

**SPEECH BY HON. JEREMIA S. SUMARI, DEPUTY  
MINISTER FOR FINANCE AND ECONOMIC AFFAIRS AT  
THE LAUNCH OF THE NATIONAL AUDIT OFFICE  
DEVELOPMENT PROJECT (NAODP) PHASE II,  
14<sup>TH</sup> MARCH 2008, DAR ES SALAAM.**

**H.E. Ambassador of Sweden, Mr. Staffan Herrstrom;**

**Hon. John Cheyo, Chairman of PAC;**

**Hon. Mgana Msindai, Chairman of LAAC;**

**Mr. Ludovick Utouh, Controller and Auditor General;**

**Ms Karin Lindell, Auditor General of Sweden;**

**Mrs. Fatma Said, Controller and Auditor General of  
Zanzibar;**

**Officials from the Swedish Embassy;**

**Officials from the Office of the Auditor General of Sweden;**

**Officials and staff of the National Audit Office of Tanzania;**

**Distinguished and Invited Guests;**

**Members of the Mass Media:**

**Ladies and Gentlemen.**

**I am pleased to have the honour to Officiate on the launching of the second phase of the National Audit Office Development Project (NAODP). This is an important event not only for the National Audit Office of Tanzania, but also for our country as a whole.**

**I would like, on behalf of the Government of Tanzania, to thank the Government of Sweden the people of Sweden, our brothers and sisters in Sweden for their kind consideration of agreeing to fund phase two of the NAODP. I believe that our friends in Sweden were satisfied with the performance of phase one of the project, that is why they have decided to finance this second phase of the project.**

**I would further wish to thank the Swedish National Audit Office (SNAO) for their support in terms of**

**personnel to both of the project phases. The two resident consultants and a number of short-term consultants have been working very closely with their colleagues from the National Audit Office of Tanzania during the first phase of the project. I wish and pray that cooperation and commitment will continue in this second phase of NAODP.**

**Ladies and Gentlemen It will be unfair if I will not congratulate the leadership, management and staff of the National Audit Office of Tanzania who have been fully involved in this project. Their participation and involvement in the project were vital to the success achieved in the first phase of the project. I urge them to put even more effort in the second phase which is very crucial for the development of their Office and our country.**

**Ladies and Gentlemen, I would like to say few words about the long time and strong cooperation between our two countries of Tanzania and Sweden. Sweden for a long time has been assisting Tanzania, from the era of the Late Prime Minister Olf Palme, who was a very good friend of the Father of this Nation, Mwalimu Julius Kambarage Nyerere, and the people of Tanzania. Sweden was among the very first countries to support the Government of Tanzania in the General Budget Support agenda way back in the 1980s. Today, Sweden is still with us and the GBS has substantially picked support where over 14 friends of Tanzania are involved in the scheme.**

**Through the Swedish support Tanzania has made major progress in various sectors, such as education, health, environment, legal, finance and good governance, just to mention a few. Thank you Sweden.**

**Ladies and Gentlemen, I have been made aware that during phase one of the project the National Audit Office of Tanzania, achieved a lot in terms of improving the working environment of the office including acquisition of equipment, office accommodation, motor vehicles and technical support in both financial audit and performance audit. The two oversight Parliamentary Committees of PAC and LAAC have substantially benefited from the 1<sup>st</sup> phase through training and study tour opportunities.**

**With the support from the project, the National Audit Office has been able to produce Annual Audit Reports according to Constitutional requirements. For the past two years we have witnessed the CAG reports being produced in time and of high quality. The major challenge is to sustain these achievements. Thank you CAG, thank you Sweden.**

**Ladies and Gentlemen, I would like to comment on the importance of the role and functions of the Controller and Auditor General to the development of our country. Proper conduct of public business must include effective systems of control and accountability; responsible attitudes and appropriate culture on the part of those handling public funds and resources. These attributes are usually verified through an audit process conducted by credible institutions such as the**

**National Audit Office. The National Audit Office has the onerous responsibility of auditing not only governmental but also quasi-governmental institutions and reporting on the audit to the specified relevant Authority. In case of Tanzania, the Controller and Auditor General reports to Parliament through the President. In addition, the Constitution of the United Republic of Tanzania provides for the post of the Controller and Auditor General with his role and functions. Therefore, the office of the CAG is of immense importance to the development of this country.**

**Ladies and Gentlemen, The entire leadership of our Government under H.E Jakaya Mrisho Kikwete, the President of the United Republic of Tanzania last year for the first time in history took very serious measures**

**and action regarding the Controller and Auditor General's Report. The report was discussed at all levels of the Country's leadership. It was first discussed by the Cabinet under the Chairmanship of the President. Thereafter the same was repeated for all Accounting Officers and Regional Commissioners. The President was clearly not impressed by the performance of some ministries and local authorities, we were all given the challenge of ensuring they practice good financial management in their institutions. I am sure this year, as a result of the H.E the Presidents intervention, there will be major improvement on audit reports for both Central and Local Government Authorities.**

**Ladies and Gentlemen, Through the second phase of the NAODP, we are expecting the National Audit**

**Office to achieve the objectives of the public sector audit which include the following:-**

- **Proper and effective use of public resources**
- **Development of sound financial management**
- **Proper execution of administrative activities**
- **Communication of information on government's performance and the publication of audit reports.**
- **Provision of independent review of the performance and accountability of the public sector in its use of public resources.**
- **Provision of assurance as to the transparency and accountability of public sector organizations as well as providing guidance and leadership in relation to some basic elements of good governance.**

**Ladies and Gentlemen, The National Audit Office which audits our Government and other Institutions in our country need to stay focused in identifying and adapting to the ever-changing public sector environment. I am satisfied with the Office's on going commitment to the development of different audit practices and procedures in the face of new emerging issues such as environmental auditing, forensic audit, anti-money laundering etc. In order to progress further, the management of the National Audit Office must put in place systems to retain and attract staff with the right mix of skills and attributes. This can be achieved through creating conducive working environment that will result in sustaining professionalism and commitment of staff and relationships with stakeholders.**

**Ladies and Gentlemen, The Government of Tanzania is committed to ensuring that the National Audit Office of Tanzania independence is strengthened in two aspects: First is legal mandate. Currently the Government is working on a Public Audit Bill which will lead to enactment of the Public Audit Act. The second aspect is in regard to operational independence. For many years, the staff of the National Audit Office were accommodated in auditees premises. This is not proper and good situation for the National Audit Office as it may lead easily to the compromising of the integrity of the CAG staff. The Government will ensure that the National Audit Office will have its own office facilities. I am pleased to state here that this process has already begun in some regions such as Arusha, Manyara, Iringa and construction is going on in Singida and Mbeya.**

**Ladies and Gentlemen, Negotiations are under way for Swedish support through the Swedish National Audit Office to be extended to the Office of the Controller and Auditor General of Zanzibar. The Office of the Controller and Auditor General of Zanzibar is very crucial establishment given the close relationship between these two Audit Offices. Apart from improving the financial management in the Revolutionary Government of Zanzibar, the Office of Controller and Auditor General of Zanzibar is participating in the audit of some Union matters in Zanzibar. Once again, I thank very sincerely the Government of Sweden for extending the assistance to Zanzibar.**

**I am now pleased to say that *Phase II of NAODP has been formerly launched.* This has been signified by**

**the signing of the cooperation agreement by the two Auditors General from Tanzania and Sweden.**

**Ahsante sana kwa usikivu wenu -Thank you very much for your attention.**