



Press Release

Embargoed 3 June 2014

Most citizens believe that gas offers a brighter future for the country But many are concerned that Government and the rich will benefit the most

3 June 2014, Dar es Salaam: Four out of five citizens believe that oil and gas will benefit them, their children and the country. At the same time, four out of ten (37%) believe that people in Government and the rich will benefit the most. More than half of the population (55%) want some of the revenue from oil and gas to be given directly to citizens in cash.

These findings were released by Twaweza in a research brief titled *Managing natural resources: what do citizens say?* The brief is based on data from *Sauti za Wananchi*, Africa's first nationally representative mobile phone survey, that polls households across Mainland Tanzania. The research was conducted in collaboration with the World Bank.

The research highlights a preference for at least some of the revenue from oil and gas to be transferred directly to citizens. One out of five (20%) prefer most of the money being sent directly to citizens; 18% prefer an equal split of revenue between Government and citizens, while 17% prefer Government to receive the majority of the revenue and citizens to receive the balance.

However, a significant group of Tanzanians (43%) want all the revenue to go to the Government for expenditure on services such as education and health. When asked how they believe resource revenues can bring the most benefit to Tanzanians, half (46%) of citizens point to public spending on health and education and four out of ten suggest spending on infrastructure (20%) or anti-poverty programs (17%).

When it comes to natural resource management, the primary concern is to ensure that Tanzania does not fall victim to the resource curse. Experiences from around the world point to transparency about revenue and process as a key element in avoiding this curse, alongside public participation in decision-making around how revenues are managed.

Currently, although most Tanzanians (64%) are aware of oil and gas discoveries, *Sauti za Wananchi* found that two out of three (65%) wish to have more information. When information is lacking, rumour and speculation often fill the gap. Although current estimates say that large-scale exploitation of oil and gas will not happen for another seven to ten years, one out of three (36%) citizens believe that oil and gas companies are already making money from these discoveries. A further three out of 10 (28%) are unsure whether there is already income from the oil and gas reserves or not. These types of gaps between perception and reality, if unchecked, could give rise to serious discontent.

Another heated debate has been about the role of local and foreign companies in oil and gas exploitation. Many local business people have argued fiercely for preference to be given to Tanzanian companies. Half of Tanzanians (52%) want to take advantage of the expertise of foreign companies in the sector, but in partnership with local companies who should be the majority shareholders in joint

ventures. One third (35%) believe that local companies should be given first priority to bid for concessions. In addition, six out of ten (61%) Tanzanians are comfortable with oil and gas being sold internationally to any country. Three out of ten (28%) think, however, that gas should be only be used inside the country and only one out of twenty (5%) think exports should be limited to other East African countries.

Rakesh Rajani, Head of Twaweza, said *"If the people of Tanzania are to benefit from our large gas findings, we will need a robust, open and creative governance regime. A full transparent sovereign wealth fund is one essential part of the picture. But we also need to think about alternatives, such as direct transfers to the people. The things that matter most are deep transparency, listening and communication so as to build public confidence in how gas funds are used."*

---- Ends ----

For more information:

Risha Chande

Communications Manager, Twaweza

e: rchande@twaweza.org | t: (+255) (0) 656 657 559

Notes to Editors

- This brief and the data contained can be accessed at www.twaweza.org, or www.twaweza.org/sauti
- Twaweza is a ten year citizen-centered initiative, focusing on large-scale change in East Africa. Twaweza believes that lasting change requires bottom-up action, and seeks to foster conditions and expand opportunities through which millions of people can get information and make change happen in their own communities directly and by holding government to account.

- You can follow Twaweza's work

Web: www.twaweza.org **Facebook:** Twaweza Tanzania **Twitter:** @Twaweza_NiSisi