

# Tanzania National Cleaner Production Centre

## Case study in Good Organization, Management and Governance Practices

**The Cleaner Production Centre Tanzania has successfully achieved its own legal status serving the public interest of promoting Cleaner Production nationally and providing services that meet the demands and requirements of industry. It has also taken on a key role in promoting regional cooperation and experience sharing in its position as executive secretariat for the African Roundtable on Sustainable Consumption and Production.**

### CENTRE IN BRIEF

The Cleaner Production Centre of Tanzania (CPCT) was initiated in October 1995 under the UNIDO-UNEP Programme for the establishment of National Cleaner Production Centres (NCPC). The funding under the UNIDO/UNEP project ended in December 1998. From December 1999 to December 2005, the CPCT continued its work by implementing a NORAD funded five-year project on “Cleaner Production for Ecologically Sustainable Industrial Development in Tanzania” under the Vice President’s Office. The CPCT was legally established in April 2005 as a not-for-profit trust with an annual budget of EUR 195,000. The Centre has now acquired its own office premises.

CPCT currently has six staff. The CPCT is active in different sectors: textiles, food, chemicals, beverage, leather and pulp and paper, among others. Since May 2004, the CPCT has also provided the executive secretariat for the African Roundtable on Sustainable Consumption and Production (ARSCP) – a regional networking organization that brings together professionals and institutions from around Africa to promote Sustainable Consumption and Production (SCP) initiatives through experience sharing and information dissemination.

### STRATEGY

The vision of the Cleaner Production Centre of Tanzania is to be a leading not-for-profit institution that provides services in cleaner production, sustainable consumption, environmental and energy management in particular to Small and Medium sized Enterprises (SMEs); and agencies/

institutions of government, United Nations (UN), donor community, and non-governmental entities in a reliable, effective and efficient manner. As an independent not-for-profit institution, CPCT’s mission is to promote and build national capacity for the adaptation and adoption of SCP in Tanzania

Right from its inception, the CPCT aimed to move from a project status to a legal entity. After obtaining its legal status, CPCT was given the mandate to advise on SCP issues and promote its implementation in the country. Subsequently it developed its vision and mission, and in 2002 it developed a Business Plan which defined its clientele and how to reach the market, including government,



### ABOUT THESE CASE STUDIES SERIES

The Joint UNIDO-UNEP Programme on Resource Efficient and Cleaner Production (RECP) aims at improving the resource productivity and environmental performance of businesses and other organizations in developing and transition countries. The Programme is implemented in partnership with a network of National Cleaner Production Centres (NCPCs) that have currently been established in over 40 countries. This case study series documents how NCPCs have been set up and are being managed and governed in their respective national contexts. They illustrate the accompanying Primer on Good Organization, Management and Governance Practices for RECP Service Providers.



private sector, non-governmental organizations (NGOs), UN and donor agencies. It also identified potential sources of funding, including grants; fees for services; subsidies from government; and endowment fund.

The CPCT has maintained its core staff since its inception for sustainability purposes and contracts extra capacity as and when required. It has trained a critical mass of experts within existing institutions in the country who are deployed in carrying out various professional activities. CPCT charged nominal fees for its services right from its inception for sustainability purposes. It also solicited additional funding from other donors through bilateral agreements at its initial stages including for the establishment of its office (furniture and equipment). The relationship with other donors resulted in a five-year project which assured the continuation of CPCT's original activities. It was during this time that the CPCT negotiated with its stakeholders to secure a legal status for the Centre.

#### **Role and composition of the Board**

The work of the centre is supervised by three bodies: the Board of Trustees, the Executive Committee and the Management. The Board of Trustees has the role of overseeing the activities of the Centre and comprises six members from government (2); private sector (2); civil society (1) and higher institution of learning (1). Its Chairperson and Vice-Chairperson are elected by the Board on its first and subsequent meetings. The tenure for Board Members is three years but a member may be re-appointed to a maximum of two successive terms. The duties of the Board include among others, appointing the Executive Director and other senior staff of the Centre; ensuring that the Centre is orderly run and properly managed; approving such rules and regulations as may be necessary for the proper conduct of the affairs of the centre; setting priorities of the work of the Centre and approving its programme and operational plans; approving the annual budget of the Centre; and soliciting funds from government, international organizations, non-governmental organizations, private organizations and external agencies for supporting the activities and operations of the Centre.

The Executive Committee of the Board is composed of not less than three and not more than five members elected by the Board from among its members as the Board may decide. The Chair person of the Executive Committee is elected by the Board from amongst its members. Among the duties of the Executive Committee is to advise on the strategy to be adopted by the Centre in implementing its objectives and activities. The Executive Director is the CEO of the Centre and is responsible to the Board for the conduct and performance of the business of the Centre,

and for ensuring that the policy and progress of the Centre are properly developed and carried out; and for advising the Board with regard to all its activities and finances.

#### **Transparency and accountability**

The financial accounts of the Centre are audited every year by an independent and certified public Auditor and then presented to the Board for approval.

#### **AUTONOMY**

The CPCT was initially hosted by the Tanzania Industrial Research and Development Organization (TIRDO), but it had semi-autonomy from its host institution right from its establishment. The CPCT's desire was to build an institution and sustain activities after the end of the establishment stage. The CPCT Board includes members from various stakeholder institutions to ensure that their interests are taken on board in the activities of the CPCT. It also serves to avoid imposition of views from one dominating stakeholder category.

Since inception, the CPCT's mission has been achieved through strategic alliances and cooperating partnerships from the existing and expanding network of stakeholders. Various stakeholders were engaged in the transition of the centre from the project status to a legal entity through a National Committee and stakeholders' consultative workshops.

#### **OPERATIONAL MANAGEMENT**

The core staff of the CPCT was lean at establishment and this has been maintained ever since (i.e. 3 professional and 3 support staff). Each of the professional staff (Executive Director and Two Deputies) was assigned responsibilities to oversee specific functions of the centre although the activities were carried out/performed through joint efforts. The CPCT follows a collective management approach. The Director and deputies meet regularly to discuss, deliberate, and decide on issues concerning the operation of the centre. The new organization structure of the Centre is yet to be fully operationalized. The new management structure comprises the Board of Trustees, Executive Director and heads of departments for Production and Consumption; Chemicals and Waste Management; Research and Consultancy; and Finance and Administration as shown below.

#### **Leadership**

Each staff member has been assigned special responsibilities. The Executive Director (ED) meets with the Deputies regularly to discuss issues and monitor progress of the



assigned activities. A comprehensive scheme of service is under preparation for the operationalization of the new organizational structure.

**Coaching and communication**

The CPCT staff participate in various training programmes conducted locally and/or internationally in order to continuously improve their skills. Team work is encouraged in all activities of the Centre. Communications are open and relatively informal, and can be initiated by either the ED or the staff member.

**Controlling**

With regard to control, staff members are required to update the ED on the progress of their assigned activities on a regular basis through formal or informal meetings.

**Finance management**

The Centre mainly implements project activities where all expenditures are according to the approved budget. The accounts of the Centre are audited as required by financial regulations.

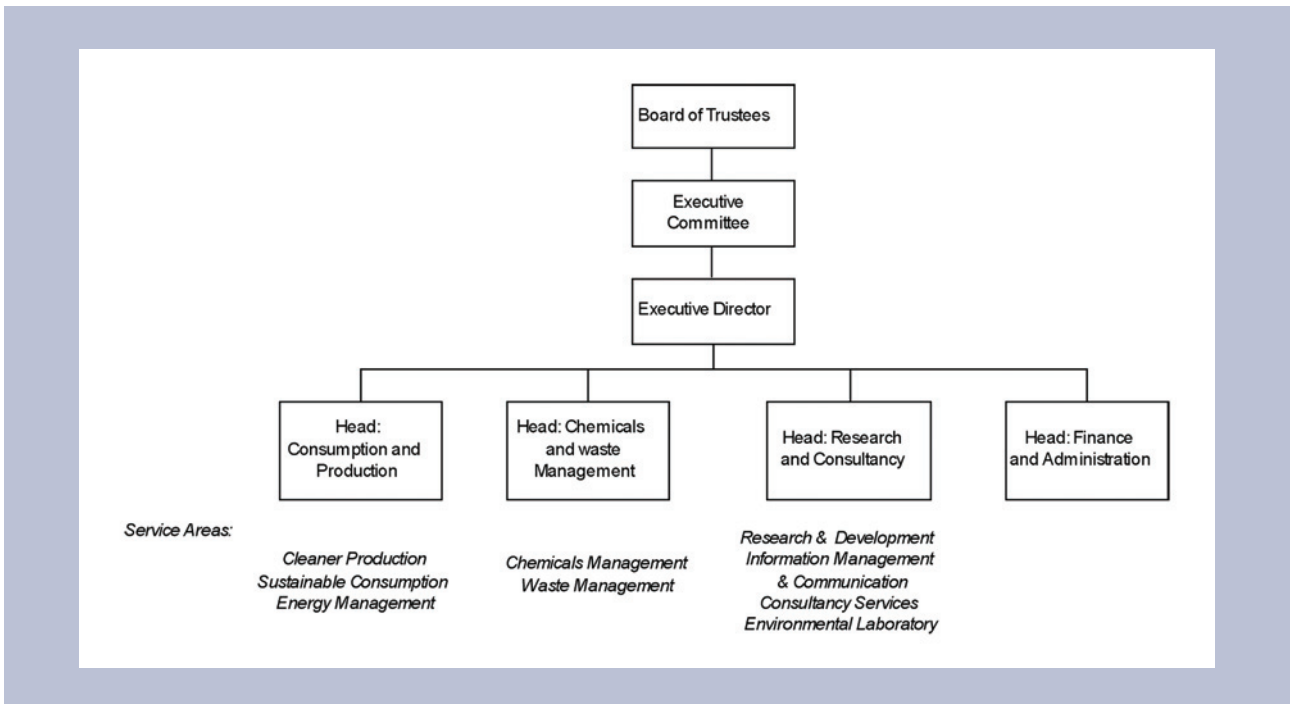
**Ethics and integrity**

Ethics and integrity are a priority of the Centre. Information about the clients obtained by the Centre in the course of implementing its activities (e.g. CP assessments) is treated as confidential and is not disclosed to other stakeholders without the approval of the client.

**BUSINESS**

The CPCT started the promotion of cleaner production (CP) in the country using a ‘supply driven approach’. In other words, it had funds to carry out specific activities according to the Memorandum of Understanding (MOU) and subsequently produced reports. At that time the CPCT did not depend upon the environmental legislation to encourage industries to collaborate with CPCT to prevent or minimize their environmental pollution. Hence industries collaborated in anticipation of economic benefits. CPCT expected that the demand for its services would grow after the legislation was put in place. In 2002 the CPCT changed its approach in order to be ‘demand driven’ and identified marketable core activities which include training, in-plant assessments/audits, Environmental Impact Assessments (EIA), energy audits and policy advice/studies.

CPCT was established at a time when privatization of state-owned enterprises had just started. This created insecurity in some of the companies which made them reluctant to accept new concepts. After privatization, the industrial base in Tanzania was substantially eroded. Some of the privatized industries were closed. This was a set back to the efforts of the CPCT in terms of capacity building and establishing a market for its services. Moreover, the awareness of CP in the developing private sector was low. Hence CPCT needed to continuously create awareness using the supply driven approach in order to market its services. Upon enactment of the environmental law in 2004, enforcement remained weak and did not yet encourage industries to embrace CP. A government approved CP award is yet to be established.







### Information dissemination and marketing

At the end of each CP programme, participating enterprises present their results to a wider audience in order to disseminate the benefits of CP. Similarly, enterprises with good success stories are frequently invited by the Centre to various awareness events in order to give their testimonies to the participants. With regard to marketing of the CPCT services, the Centre has yet to develop a marketing strategy. Currently, a one-to-one approach is being practised, mainly through the influence of high profile personalities.

### Public relations and networking

The Centre has a good and long-term working relationship with international, regional and national organizations including the UN agencies (especially UNIDO and UNEP), African Roundtable on Sustainable Consumption and Production (ARSCP), Division of Environment, Vice President's office; National Environment Management Council; Industry Associations; Universities; local governments; and many other government institutions/agencies as well as Consultancy firms and financial institutions. The Centre draws from time to time on expertise from other institutions both within and outside the country in executing multidisciplinary assignments.

The media are customarily invited to CPCT events to disseminate information to the public. In 2002, the Centre hosted the second African Roundtable on Sustainable Consumption and Production (ARSCP-2) where about 100 participants from 23 countries attended.

### EXPERTISE

The CPCT has a wide experience in SCP issues including EIAs of new projects and environmental audits of existing enterprises. The CPCT has been carrying out environmental-related activities and studies for reputable local and international clientele for more than ten years and it is recognized both at national and international levels as a centre of excellence in SCP.

CPCT also provides training, information, assessment and advice on issues related to environmental management, resource (including energy) management and policy analysis as well as carrying out feasibility studies through a wide resource base which includes its strategic alliances with academic and R & D institutions, government departments/agencies, non-governmental organizations and private consulting firms.

Since inception, one of the core activities has been information acquisition and dissemination. The CPCT has established a library which is accessible to all interested parties within and outside the centre. The staff of the CPCT has continuously been exposed to various professional training

programmes offered by various trainers, particularly UNIDO and UNEP. This has enhanced the expertise of the CPCT.

A knowledge management system is still to be established within CPCT, which is now one of the priorities for its management.

### EXPERIENCE WITH PRIMER APPLICATION

The Primer is a very relevant and useful tool in assessing the strengths and weaknesses of the Centre and gives indication of areas for improvement. The most important key elements for the CPCT are operational management, business and expertise. While the important factors include strategy formulation; control, decide, and govern; operational planning; staffing; coaching and communication; finance management; ethics and integrity; prospecting and acquisition; information dissemination and marketing; public relations and networking; and knowledge management.

In applying the Primer, we find that the following priority areas need to be addressed urgently in order to improve the operations of the Centre:

- Operationalization of the new structure of the Centre taking into consideration operational management
- Development and implementation of a marketing and communication strategy for the CPCT services (the business aspect)
- Continuous enhancement of the Centre's expertise with particular attention to knowledge management

The Primer is a useful tool for the new and old NCPCs if the goal is to be an independent legal entity.

Further support is required at the CPCT in developing and/or improving the elements of operational management, business and expertise.



**CPCT**

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