promote awareness on HIV/AIDS and NCDs to staff.

#### **3.4.1.3 Targets**

- (i) HIV/AIDS intervention programmes reviewed and implemented by June 2026:
- (ii) Care and support services scheme for People Living with HIV developed and implemented by June 2026; and
- (iii) Non-communicable diseases (NCDs) intervention program developed and implemented by June 2026.

#### **3.4.1.4 Key Performance Indicators**

- (i) Percentage of reported HIV/AIDS cases:
- (ii) Level of satisfaction on HIV/AIDS supportive services; and
- (iii) Level of satisfaction on NCD preventive services.

### **3.4.2 B: NATIONAL ANTI-CORRUPTION STRATEGY ENHANCED, SUSTAINED AND EFFECTIVELY IMPLEMENTED**

#### **3.4.2.1 Rationale**

Good governance is a critical element in building up the country's economic growth and social development. Corruption is a hindrance to good governance. It causes unethical behaviour that result to misuse of public office and funds as well as irresponsiveness to the needs of the public. Survey<sup>3</sup> results suggest that corruption in the roads infrastructure sector suggest is not only serious but also widespread and increasing in severity. It affects all stages of roads project implementation and its causes are deeply rooted within the socio-economic fabric of society and emboldened by weak enforcement of existing laws. To promote good governance and prevent corruption, the Board has put in place a strategy to address corruption in line with the National Anti-corruption strategies as directed by the Government.

#### **3.4.2.2 Strategies**

- (i) Promote transparency of RFB operations; and
- (ii) Promote integrity and ethical behaviour in the institution.

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<sup>3</sup> Diagnostic survey on corruption in the roads infrastructure conducted by PCCB (2016)

### **3.4.2.3 Targets**

- (i) Non-State Actors strategy developed and implemented by June 2026;
- (ii) National Anti-corruption Strategy customized and institutionalized by June 2022;
- (iii) Code of ethics and conduct reviewed and implemented by June 2023; and
- (iv) Ethics and integrity committee facilitated by June 2026.

### **3.4.2.4 Key Performance Indicators**

Percentage change of reported unethical behavior cases

## **3.4.3 C: FUNDING ADEQUACY FOR ROAD MAINTENANCE ENHANCED**

### **3.4.3.1 Rationale**

Limited capacity to finance road maintenance financial requirements is the critical challenge that the Board is facing. The requirements have disproportionately continued to increase due to expanding road network, increased traffic volume and impacts of climate change. Increase of the needs have not been coupled with increase in financing capacity of the Fund. For the past five years, the financing capacity has been below 50% of the requirements. Capacity has continued to fall due to limited number of revenue sources. In addition, the rate of fuel levy has not been adjusted since July, 2013 to accommodate the increased prices of construction materials due to inflation. Review of the rates is critical as fuel levy contributes more than 98 percent of total revenues and therefore if not regularly reviewed it will negatively affect the Fund's financing capacity. There are also conflicting legal provisions that constrains road funds mobilisation efforts and partial remittance of collected funds.

### **3.4.3.2 Strategies**

- (i) Strengthen revenue mobilization measures - including proposals to widen resource base and the adjusting road user charge rates, as well as conducting studies to address concerns policy makers and road users:
- (ii) Harmonise respective legal provisions; and
- (iii) Strengthening monitoring and evaluation mechanism for RFB operations.

### **3.4.3.3 Target**

- (i) Road maintenance needs financing capacity increased to 70% by June, 2026:
- (ii) Roads Fund revenue monitoring and evaluation mechanism developed and implemented by June, 2026:
- (iii) Integrated performance monitoring and evaluation mechanism for RFB operations developed and operationalised by June, 2026:
- (iv) Collaborative meetings conducted by June 2026 and
- (v) Roads fund related Legislations review coordinated by June 2023.

### **3.4.3.4 Key Performance Indicator**

Percentage change in roads maintenance financing capacity.

### **3.4.4 D: VALUE FOR MONEY ON THE ROAD NETWORK AND ROAD WORKS ENHANCED**

#### **3.4.4.1 Rationale**

Value for Money (VfM) aims to achieve economy, efficiency and effectiveness in road works and subsequently the road networks. VfM is important to optimise the performance of the road networks from the perspective of the road users and other beneficiaries of the road networks. VfM will be measured through desired outcomes deriving from the performance of the road networks.

VfM is also critical for ensuring Road Agencies utilize funds for road works in accordance with plans. The following factors have been affecting VfM of the road networks and for roads projects:

- (i) Inadequate quality of the road maintenance works programs;
- (ii) Misappropriation of the road maintenance budget to finance road development projects;
- (iii) Lack or inadequate use of road asset management systems;
- (iv) Insufficient capacity to manage non-carriageway assets;
- (v) Unclear policy directives for prioritisation of maintenance needs;
- (vi) Inadequate designs for road works;
- (vii) Limited capacity for project planning, prioritization and implementation;
- (viii) Contract management;
- (ix) Poor quality of executed works;
- (x) Delays in implementation of road maintenance works;
- (xi) Limited adoption of low-cost technology for road maintenance works;
- (xii) Inadequate research in road works;
- (xiii) Impact of climate change;
- (xiv) Limited capacity of the Board to monitor road works; and
- (xv) Limited capacity of local contractors to execute road works.

To ensure VfM will be realized, the Board plans to implement the following strategies:

#### **3.4.4.2 Strategies**

- (i) Provide policy directives concerning preparation of maintenance programs, including prioritisation of maintenance needs;
- (ii) Build capacity on use of road asset management system for planning and budgeting for road maintenance programs;
- (iii) Strengthen monitoring and evaluation of Road Agency operations; and
- (iv) Promote research and adoption of low-cost technology in road works.

### **3.4.4.3 Targets**

- (i) Integrated Roads Asset Management System for Road Agencies developed and operationalized by June 2024;
- (ii) Technical monitoring and evaluation framework of National and District Road operations reviewed and operationalized by June 2026;
- (iii) Framework for funds allocation to Road Agencies reviewed by June 2026;
- (iv) Mechanisms for climate change mitigation measures on the road works developed and implemented by June 2025;
- (v) Innovation and application of new technologies on road works coordinated by June 2026;
- (vi) Research in construction and maintenance of roads facilitated by June 2026; and
- (vii) Knowledge management system developed by June 2026 (collect, store and disseminate).

### **3.4.4.4 Key Performance Indicators**

- (i) National Road condition.
- (ii) District Road condition; and
- (iii) Percentage completion of annual maintenance program.

## **3.4.5 E: RFB INSTITUTIONAL CAPACITY TO UNDERTAKE ITS MANDATE IMPROVED**

### **3.4.5.1 Rationale**

To discharge its duties, the Roads Fund Board is obliged to meet stakeholders' expectations through delivery of good services. Delivery of good services, among other things, depends on institutional, technical and financial capacities of the Board. Currently, capacities of the Board to deliver its mandate is limited due to inadequate number of staff and systems. There is also a challenge to access information from road agencies due to lack of harmonized road asset management system. To enhance the capacities to implement its mandate, the Board intends to implement the following strategies.

### **3.4.5.2 Strategies**

- (i) Strengthen human resource management and administration:
- (ii) Promote usage of ICT:
- (iii) Improve good governance and RFB visibility; and
- (iv) Strengthen internal control systems.

### **3.4.5.3 Targets**

- (i) Human resource plan reviewed and implemented by June 2026;
- (ii) Risk based audit plan reviewed and implemented by June 2026;
- (iii) Employees working relations and environment coordinated by June 2026;
- (iv) Procurement plans prepared, approved and operationalized annually by June 2026;
- (v) ICT plan reviewed and implemented by June 2026;
- (vi) Financial Management system reviewed and operationalized by June 2026;

- (vii) Technical support on ICT related activities coordinated by June 2026;
- (viii) Appraisal system under OPRAS implemented by June 2026;
- (ix) Corporate communication strategy reviewed and implemented by June 2022; and
- (x) E-office and feedback handling mechanism installed and operationalized by June 2022.

**3.4.5.4 Key Performance Indicators**

- (i) Level of staff satisfaction (%);
- (ii) Level of other stakeholders' satisfaction (%); and
- (iii) Type of audit opinion.

## CHAPTER FOUR

### 4.1 RESULTS FRAMEWORK

#### 4.2 Introduction

This chapter elaborates how the results envisaged in the Plan will be measured. The results framework contains the overall development objective and beneficiaries of Board services. It outlines how objectives are linked to National Vision 2025, National policies, plans and strategies, legal provisions, road agencies' strategic plans and international best practices. It also contains results chain; results framework matrix; monitoring plan; planned reviews; evaluation plan and the reporting plan.

#### 4.3 Development Objective

As reflected in the RFB Mission statement, the overall objective of the Board is to ensure "*reliable road network for socio-economic wellbeing of the public*".

#### 4.4 Beneficiaries of RFB Services

Beneficiaries of the Board's services are classified into two categories, namely: primary and secondary group. The primary group comprises beneficiaries who directly receive services from RFB i.e., Road Agencies and the Board staff.

The secondary group includes road users and the public who benefit from improved road conditions resulting from measures implemented by the Board.

#### 4.5 Linkage with National Planning and Legal Frameworks

Preparation of the Plan has been informed and aligned with the following National policy, planning and legal frameworks:

- (i) Tanzania Development Vision 2025;
- (ii) National Five-Year Development Plan III (2021/22- 2025/26);
- (iii) Ruling Party Election Manifesto 2020;
- (iv) Road Agencies' Strategic Plans;
- (v) Various National Policies;
- (vi) The Road and Fuel Tolls Act CAP 220; and
- (vii) The Roads Act No. 13 Of 2007.

### 4.6 Results Chain, Results Matrix, M&E and Reporting Arrangements

#### 4.6.1 Results Chain

The Board results chain consists of objective, outcomes, outputs, activities and inputs. The basic assumption is that, there is causal linkage between various elements of the Board results chain. The inputs, i.e. utilization of resources will lead to implementation of activities and hence achievement of outputs which leads to realization of objectives. The objectives and targets are elaborated in the Plan, while activities and respective inputs will be outlined in the medium-term expenditure frameworks (MTEF). The chain justifies use of road user charges by the Board to implement planned interventions and their contribution to socio-economic development due to improved road networks.

## 4.6.2 The Result Matrix

The matrix contains the Board overall development objective, strategic objectives and respective codes, outcomes and outcome indicators. It envisions how the development objective will be achieved and how to measure the results. The indicators in the matrix will be used to track progress towards the achievement of the intermediate outcomes and objectives. It should be noted that other players will also contribute to achievement of the objective. The results framework matrix is detailed in *Table 4.1* below.

**Table 4.1: Result Framework Matrix**

Development Objective	Objective Codes	Medium term Objectives	Intermediate Outcomes	Outcome Indicators
Reliable road network for socio-economic wellbeing of the public	A	HIV/ AIDS infections reduced and non-communicable diseases (NCDs) interventions improved	<ul style="list-style-type: none"> <li>Increased HIV/AIDS and NCDs awareness among all RFB staff:</li> <li>Increased number of staff who have undergone voluntary testing; and</li> <li>Increased number of staff declaring their HIV/AIDS and NCDs status.</li> </ul>	<ul style="list-style-type: none"> <li>Percentage of reported HIV/AIDS cases;</li> <li>Level of satisfaction on HIV/AIDS supportive services; and</li> <li>Level of satisfaction on NCD preventive services.</li> </ul>
	B	National Anti-Corruption Strategy enhanced, sustained and effectively implemented	<ul style="list-style-type: none"> <li>No reported case of corruption; and</li> <li>Improved staff ethical behaviour.</li> </ul>	Percentage change of reported unethical behavior cases.
	C	Funding adequacy for road maintenance enhanced	<ul style="list-style-type: none"> <li>Increased number of sources of revenue for Roads Fund:</li> <li>Increased revenue collection; and</li> <li>Reduced road maintenance costs</li> </ul>	Percentage change in roads maintenance financing capacity
	D	Value-for-money of road networks and operations of Road Agencies enhanced.	<ul style="list-style-type: none"> <li>Timely and effective implementation of road maintenance works; and</li> <li>Improved road condition</li> </ul>	<ul style="list-style-type: none"> <li>National Road condition level</li> <li>District Road condition level</li> <li>Percentage completion of annual maintenance program.</li> </ul>
	E	RFB Institutional Capacity to undertake its mandate improved.	<ul style="list-style-type: none"> <li>Increased stakeholders' satisfaction:</li> <li>Enhanced Staff efficiency</li> <li>Reduced operation costs</li> </ul>	<ul style="list-style-type: none"> <li>Level of other stakeholders' satisfaction (%).</li> <li>Level of staff satisfaction (%); and</li> <li>Type of Audit Opinion.</li> </ul>



### **4.6.3 Monitoring, Reviews and Evaluation Plan**

For control purpose, the performance of the Board in respect to the Plan will be monitored annually using preset achievement indicators.

#### **4.6.3.1 Monitoring Plan**

The monitoring plan consists of indicators and their description, baseline for each indicator; indicator target values, data collection and methods of analysis, indicator reporting frequency and the officers who will be responsible for data collection, analysis and reporting. Though the 11 outcome indicators will be reported on annual basis, tracking of the indicators will be made on a quarterly basis. The monitoring and evaluation plan is detailed in *Table 4.2* below:

**Table 4.2: Monitoring plan**

	Indicator	Indicator description	Baseline		Indicator Target Value					Data Collection and Methods of Analysis			Means of verification	Frequency of reporting	Responsible
			Date	Value	FY <sub>1</sub>	FY <sub>2</sub>	FY <sub>3</sub>	FY <sub>4</sub>	FY <sub>5</sub>	Data Source	Data Collection instrument and Method	Frequency of data collection			
(i)	Percentage of reported HIV/AIDS cases	Measures staff responsiveness to HIV/AIDS workplace interventions .It is calculated as $(x/y)*100$ whereas x=number of staff who have declared their HIV/AIDS status and y=number of voluntary tested staff	2019/20	0			0		0	RFB	Survey	After every two years	Medical report	After every two years	DMFA
(ii)	Level of satisfaction on HIV/AIDS supportive services;	Measures to what extent infected staff are satisfied with provision of supportive services. It is calculated as $X/Y*100$ whereas, X=Number of satisfied infected staff and Y = Total number of infected staff interviewed	2019/20	64			85%		90%	RFB	Survey	After every two years	Primary data from survey	After every two years	DMFA
(iii)	Level of satisfaction on NCD preventive services	Measures to what extent staff are satisfied with provision of preventive measures. It is calculated as $X/Y*100$ whereas, X=Number of satisfied staff and Y = Total number of staff interviewed	N/A	TBD			85%		90%	RFB	Survey	After every two years	Primary data from survey	After every two years	DMFA
(iv)	Percentage change of reported unethical	It measures the level of staff integrity. It is calculated as $(x/y)*100$ whereas x=number of staff reported with lack of	2019/20	0	0	0	0	0	0	RFB	Documentary review	Quarterly	Minutes of Ethics and Integrity Committee meetings	Annually	DMFA

	behavior cases	integrity and y=total number of staff													
(v)	% change in roads maintenance financing capacity	Indicator intends to measure capacity of the Road Fund to meet maintenance financing needs  Calculated as $X/Y * 100$  Where: X = Available fund  Y= Annual maintenance needs	2019/20	42	50	60	65	70	75	RFB	Documentary review	Annually	Annual report and Plans	Annually	DMRM
(vi)	National Road condition level	Measures impact of financing National road maintenance. It is calculated as $X/Y*100$ , whereas X=Length of road in good and fair condition and Y= Total road network length	2019/20	86	87	88	89	90	90	TANROADS	Documentary review	Annually	4 <sup>th</sup> quarter progress report	Annually	DMTS
(vii)	District Road condition level	Measures impact of financing District road maintenance. It is calculated as $X/Y*100$ , whereas X=Length of road in good and fair condition and Y= Total road network length	2019/20	54	60	65	65	70	70	TARURA	Documentary review	Annually	4 <sup>th</sup> quarter progress report	Annually	DMTS
(viii)	Percentage completion of annual maintenance program	Measures the efficiency in terms of implementation of road maintenance programs.  Calculated as $(X/Y) * 100$ whereas X = achievement,  Y = Planned	2021/22	85	85	85	85	85	85	Road Agencies	Survey	Annual	Reports	Annual	DMTS

(ix)	Level of staff satisfaction (%)	Measure efficiency of RFB in providing services. This will be calculated by a X/Y *100 whereas, X = Number of stakeholders who are satisfied and Y =Total Number of stakeholders interviewed	N/A	TBD			90		95	RFB	Survey/questionnaire	After every two years	Primary data from survey	After every two years	DMFA
(x)	Level of other stakeholder's satisfaction (%)	Measure efficiency of RFB in providing services. This will be calculated by a X/Y *100 whereas, X = Number of stakeholders who are satisfied and Y =Total Number of stakeholders interviewed	2019/20	72.2			90		95	RFB	Survey/questionnaire	After every two years	Primary data from survey	After every two years	DMFA
(xi)	Type of Audit Opinion.	Establish assurance on management of RFB operations and financial soundness. It is measured by obtaining Unqualified opinion issued by CAG.	2019/20	unqualified	unqualified	Unqualified	unqualified	unqualified	Unqualified	CAG Report	Documentary review	Annually	CAG Report	Annually	DMFA

### 4.6.3.2 Evaluation Plan

Evaluations intend to obtain evidence as to whether the interventions made have generated expected outputs that resulted to desired outcomes as envisioned in the Plan. Three types of evaluations will be conducted over the period of the Plan cycle as depicted in *Table 4.3* below: -

**Table 4.3: Evaluation Plan Matrix**

	<b>Evaluation</b>	<b>Description</b>	<b>Evaluation Questions</b>	<b>Methodology</b>	<b>Timeframe</b>	<b>Responsible Person</b>
(i)	Evaluation of implementation of Strategic Plan	To measure achievement of each objective.	To what extent have the objectives of the Plan been met?	Mid-term and final evaluation	2023/24 (Mid-term) 2025/26 (Final)	DMRM
(ii)	Impact of Technical and Financial Audits	To assess improvement on quality of road works and financial performance as a result of response to audit recommendations	<ul style="list-style-type: none"> <li>Do all projects in the audit period have value for money?</li> <li>Has the road condition improved?</li> </ul>	Documentary review of audit reports	Annually	DMTS
(iii)	Socio-economic outcomes from roads maintenance works	To assess socio-economic outcomes of roads maintenance interventions.	<ul style="list-style-type: none"> <li>To what extent has road maintenance interventions contributed to improve socio-economic outcomes?</li> <li>To what extent has the vehicle operating cost been reduced?</li> <li>To what extent has the travel time and costs been reduced?</li> <li>To what extent has the road network become competitive</li> </ul>	(1) Pre and Post Survey on areas for which roads have been maintained  (2) Compare results in (1) with expectations as per available literature.	Twice (establishing baseline data in year 1 and follow up study for changes in year 5)	DMRM

#### 4.6.4 Planned Reviews

Reviews are planned to assess progress on implementation of the Plan. The planned reviews consist of review of meetings and milestones.

##### 4.6.4.1 Review Meetings

Various meetings will be conducted to track progress on the milestones, activities, targets and outputs critical for achievement of organizational objectives. Review meetings are as follows:

**Table 4.4: Review Meetings**

	Type of Meeting	Frequency	Designation of Chairperson	Participants
(i)	Ordinary Board Meeting and respective committees	Quarterly	Board/ Committee Chairperson	Board Members and management
(ii)	Special Budget Board Meeting and respective committees	Annually	Board/ Committee Chairperson	Board Members
(iii)	Special Audit Board Meeting and respective committees	Annually	Board/ Committee Chairperson	Board Members
(iv)	Management Meeting	Weekly	Roads Fund Manager	Head of Departments/Units
(v)	Departmental/Unit Meeting	Weekly	Deputy Managers	Departmental/Unit Staff
(vi)	Staff Meeting	Quarterly	Road Fund Manager	All RFB Staff
(vii)	Staff meeting	Semi annually	Board Chairperson	All RFB staff
(viii)	Tender Board Meeting	Quarterly	Committee Chairperson	Committee Members
(ix)	Stakeholders' Meeting	Annually	Permanent Secretary (PORALG)	Stakeholders Representatives

##### 4.6.4.2 Planned Milestones Reviews

Milestones are selected as indicators to establish whether something has been produced within a particular deadline. For each target, the Board has set a milestone that will be monitored. The planned milestones reviews will provide necessary information to the Board to inform decision-making process. The milestone review will be conducted on quarterly basis.

**Table 4.5** below illustrates the planned milestones reviews showing the financial year, planned review, milestones, timeframe and responsible person to report on the milestone.

**Table 4.5: Planned Milestones**

Target	Milestones	Timeframe	Responsible
HIV /AIDS interventions program reviewed and implemented by June 2026	Sensitization seminar on HIV and AIDS conducted	Annually	DMFA
NCDs intervention program developed and implemented by June 2026	NCDs intervention program developed	June, 2022	DMFA
Non-state actors strategy developed and implemented by June 2026	Non-state actors strategy developed	June, 2022	DMFA
National anti-corruption strategy customized and institutionalized by June 2022	National anti-corruption strategy customized and institutionalized	June, 2022	DMFA
Road maintenance needs financing capacity increased to 70% by June, 2026	Proposal to broaden RF revenue base submitted	June, 2023	DMRM
Integrated performance Monitoring and evaluation mechanisms for RFB operations developed and operationalised by June, 2026	RF monitoring and evaluation framework and guideline developed	June, 2022	DMRM
Roads fund related Legislations review coordinated by June 2023	Proposal for reviews submitted	June, 2023	DMRM
Integrated Roads Asset Management System of Road Agencies developed and operationalized by June 2024	Integrated roads Asset Management System developed	June, 2024	DMTS
Technical monitoring and Evaluation framework of National Road operations reviewed and operationalized by June 2026	Technical monitoring and Evaluation framework of National Road operations reviewed	Jun-22	DMTS
	Revised framework for National roads operationalized	Annually [from July 2023]	DMTS
Technical monitoring and evaluation framework of District Road operations reviewed and operationalized by June 2026	Technical monitoring and Evaluation framework of District Road operations reviewed	June, 2022	DMTS
	Revised framework for District Road operationalized	Annually [from July 2023]	DMTS
Framework for funds allocation to Road Agencies reviewed by June 2026	The framework reviewed	June, 2026	DMTS
Mechanism for climate change mitigation measures on the road works developed and implemented by June 2025	Emergency works guideline reviewed	June, 2022	DMTS
Innovation and application of new technologies on road works coordinated by June 2026	Preparation of guideline on application of new technologies coordinated	June, 2024	DMTS
Research in construction and maintenance of roads facilitated by June 2026	Funds for research allocated	Annually	July, 2026
Knowledge management system developed by June 2026 (collect, store and disseminate)	Knowledge management system developed	DMTS	June, 2026
Human resource plan reviewed and implemented by June 2026	Human resource plan reviewed	June, 2022	DMFA
	HR succession plan developed	June, 2023	DMFA
ICT plan reviewed and implemented by June 2026	ICT plan reviewed	June, 2022	HICT
Corporate communication strategy reviewed and implemented by June 2022.	Corporate communication strategy reviewed	June, 2022	DMFA
Risk based audit plan reviewed and implemented by June 2026.	Risk based audit plan reviewed	Annually	CIA
	Risk based audit plan implemented	Annually	CIA
Financial management system reviewed and operationalized by June 2026.	RFB Financial regulation reviewed	June, 2026	DMFA
E-office and feedback handling mechanism installed and operationalized by June 2022.	Complaints handling mechanism reviewed	June, 2022	DMFA
	E-office implemented	Dec, 2021	DMFA

### 4.6.5 Rapid Appraisals

Rapid appraisals intend to gather information for assessing the performance of planned interventions (KPIs) as appears in the Strategic Plan Implementation Matrix. In the Strategic planning cycle RFB will undertake Rapid appraisals as shown in *Table 4.6* below.

**Table 4.6: Planned Rapid Appraisals**

S/N	Rapid Appraisal	Purpose & description of the Appraisal	Appraisal Questions	Methodology	Frequency	Responsible Person
(i)	Study on RFB staff Satisfaction with HIV/AIDS Supportive Services	This appraisal intends to establish baseline data on level of staff satisfaction in regard to provision of supportive	What is the level of staff awareness on HIV/AIDS supportive services How comprehensive are the supportive service? Recommendation?	Survey	Once in two years	DMFA
(ii)	Stakeholder satisfaction study with RFB services	This appraisal intends to establish areas for improvement with regard to provision of services	What is the level of stakeholders' awareness on RFB operations? To what extent are the stakeholders satisfied with the services provided by RFB? To what extent has RFB met service standards as stipulated in the Client Service Charter? What are the areas for improvement?	Survey	Once in two years	DMFA
(iii)	Study on RFB staff Satisfaction	This appraisal intends to establish areas for improvement with regard to staff working environment	To what extent has RFB met working conditions in line with staff circular and other Government circulars as well as labour law? To what extent are staff satisfied with the working condition at the RFB? What are the areas for improvement	Survey	Once in two years	DMFA

### 4.6.6 Reporting Plan

The reporting plan shows all reports that will be produced in the execution of the Plan. The report plan contains both internal and external reports.

#### 4.6.6.1 Internal Reporting Plan

Internal Reporting Plan is plan that contains reports that are used within Road Fund Board for the Board, Management and Staff. The reporting plan is in accordance with statutory requirements or as may be required from time to time.



**Table 4.7: Internal Reporting Plan**

	<b>Type of Report</b>	<b>Recipient</b>	<b>Frequency</b>	<b>Responsible Person</b>
(i)	Implementation Progress Report	Board	Quarterly	Road Fund Manager
(ii)	Internal Audit Report	Board	Quarterly	Chief internal Auditor
(iii)	Technical Audit Report	Board	Annually	Road Fund Manager
(iv)	Progress Report on Collections of Roads Fund	Road Fund Manager	Quarterly	DMRM
(v)	Progress Report on Disbursement of Roads Fund	Road Fund Manager	Quarterly	DMFA
(vi)	Monthly Financial Statements	Road Fund Manager	Quarterly	DMFA
(vii)	Report on Implementation of Strategic Plan	Road Fund Manager	Quarterly	DMRM
(viii)	Procurement Plan Report	Road Fund Manager	Quarterly	HPMU
(ix)	Fund Utilisation Monitoring Report	Road Fund Manager	Quarterly	DMTS
(x)	Revenue Monitoring visits Report	Road Fund Manager	Quarterly	DMRM
(xi)	Report on Implementation of Risk Management	Road Fund Manager	Quarterly	Risk Coordinator
(xii)	Technical Monitoring Visits Report	Road Fund Manager	Per Visit	DMTS
(xiii)	Staff Performance Appraisal Report	Road Fund Manager	Annually	DMFA
(xiv)	Annual Report	Road Fund Manager	Annually	DMRM

**4.6.6.2 External Reporting Plan**

External reporting plan contains reports that are used by external entities. The reports are prepared on quarterly and annually basis.

**Table 4.8: External Reporting Plan**

	<b>Type of Report</b>	<b>Recipient</b>	<b>Frequency</b>	<b>Responsible Person</b>
(i)	Annual Report	Minister responsible for Roads	Annually	RFB Chairperson
(ii)	Report for JTSR	MoWT	Annually	Roads Fund Manager
(iii)	Financial Statements	CAG	Annually	Roads Fund Manager
(iv)	RFB Performance Report	MoWT	Annually	Roads Fund Manager
(v)	RFB Audit Committee Report	MoFP & CAG	Annually	Roads Fund Manager
(vi)	Annual Procurement Report	PPRA	Annually	Roads Fund Manager

#### **4.6.7 Results chain, results framework, M&E and reporting Arrangements**

As described above the results chain indicates hierarchical levels and relationship between inputs, activities, outputs and outcomes in contributing to the overall objectives.

##### **4.6.7.1 Level 1 – Inputs**

The first level of the results framework tracks the allocation and use of resources on various activities. Resources availability will be reviewed on weekly, fortnightly or monthly basis and will be reported on respective implementation reports. At this level, indicators will focus on the number and quality of human resources and system available for various tasks, amount of time dedicated to tasks by staff, information flow between various levels, time spent on resolving problems, quality and timeliness of decisions and staff as well as predictability of resource flows, and the alignment of resource flow to the activities and outputs.

##### **4.6.7.2 Level 2 – Activities**

The second level focuses on activities to be performed and linkage between activities and outputs. At this level indicators will focus on processes, activities programming and timeliness of implementation. Activities will be reviewed on weekly, fortnightly, or monthly basis, and will be reported on respective implementation reports. The reports will focus on quality and timeliness of the activities implemented and will inform corrective measures if the activities are not being delivered on time, to the expected quality and if are not contributing to outputs.

##### **4.6.7.3 Level 3 – Outputs**

The third level tracks outputs that the Board produces and attributed solely to the Board. Output indicators and milestones will be used to measure output at this level. Data collection and analysis will be done quarterly. Outputs or milestones with significant impact on achievement of the objectives will be reviewed and reported on quarterly basis. The reports will focus on how the outputs produced are delivering the outcomes and will inform corrective measures if the outputs are not being delivered effectively or are not contributing to outcomes.

#### **4.6.7.4 Level 4-Outcomes**

The fourth level of the framework tracks realization of the intermediate outcomes specified for each objective, though achievement of outcomes may not be attributed to the Board alone. The Plan outcomes will be measured through outcome indicators whose data collection and analysis could be done annually. Indicators at this level are reported through the annual report or the five-year outcome report. The annual reports and the five-year outcome reports will be based on either sector or specific evidence-based studies or using national statistics. The reports focus on benefits delivered to RFB clients and other stakeholders.

## CHAPTER FIVE

### 5.1 BUDGET AND FINANCING OF IMPLEMENTATION OF THE STRATEGIC PLAN

#### 5.2 Budget

The total estimated budget to finance implementation of the Plan for five-year period is TZS 7,065,000,832,402. The budget is allocated for each of the five objectives of the Plan as indicated in **Annex 4**.

Total of TZS 6,992,413,522,219 – equivalent to Ninety nine percent (99.0%) of the total budget - is directly allocated to Roads Agencies to finance execution of road works. The remaining TZS 72,587,310,183 is budgeted to finance implementation of the programmes funded by the Development Partners and Board's planned Board's operations.

#### 5.3 Financing of the Budget

The Board plans to finance the above budget through five sources as indicated in Annex 5. The main financing sources are Fuel Levy and Transit Charges at TZS 6,930,905,476,577 – equivalent to 98.1 percent of the budget.

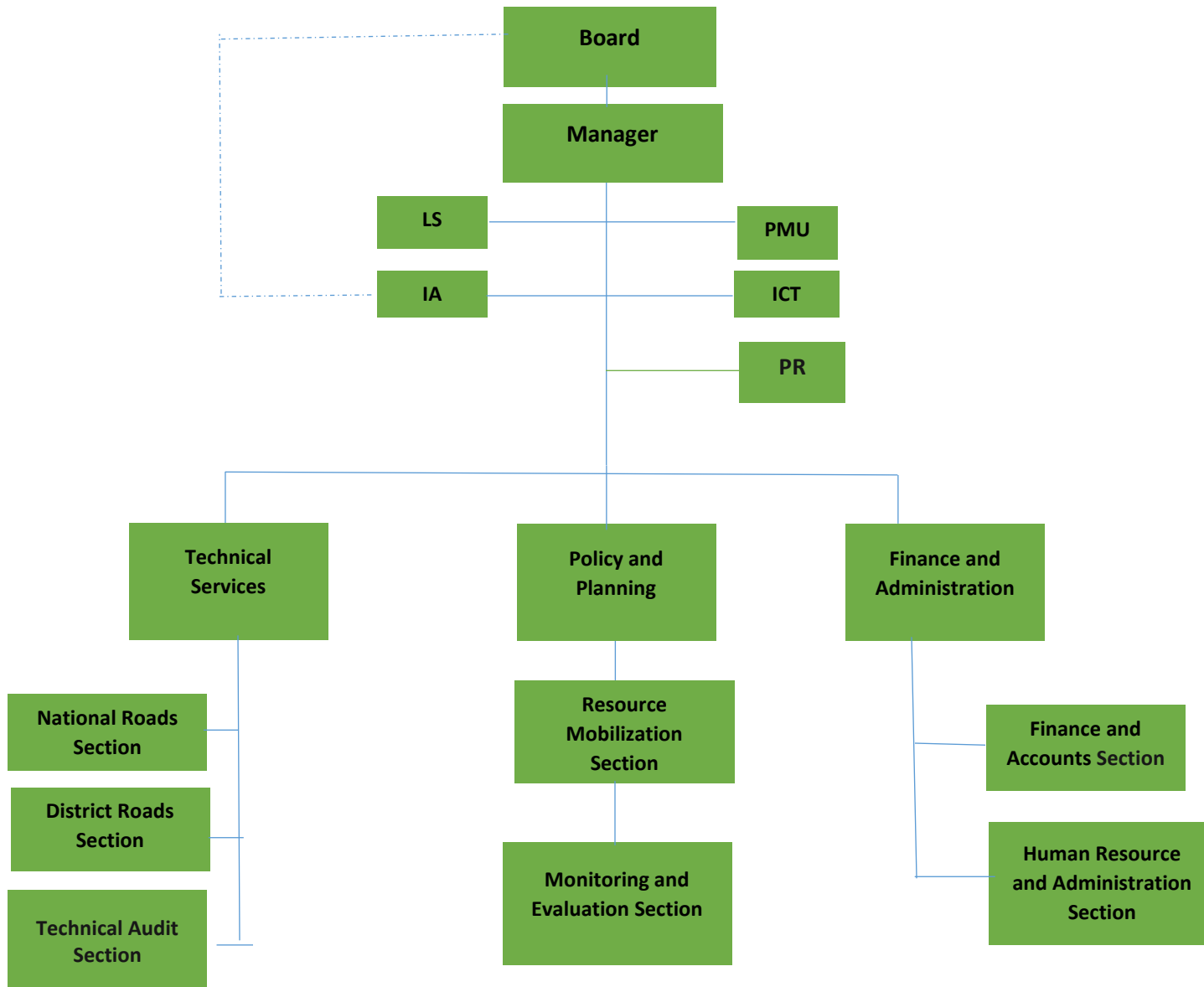
Miscellaneous sources will finance only 1.5 percent of the budget - equivalent to TZS 103,832,163,254.

Financing from Development Partners is estimated to be 0.4 percent of the total budget – equivalent to TZS 30,263,192,571. European Union has committed disburse TZS 22,263,192,571 under the AGRICONNECT Programme while the World Bank has committed to disburse TZS 8,000,000,000 under the RICS Programme.

Details of the financing sources are presented in **Annex 5**.

## 5.4 ANNEXES

### Annex 1: Organization Structure Chart



## Annex 2: Strategic Plan Implementation Matrix

Objective	Strategy	Targets	Responsible	Key Performance Indicators
HIV/AIDS infections reduced and Non Communicable Diseases interventions improved	Promote awareness on HIV/AIDS and NCDs to staff	HIV/AIDS intervention programmes reviewed and implemented by June 2026.	DMFA	(i) Percentage of reported HIV/AIDS cases; (ii) Level of satisfaction on HIV/AIDS supportive services; and (iii) Level of satisfaction on NCD preventive services
		Care and support services scheme for People Living with HIV developed and implemented by June 2026; and		
		Non-communicable diseases (NCDs) intervention program developed and implemented by June 2026.		
National anti-corruption strategy enhanced, sustained and effectively implemented	i. Promote transparency of RFB operations; and ii. Promote integrity and ethical behaviour in the institution.	Non-State Actors strategy developed and implemented by June 2026.	DMFA	Percentage change of reported unethical behavior cases
		National anti-corruption strategy customized and institutionalized by June 2022.		
		Code of ethics and conduct reviewed and implemented by June 2023; and		
		Ethics and integrity committee coordinated by June 2026.		
Funding adequacy for road maintenance enhanced	Strengthen revenue mobilization measures; and Strengthening monitoring and evaluation mechanism for RFB operations.	Road maintenance needs financing capacity increased to 70% by June, 2026;	DMRM	Percentage change in roads maintenance financing capacity
		Roads Fund revenue monitoring and evaluation mechanism implemented by June, 2026.		
		Integrated performance monitoring and evaluation mechanism for RFB operations developed and operationalised by June, 2026.		
		Institution's Plans, programmes and collaborative meetings coordinated by June 2026.		

Objective	Strategy	Targets	Responsible	Key Performance Indicators
		Roads fund related Legislations review coordinated by June 2023.		
Value for money of road networks and operations of Road Agencies Enhanced	(i) Strengthen monitoring and evaluation of Road Agency operations;  (ii) Promote research and adoption of low-cost technology in road works.	Roads Asset Management Systems of Road Agencies developed and operationalized by June 2023.	DMTS	<ul style="list-style-type: none"> <li>i. National Road condition level</li> <li>ii. District Road condition level</li> <li>iii. Percentage completion of annual maintenance program</li> </ul>
		Technical monitoring and evaluation framework of National Road operations reviewed and operationalized by June 2026.		
		Technical monitoring and evaluation framework of District Road operations reviewed and operationalized by June 2026.	DMTS	
		Framework for funds allocation to Road Agencies reviewed by June 2026.		
		Mechanisms for climate change mitigation measures on the road works developed and implemented by June 2025.		
		Innovation and application of new technologies on road works coordinated by June 2026.		
		Research in construction and maintenance of roads facilitated by June 2026.		
		Knowledge management system developed by June 2026 (collect, store and disseminate).		
RFB institution capacity to undertake its mandate improved	Strengthen human resource management and administration.	Human resource plan developed and implemented by June 2026;	DMFA	<ul style="list-style-type: none"> <li>i. Level of other stakeholders' satisfaction (%);</li> <li>ii. Level of staff satisfaction (%); and</li> <li>iii. Type of Audit Opinion.</li> </ul>
	Promote usage of ICT.	Employees working relations and environment coordinated by June 2026.	DMFA	

	Objective	Strategy	Targets	Responsible	Key Performance Indicators
		Improve governance and visibility. good and RFB	ICT plan reviewed and implemented by June 2026.	HICT	
		Strengthen internal control systems.	Technical support on ICT related activities coordinated by June 2026.	HICT	
			Corporate communication strategy reviewed and implemented by June 2022.	DMFA	
			Risk based audit plan reviewed and implemented by June 2026.	CIA	
			Procurement plans prepared, approved annually and operationalized annually by June 2026.	HPMU	
			Financial Management system reviewed and operationalized by June 2026.	DMFA	
			Appraisal system under OPRAS implemented by June 2026.	DMFA	
			E-office and feedback handling mechanism installed and operationalized by June 2022.	DMFA	



### Annex 3: Roads Fund Board Indicator Performance Tracking Table (IPTT)

Indicator Source	Indicator	Desired Direction of Change (+ or -)	Baseline	Year 1 (2016/17)			Year 2 (2017/18)			Year 3 (2018/19)			Year 4 (2019/20)			Year 5 (2020/21)		
				Target	Actual	% Achieved	Target	Actual	% Achieved	Target	Actual	% Achieved	Target	Actual	% Achieved	Target	Actual	% Achieved (Actual/Target)*100
<b>Strategic Objective A: HIV /AIDS infections reduced and support services improved</b>																		
RFB	% of reported HIV/AIDS cases	-	0	0	0	100	0	0	100	0	0	100	0	0	100	0		100
RFB	Level of satisfaction on HIV /AIDS supportive services	+	N/A	50	N/A	N/A	60	N/A	N/A	70	N/A	N/A	80	63.6	79.5	90		80
<b>Strategic Objective B: National anti corruption strategy enhanced , sustained and effectively implemented</b>																		
RFB	%change in corruption incidences		0	0	0	100	0	0	100	0	0	100	0	0	100	0		100
<b>Strategic Objective C: Funding adequacy for road maintenance enhanced</b>																		
RFB/TANROADS /PORALG	% coverage of road maintance funding requirement	+	59%	49%	49%	100	64%	43%	67.2	70%	51%	72.9	74%	41%	55.4	75%		73.9
<b>Strategic Objective D: Allocation and disbursement of funds to implementing agencies improved</b>																		
RFB	Fund disbursement time	-	5	3	4	75.0	3	3	100	2	2	100	2	2	100	2		93.75
<b>Strategic Objective E: Monitoring and evaluation of revenue collection and funds utilization</b>																		
TANROADS	Road condition -TAN ROADS	+	85%	88%	88%	100	89%	85%	95.5	89%	82%	92.1	90%	86%	95.6	90%		95.8
TARURA	Road condition -TARURA	+	57%	88%	57%	64.8	89%	40%	44.9	89%	40%	44.9	90%	54%	60.0	90%		53.7
RFB	% change in revenue collection	+	10%	10%	6%	60.0	10%	7%	70.0	15%	-2%	-13.3	10%	3.5%	35.0	10%		37.9
RFB	Value for money (TANROADS)	+	72%	76%	78.4%	103.2	80%	71.3%	89.1	82%	81.9%	99.9	88%	N/A		90%		97
RFB	Value for money (TARURA)	+	44%	55%	65.5%	119.1	60%	69.1%	115.2	65%	74.8%	115.1	70%	N/A		75%		116
<b>Strategic Objective F: Capacity of RFB to undertake its mandated functions improved</b>																		
NAOT	Audit opinion	+	Unqualified	Unqualified	Unqualified		Unqualified	Unqualified		Unqualified	Unqualified		Unqualified	Unqualified	Unqualified	Unqualified		100
RFB	Level of stakeholders satisfaction (%)	+	N/A	90%	N/A		90%	N/A		90%	N/A		90%	72.20%	80.2	95%		80
RFB	Level of staff satisfaction (%)	+	N/A	80%	N/A		85%	N/A		90%	N/A		90%	N/A		90%		N/A
<b>Four Years Average</b>																	<b>85.7</b>	

## Annex 4: Estimated Budget for Financing Implementation of the Strategic Plan

Objective and Targets	Description	Financial Year					Total for 5 years
		2021/22	2022/23	2023/24	2024/25	2025/26	
<b>Objective A</b>	<b>HIV/ AIDS infections reduced and non-communicable diseases interventions improved</b>	<b>13,880,000</b>	<b>11,120,000</b>	<b>11,120,000</b>	<b>9,740,000</b>	<b>22,340,000</b>	<b>68,200,000</b>
Target A01	HIV/AIDS intervention programmes reviewed and implemented annually	3,380,000	4,760,000	4,760,000	4,760,000	11,840,000	29,500,000
Target A02	Care and support services scheme for People Living with HIV developed and implemented annually	6,360,000	3,600,000	3,600,000	3,600,000	6,360,000	23,520,000
Target A03	Non-communicable diseases (NCDs) intervention program developed and implemented annually	4,140,000	2,760,000	2,760,000	1,380,000	4,140,000	15,180,000
<b>Objective B</b>	<b>National anti-corruption strategy enhanced, sustained and effectively implemented</b>	<b>72,440,000</b>	<b>72,565,000</b>	<b>72,565,000</b>	<b>71,220,000</b>	<b>71,220,000</b>	<b>360,010,000</b>
Target B01	Non-State Actors strategy developed and implemented annually	2,720,000	720,000	720,000	720,000	720,000	5,600,000
Target B02	National anti-corruption strategy customized and institutionalized annually	69,000,000	69,000,000	69,000,000	69,780,000	69,780,000	346,560,000
Target B03	Code of ethics and conduct reviewed and implemented annually	-	2,125,000	2,125,000	-	-	4,250,000
Target B04	Ethics and integrity committee coordinated annually	720,000	720,000	720,000	720,000	720,000	3,600,000
<b>Objective C</b>	<b>Funding adequacy for road maintenance enhanced</b>	<b>1,303,300,137,427</b>	<b>1,321,494,355,519</b>	<b>1,386,894,702,045</b>	<b>1,455,453,070,647</b>	<b>1,528,130,809,180</b>	<b>6,995,273,074,819</b>
Target C01	Road maintenance needs financing capacity increased to 70% annually	291,892,600	94,800,000	94,800,000	-	-	481,492,600
Target C02	Roads Fund revenue monitoring and evaluation mechanism implemented annually	676,000,000	179,925,000	114,750,000	114,750,000	679,925,000	1,765,350,000
Target C03	Integrated performance monitoring and evaluation mechanism for RFB operations developed and operationalised annually	57,600,000	-	54,380,000	57,600,000	54,380,000	223,960,000
Target C04	Collaborative meetings conducted annually	65,050,000	65,050,000	65,050,000	65,050,000	65,050,000	325,250,000
Target C05	Roads fund related Legislations review coordinated by June 2023	-	31,750,000	31,750,000	-	-	63,500,000
Target C06	Fund flow for Road Agencies enhanced annually	1,302,209,594,827	1,321,122,830,519	1,386,533,972,045	1,455,215,670,647	1,527,331,454,180	6,992,413,522,219
<b>Objective D</b>	<b>Value for money on the Roads Network and Road works enhanced</b>	<b>10,187,281,963</b>	<b>7,451,307,700</b>	<b>5,771,703,186</b>	<b>5,809,007,648</b>	<b>5,602,512,910</b>	<b>34,821,813,407</b>
Target D01	Integrated Roads Asset Management System of Road Agencies developed and operationalized by June 2024	8,224,100,000	2,924,400,000	1,424,400,000	700,300,000	700,300,000	13,973,500,000
Target D02	Technical monitoring and evaluation framework of National and District Road operations reviewed and operationalized annually	1,154,472,300	2,467,288,037	2,416,860,723	2,851,705,185	2,449,060,447	11,339,386,692
Target D03	Framework for funds allocation to Road Agencies reviewed annually	-	176,650,000	571,000,000	-	176,650,000	924,300,000
Target D04	Mechanisms for climate change mitigation measures on the road works developed and implemented by June 2025	42,540,000	62,040,000	62,040,000	42,540,000	62,040,000	271,200,000
Target D05	Innovation and application of new technologies on road works coordinated annually	-	417,060,000	197,232,800	614,292,800	614,292,800	1,842,878,400
Target D06	Research in construction and maintenance of roads facilitated annually	500,000,000	1,000,000,000	750,000,000	1,250,000,000	1,250,000,000	4,750,000,000
Target D07	Knowledge management system developed annually	266,169,663	403,869,663	350,169,663	350,169,663	350,169,663	1,720,548,315
<b>Objective E</b>	<b>RFB institutional capacity to undertake its mandate improved</b>	<b>6,948,903,532</b>	<b>7,149,428,386</b>	<b>6,724,668,620</b>	<b>6,785,316,819</b>	<b>6,869,416,819</b>	<b>34,477,734,176</b>
Target E01	Human resource plan reviewed and implemented annually	53,500,000	-	-	-	52,500,000	106,000,000
Target E02	Employees working relations and environment coordinated annually	4,178,850,065	4,352,116,045	4,105,846,279	4,171,063,352	4,171,063,352	20,978,939,093
Target E03	ICT plan reviewed and implemented annually	203,800,000	256,000,000	158,300,000	158,300,000	158,300,000	934,700,000
Target E04	Technical support on ICT related activities coordinated annually	122,000,000	122,000,000	122,000,000	122,000,000	122,000,000	610,000,000
Target E05	Corporate communication strategy reviewed and implemented annually	45,400,000	5,000,000	5,000,000	5,000,000	50,400,000	110,800,000
Target E06	Risk based audit plan reviewed and implemented annually	38,100,000	38,100,000	38,100,000	38,100,000	38,100,000	190,500,000
Target E07	Procurement plans prepared, approved and operationalized annually	67,960,000	67,960,000	67,960,000	67,960,000	67,960,000	339,800,000
Target E08	Financial Management system reviewed and operationalized annually	2,207,843,467	2,207,662,341	2,207,662,341	2,203,093,467	2,175,093,467	11,001,355,082
Target E09	Appraisal system under OPRAS implemented annually	31,450,000	19,800,000	19,800,000	19,800,000	19,200,000	110,050,000
Target E10	E-office and feedback handling mechanism installed and operationalized annually	-	80,790,000	-	-	14,800,000	95,590,000
	<b>Grand total</b>	<b>1,320,522,642,922</b>	<b>1,336,178,776,605</b>	<b>1,399,474,758,851</b>	<b>1,468,128,355,114</b>	<b>1,540,696,298,909</b>	<b>7,065,000,832,402</b>

## Annex 5: Financing of the Budget

	Financing Sources	Financial Year					Total for 5 years
		2021/22	2022/23	2023/24	2024/25	2025/26	
1	Fuel Levy and Transit Charges	1,256,005,203,962	1,316,909,297,389	1,382,705,279,635	1,451,358,875,898	1,523,926,819,693	6,930,905,476,577
2	Miscellaneous Sources (incl. Overloading charges and Road Reserve User Charges)	35,519,897,000	16,400,000,000	15,900,000,000	15,900,000,000	15,900,000,000	99,619,897,000
3	Rent from RFB Building	304,349,389	439,479,216	439,479,216	439,479,217	439,479,216	2,062,266,254
4	Depreciation Expenses	430,000,000	430,000,000	430,000,000	430,000,000	430,000,000	2,150,000,000
5	Development Partners of which:	28,263,192,571	2,000,000,000	-	-		30,263,192,571
	<i>European Union (AGRICCONNECT Programme)</i>	22,263,192,571					22,263,192,571
	<i>World Bank (RICS Programme)</i>	6,000,000,000	2,000,000,000				8,000,000,000
	<b>Total Revenue Estimate</b>	<b>1,320,522,642,922</b>	<b>1,336,178,776,605</b>	<b>1,399,474,758,851</b>	<b>1,468,128,355,115</b>	<b>1,540,696,298,909</b>	<b>7,065,000,832,402</b>