

Examining Transparency and Accountability in the Management of Constituency Development Catalyst Fund in Tanzania: The Case of Mwanga Constituency in Kilimanjaro Region

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Abstract

The Government of Tanzania is spending approximately TZS 12.5 billion annually for accelerating development projects at a constituency level, following the enactment of the Constituency Development Catalyst Fund (CDCF) Act of 2009. The Fund's unique feature rests in its management by elected members of parliament supposed to oversee executives. This has raised eyebrows among academics and practitioners on the accountability of its management. This study, therefore, examines accountability and transparency in the management of CDCF in Tanzania using the Mwanga Constituency as a case study. The study employed a cross-sectional research design utilizing a qualitative approach. Semi-structured interview guides were used for data collection, and the data were subjected to content analysis. The key findings of the study manifest secretive management practices of the Fund that limit access to information to citizens. These practices overlook sound governance principles, and are unhealthy for efficient and effective management of public resources. Furthermore, the means for holding entrusted officials accountable were primarily limited to the ballot box and judicial mechanism. The study appeals to relevant authorities to devise means that would give the legal community free access to information. Thus the study recommends meritocratic employment than political value-laden management of the fund so that the community gets value for their money.

Keywords: *accountability, transparency, participation, CDCF, good governance*

Introduction

Parliamentary involvement in grassroots projects and community development has grown in many developing countries, including Kenya, Pakistan, India, Uganda, Bhutan, Jamaica, and Papua New Guinea (Baskin, 2010). It entails the innovation of Constituency Development Funds systems (CDFs)¹⁴ that dedicate public money to benefit specific political subdivisions through allocation and spending decisions influenced by their representatives in the national assembly (Udefuna, 2013). Thus, the fund is a form of fiscal decentralization that empowers local communities to make development choices based on their local environment (World Bank, 2001).

In the East African countries, the fund was first introduced in Kenya in 2003, Uganda in 2005, and later Tanzania in 2009 (Tsubura, 2014; Bwisa & Ojwang, 2014). The fund's main objective was to accelerate development projects in local communities by passing excessive bureaucratic procedures involved by executives in the management of funds that delay development in local communities (Tshangana, 2010). In essence, the fund is provided to elected Members of Parliament (MPs) only because they have direct constituencies to represent (URT, 2017). Parliamentarians in Kenya sought its introduction to implement development initiatives leading to a fair distribution of funds and equal development across its various counts (Gikonyo, 2008). In Uganda, the fund was meant to support parliamentarians in dealing with the promises made during the election campaigns. In Tanzania, the establishment of CDCF aimed at empowering parliamentarians to support development initiatives in their constituencies by providing direct resources for those problems that have not been addressed through other public development funds (Policy Forum, 2007; Baskin, 2010).

¹⁴ CDF will be synonymously used with CDCF in this paper. They share common features of devolved additional resources for development at the local level under the management of members of parliament. The major difference between CDF and CDCF is that while CDF could undertake full projects, CDCF and CDF has been synonymously used with CDCF in this paper. They share common features of devolved additional resources for development at the local level under the management of Members of Parliament. The major difference between CDF and CDCF is that while CDF could undertake full projects, CDCF is a designed Tanzania version of it that plays a catalytic function of accelerating locally initiated development projects.

In contemporary times, CDFs are becoming increasingly popular vehicles for politically centred development that seeks to build relationships between local and central stakeholders, and between stakeholders in government institutions and the civil society (Baskin, 2010). However, there had been an ensuing debate on whether management of the fund by politicians would yield desired outcomes or turn into another avenue for siphoning public resources. With the tune of ensuring efficiency and effectiveness, modern governments have increased their concerns of good governance to ensure taxpayers get value for their money. In so doing, transparency and accountability have been rapidly proliferating concepts in the modern management of public financial practices (Saremi & Mohammadi, 2015). Indeed, modern societies have capitalized on the concepts to the effect that decisions and actions of officials are questioned by the public they affect.

Simply put, transparency means the free flow of information and its availability to all those connected with the decisions. It is intended to empower citizens to become auditors in society with the right to expression and access to a free press (Mosonik, 2017). In contrast, the lack of transparency means that every person working as a senior in public institutions would prevent access to information or provide false information (Sameri & Mohammadi, 2015). The importance of transparency and accountability manifests in various ways, including less corruption, better governance, and economic performance.

One of the central features of CDF which distinguishes it from other funding systems is its management by MPs¹⁵. Despite various opinions on its establishment, MPs from both incumbent and opposition parties supported the movement of its establishment regardless of their political orientations. The Policy Forum's¹⁶ position paper on CDF summarized arguments from MPs on their support for the establishment of the fund to include increased

¹⁵An abbreviation for a 'Members of Parliament'. A political representative of a constituency in legislative body

¹⁶ Policy Forum is a network of 75 NGOs who seek to collectively achieve greater and more effective public voice in the Tanzanian policy processes in order to benefit those who are most disadvantaged

capacity to serve their constituencies since citizens assume they have the resources to solve many of their problems. Constituencies also expected their MPs to deliver development projects even though they do not have control over where these projects are allocated. They further argued that the CDF would financially ‘empower’ MPs to contribute to development projects within their constituency with the discretionary funds available to RCs¹⁷ and DCs¹⁸. Moreover, since TASAF¹⁹ was not democratic, CDF would provide a more democratic means of empowering communities at the grassroots level to take an active role in their development; and more important, since CDF was going to be financed from internal revenue sources, donors should not worry about it. However, all these claims were not part of the responsibilities of MPs, whose primary role was to represent citizens in law-making bodies and conduct oversight of the executive branch.

The introduction of CDF has been widely debated in many developing countries, both domestically and internationally (CPA, 2016). Many Civil Society Organizations (CSOs) have questioned their constitutionality to the extent that others sought its abolishment. In Kenya, for instance, movements against its establishment were pioneered by MUHURI²⁰, while in Uganda, the most active CSO against the establishment of CDF was Uganda Debt Network (Ongoya, 2004). In Tanzania, criticisms were raised by Policy Forum and REPOA²¹. The international donor community, including DANIDA, Oxfam, and SIDA, among others, criticized the establishment of CDCF because the initiative was unconstitutional as it was blurring the separation of power between the executive and legislative branches of government. Moreover, the donor community insisted that similar efforts, such as the Tanzania Social Action Fund (TASAF), were operating on the ground. Thus the introduction of CDCF would lead to duplication of efforts. On the unconstitutionality of the fund, the argument held was that CDF would

¹⁷ Abbreviation for Regional Commissioners

¹⁸ Abbreviation for District Commissioners

¹⁹ Abbreviation for Tanzania Social Action Fund funded by Tanzanian Government in collaboration with World Bank to support families living under acute poverty

²⁰ MUHURI an abbreviation for a Muslim for Human Rights Civil Society Organisation in Kenya based in Coastal City of Mombasa involved in promoting human rights and good governance

²¹ REPOA an abbreviation of Research on Poverty Alleviation is an independent research institution which creates and utilizes knowledge for socio-economic development in Tanzania

undermine the role of the parliament as stipulated in Article 63 (2) of the Constitution of the United Republic of Tanzania of 1977 that, “The parliament shall have the authority on behalf of the people to oversee and advise the Government of the United Republic and all of its organs in the discharge of their respective responsibilities in accordance with this Constitution (URT, 1977)”.

Nonetheless, it was argued that the involvement of MPs in the management of the CDCF would weaken the capacity of the Parliament to perform its oversight function independently. The legislature was seen as engaging in double functions that would impair its accountability. With this arrangement, it would be responsible for introducing and implementing policy proposals at the time. This would compromise its ability to question the executive branch and hold it accountable on behalf of the citizen (Caroline, 2017). Under such criticisms, the international donor community decided to reduce the size of grants extended to Tanzania to discourage the establishment of the fund (Baskin, 2010).

However, despite all domestic and international efforts to stop its introduction, the fund was established following the enactment of CDCF Act no 16 of 2009. The Act stipulates clearly that the source of the fund would be an annual budgetary allocation. Distribution of the fund to constituencies was prescribed to follow a predetermined formula. The formula provided 25 per cent of the fund equally distributed to all constituencies in Tanzania, Mainland, and Zanzibar. The remaining 75 per cent would be distributed based on geographical location, population size, and level of poverty for a constituency. This allocation seemed effective as it would equitably extend resources to all constituencies for ‘fair’ development (CDCF Act, 2009; Tsubura, 2014)

Since its establishment in 2009, the Government allocated TZS 10 billion annually for CDF before increasing the amount to TZS 12.5 billion in 2018. The CDCF Act provided for membership to Constituency Development Catalyst Fund Committee - (CDC committee) to constitute seven members to be in charge of the management of the fund. The chairman and convener of

the committee are elected MPs; the secretary of the committee is the District Planning Officer - Representing the District Executive Officer, Two Ward Councillors; Others are two Ward Executive Officers; and one member from the community - could be from an influential person from one of NGO available in the constituency (CDCF Act, 2009). However, the skeptics have continued to question the accountability and transparency in the management of CDCF by parliamentarians. The primary concern has been the involvement of politicians ²²(whose primary responsibility is to make policies) in the management of this public fund (Egidio and Kopoka, 2018). Hence, the manifested strong desire of MPs for CDCF establishment raises questions about the goodness of their intentions. Therefore, this paper examines the transparency and accountability of CDCF by MPs in the Mwanga Constituency.

Conceptual and Theoretical Framework

Accountability has been a cornerstone of the modern concept of “good governance”. Various theories have regarded accountability as an obligation for a person or institution to give an account of their conduct and misconduct to another party who has the right to pass judgement on those actions. An *accountor* has the right to pass judgment on the actions of the accounting party (*accountee*) and administer potential positive or negative consequences in response to the judgment given. Romzeck (2000) identifies four types of accountability to include professional, political, administrative, and legal. Bovens (2006) has provided functions and dysfunctions of accountability of public officials. As for the importance of accountability, it is seen by Bovens as a tool for citizens to judge the performance of the government; sanction their political representatives by way of voting; enhance the integrity of public governance by avoiding improper behaviour; improve the performances of officials and their agencies; and enhance the legitimacy of public governance by increasing public confidence in the incumbent government.

²² Politicians are thought to put their political interests at top priority in their undertakings

Conversely, the dysfunctions of accountability in public agencies include squeezing out entrepreneurship of public managers, especially when there is too rigorous democratic control. Moreover, accountability turns public agencies into rule-obsessed bureaucracies with too much emphasis on integrity and corruption control. This leads to proceduralism that hampers the efficiency and effectiveness of organizations. Again, too much emphasis on transparency can lead to suboptimal and inefficient decisions instead of improved performance. This paper is grounded on the accountability, which emphasizes the need for decision-makers who are representatives of constituencies to be answerable to the community for their actions and inactions to ensure responsiveness to their demands.

We employ the Principal-Agent Model (PAM) in examining transparency and accountability in the management of the CDCF in the Mwanga Constituency. The PAM helps explain contractual relationships between the principal (owner/employer) and an agent (expert/employee) (Lane, 2013). The theory explains that when a principal enters into a contract with an agent, he expects the latter to perform in return for a favour or money. The significant interest of the principal is to see the work done but does not know the processes and capacities needed to perform the task. Therefore, there is 'information asymmetry' in any contractual relationship favouring the agent. The information asymmetry results in two problems, i.e. *adverse selection* and *moral hazards* (hidden actions). The agent may manipulate performance indicators to impress the principal and choose to hide information that disfavors him. This results in what is called the *agent cost* (Leruth, 2006). The Model advances that the best way to reduce the agent cost is to devise means that induces an agent to disclose all the information that is necessary for decisions to the principal. This could be done either through promises of further lucrative contracts or punishment. The Model explains further that the principal-agent relationship can be multi-tiered, where the principal in one set of relations can be an agent in the other.

In the management of CDCF, the first tier of the principal-agent relationship is manifested between the MP (Principal) and Executives (Agents). In the second tier, the citizen becomes the principal and the MP an agent. In the first

level, it is the MP who enters into a contract with executives to perform a development project, but the MP does not know the processes and capacities needed for its accomplishment. Thus, the executives may manipulate information and maximize performance indicators. In the second tier, citizens employ their MP to undertake development projects expecting high standard performance. However, they have no idea of the processes involved to accomplish such projects. Therefore, the MP can manipulate information and performance indicators to the public to his own political advantage.

Research Methodology

The study was conducted in the Mwanga constituency in Kilimanjaro Region. It utilised a cross-sectional research design that employed a qualitative research approach. The design was considered useful due to its effectiveness in describing what was happening on the ground; and thus efficiently uncovers behaviours and characteristics of officials involved in the management of the fund. Targeted population involved official from both local and central government authorities. A sample of twenty-two (22) respondents was chosen using the stratified purposive sampling method for central and local government officials. The population was divided in strata and respondents for each stratum were obtained through a non-probability sampling technique. The data were then analysed using content analysis techniques. Respondents from the central government involved one (1) official from the National Audit Office of Tanzania (NAoT); one (1) from the President's Office-Regional Authorities and Local Government's Office (PO-LGA); and one (1) from the Member of Parliament's office. From Local Government Administration, respondents involved seven (7) ward executive offices (WEO's). Others were seven (7) ward councillors and five (5) council heads of department (HoDs).

The data for the study involved both primary and secondary data. The collection of the primary data used questionnaires and interviews. Interviews were preferred for their ability to tap the innermost feelings of the respondents beyond what they merely reported. The information collected was then subjected to content analysis. The content analysis approach was useful as it allowed the application of both manifest and latent analysis that enriched the

study. The technique made inferences objectively and systematically by identifying patterns of meaningful information. Moreover, the approach enabled the researcher understand the social reality obtained through uncovering respondents' feelings, perceptions, beliefs and ideas. The triangulation of the primary with secondary data in the study increased the validity of the findings.

Variables

Participation of Citizens in the Management of CDCF

Decentralization by devolution (D by D) has been one of the latest developments in public administration. Since the 1990's Tanzania has embarked on reforms that empower people in decision-making in matters pertaining to their development. The assumption is that local people are situated in the best position to know their development needs and unique local challenges in their jurisdiction. It is further assumed that when beneficiaries are involved in development plans their commitment increases as they feel part and parcel of such projects. Top-down management has been disregarded as inefficient for addressing a particular geographical location challenges. In capitalizing this, Nyamori (2009) points that "CDF's systems of accounting and accountability are skewed towards the needs of centralized national planning and development, contrary to its expressed aim of bringing about citizens' participation in development". The key to implementing D by D is through the participation of local people in the planning and management of projects. The question is, "*Are local people involved in the management of CDCF projects?*"

Accountability in CDCF Management

Accountability is one of the cornerstone elements of good governance. It can be broadly categorized into horizontal and vertical accountability. Horizontal accountability occurs between and among institutions with equal power, such as executive and legislative branches, while vertical accountability occurs between actors with unequal power, statuses, and knowledge (Tsubura, 2014). The Principal-Agent Model best explains the relationships existing between MPs and citizens in the management of the CDCF. In this context, it is between Council Executives and MP at one level and citizens and MP on

the other level. There is an assumption that when the community/beneficiaries are well informed and effectively involved in CDCF projects, they can effectively hold entrusted officials accountable for managing the fund, thus improving its performance. Aidan (2012) emphasized that “community participation in the management of the fund builds the capacity of the community in playing a watchdog’s role. This is premised on the reality that insufficient community participation in CDF processes and efforts to monitor CDF becomes haphazard and uncoordinated”. The question asked here is, “*Are officials in the management of CDCF accountable?*”

Transparency in the CDCF Management

Transparency has been heightened in the management of public finance management. It involves transactions that are done “openly in sunlight”. In essence, transparency and accountability are interlinked, and both result in increased confidence of the public in their government and the government’s legitimacy to rule (Nekesa & Ndungu, 2009). Thus, transparency sought to examine whether the choice of CDCF implemented projects, the processes in CDCF allocation of the fund, and actual management of projects were communicated to the public using user-friendly mechanisms. The assumption was that when information on CDCF projects was openly shared with the public, there would be little chances of mismanagement of the fund. The informed public would develop a sense of commitment to the CDCF project that would ultimately result in improved performance. This was also pointed by Waara (2007) in Kinyua (2019) who opined that “transparency is necessary for the concept of accountability to take hold among the major groups of market participants”. The question here was; “*Were the CDCF management processes done transparently?*”

Results and Discussion

Participation of Citizens in the Development Projects

Participation of citizens in development projects was one of the critical issues inquired that helped establish whether or not there was transparency and accountability in the management of the CDCF in the Mwanga Constituency. Citizens’ participation has threefold advantages, including empowering citizens in decision-making, commitment to the established projects, and the

legitimacy of the government. The results of the study indicated that the local community was involved in identifying incomplete locally initiated and implemented development projects that lacked funds for their completion. However, the final deliberation of projects for funding was done by the CDC committee, guided by priorities set for that particular year. A ward councillor in Mwanga reported had this to say:

When we have development projects that we fail to complete due to financial constraints, we request support from the CDCF through the secretary to this fund, who happens to be the DPLO²³. The DPLO puts them on the list of projects to be considered when the CDC meeting convenes. Some councillors are members to this committee, However, the fund only supports small projects with small costs (Interview with Amiri Mkono Sarumbo, the councillor for Kirongwe in the Mwanga Constituency, 2nd April 2018).

This response suggests that constituencies in their localities were involved in identifying and planning for development projects that had not sustained enough resources for their accomplishment. The councillor, as the citizens' representative in the 'council'²⁴, then carries their electorate's development concerns to higher organs for deliberation and implementation. The participation of citizens in decision-making was done principally in regular village assemblies and ward meetings.

More findings suggest that the local community in Mwanga Constituency was involved in the actual implementation of the CDCF Project. Since the amount disbursed for the implementation of CDCF projects does not fully finance a project in most cases, the community was invited to participate in various stages of the development of projects through manual work contribution. One of the WEOs had this remark to make:

²³ District Planning Officer

²⁴ A body of people elected to manage affairs of a district

The CDCF focuses on community development activities, including health, water, and education, but for the time I have held this position, I have seen the CDCF used to complete unfinished projects that have been initiated by the local community (Interview with Eleskia Mchomvu, councillor for Chomvu Ward in Mwanga Constituency, 1st November 2018).

Another councillor from the same constituency added to the claim by clarifying how the local community was involved. He said:

The local community is involved. For instance, in our water project, water pipes at Mwero and Kiriche villages were torn down, so we used the CDCF to replace the old and torn ones with new ones. The local people in these villages were directly involved in digging the furrows/troughs for lying the new pipes (Interview with Amiri Mkono Sarumbo, Councillor for Kirongwe in Mwanga Constituency, 2nd November 2018).

In some cases, community participation took the form of materials and financial contributions. The researcher interviewed one of the ward councillors in the Constituency who was on-site with the local fundi in collecting gravel for road maintenance and had the following to inform;

Our ward is small in size, but it has understanding people. They found the amount allocated was very small and thus decided to contribute road culverts. The village chairman requested them to contribute, and they did so. Community participation here is very high. Beyond this building, there is a huge trench dug through the community effort to overcome frequenting floods” (Interview with Saidi Ismail Mwejuma, councillor for Kighare Ward, in Mwanga Constituency, on 5th November 2018).

The interviewed respondents reported the same in Mwanga Constituency, where all councillors pointed out that community participation in public

works ²⁵ had been their cultural tradition even before the introduction of the fund. In this case, the CDCF projects just complemented community efforts.

Altogether, the full participation of community members in identifying projects faced some challenges. This process took place during village/street assemblies. However, the reluctance of community members to attend such assemblies was noted, which could have impaired decisions on project prioritization at that level.

Accountability in the Management of the CDCF

Before the 2017/2018 Financial Year, the CDF Act of 2009 required each council to establish a special constituency account for receiving the CDCF from the Treasury. However, the fifth regime made some reforms in the management of the fund to increase efficiency and accountability. There were more than 30 accounts in each council, but which were reduced to only six. Since then, the fund started being credited to the Council's Development Account with a special slot for CDCF. Accountability in the management of the CDCF entails processes from street/village assemblies depending on whether or not the jurisdiction is located in urban or rural districts. Street/village assemblies enlist articulated developmental demands from the community, and the proposed projects are taken to higher-level decision making organs, namely the WDCs. A WDC, consisting of the ward councillors and village/street chairpersons, shortlists proposed projects from the grassroots, and takes them further to the CDC committee. This committee deliberates on the proposed projects depending on the urgency, priorities set for a particular year, and available fund. Another way of obtaining projects for CDCF funding includes those projects promised by the MP during his election campaigns, or those made during regular constituency visits at public rallies. MPs' promises to their electorates are also collected and sent to the CDC committee for consideration in the allocation of the fund. However, the CDC committee mandate and powers end with prioritising and deliberating projects from the wards. The disbursement of funds to deliberated projects is done by the Chief Accounts Officer, the DED.

²⁵ Known as *Msaragambo* in the local language

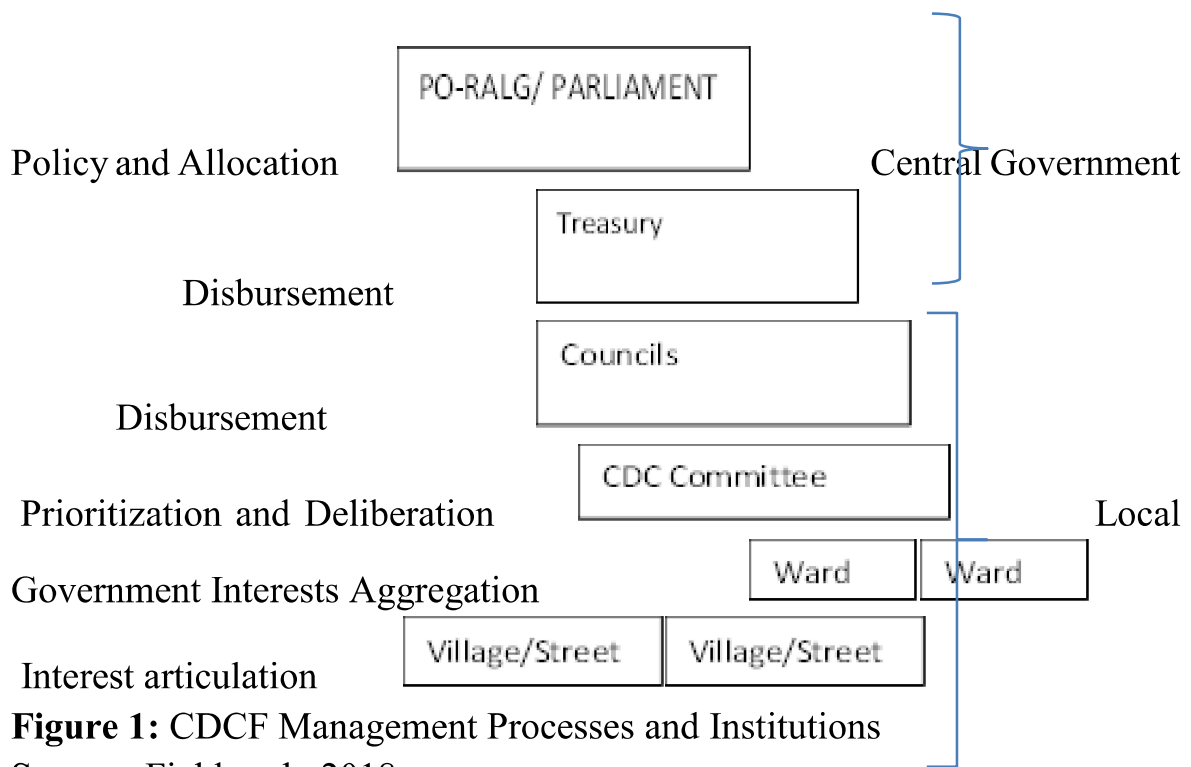


Figure 1: CDCF Management Processes and Institutions

Source: Fieldwork, 2018.

Figure 1 shows that both local and central government institutions and processes involved in the management of the CDCF. From local authorities, the process commences at the village level where the community articulates their development project demands before they are taken upward to the WDC. The WDC then forwards them to the CDC committee for prioritization and deliberation. From the central government, the process begins with the parliament, in collaboration with the PO-RALG office, developing an allocation policy and guidelines for the management of CDCF. The Treasury then disburses the fund to councils. After the CDC committee deliberates on projects to be implemented, the Council spends the fund for project implementation.

One of the requirements in the management of the CDCF is that all projects emanate from the community, and are community-based to ensure that the prospective benefits are available to a wide cross-section of inhabitants of a

particular area²⁶. It was found that most projects which conform to the law emanated from the community. The findings have shown that most demands had been articulated from the village and street levels, moving up the channel through the WDC to the CDC committee for deliberation. One of the councillors had this to say:

The community identifies development projects they want to be implemented in their locality through village assemblies. From there, proposed projects are moved forward to the WDC, which is a higher decision making organ at the grassroots level. After considering proposals from each village, each ward takes two to four project proposals to the DED and a copy to the MP's office. The District Planning Office collects all projects and gives them numbers. The MP and DPLO (members of the CDC committee by virtue of their position) then convene a CDC meeting for prioritization and deliberation. However, a village can send its development project proposal to the DED's and MP's office without passing through the WDC (Interview with Msafiri Hussein Mvungi, Councillor for Msangeni Ward, Mwanga Constituency, 8th November 2018).

Yet, other projects did not emerge from the community itself as required by law. In some instances, top-down initiatives had been employed where top officials in the management of the CDCF decided what was better for their constituencies. This was manifested in a response by the Ward Councilor who said:

This one exists. Last year, the MP suggested that education should be a top priority. He suggested a significant amount of CDCF be directed to purchasing computers for government Secondary Schools to enable students to learn computer studies. This was the MP's idea. He persuaded us, and we agreed, although some did not approve of the idea at first. One representative from Kilomeni held that we should finish with laboratories before we start the computer project. For me, I would

²⁶ Article 18 (1) and 19 (1) of the CDCF Act no 16 of 2009

prioritize to rehabilitate my Ward Office which had caught fire and burnt down lately to purchasing computers (Interview with Eleskia Mchomvu, a Councillor for Chomvu Ward, Mwanga Constituency, 1st November 2018).

However, designing the fund for serving a catalytic function seems to attract unaccountability amounting to mismanagement of the fund for political ends. Performance indicators were vaguely set to evaluate whether the amount of money invested in accomplishing a project matched the performed task. This was manifested by one of the councillors who argued that:

They [CDF] are not new projects. They are usually incomplete projects which do not need a specific budget to accomplish. The fund just supports projects which have been locally initiated by the community that could not be completed due to the exhaustion of community efforts. For instance, when a community is building a health centre, the CDCF can come in and support the purchase of building blocks or cement bags that have fallen short for accomplishing the project (Interview with Saidi Ismail Mwejuma, a Councilor for Kighare Ward, Mwanga Constituency, 5th November 2018).

Moreover, there had been instances that the CDCF had been used contrary to its initial directives and intent. This has been manifested by using the fund for supporting activities which the Act does not cover. For instance, the law forbids the utilization of the fund for personal awards to any person in cash or kind²⁷. However, the study found that the constituency used the fund to support youth groups (although it was not legally acceptable). This arrangement ignored the legally established mechanism for each council to set aside 10 per cent of their income for supporting these activities²⁸.

The procedure was also supported by an official from the National Auditing Office of Tanzania (NAoT), who argued that:

²⁷ Article 8 of the CDCF Act no 16 of 2009

²⁸ Interview with Moshi Municipal Mayor

These are not supposed to be financed through CDCF. These are supposed to be funded by Council itself. There is a law which requires 10 per cent of own source to be allocated for women, youth and the disabled (Interview with NAOt official, 27/10/2018).

Thus, the practice in the constituency in the study shows a lack of transparency and accountability in the management of public funds for failure to adhere to established procedures by the law.

Table1. Unaccountable Practices in the CDCF Management in Mwanga Constituency in 2007-2018.

Ward/Village	Unaccountable Behaviour
Kituri Dispensary	Roofing with iron sheets gauge 30” instead of the required gauge of 28” prescribed for government building structures
Msangeni	Advancing contractual loans to youths for purchasing commercial motorcycles and payments to be effected through Mwanga Community Development Bank within the agreed time; Biasness in the allocation of funds favouring villages that the MP won a landslide victory
Mwaniko	More resources were directed to Mriti village (MP won landslide victory) and less to Mwaniko (won few votes); MP implying CDCF is his pocket money
Chomvu	MPs directing money where he has majority support; MP implying CDCF is his pocket money
Kifula	Less community participation; WEO suspended from office pending investigations on misusing of CDCF for private gains allegations.

Source: Field Data, 2018

Table 1 shows that despite the popularity of the CDCF in accelerating locally initiated development projects, its management has not been free from unaccountability practices. The table manifests various practices that have not been transitioned openly, which impaired the openness and accountability of the fund. Some of the maladministration practices involved purposely implying the fund belongs to the MP, engaging in the procurement that overlooks the PPRA Act and its guidelines, political biases in the allocation of the fund favouring some places over others and supporting community groups that are not legally recognized.

Mechanisms for Enforcing Accountability

There are various means at the disposal of the community to hold entrusted public officials accountable for mismanaging CDCF. These include legal actions through which an official who mismanaged public funds would be taken to the court of law and charges filed against his misconduct. Article 28 (1&2) of the CDCF Act of 2009 establishes penalties for misappropriation or assistance in the misuse of the fund:

A person convicted for an offence under subsection (1) shall be liable to a fine not exceeding fifteen million shillings or to imprisonment for a term not exceeding five years or both.

But when inquired about transparency and accountability in the office of the PO-RALG as the custodian of the fund, the respondent claimed not to have heard cases of officials' misappropriation funds on record. He further explained that the law was carefully crafted to make an unwarranted appropriation of the fund difficult. The respondent reiterated that:

The law has made procedures such that an MP cannot spend the money when the fund has been allocated until the CDC committee meeting has been convened, projects priorities discussed and deliberated, and the minutes of such meeting signed. This suggests that the

committee must approve the expenditure before taking money from the account. Otherwise, the MP cannot spend the CDCF (Interview, PO-RALG officer, Dodoma, 10th September 2018).

Moreover, interviews held with the ward councillors from the Mwanga Constituency and the WEO manifested their concern that it was difficult to embezzle the CDCF. First, it came with directives of what to do and how much to use; second, the mismatch of the small amount allocated to demanding projects such that the money could not be squandered; third, a proper allocation of the fund would have added to their political advantage. However, the study found that the underutilization of legal accountability mechanisms in both constituencies was fueled by the high costs involved in legal actions, and the fear of creating bad relationships with politicians that would negatively impact project prioritization. Thus, even when suspicion over maladministration of the CDCF emerged, the community chose to be silent.

An alternative mechanism for holding public officials accountable at the disposal of the community was airing out grievances of misconduct of officials in public rallies, mainly when senior officials have visited. Local people can either stop a senior public official's motorcade from passing in their place and speak out their dissatisfaction with the mismanagement of the fund, or do it in official public gatherings. The senior public official would then take charge and order an investigation to validate the allegations. If an official is found guilty, disciplinary actions would be taken against the culprit. This type of accountability mechanism was utilized in the Kifula Ward, Mwanga Constituency, where the WEO who allegedly misused CDCF had been suspended, pending investigations during the data collection of this study.

A more popular mechanism for holding officials accountable was overhead democracy. In this mechanism, the public could hold executives accountable indirectly by controlling politicians' actions, i.e. MPs and councilors. This entails political sanctions through the ballot box. Politicians are aware that

mismanagement of the CDCF can raise grievances to the general public, and thus jeopardize their opportunity of being re-elected into the positions held. Because of that, politicians who are theoretically superior to executives are expected to hold executives accountable to ensure transparent, accountable and effective delivery of services to increase their chances of remaining in power.

However, there was no direct mechanism for the public to hold officials accountable in case of misuse of the CDCF, as one councillor responded:

The procedures are in the Council, not by the local community. The Council Engineer will be held responsible by the full council when presenting their project reports. Ordinary citizens cannot hold them accountable because the fund was not credited to their accounts (Interview with Amir Mkono Sarumbo, a Councillor for Kirongwe Ward, Mwanga Constituency, 2nd November 2018).

Indeed, holding public officials accountable has been a problem that needs close attention. Both legal and political mechanisms have not been effective enough due to the costs involved in its enforcement. The community has been reluctant either by sheer ignorance as they are not aware of how much has been allocated but also because agents (executives) have control over information, and can manipulate it only to release that which maximizes their interests.

Transparency in the CDCF Management

The importance of transparent processes in ensuring accountability in the management of the CDCF cannot be overstated. It is an undeniable fact that accountability cannot exist exclusively of transparency. Fadhil (2011) identified factors for a lack of awareness of community in management of CDFs to include a lack of proper communication, a general lack of transparency in CDFs matters, no advertisements, conflict, or violence. This study collected information from council executives, members of the CDC committee, and councillors through questionnaire, and one to one interviews. Generally, the management of the CDCF was seen to be reasonably

transparent, although some practices impaired open access information to the public²⁹. Transparency was assessed at the executive level in the Council to examine whether or not each member of the Council knew how the members of the CDCF were obtained, how much was allocated in each constituency, and how much was disbursed to the prioritized projects in the wards. Transparency was also examined on the recipients of the projects regarding whether they were informed about how much and for what purpose they were allocated with projects, the source of the fund, and the mechanisms used to communicate the information to the public.

In an interview with PO-RALG officers about the transparency of the fund to recipients of projects, the study found that it was a requirement that officials inform beneficiaries on how much has been allocated for what project in their area. It was learnt in the field that MPs, Councilors, and WEOs were responsible for informing the public about revenue and expenditure of projects. Most respondents in both constituencies identified public meetings as their primary avenue for such communication. Only a few of them used public notice boards to communicate financial information to the public as a convenient mechanism. For instance, in an interview, one of the Mwanga councillors reiterated that:

Information is disseminated through monthly meetings at the village level. Those who attend these meetings get information about the fund. We also inform them in our ward meetings. For instance, the previous meeting announced that we had been allocated TZS1.5 million for roofing the doctor's house in our dispensary. We also informed them about the amount used for purchasing iron roofs, nails, and the balance (Interview with Saidi Ismail Mwejuma Kighare, Mwanga Constituency, 5th November 2018).

²⁹ Sameri and Mohammadi (2015) refer to accountable citizen with the right to free access to information and expression as 'millions of auditors' in society.

However, this mechanism was not effective in ensuring transparency and accountability in the management of the CDCF. As seen earlier, there was a growing tendency of the citizens to reluctantly attend these public meetings. Thus, relying on public assemblies and meetings as a sole mechanism for disseminating information to the public was not guaranteeing effective communication of financial matters to the public. Besides, directives from the PO-RALG require financial transaction matters on the management of the CDCF to be posted on public notice boards for each citizen to access.

Table: 2. Dissemination of Information to the Community

			Means of Communication		
	Officials	Wards	Public Meetings	Notice Boards	Others
Mwanga DC	WEOs	Kighare	Yes	Yes	Social
		Kirongwe	Yes	No	Media
		Chomvu	Yes	Yes	Newspapers
		Mwaniko	Yes	Yes	Radio
		Msangeni	Yes	No	Nil
	Councilors	Kighare	Yes	Yes	Radio
		Kirongwe	Yes	Yes	Radio
		Chomvu	Yes	Yes	Nil
		Mwaniko	Yes	Yes	Social
		Msangeni	Yes	Yes	Media
				Nil	

Field Data, 2018

Table 2 shows that the prominent mechanism used by the WEO and ward councillors to communicate CDCF concerns to the community was through public meetings. These could be at the village level through village assemblies or ward meetings. However, other means of communication that would be more user friendly to local people, like posting information to public notice boards available in WEOs, Councilors and even MPs' offices, were

underutilized. This was contrary to directives from the PO-RALG office which directed information on the CDCF to be posted on public notice boards. This significantly impairs transparency in the management of the fund.

The study findings, show that only a few councillors knew precisely how much was allocated to their constituency other than those in their jurisdictions. The Council did not even involve others in the implementation of projects. One of the councillors explained this management hurdle this way:

We are not involved in the process. We are just told that a project has been approved for our community, and they will do the rest, including awarding the tender. You just wonder to find an engineer on the site working. We are not involved even in the supervision procedures until we ask them what is happening in our area. You just see people working, but you have not been informed about what they are doing! (Interview with Saidi Ismail Mwejuma, a Councilor for Kighare Ward, Mwanga Constituency, 5th November 2018).

Yet, unaccountability and lack of transparency were noticed in the management of the fund at the council level. A regular practice in the Council was for each of the various statutory council committees to prepare project reports and present them in the full council, which sat once in three months. However, the case was different with the CDC committee, which was not obliged to submit reports on the development of projects. Thus, the results of the CDC projects could not be brought before the full council and discussed. Information on how much has been received and allocated in the constituency projects largely remained in the possession of the CDC committee. This secretive nature of the management of the fund went to the extent that even the councilors did not know how the members of this important committee were obtained.

On top of that, the study found that even the name commonly used to refer to the fund did not encourage transparency for public audit. Most respondents who were asked about CDCF operations referred to the fund as *fedha za*

*mbunge*³⁰, literally meaning “MP’s money”. This erroneous understanding of the fund suggests that the fund was MP’s pocket money, offered to implement projects under philanthropic accounts. This understanding did not call for a thorough public audit of the fund. It brought a sense that projects financed with the CDCF were parliamentarians’ generous contributions to the public that were not subject to rigorous public scrutiny.

Transparency and accountability were also examined in the procurement processes involved in the management of the fund. Public procurement refers to purchase by governments and state-owned enterprises of goods, services and works (Muange, 2013). Indeed, most respondents claimed to adhere to the the Public Procurement Regulation Act (PPRA) of 2004 as required by law³¹. However, given the size of the fund provided for projects and actual requirements, the respondents claimed that it was difficult to follow all procurement processes, including advertising tenders and subjecting applicants to a competition to obtain the best. The alternative way used was to invite local *fundis*³² to execute CDCF projects, and then prepare reports those procedures were followed to submit to the Council. The use of local funds was considered convenient and far cheaper than using council engineers as required by law³³. Council engineers would only play supervisory functions except for large projects requiring complex machines and technologies. A Councillor from one of the Mwanga constituencies’ wards expressly informed that:

No, you cannot announce tenders with this meagre amount of money. We are moving to think of using our local *fundi's* in our communities. We are now constructing four levels buildings there. But a significant effort is made by our local *fundis*, and they are doing a great job. When we use council engineers, it becomes costly. An item of TZS 50,000.00 will cost you TZS

³⁰ A Swahili phrase which literally refers to ‘MP’s money

³¹ Article 15 (1) of CDCF Act of 2009 on the procurement of services, goods and works.

³² A Swahili word for local apprentices. They were considered cheaper and more convenient for CDCF projects.

³³ Article 14 (1) of CDCF Act of 2009 on government departments to implement CDCF projects.

150,000.00. If you go there and see the work done with that only TZS 400,000.00, you will not believe your eyes (Interview with Msafiri Hussein Mvungi, Councillor for Msangeni Ward, Mwanga Constituency, 8th November, 2018).

In general, the study found that either by choice or design, transparency in the management of the CDCF was not adequate for holding officials accountable. The efficiency and effectiveness of the fund largely depend on the openness and accountability of the processes involved in the CDCF management. Transparent mechanisms can empower the citizen to be social auditors of their funds, and thus reduce potential loopholes of corruption, political investment, and widespread embezzlement of public funds.

Conclusions and Recommendations

The current study examined transparency and accountability in the management of CDCF in the Mwanga Constituency, Tanzania. The qualitative research methodology was employed to capture social realities uncovered by probing into the inner feelings and beliefs, attitudes and practices of the respondents on the matter. Content analysis was used for analysing information gathered from the field and those collected from published and unpublished resources. Manifest and latent analyses have shown increasing popularity of the Fund among the citizens and parliamentarians. Despite some cases of skewing allocations for political expediency among MPs, the Fund has proved to be an essential tool for addressing unpredicted upheavals and supporting community efforts toward development. Transparency and accountability in the management of the Fund have not been observed to their fullest by entrusted officials. This calls for deliberate interventions to ensure the efficiency of the CDCF.

The study recommends improving the CDCF to its fullest efficiency and effectiveness. The first and foremost is designing effective ways of increasing transparency in the management of CDCF in Tanzania. The PO-RALG office, as the custodian of the Fund, should develop policies that oblige each council to ensure that financial transactions are openly posted to public notice-boards

available in village and ward offices for each citizen to access such information. An informed electorate has more chances of holding their leaders accountable. This should be one of the components to be involved in the auditing reports submitted to the office.

Moreover, deliberate efforts should be made to educate stakeholders on the source of money and their social auditing responsibility. This will enlighten them on the CDCF in general, and reduce their reluctance to attend grassroots meetings to identify and prioritise projects and monitor implementation. Therefore, their participation would increase their commitments and willingness to contribute to their development.

Furthermore, the scope of the Fund should be increased to cover more significant projects as playing the catalytic function has the problem of establishing performance standards that can be used in holding officials accountable. Yet, council practices should be streamlined to allow CDCF project development reports to be presented in 'full council' by the CDC committee as other council committees do it. It is not realistic for ordinary citizens to be informed of CDC management processes if their representatives are not well informed. In such a manner, the general citizenry cannot effectively hold their representatives accountable as they do not comprehensively understand how their fund is managed.

Management structures should be more transparent to allow ordinary citizens to hold officials entrusted with the management of the Fund accountable. Furthermore, the CDC committee should constitute members chosen based on merit rather than personal arbitration and appointees subjected to the full council vetting. More studies should focus on the monitoring and evaluation of CDCF to ensure that the politicians deliver constituencies' expectations and abhor using the Fund as another opportunity for siphoning public funds.

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