

THE UNITED REPUBLIC OF TANZANIA



MEMORANDUM OF UNDERSTANDING

BETWEEN

MINISTRY OF WATER

AND

**INTERNATIONAL FINANCE COOPERATION
(IFC)**

FOR

**2030 WATER RESOURCE GROUP PARTNERSHIP IN
TANZANIA**

2013

B

MEMORANDUM OF UNDERSTANDING

THIS MEMORANDUM OF UNDERSTANDING (hereinafter referred to as "Memorandum") is made this.....*10*.....day of.....*October*.....2013

between

THE GOVERNMENT OF THE UNITED REPUBLIC OF TANZANIA, represented by Ministry of Water and herein referred to as the "MoW"

and

INTERNATIONAL FINANCE CORPORATION herein referred to as the "IFC", an international organization established by Articles of Agreement among its member countries, acting as implementing entity for the 2030 Water Resources Group ("2030 WRG")

WHEREAS

- a. Ministry of Water is the Ministry under the Government of United Republic of Tanzania whose mission is to ensure that water resources are developed and managed sustainably in collaboration with all stakeholders.
- b. IFC, a member of the World Bank Group, is an international organization whose mission is to promote sustainable private sector investment in developing countries, helping to reduce poverty and improve people's lives.
- c. The MoW and the IFC agree to cooperate in the development of a 2030 Water Resource Group (2030 WRG) Partnership in Tanzania herein referred to as (the "Project"),
- d. The purpose of this Memorandum is to outline and formalize the areas of cooperation agreed by both parties related to the 2030 WRG Partnership in Tanzania

NOW THEREFORE, in relation to project's objectives and activities, MoW and IFC have discussed and agreed on the main aspects of this project as follows;

ARTICLE I

Project Objectives

Both parties agree on the objective of the 2030 WRG Partnership in Tanzania is to support, compliment and strengthen the existing efforts of the Government of Tanzania - for example the Water Sector Development Program (WSDP) with the World Bank, and other initiatives and programs with existing long term partners - to develop and achieve a water secure future, to enable a sustainable growth pathway for economic and social development and environmental protection.

The support from the World Bank Group to the 2030 WRG will not have implications for the existing level of support from the existing or planned support from the World Bank Group to WSDP.

ARTICLE II
The Project's areas of focus

The Government of Tanzania and the IFC agree to cooperate on the following areas in water resource management.

1. Improvement of water-use efficiency, exploring opportunities in agriculture, hydro-power, municipal (including safe drinking water), and industry sectors;
2. Improvement of hydrological data collection, analysis, monitoring and evaluation;
3. Capacity building and capacity management of water resource management.

ARTICLE III
Aim of Parties in Project's Focus Areas

For each of the three identified topics, the Government of Tanzania and the IFC aim to:

1. Undertake a comprehensive hydro-economic analysis of the water resources, including aggregating and packaging relevant data and information to provide an overview of the current and projected water demand versus sustainable available supply. The focus of this aspect of the project is to bring together the sets of data and package them in a compelling way to raise awareness, inform decision and planning, and stimulate action.
2. Leverage the existing expertise in Tanzania and among the 2030 WRG partners to share leading models and practices on water use efficiency and jointly identify and develop specific opportunities for water partnership projects and also develop a strategy, including incentives, on how best to encourage their scale up and application.
3. Enhance coordination of water related efforts in Tanzania, including the potential enhancement of the MoW to support structured engagement with other relevant sector Ministries, private sector and civil society for constructive debates on water issues (related to socio-economic development and other sectors like energy, mining and agriculture) and decision making authority.

ARTICLE IV
Project's Cooperation Modalities

In order to oversee the activities of this Project, MoW and the IFC agree to the following modalities:

1. The establishment and formation of a public-private-civil society leadership group to be formed to oversee the activities outlined in this Memorandum.
2. This leadership group will be called the "2030 Water Resources Group Tanzania" and will help foster local ownership of the process and the domestic development of public private-civil society support structures.
3. The Minister for Water will serve as Patron of the 2030 Water Resources Group Tanzania and have direct accountability for the project. The 2030

Water Resources Group Tanzania will thus report directly to the Minister for Water as Patron.

4. The Minister for Water, as Patron, will designate and mandate the Principal Secretary of the Prime Minister's Office to serve as Chairperson of the 2030 Water Resources Group Tanzania, with the mandate to oversee the activities and ensure progress. One or more Vice-Chairs for the 2030 Water Resources Group Tanzania will be nominated; at least one of which will be from the private sector of Tanzania.
5. The stakeholders of the 2030 Water Resources Group Tanzania will represent all stakeholders, including but not limited to:
 - a. **Public Sector Stakeholders;** Ministry of Water, Ministry of Energy, Ministry of Finance and Minerals, Ministry of Agriculture, Food Security and Cooperatives, Prime Minister's Office and Vice President's Office, Division of Environment
 - b. **Civil Society/Academia Stakeholders;** Including relevant and interested civil society and academia representatives from Tanzania
 - c. **Private Sector Stakeholders;** including relevant and interested private sector companies and industry associations from Tanzania, representing key sectors for example: Mining, Agriculture/Food Beverage, and Energy.
 - d. **International and Bilateral Development Organizations Stakeholders;** International Finance Corporation (IFC), African Development Bank, World Bank, Water Resources Group, Swiss Agency for Development and Cooperation, JICA and USAID.

The final composition of the 2030 Water Resources Group Tanzania will be agreed between the Ministry of Water, the Prime Minister's Office, and the 2030 Water Resources Group.

6. The Permanent Secretary of the Prime Minister's Office, in the capacity of Chairperson of the 2030 Water Resources Group Tanzania, will formally invite the Chief Executive Officers of each organization to join the 2030 Water Resources Group Tanzania and each member will nominate a designate from their organization to be a member of a working group. This group will be responsible for progressing the day-to-day activities of the 2030 Water Resources Group Tanzania project. The members of this working group will meet once per month.
7. The Chief Executive of Organization of the members of the 2030 Water Resources Group Tanzania will meet with the Minister for Water to report progress twice a year.

ARTICLE V

Project's budget and respective financial contribution of parties

1. The Government of Tanzania and the IFC agree to finance the Project activities referred to in this Memorandum with funds assigned in their respective budgets, in accordance with their availability and budgetary management, and in compliance with their national legislation. Each Party will cover their related costs, including the cost of the Party appointed specialists, except in cases where alternative funding mechanisms are available for specific activities and are considered appropriate.
2. In order to create strong commitment and ownership of the 2030 WRG model, it is customary for national governments to make a contribution, whether financial or in-kind, to the 2030 WRG country work. This will be elaborated in the subsequent Cooperation Agreement with the Government of Tanzania.
3. The remainder of the funds will come from 2030 WRG and joint effort between 2030 WRG and the Government of Tanzania to fundraise from other sources.

ARTICLE VI

Cooperation Agreements

1. Upon successful signing of this memorandum parties may enter into cooperation agreements to further the objectives of this memorandum in the implementation of the projects.
2. IFC will prepare and submit a draft Cooperation Agreement to the Government of Tanzania through the Ministry of Water for comments. That draft agreement will contain the terms and conditions governing the parties' relationship in the Project.

ARTICLE VII

Roles of Parties

In the interim period between the signing of this Memorandum and the signing of the Cooperation Agreement, the parties hereby agree to move forward with the 2030 Water Resources Group Tanzania Project as follows:

1. The parties agree to jointly organize and co-host a 2030 Water Resources Group Tanzania kick-off workshop, to be held in Dar es Salaam, Tanzania.
2. The workshop will help communicate, identify and convene a community of professionals who share a commitment to multi-stakeholder collaboration for integrated water resource management, drawing from the private sector, government and civil society.

3. The workshop will also help further refine key areas of collaboration, building on existing discussions, to take forward in the 2030 Water Resources Group Tanzania Project.
4. The outcomes of the workshop will be used to inform and finalize the areas of collaboration and working modalities for the Cooperation Agreement.

During this interim period, the roles of each party will be as follows:

IFC / 2030 WRG:

1. 2030 WRG to fund the workshop, pending an approved budget to be jointly developed and agreed between 2030 WRG and MoW.
2. 2030 WRG to identify, engage and fund a consultant to develop preliminary hydro-economic analysis to help inform and serve as a discussion starter for the workshop.
3. 2030 WRG to draft the objectives of the workshop, an invitation, agenda, and list of participants to invite to the workshop. These to be discussed and finalized with MoW and PMO.
4. 2030 WRG to nominate a point person to be the day-to-day contact with MoW and PMO.

MoW:

1. MoW to review and approve the draft workshop objectives, invitation, agenda, and list of participants, suggesting edits where necessary. Once approved, MoW together with PMO to send out the invitation and agenda to the finalized list of participants.
2. MoW to help follow up and confirm participants to the workshop.
3. MoW to secure an appropriate venue for the workshop. Costs associated with the venue for the workshop to be discussed and agreed with 2030 WRG.
4. MoW to provide all relevant water resources data and information to input and help develop the analysis.
5. MoW to coordinate and obtain additional data necessary from other Ministries.
6. MoW agrees to allow the analysis, once reviewed and approved by MoW, will be used by the 2030 WRG.
7. MoW to nominate a point person to be the day-to-day contact with 2030 WRG point person

PMO:

1. PMO to review and approve the draft workshop objectives, invitation, agenda, and list of participants, suggesting edits where necessary. Once approved, the PMO together with the MoW to send out the invitation and agenda to the finalized list of participants.
2. PMO to chair the workshop as Chairman of the 2030 Water Resources Group Tanzania project.
3. PMO to help follow up and confirm participants to the workshop – in particular, from relevant Government of Tanzania Ministries.
4. PMO to nominate a point person to be the day-to-day contact with 2030 WRG point person

**ARTICLE VIII
Legal Status of Memorandum**

The parties hereby acknowledge and agree that this Memorandum is not legally binding. It is not the parties' intention to create, and nothing herein shall be construed as creating, legal rights and obligations or any commitment whatsoever. Each party shall have the discretionary right to terminate at any time any discussion whatsoever regarding the Project or this Memorandum.

**ARTICLE VIII
Duration of Memorandum**

This memorandum will be valid for the duration of two (2) years from its effective date and may be renewed by mutual consent of parties.

**ARTICLE X
Effective Date of Memorandum**

This memorandum will be effective from the date of signing of this MoU by the parties.

IN WITNESS WHEREOF, the parties have caused this Memorandum to be signed in their respective names as of the date first above written.

THE GOVERNMENT OF THE UNITED REPUBLIC OF TANZANIA represented by MoW;

By: _____

Name: _____

Title: _____

INTERNATIONAL FINANCE CORPORATION

By: _____

Name: _____

Title: _____