



**ESTABLISHMENT OF  
TANZANIA NATIONAL BUSINESS COUNCIL**

**PRESIDENTIAL CIRCULAR No. 1 OF 2001**

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**Introduction:**

1. Trends in today's world have created opportunities and challenges for governments and business firms in both developed and developing countries. The globalization of economic activities, the liberalization of trade and fierce competition to which local firms are exposed; the poor performance of state owned enterprises and the consequent rise of interest in the private sector in creating the wealth of a nation have all combined to compel governments in Africa to search new models of economic management
2. In Tanzania, the Government has embarked on a fundamental restructuring exercise meant to bring the country to a point where it will be able to swim in the main stream of the emerging global economy. The Government has for long realized that the growth of the economy depends ultimately on a dynamic and robust private sector. Its ability to solve problems such as poverty alleviation, employment creation and overall welfare of the people also depends on a growing economy. A healthy private sector increases Government revenue. The private sector, on its part, has been calling for a less constrained operating environment, a more business friendly public service, and a platform for expressing its views in the process of planning and implementing the developing of Tanzania. It is now generally realized that the crisis of development of Tanzania cannot be left to the government alone. Neither can it be left to the private sector alone, even though it is acknowledged that the private sector is to become a prime mover of the development process. The government and the private sector need each other. They have to work together.

3. In the past the Government has had dialogue with the private on an ad-hoc basis as a result sometimes there is no follow-up on decision made. The Government has, after consultation with major stakeholder, decided to institute a mechanism for holding regular dialogue with the private sector and other stakeholders on issue concerning the socio-economic development of Tanzania. The purpose of the Circular, is to create the Tanzania National Business Council (TNBC).

### **Objectives of Tanzania National Business Council**

4. It is intended that the institution of the Council will facilitate closer and more regular consultations in order for all concerned.
  - i) To provide a forum for public/private sector dialogue with a view to reaching consensus and/mutual understanding of strategic issues relating to the efficient management of development resources;
  - ii) To promote the goals of economic growth with social equity and even development;
  - iii) To review from time to time developments in the external and domestic business environment, the challenges they pose to Tanzania, and propose a course of action;
  - iv) To exchange views on the prevailing operating and regulatory environment, and propose ways to facilitate the public service to improve on service delivery and make the civil service business friendly;
  - v) To review and propose changes in the policy environment to enhance the attractiveness of Tanzania products in the world market;
  - vi) To encourage and promote the formulation of the coordinated policies on social and economic matters, including consideration of existing and proposed economic legislation, and make recommendations through the Government to parliament or other appropriate bodies;
  - vii) To consider any other matter deemed relevant to the achievement of the above objectives

## **Functions of Tanzania National Business Council:**

5. In pursuit of the above objectives, the TNBC shall:
  - i) Cause to be conducted, such research or survey or study any aspect of social economic development policy as it may deem fit;
  - ii) Review specific research, reports of policy proposals submitted to it by any of the consultative bodies. It may also call for and consider any such reports as it deems necessary to provide a clearer picture of affairs before it;
  - iii) Set targets as well as performance benchmarks for implementing decisions or agreements reached, including assignment of responsibilities;
  - iv) Monitor and evaluate implementation of policies and measures agreed upon, as to their effectiveness and /outcomes.

## **Membership and Organs of the Council:**

6. The work of the TNBC shall be conducted through the following organs:
  - The Council
  - Executive committee
  - Working Committees set up by the Executive Committee and
  - A Co-ordinating Secretariat

### **a) Structure and Size of the Council**

- i) The President of the United Republic of Tanzania shall be the Chairman of the Council. The decisions of the Council shall be by consensus.
- ii) The Tanzania National Business Council shall have 40 members sitting with the President of United Republic of Tanzania. The member shall be drawn from both the Public and private sectors with equal Representation. The Government will nominate 20 members including representation of the Academia. The entry point of TNBC business in the Government will be determined by the President as he deems appropriate.

- iii) Other 20 members of the council other than those representing the Government will be nominated by their associations under the auspices of the Tanzania Private Sector Foundation (TPSF) through a transparent and democratic process such that all the major sectors are represented including representation from the labour movement.

**b) Executive Committee**

- i) Day – to – day activities of the Council shall be supervised by the Executive Committee:
- The Chief Secretary (Chairman)
  - The Chairman of TPSF (Co Chairman)
  - Four members from the public sector
  - Four other members from private sector, and
  - The Executive Secretary of Council
- ii) It shall be responsibility of the Executive Committee:
- To exercise such functions as the Council may delegate to it;
  - To draw rules and procedures for all meetings of the TNBC and its committees ;
  - To draw up procedures and protocols for handling and routing the decisions and agreements of the TNBC including monitoring implementation of Council decisions;
  - To appoint officers of the Secretariat on such terms and conditions as the Council may determine;
  - To appoint auditors for the purpose of annually auditing of the accounts of the Council;
  - To appoint working committee as and when required;

- To oversee the work of the Secretariat;
- To prepare the agenda and notice for TNBC meetings.

**c) Working Committee:**

In carrying out function the Council may establish standing, ad-hoc or other kind of committees to deliberate on such matters as may be referred to it and each such committee shall make their recommendations through the Executive Committee to the Council

**d) Secretariat:**

There shall be established for the TNBC a Secretariat which will be responsible for serving its meetings as well as carrying out such functions as the Council may assign to it.

The Council may assign responsibilities for carrying out its decisions. It shall be duty of the Secretariat to communicate such assignment of responsibilities to such persons and monitor its implementation.

**Financing:**

7. The business and affairs of TNBC shall be financed on a cost-sharing basis between the Government and the private sector. The Government contribution (Subvention) to TNBC will be routed through the vote of designated entry point.

12<sup>th</sup> September; 2001  
The State House,  
Dar es Salaam



**BENJAMIN WILLIAM MKAPA**  
President

# PROCEDURAL GUIDELINES

## 1. Powers of Executive Committee

- 1.1 To exercise such functions as the Council may delegate to it;
- 1.2 To draw up rules and procedure for all meetings of the TNBC and its Committees;
- 1.3 To draw up procedure and protocols for handling and routing the decisions and agreements of the TNBC including monitoring implementation of Council decisions;
- 1.4 To appoint officers of the secretariat on such terms and conditions as the Council may determine;
- 1.5 To appoint auditors for the purpose of annually auditing the accounts of the council;
- 1.6 To appoint working committees and propose their charges for ratification by the Council;
- 1.7 To oversee the work of the Secretariat in coordinating the work of the Council;
- 1.8 To prepare the agenda and notices of TNBC meetings.

## 2. Procedure at Meetings

- 2.1 All meetings of the council and its organs shall be conducted in accordance with the rules and procedures as determined by the Council;
- 2.2 All meetings of the Council shall be convened by the Secretariat acting on the instructions of the Chairperson of the Executive Committee;
- 2.3 The quorum for meeting of the Council shall be one half of the

membership, provided that those present are not all from one constituency;

- 2.4 The quorum for Executive Committee meetings shall be one half of the members provided that both public and private sector must have at least two present;
- 2.5 Any vacancy occurring in the Council or Executive Committee shall be filled by the constituency in which the vacating member comes from;
- 2.6 All decisions of any meeting shall, as much as possible, be by Consensus, as summarized by the Chair;
- 2.7 There shall be a Chairman and a Co- Chairman of the Executive Committee –one from Government and the other from the Private Sector.

### **3. Minutes**

- 3.1 Written minutes shall be kept of all meetings of the TNBC, Executive Committee and Working Committees. Once approved, such minutes shall be entered into a bound book and kept as a permanent record by the Secretariat.
- 3.2 An attendance register of all members who attend any meeting shall be kept.

### **4. Reports:**

- 4.1 Any report of the Council, including the annual report or special report on any proposed change in policy or legislation or policy relating to or affecting social economic matters shall be submitted to the Chief Secretary and to the Tanzania Private Sector Foundation for action as necessary.
- 4.2 The Executive Committee shall, as soon as possible after June 30th each year, Publish an annual Report of its activities and the state of economy during the year ending on that date.



## **5. Finances**

- 5.1 The financial year shall follow that of the Government;
- 5.2 The Executive Committee shall prepare and submit an Annual budget for financing the activities of the Council to the Chief Secretary for inclusion in the annual budget of the Government.
- 5.3 The Executive Committee shall ensure that proper books of accounts are kept and these will be audited annually and published as part of the Annual Report;
- 5.4 The Council shall be entitled to receive monies from private and public bodies other than those provided by the state; provided that such monies are maintained in a separate account, reported and audited at the same time as the auditing in 5.3 above.

## **6. The Secretariat**

- 6.1 The Executive Committee shall appoint an Executive Secretary who shall be Ex- Officio member of the Council and all Committees;
- 6.2 The Secretariat shall be accountable to the Executive Committee for the smooth running and coordination of the work of the council and its committees;
- 6.3 The Executive Secretary, or his/her designate shall be the minute secretary of the Council and its Committees.