

11th February 2022

United Nations Global Compact 685 Third Avenue, Fl 12 New York, NY 10017

Dear Stakeholders

RE: STATEMENT OF COMMUNICATION ON PROGRESS TO THE UNITED NATIONS GLOBAL COMPACT

Reference is made to the above subject matter.

As a signatory of the UN Global Compact, the CEO Roundtable of Tanzania is pleased to reaffirms its support of the Ten Principles of the United Nations Global Compact in the areas of Human Rights, Labour, Environment and Anti-Corruption.

In this annual Communication on Progress, we describe our actions to continually improve the integration of the Global Compact and its principles into our business strategy, culture and daily operations. We also commit to sharing this information with our stakeholders using our primary channels of communication.

Sincerely yours,

Santina Majengo Benson Executive Director Period covered by this Communication on Progress (COP) is from: January 2021 to January 2022

2. Description Of Actions Human Rights

Please use the box below to describe **actions** your company has taken in the area of human rights. Examples include:

Through its Business and Sustainability pillar, the CEOrt has spearheaded an initiative focused on the delivery of water, sanitation, and hygiene results for children and vulnerable communities via its Smart Hands Tanzania project (SHTz).

A large population of Tanzania still has poor access to Water, Sanitation and Hygiene (WASH) facilities. At household level, the Tanzania Demographic and Health Survey (TDHS) 2015-2016 reported that around 73% of the rural population and 19% of the urban use unimproved latrines. Out of this only 10% of the population practice open defecation. In addition, there exist significant disparities in urban and rural areas access to improved drinking water sources with 86% of urban dwellers having accefss to improved water, compared to 57% of rural residents.

The National School WASH Assessment Report 2018 indicates that the status of WASH facilities is still poor at the school and health facilities level as well. Only 55% of schools have access to basic drinking water services. Out of these 33% treat their water before drinking. Though most schools (89%) have improved and single sex separated toilets, only 30% are usable. On the same note, 55% of schools did not have basic handwashing services. Statistics on WASH in Health Care facilities indicate that 44% of healthcare facilities have a functioning toilet facility for clients, and only 68% have access to improved water sources.

The country is also prone to on-and-off Cholera outbreaks due to poor WASH conditions. Since August 2015, Tanzania responded to a cholera epidemic that took almost three years to contain. The epidemic has affected populations all over the Tanzania mainland with a total of 33,325 cases and 550 deaths (CFR 1.65%) having been reported over the entire epidemic period. (MOHCDGEC Epid 2007-2020).

At a global level, the Sustainable Development Goal (SDG) number 6 sets an ambitious goal that aims to achieve universal access to basic WASH service with specific reference to ending open defecation, moving up the sanitation ladder and improving equity and inclusion. In line with this, the Government of Tanzania has committed to achieve 100% of basic service levels for all by 2030. However, progress on access has been slow and highly inequitable, with rural populations disproportionately deprived and unlikely to reach the SDG2030 target due to current trends and inadequate levels of investment.

On programming, Tanzania has been implementing the National Sanitation Campaign (NSC) under the umbrella of the National Water Sector Development Programme (WSDP) July 2012-June 2021. Guided by the national guideline, the NSC adopted Community-Led Total Sanitation (CLTS) as the approach for Sanitation and hygiene promotion at both household and school level in the country. Phase II now has incorporated WASH in Health Care Facilities (HCF). The draft National Open Defecation (ODF) strategy 2020-2025 has identified urban poor populations, poor regions/LGAs, hard to reach rural populations, people with disabilities and the pastoralists as the beneficiaries for the last mile for WASH service delivery. The same draft strategy has highlighted expanding sanitation marketing services, products and reach as one of the strategic approaches for achieving scale and CSR portfolio, donations, and adoption of schools and HCF present that opportunity.

On emergencies, Tanzania carries out the Preparedness and Response (EPR) through the National Task Force coordination mechanisms under several pillars, WASH and Risk communication and community engagement (RCCE) are part of the key pillars. In COVID-19 response, Tanzania has implemented robust public health measures such as active surveillance, screening for entry and exit of travelers, hand washing, mass masking, physical distancing, early detection, effective case management and use of traditional medicine. These efforts resulted in a decline in numbers and geographical spread. Also, the number of designated COVID – 19 units have been reduced from 63 to 24 . The risk of case resurgence remains high due to active transmission; high caseload in neighbouring countries, the opening of schools and other institutions and international travels. Cognizant of the anticipated risks, the government in collaboration with stakeholders have revised the first version of National COVID - 19 response plan to guide the operationalisation of new strategies for the financial year (July 2020 – June 2021). In cholera EPR, WASH and RCCE are recognised as part of the key pillars for prevention and control.

Reliable and adequate sector financing and efficient budget execution is very critical in reaching the ambitious SDG 6 targets. The WASH sector has been allocated TSh 669 billion for the fiscal year (FY) 2019/20, which amounts to 18.5 % in real terms compared to TSh748 billion allocated in FY2017/18. The allocation accounts for 0.5 % of Gross Domestic Product (GDP), down from 0.6 % over the same period. The majority of WASH resources are for universal water supply, 81% of the MoW's budget in FY 2019/20 whilst 6.4% of the budget was allocated to the Universal Sanitation Improvement Project .

The SDG WASH costing tools estimate that Tanzania needs approximately US\$1,100 million annual investment. With the current level of funding for WASH (US\$273.8 million in FY2010/20) by the Government of Tanzania (GOT) and DPs, the funding gap is around US\$826m. It is essential to explore more sustainable funding opportunities and attract the private sector to certain areas for improving the accessibility and quality of services. A study on Sector Financing and Equity carried out in 2018 indicates that for Tanzania to achieve the ambitious SDG6 targets, focus on widening the sector financing options and equity through reaching the last mile first was critical. The Smart Hands Tanzania (SHTz) Project presents this opportunity.

The Smart Hands Tanzania (SHTz) "Mikono Salama" is a private sector-led initiative aimed at increasing private sector participation and investment in promoting child rights by contributing to delivering results for children and vulnerable communities in the WASH Sector in Tanzania through an equity lens by reaching the last mile first. The added advantage the SHTz brings to the table is to leverage the private sector capacities in WASH commodities manufacturing, donations, distribution channels and transportation networks to contribute to improving efficiency in the sector. SHTz bolstered response efforts by fast-tracking the supply and distribution of critical hygiene products including water guard, soap, hand sanitizers, and handwashing stations to vulnerable communities within the three districts of Kinondoni, Temeke and Ilala.

SHTz engaged with the private sector and has successfully onboarded nine private companies to support manufacturing, distribution, and overall project governance. Under the Smart Hands Tanzania sits the CEO Roundtable of Tanzania (CEOrt), UNICEF, the Government of Tanzania, CSOs and, other private and public sector stakeholders . Furthermore, SHTz has involved the government at national and sub-national levels and gained official approval of the initiative from the President's Office Regional Authority and Local Government (PORALG) and Ministry of Health Community Development Gender Elderly and Children (MoHCDGEC). These relationships facilitated re-designing and implementing the initiative at all levels, thereby expanding the target to other communicable diseases such as cholera and the beneficiaries to include public health facilities.

Labour

Please use the box below to describe **actions** your company has taken in the area of labour. Examples include:

Under its prosperity pillar the CEOrt continues to operate its flagship leadership programme, the CEO Apprenticeship Programme to support of the country's efforts to bridge the skills gap to ensure Tanzanian's are aptly able to participate in the development of the economy and support efforts under the Tanzanian Development Goals 2025. Partnered with the Strathmore University Business School the programme is designed to identify talented Tanzanians through rigorous mentorship and coaching sessions and prepare them to become Tanzania's future leaders.

The aim of CAP is to develop highly competent, experienced, and visionary Tanzanian leaders to drive sustainable growth and create opportunities for increased and progressive socio-economic development. Through strategic partnerships and programme sponsors, CAP facilitates the succession of CAP graduates into CEO positions over time thus creating a crop of competent and experienced leaders who can take on leadership positions within the Public and Private sectors and International Development Organizations. Click for further details: https://ceo-roundtable.co.tz/ceo-apprenticeship-programme/

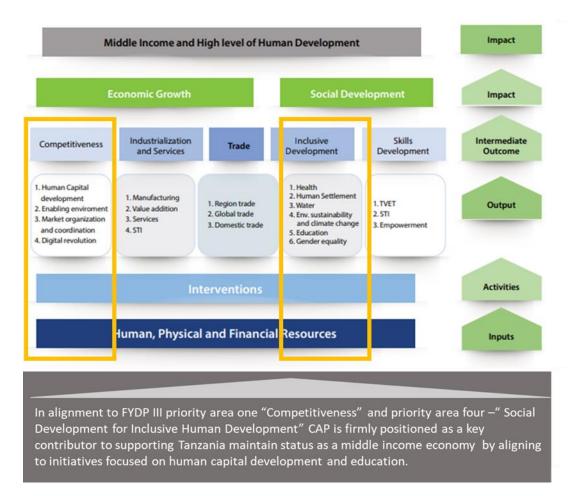
During the Programme, participants are afforded the opportunity to:

- Enhance self-awareness through continuous leadership assessments;
- **Drive effective decision making**, performance improvement and lasting behaviour change through supportive learning and development;
- Develop new ways of approaching business challenges, identifying, and evaluating opportunities and navigating through a complex business environment;
- Access one-on-one mentorship and coaching with experienced executive leaders who will employ expert skills in observation, questioning, listening and creative

techniques based on sound psychological processes with each participant to create a conversation that is rich with insight and learning; and

• **Network with CEOs** in Tanzania and across the region to enhance their personal and professional leadership development.

As Tanzania achieves the status of a middle-income economy, CAP in just its pioneering year, has demonstrated key value add in supporting the country's pursuit of the Tanzania Development Vision 2025 by supporting key strategic pillars under the Five-Year Development Plan III (FYDP III) to realise competitiveness and industrialization for human development. Specifically, CAP is firmly positioned to support the Government's key agenda to achieve economic growth and social development by championing efforts to strengthen human capital development initiatives through the upscaling of local leadership capacity across multiple sectors.



Within the last year CAP has successes fully graduated in first cohort of 16 candidates last January 2021 and launched its second cohort in August 2021 with 13 candidates. In just its pioneering year, CAP has accelerated 25% of leadership talent into CEO positions in 4 top private companies under the key industries of oil and gas, banking and manufacturing. The placement of strong leadership within these industries has been crucial in supporting the development of a competitive and industrial economy and securing a socially and economically prosperous Tanzania for all.

CAP has seen a 20% rise in female participation on the programme - 18% female representation in cohort 1 and 38% female representation in cohort 2. The Programme continues to promote diversity and strengthened economic, social, and political progress for all Tanzanians by continuing to increase female leadership participation by on boarding an additional 5 female leaders under the current cohort, that represent and lead top position in 3 key industries that will support Tanzania capture greater competitive advantage. Industries include banking, manufacturing and oil and gas. CAP has also witnessed two female CAP Alumni hold the position of interim-Managing Director within their respective organizations at FSDT and PASS Trust.

Environment

Please use the box below to describe actions your company has taken in the area of environment. Examples include:

Through its Business and Sustainability pillar, the CEOrt supports initiatives that align with environmental sustainability. For several years, members of the CEOrt have recognized the importance of adopting business practices that have a positive impact on the environment and society. Furthermore, Private Sector leaders are aware that they are being held more accountable to ensure that they play their part in securing a nature positive future within the communities in which they depend upon, by actioning initiatives that accelerate decarbonization and invest in sustainable solutions as per Sustainable Development Goal 13, which calls for urgent climate action.

Aligned to Article 4 of the Paris Agreement and the Government of Tanzania's goal is to achieve 30-40 % carbon reduction by 2030, the CEOrt as the core representative body of the private sector, a community that shares a common purpose to secure Tanzania's sustainable socio-economic prosperity has taken the initiative to challenge its members to be loud & bold and take the lead in driving immediate, intentional, and responsible climate action.

The CEOrt under its business and sustainability pillar is committed to supporting its members transform how business as usual is run and prioritize environmental impacts with the set goal to achieve carbon and plastic reduction by 2030 and carbon and plastic neutrality by 2050 for 100% of all its members.

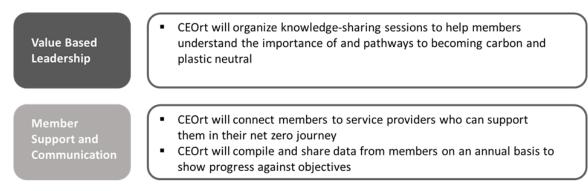
The scientific evidence on climate tipping points has become too risky to ignore as the growing threat of catastrophic climate-related events is already demonstrated to have serious implications on the natural resource base, geographies, and communities that businesses depend on. For businesses specifically, a warming planet creates a wide range of risks, from labour challenges, supply chain disruptions to rising insurance costs, and therefore requires leaders to forcefully shift their mindsets and reimagine how business as usual is conducted to secure a greener future.

Tanzania's economy is very dependent on the climate as a large proportion of GDP is associated with climate-sensitive activities. Businesses in all sectors are being impacted by the climate crisis either directly or indirectly, and therefore presents a collective economic challenge that requires immediate action from local leaders and members of the international community. In Tanzania, climate change impacts affect local biodiversity and ecosystem services, agricultural production, water resources, energy supply and demand, infrastructure, marine and coastal zones, and public health.

The country's primary sectors, Agricultural and Tourism for example are highly vulnerable to climate change given their dependence on raw materials, land, biodiversity, and climate. In 2019, these sectors account for more than 60% of total employment and 30% of GDP therefore the economic loss in these primary sectors can lead to reductions in disposable incomes and in turn affect consumer expenditure. For this reason, current and future climate change impacts are therefore significant enough to curtail Tanzania from achieving its key economic growth, sustainable development, and poverty reduction targets as set under the Tanzania Development Goals 2025.

Despite the many risks, however, climate change provides an opportunity to demonstrate leadership, achieve profitability and growth and build resilience. By taking climate action, private and public sector leaders can build their position in value-based leadership through strengthened business brands and unlock new revenue streams that would impact profitability, and in turn, enhance long-term growth prospects.

To guide the successful delivery of its climate change agenda the CEOrt will action its efforts through two key strategic objectives; value-based leadership and resilience. The figure below provides details of our commitments and planned high-level interventions to achieve the above targets/goal by 2050.



Dedicated to supporting the national set climate goals, the CEOrt in September 2021 kick-started the private sector climate change agenda conversation by gathering members of the business and diplomatic community to explore the role of the private sector in driving climate action in Tanzania. Discussions and outputs from the session have placed a strong emphasis and delivered a firm call to action on the immediate need for private sector leaders to respond to climate change by collaboratively identifying and harnessing the many opportunities that these necessary environmental adjustments can present for the business community and in turn Tanzania's economy for increased efficiency, innovation, and business growth.

Committed to supporting CEOrt members to achieve carbon and plastic neutrality by 2050, the CEOrt has began activities by deploying a survey that consists of a set of questions that have been carefully designed with the aim of gathering crucial baseline data to better understand perceptions on climate change and environmental and climate-conscious behaviours being adopted.

Results from this survey will assist the CEOrt to support member companies in the development and implementation of suitable carbon and plastic reduction strategies in line with the climate action commitments.

Anti-Corruption

Please use the box below to describe actions your company has taken to fight corruption. Examples include:

The CEOrt strongly believes that Sustainable socio-economic development will only be attainable if the current corruption that has become commonplace in Tanzania is arrested. The state of corruption in Tanzania has reached alarming levels and impedes government revenue and re-distribution of wealth, supported by poor policies, which favour a few corrupt businessmen from both within and outside the country.

Furthermore, corruption directly adds to the growing national debt through corrupt procurement practices, which fosters a vicious cycle of continued reliance on donor funding and domestic borrowing. As these practices continue to line the coffers of corrupt individuals in both the government and private sector, Tanzanians continue to suffer the consequences due to inadequate funds to maintain existing public services or the inability to develop much needed public infrastructure to support the ever-growing population.

Recognising that the country's development efforts were continually undermined by corrupt leaders, the CEOrt made efforts within the media and through various forums to highlight the debilitating effects to the country's long-term economic development should the corruption trends continue unchecked. The CEO Roundtable's efforts were recognised by the President's Office, Ethics Secretariat and throughout 2014 and 2015, the CEOrt worked in collaboration with the Ethics Secretariat to put in place a National Integrity Pledge (NIP) for Public Leaders, Public Servants and Private Sector. The National Integrity Pledge was launched in August 2015 and the highly publicized event was an important first step in the fight against corruption. The CEOrt is proud to have been selected by the government as the preferred private sector partner for the implementation of the National Integrity Pledge.

Following President Magufuli's commitment to tackle corruption, the CEOrt is pleased to witness the government's ongoing efforts to weed out corrupt individuals within the public and private sectors. However, winning the fight against corruption will take time and patience and the CEOrt is committed to supporting the government's efforts to win the fight against corruption.

All leaders within government and the private sector must be transparent and made accountable for their actions. A zero-tolerance approach to corruption must be adopted.

3. Measurement Of Outcomes

In the box below, please include the most relevant indicators to **measure outcomes**. Examples include:

Human Rights: Smart Hands Tanzania (SHT) outcomes

SHTz has distributed 330,009 water purification tablets and 104,345 hand washing soaps to 66,672 vulnerable individuals from 11,112 households registered under the Tanzania Social Action Fund (TASAF). Approximately, 1,471 litres of hand sanitisers were distributed to 78 public health facilities in Kinondoni, Ilala and Temeke municipalities. Furthermore, SHTz launched a media campaign that focused on creating awareness for fundraising whereby SHTz messaging was shared via National newspaper articles and social media platforms. SHTz has reached 94% of low-income households with communication interventions for behaviour change and other stakeholder for fundraising.

Predeveloped and approved messaging by MOHCDGEC was leverage to improve hand hygiene and sanitation practises. We used on site demonstration of proper hand hygiene techniques and distributed 6,612 educational materials for improving hand hygiene. We launched a two-week media campaign to raise awareness for fundraising and driving behaviour change whereby we engaged 3 national newspaper, twitter and LinkedIn platforms of all our partners. The media campaign generated over 1000 impressions via twitter.

2 key outcomes have been achieved through this project:

OUTCOME 1:

Improved access to hygiene and sanitation products among low-income households Dar es Salaam

SHTz has successfully improved access by ensuring the availability of hygiene and sanitation products at subsidized costs. We procured 96% of the products at zero margin and covered 94% of low-income households in Kinondoni and Temeke districts with supply of handwashing soaps and water purification tablets. Furthermore, we reached all public health facilities in Kinondoni, ilala and Temeke with hand sanitizers. The SHTz was endorsed by MOHCDGEC and its implementation aligned with other national efforts on COVID 19 prevention and WASH initiative. This enhanced impact and started to build sustainability beyond its implementation period given the leverage in public sector machinery for implementation. We conducted 6 outreach mee tings with LGAs focal points responsible for WASH interventions to explore synergies and collaboration areas

OUTCOME 2:

Improved hand hygiene and sanitation practices

At baseline, we observed that 70% of targeted low-income households had no fixed handwashing facility in their premises with, only 55% of the households practising basic hygiene using soap and water. 72% of households routinely cleans their hands with wat er and soap (77%, 69% in Kinondoni and Temeke, respectively). Furthermore, 53% of targeted low-income households in Kinondoni and Temeke have access to improved latrines which are not shared with other households. (58%, 47% in Kinondoni and Temeke, respectively). Following the SHTz implementation, we expect to improve hand hygiene and sanitation practices compared to baseline status.

Reference link to SHTz outputs: <u>https://ceo-roundtable.co.tz/focus-areas/business-sustainability/sustainable-financial-principles/</u>

Labour: CEO Apprenticeship Programme (CAP) Outcomes

OUTCOME 1: 25% of leadership talent into CEO positions within top private companies under the key economic industries of oil and gas, banking and manufacturing.

In just its pioneering year, CAP has accelerated 25% of leadership talent into CEO positions in 4 top private companies under the key industries of oil and gas, banking and manufacturing. The placement of strong leadership within these industries has been crucial in supporting the development of a competitive and industrial economy and securing a socially and economically prosperous Tanzania for all.

OUTCOME 2: 20% rise in female participation on the to support and enhance female leadership participation within 4 key business industries

CAP has seen a 20% rise in female participation on the programme - 18% female representation in cohort 1 and 38% female representation in cohort 2. The Programme continues to promote diversity and strengthened economic, social, and political progress for all Tanzanians by continuing to increase female leadership participation by on boarding an additional 5 female leaders under the current cohort, that represent and lead top position in 3 key industries that will support Tanzania capture greater competitive advantage. Industries include banking, manufacturing and oil and gas.

In its first cohort CAP also witnessed two female CAP Alumni hold the position of interim-Managing Director within their respective organizations.

OUTCOME 3: 2 sitting CEOs onboarded in effort to foster competitiveness and business continuity within well-established business entities

The Programme continues to demonstrate great value add for seasoned CEOs by attracting 2 sitting CEOs representing the logistics and transport industry. A crucial industry that will lend itself to supporting Tanzania's economic growth aspirations under FYDP III priorities areas 1 - 3. Looking to onboard more seasoned leadership CAP continues to position itself as an essential tool for leaders to stay ahead of the curve in terms of ensuring their leadership capacities remain relevant to future proof their organizations in contemporary business environment where disruptive technologies, volatility and multiple, interconnected global crises create a constant state of uncertainty.

OUTCOME 4: 2 social economic impact projects mainstreamed to provide sustainable initiatives in support of the Tanzania Development Vision 2025.

CAP has been responsible for launching and mainstreaming 2 notable sustainable solutions that respond to key social economic challenges.

a. The Ajira Kiwandani platform - launched January 2021 comes right in time as it is strategically positioned to support the Government strengthen and expand on its key priority sectors of water, mining, oil & gas, construction, and ICT by identifying the necessary skilled labour force that will enhance these sectors in time for the completion of TVD 25.

b. The Fanisi Program – aligned to supporting FYDP III priorities areas 1, 4 and 5, the highly interactive program focuses on the development of personal and group leadership skills and knowledge relevant to achieve successful career growth.

Reference link for further details on CAP outcomes:

https://ceo-roundtable.co.tz/ceo-apprenticeship-programme/

https://ceo-roundtable.co.tz/events/introducing-the-ceo-apprenticeship-programme/

https://ceo-roundtable.co.tz/events/ceo-apprenticeship-programme-inauguralgraduation-ceremony/

Environment: Climate Change Agenda Outcomes

Still in the planning and data collection stage via deployment of the climate change survey. Outcomes from this initiative cannot be measured at this moment in time.

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Reference link for pictures on kick off meeting to CEOrt climate change agenda. <u>https://ceo-roundtable.co.tz/events/the-role-of-the-private-sector-in-driving-the-climate-change-agenda-towards-sustainable-development/</u>

Members of the business and diplomatic community converged at the Hyatt Regency Hotel on 21st September 2021, to explore "The Role of the Private Sector in Driving the Climate Change Agenda" in Tanzania. Facilitated in collaboration with members of the diplomatic community strong emphasis was placed on the immediate need for leaders to respond to climate change as "the scientific evidence on climate tipping points has become too risky to bet against if the future of business is to remain secure". Although discussions were delivered with an undeniable tone of urgency and gravity, the message did offer signals of hope as the many opportunities that these necessary environmental adjustments can present for the companies and the economy were presented, as "lowcarbon transitions can create opportunities for efficiency, innovation, and business growth".

Anti-Corruption: National Integrity Pledge (NIP) outcomes

The CEOrt has success signed off 99% of its members on the NIP. As part of ongoing procedures to continue the fight against corruption.