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Tanzania SERA: Enabling Policy Environment for Agriculture Sector Growth

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**YEAR 1 ANNUAL REPORT
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ACRONYMS AND ABBREVIATIONS

ACT	Agriculture Council of Tanzania
AIRD	Associates for International Resources and Development
BoT	Bank of Tanzania
CEO	Chief Executive Officer
CGE	Computable General Equilibrium
EAGC	East African Grain Council
ESRF	Economic and Social Research Forum
FAO	Food and Agriculture Organization
FtF	Feed the Future
G8	Group of Eight High Income Countries
GDP	gross domestic product
GoT	Government of the Republic of Tanzania
iAGRI	Research and Education, an FtF Implementing Partner
IFPRI	International Food Policy Research Institute
IR	Intermediate Result
MAFSC	Ministry of Agriculture, Food Security and Cooperatives
MANR	Ministry of Agriculture and Natural Resources of Zanzibar
MKUKUTA	National Strategy for Growth and Poverty Reduction
MS	Masters of Science
NAFAKA	Staples Value Chain, an FtF Implementing Partner
NASFAM	National Smallholder Farmers Association of Malawi
REPOA	Research on Poverty Alleviation
SAGCOT	Southern Agriculture Growth Corridor of Tanzania
SMEs	Small- and medium-scaled enterprises
SOW	Statement of work
TAFSIP	Tanzania Food Security and Investment Plan
TASTA	Tanzania Seed Traders Association
UNDP	United Nations Development Programme
USAID	United States Agency for International Development
USDA	United States Department of Agriculture
USG	United State Government
WFP	World Food Programme
NASFAM	National Smallholders Farmers Association of Malawi
ZDFSN	Zanzibar Department of Food Security and Nutrition
ZNFU	Zambian National Farmers Union

INTRODUCTION

The Tanzania SERA Project assists both the Government of the Republic of Tanzania (GoT) and the private sector to enable a broad-based, sustainable transformation of the agricultural sector through policy reform. The vision for this project is twofold: to improve the policy and regulatory environment for agriculture growth and to build a group of public sector institutions, advocacy organizations, and individuals capable of performing rigorous policy analysis and advocating for policy reform. The SERA Project is part of USAID's Tanzania Feed the Future (FtF) Initiative and works closely with other implementing partners and the United States Agency for International Development (USAID).

Tanzania SERA: Creating an Enabling Policy Environment for Agriculture Sector Growth

We refer to this project as the SERA Project, meaning *policy* in Swahili.

There are three major components to the SERA Project:

1. **Policy Research and Reform** to improve agricultural policies to enhance food security and increase agricultural productivity in Tanzania with focus on policies affecting investments in SAGCOT region.
2. **Individual and Institutional Capacity Building** to build local institutional and individual capacity to do agricultural policy research to support policy and regulatory reform.
3. **Advocacy and Communications** to strengthen advocacy and communications for policy reforms and build alliances with partners to work toward these objectives.

Improving agricultural policies will be accomplished by working with the GoT and other stakeholders to identify important policy constraints to growth in the agricultural sector and helping to alleviate these constraints through policy reform. The SERA Project will conduct and commission evidence-based policy research to inform the GoT and other stakeholders of the impacts of existing policies and the potential benefits of improved policies. In addition, the SERA Project will develop the capacity of individuals and organizations to engage in policy analysis and advocate for policy change. At the conclusion of the project, we expect USAID will leave behind an improved policy environment and a legacy of enabling the GoT and other stakeholders to initiate, develop, and utilize evidence-based research in policy decisions and implementation. The project will also empower local research and private sector advocacy groups to more effectively use analysis and strategic communications to lobby for change, to build national partnerships that create consensus around agriculture policy, and to monitor the impacts of policy. The SERA Project will focus its activities around priorities identified in collaboration with the Southern Agriculture Growth Corridor of Tanzania (SAGCOT) initiative.

The USAID contract for the SERA Project was awarded in April 2011 with a start date of May 1, 2011. Activities started when the team attended the USAID FtF Implementing Partners Meeting in Kilombero, Tanzania from May 23-27, 2011. The first work planning meeting was held on June 27, 2011 and the project began operations with limited staff in July 2011. The period from May to September 2011 was designated as Year 0.5 and the first full year work plan covered the period from October 1, 2011 to September 30, 2012 to coincide with USAID's fiscal year.

The project began its second year activities on October 1, 2012, and this Annual Report is for Year 1 covering the period October 1, 2011 to September 30, 2012 and also serves as the Q4 report of Year 1. The SERA Project is a five year project as shown in the following table.

Year	Start	End	No. of Months
0.5	May 1, 2011	September 30, 2011	5
1.0	October 1, 2011	September 30, 2012	12
2.0	October 1, 2012	September 30, 2013	12
3.0	October 1, 2013	September 30, 2014	12
4.0	October 1, 2014	September 30, 2015	12
5.0	October 1, 2015	April 30, 2016	7
	May 1, 2011	April 30, 2016	60

YEAR 1 ACTIVITIES AND ACCOMPLISHMENTS

A major milestone of policy reform was achieved in Year 1 when on September 6, 2012, Tanzanian Prime Minister Pinda announced the lifting of the food crops export ban and credited the ‘clear and convincing’ evidence provided by the SERA Project as the reason for the policy change.¹ The SERA Project sponsored two workshops on the food crops export ban and those provided the evidence cited by the Prime Minister. The workshops were held in Dodoma for invited high ranking GoT officials on June 16 and at the Kunduchi Beach Hotel on June 19 for all stakeholders. The Prime Minister also said that new policies will be needed to deal with food security, and those will be a major activity of the SERA Project in Year 2. In addition to the focus on removing the export ban, the SERA Project also conducted research on the impacts of the Cereals and Other Produce Act of 2009, supported stakeholder meetings and worked closely with the Tanzania Seed Traders Association (TASTA) to identify important policy constraints to the increased production and use of improved seeds, and continued activities to establish a modern collateral registry system to allow greater access to credit on moveable property. The SERA Project also assisted the Government of Tanzania in preparing its policy commitments to the Group of Eight (G8) Framework agreement as part of the New Alliance for Food Security and Nutrition.

The SERA Project was active in capacity building, advocacy, and communications in Year 1 with the addition of senior staff to lead both components. Capacity Building focused on both individual capacity building, with the sponsorship of a Policy Seminar Series at Sokoine University to improve local research capacity, and institutional capacity building by supporting a study tour and institutional assessment of the Agriculture Council of Tanzania (ACT). Advocacy and Communications also had significant achievements in Year 1 with the successful launch of a stakeholder’s survey, the completion of a Branding and Marking Plan, the publication of a Policy

¹ The Citizen, “Ban on export of food to be lifted,” page 1, September 7, 2012.

The Daily News, “Export ban hurting agriculture – Study,” page 3, September 7, 2012.

Brief on the export ban, and the establishment of close working relationships with both local media and the USAID Tanzania FtF Communications Team.

COLLABORATION AND LEVERAGING RESOURCES

The SERA Project established strong working relationships and provided intellectual leadership to other FtF implementing partners and other stakeholders in Year 1 and that allowed SERA to leverage its resources and better utilize its limited budget. A Concept Note on Food Security, Economic Growth and Poverty Reduction was prepared jointly with Research on Poverty Alleviation (REPOA), and the Executive Directors of ACT, Economic and Social Reform Forum (ESRF), REPOA, and Sokoine University Professor Andrew Temu comprised an expert panel for the resulting workshop for GoT in Dodoma. A review of the Cereals and Other Produce Act of 2009 was prepared jointly by SERA and the East Africa Grains Council (EAGC). A policy seminar series at Sokoine University was jointly sponsored with FtF implementing partner iAGRI to develop individual capacity to undertake policy research.

SERA research on the export ban and food security was supported by FtF implementing partner NAFKA who provided funding for one of the three research studies undertaken on the effects of the export ban. The United States Department of Agriculture (USDA) collaborated with SERA, using their resources, to support research on the food basket and procedures for measuring food requirements and availability. The USAID Bureau of Food Security (BFS) in Washington provided funding to support the dynamic Computable General Equilibrium (CGE) modeling of International Food Policy Research Institute (IFPRI) on the impacts of the maize export ban. The World Bank contributed a research paper at the Export Ban and Food Security Workshop in Dodoma and at the Kunduchi Beach Hotel in Dar es Salaam. SERA provided intellectual leadership and guided the research to ensure compatibility and complementarity of outputs for the export ban studies and initiated discussion of the policy seminar series with iAGRI and the faculty of Sokoine University. Strong working relationships have also been established with BEST-AC on capacity building and with the USAID FtF communications and advocacy team, the SAGCOT communications team, and local media.

CROSS CUTTING ISSUES

Important cross cutting issues for FtF and the SERA Project include climate change and gender issues. Climate change was incorporated into the SERA research and policy reform activities by including a research paper prepared by the World Bank in the export ban and food security workshops in Dodoma and Kunduchi Beach Hotel, respectively on June 16 and 19. The World Bank research addressed the question of how climate change is expected to affect the export opportunities of Tanzania over the coming decades and concluded that Tanzania was likely to be relatively less severely affected by climate change than many of its neighboring countries. The increased variability of weather patterns due to climate change could possibly increase Tanzania's opportunities for exporting food crops within the region as other countries experience more frequent droughts and floods.

Gender is also an important cross cutting issue and the SERA policy reform efforts which resulted in the GoT lifting the food crops export ban will raise prices and directly affect women farmers in Tanzania. An estimated 70% of Tanzanian farmers are women and higher prices will increase income from marketed maize. The SERA Project -sponsored policy seminar series at Sokoine University also addressed gender issues by conducting research on the importance of focusing on the first 1,000 days of child and maternal health following conception.

COMPONENT 1 ACTIVITIES: POLICY RESEARCH AND REFORM

The SERA Project's Year 1 research and policy analysis activities focused heavily on the impacts of the food crops export ban, and on efforts to encourage the GoT to focus on export opportunities in the east Africa region. This effort was rewarded when the GoT lifted the export ban on September 6, 2012 and credited the 'clear and convincing evidence' provided by the SERA Project for the policy change. The SERA Project also analyzed the impacts of the export permit and demonstrated that they are not effective at controlling exports or providing useful data on exports, and will continue to encourage the GoT to eliminate the export permits. The SERA Project sponsored two workshops with TASTA to identify policy issues for analysis and reform and will focus on improving the tax treatment of seeds and seed packaging materials in Year 2. A modern collateral registry system is being developed with the support of the Bank of Tanzania (BoT) and Ministry of Finance as a way to improve access to credit on moveable property for small- and medium-scaled enterprises (SMEs) by providing the legal framework and computerized registry. The SERA Project was also actively involved with other stakeholders in analyzing the impacts of the Cereals and Other Produce Act of 2009 and expressing concern to the GoT that the Cereals Board created by the Act could undermine private sector marketing and investment. Other policies monitored, but not actively analyzed as was planned for Year 1 due to limited resources, included: land policy, the business environment, the tax treatment of agriculture, and efforts to improve markets. Nutrition and Food Fortification Regulations were also monitored, but not actively researched by the SERA Project.

1. FOOD SECURITY

Background: The Government of Tanzania identified improving food security as a key long term development objective of its 2005-2010 National Strategy for Growth and Poverty Reduction (MKUKUTA), and the 2011 Tanzania Food Security and Investment Plan (TAFSIP) that represents the implementation plan towards achieving long-term food security, agricultural growth, and poverty reduction. Food security, economic growth, and poverty reduction are intertwined with economic growth contributing to poverty reduction and poverty reduction contributing to improved food security. Poverty remains high in Tanzania, despite rapid real gross domestic product (GDP) growth in the past decade, and poverty remains especially high in rural areas where 38% of households live below the basic needs poverty line compared to 16% in Dar es Salaam and 25% in other urban areas. Thus, the challenge in meeting the food security needs of Tanzania is to provide food security for the poorest and most vulnerable populations without

jeopardizing the economic growth potential that can reduce poverty. Agricultural growth is especially important to reducing poverty because poverty is concentrated in rural areas and the poor often depend on agriculture as their main source of income. In response to this challenge, the SERA Project:

- Prepared a Concept Note for research on the impacts of the food crops export ban in collaboration with REPOA. The Concept Note was discussed and approved by the GoT.
- Based on the Concept Note, a statement of work (SOW) for each research study was prepared and three groups of consultants were engaged, including: Associates for International Resources and Development (AIRD) for a Study of Policy Options for Increasing Tanzanian Exports of Maize and Rice in East Africa While Improving Its Food Security to the Year 2025, IFPRI for an Economy wide Impact of Maize Export Bans on Agricultural Growth and Household Welfare in Tanzania – A Dynamic CGE Model Analysis, and USDA for an Assessment of Policy Options and Information Needs to Address Food Security in Tanzania.
- The three research teams were brought to Tanzania in Q2 to conduct interviews and undertake field trips, and they completed their research in Q3. A workshop was presented to high-level invited Government officials in Dodoma on June 16 and a second workshop for all stakeholders was presented at the Kunduchi Beach Hotel in Dar es Salaam on June 19. Both workshops were well attended and provided new and detailed evidence on the impacts of the export ban and food security.

The main findings of the research were:

- i. That the regional market for food crop exports from Tanzania, especially maize and rice, will remain in deficit for at least the next decade and will offer good opportunities for Tanzanian exports;
- ii. That Tanzania will need to increase production in order to take advantage of this opportunity;
- iii. That the food crops export bans reduces incentives to producers;
- iv. That the export bans are not effective at controlling food price inflation or exports and harm the rural poor while generally benefiting the wealthier urban consumers; and
- v. That new approaches to food security are needed to more effectively reach the poorest.

Furthermore, the research provided greater understanding of diets of rural and urban Tanzania, and identified weaknesses in the agricultural data systems that raise questions about the reliability of data for policy decision making.

In addition to the activities on food security policy analysis and reform, the rice import policy of Zanzibar was analyzed to determine its importance to food security and nutrition in Zanzibar. The analysis is ongoing; however, preliminary evidence suggests that greater competitiveness and lower import prices may be possible through policy reform.

Activities contributed to the following indicators:

Indicator	Year 0.5 Actual	Year 1 Target	Year 1 Actual	LIFE OF CONTRACT TARGET
IR 8.1.1 Number of policies / regulations / administrative procedures in each of the following stages of development.				
• Stage 1. Analyzed	1	7	7	12
• Stage 2. Drafted and presented for public/stakeholder consultation	1	4	4	12
• Stage 3. Presented for legislation decree	0	1	1	8
• Stage 4. Passed/approved	0	1	1	7
• Stage 5. Passed for which implementation has begun	0	1	1	7
IR 8.1.1.1 Number of research outputs	N/A	3	3	7

2. TRADE POLICY

Background: Trade policy is critical to the success of investments in the SAGCOT region and policies need to be harmonized and predictable. One of the most critical and pressing issues for producers and traders of food crops in the SAGCOT region and beyond was identified as the export bans periodically put in place by decree from the Ministry of Agriculture, Food Security and Cooperatives (MAFSC). These export bans reduce producers' incentives, increase the risk of stockholding, and discourage investors in SAGCOT or other agricultural areas. In addition, there is often wide a variance between the national policy and the local government's interpretation or implementation of the policy resulting in confusion and inconsistent regulations. In response to the need to improve trade policy, the SERA Project planned to undertake the following activities:

- Gather information on national policies and local policy implementation.
- Organize a half or full day workshop with stakeholders who are affected by any export controls or inconsistent export policies.
- Design terms of reference for research.
- Conduct analysis on export controls, the impact on producers, traders, consumers, and investors.
- Organize follow-up workshop to share results.
- Propose alternative policy instruments to address the food security concerns of the GoT that will be more effective and less market-distorting.

The activities on trade policy and food security overlapped and the work was combined. A separate workshop with stakeholders affected by the export ban was not conducted, but interviews with regional government officials, traders, and farmers were undertaken during field trips to the southern highlands and the northern border during Q3 and Q4. Stakeholders

were subsequently informed of the results at a public workshop at the Kunduchi Beach Hotel in Dar es Salaam during Q3. As a result of the research and workshop, the objective of having the GoT lift the export ban was achieved. The analysis of rice import policy of Zanzibar was also analyzed (as discussed in the previous section) and is ongoing.

Activities contributed to the following indicator:

Indicator	Year 0.5 Actual	Year 1 Target	Year 1 Actual	LIFE OF CONTRACT TARGET
IR 2.3.1 Percent change in the value of intra-regional trade in targeted agriculture commodities	N/A	0	0	40

3. SEED POLICIES

Background: Access to high quality inputs is essential to raising productivity and improving competitiveness of the agricultural sector and to the success of investments in SAGCOT. Among the most important inputs are seeds, fertilizer, agri-chemicals, and machinery. The SERA Project strives to improve access to high quality inputs at internationally competitive prices, and the initial efforts are focused on improving the availability of high quality seeds. Specific activities undertaken were to host two industry stakeholder’s workshops (on April 27 and June 28) to discuss industry policy constraints and establish priorities for policy analysis and reform. The SERA team worked closely with MAFSC staff and the Executive Director of TASTA, and concluded that initial efforts of the SERA Project should be directed at improving the tax treatment of seeds and seed packaging materials. Work is ongoing to support the preparation of a submission from the MAFSC to the Ministry of Finance requesting tax exemptions on seeds and seed packaging materials. The seed value chain analysis was planned but not undertaken (see attached list of planned activities) because the policy priorities were not yet clearly identified.

- Meet with the Seed Unit in MAFSC to discuss current seed policy, the need for reforms, and a program of work to reform seed policy.
- Seek buy-in from MAFC and support from World Bank and other stakeholders.
- Develop SOW for a seed value chain analysis in collaboration with the Ministry of Agriculture and the World Bank.
- Hire an international seed industry expert to conduct a value chain analysis.
- Share findings with MAFSC and the wider stakeholder audience.

Activities contributed to the following indicator:

Indicator	Year 0.5 Actual	Year 1 Target	Year 1 Actual	LIFE OF CONTRACT TARGET
IR 8.1.3.2 Volume of improved seed available in domestic market	N/A	0	0	36,000 tons

4. CREDIT TO SMALLHOLDERS AND SMEs

Background: Credit is essential to investments and delivering credit to small- and medium-scale enterprises and small farmers has been a challenge in Tanzania because of the lack of assets that can be used as collateral. Land cannot generally be used as collateral because most land is owned by the government and held in common by local communities. Other assets such as machinery have been used as collateral in other countries, but not extensively in Tanzania due to the undeveloped legal structure and registry to record liens against such assets. The SERA Project is working to improve this situation by completing the legal requirements and registry for the Collateral Registry System which started under a previous USAID project. Capacity to use this System will then be developed through training on use. This will primarily help SMEs who own moveable assets that can be used as collateral. The Year 1 objectives for developing the Collateral Registry System were:

- Meet with key stakeholders to gain support for continued work on the legal structure and development of the registry for the Collateral Registry.
- Prepare and enact the necessary legislation to provide the legal structure for the Collateral Registry.
- Complete the software to register liens on moveable assets.
- Hold a workshop to build awareness of the benefits and use of the Collateral Registry System.
- Conduct training on the use of the Collateral Registry System.
- Operationalize the Collateral Registry System by launching the commercial version for use by financial institutions.
- Monitor implementation and make adjustments to the legal structure and registry as needed and continue training on improvements and use of the Collateral Registry System.

The SERA Project met with BoT staff previously involved with developing the Collateral Registry System who confirmed their continuing interest. However, the planned activities to implement the Collateral Registry in Tanzania were delayed due to changes in the GoT's procedures for sponsoring legislation. Previous efforts to have the BoT sponsor the legislation necessary for the Collateral Registry are no longer sufficient and the Ministry of Finance or another Ministry will now need to sponsor and champion the legislation. This change in procedure and lack of clear guidance on how to secure such support resulted in the need to re-evaluate the timeline for this activity.

Activities contributed to the following indicator:

Indicator	Year 0.5 Actual	Year 1 Target	Year 1 Actual	LIFE OF CONTRACT TARGET
IR 3.1.1 Number of MSMEs receiving business development services	N/A	0	0	2,400

5. OTHER ACTIVITIES

In accordance with the Year 1 work plan, the SERA Project undertook monitoring and policy analysis and reform efforts of other important policies as opportunities arose and resources permitted. These policy issues included: Land Policy, Improving Markets, the Business Environment, Tax Policies, and Nutrition and Food Fortification. Land policy emerged as the highest priority for the SERA Project and efforts to become familiar with the issues were undertaken in preparation for policy analysis in Year 2. Support was also provided to the FtF teams and other development partners working on regulations on food fortification.

COMPONENT 2 ACTIVITIES: INDIVIDUAL AND INSTITUTIONAL CAPACITY BUILDING

The SERA Project's approach to capacity building is twofold to meet the objective of creating a group of public sector institutions, advocacy organizations, and individuals capable of performing rigorous policy analysis in support of evidence-based advocacy and policy reform. The first approach focuses on institutional capacity building activities of selected organizations that are critical to the success of reforms of the policy and regulatory environment for agriculture growth. This approach has been modified from the technical proposal to reflect changes in resource availability and changing priorities based on circumstances encountered. Capacity building actions have been developed to target institutions and activities that can provide the greatest impact to support an enabling policy environment. The second approach addresses increased capacity for research and evidenced-based policy development. In order to support this capability, SERA will follow a multifaceted approach collaborating closely with local research institutions, the Feed the Future iARGI project, universities and regional research and development partners.

1. INSTITUTIONAL CAPACITY BUILDING

Background: The Year 1 SERA work plan addressed institutional capacity building in two phases. Phase 1 focused on developing a list of potential institutions and criteria and selecting two or three institutions for in-depth assessments and capacity building plans. In Phase 2, the SERA Project worked with selected institutions to identify objectives and priority actions for capacity building action plans.

Phases 1 and 2: Phases 1 and 2 were completed in the Q2 of Year 1. Potential partner institutions and individuals were initially vetted in the proposal process. A rapid assessment of the institutional environment using primary and secondary sources of information was completed, and selection criteria created based on the current policy reform agenda. The selection criteria are as follows:

- Relevance to policy reform/advocacy of agriculture and food security,
- Relevance to policy agenda activities/timeline,
- Ability to mobilize resources and support policy changes/improvements,
- Ability to develop meaningful work plans,

- Willingness to participate in the program,
- Support from other donors,
- Importance to SAGCOT.

Over ten public and private organizations were reviewed during the rapid assessment, five institutions were interviewed in depth, and three institutions submitted direct requests for support. Institutions that best met the selection criteria were reviewed in depth to identify capacity building objectives and priorities. Capacity Building Action Plans were created and approved for three institutions:

- The Agriculture Council of Tanzania,
- The Department of Food Security of the Ministry of Agricultural, Food Security and Cooperative, Tanzania,
- The Zanzibar Department of Food Security and Nutrition (ZDFSN) of the Ministry of Agriculture and Natural Resources (MANR).

A draft plan was developed for the Policy and Planning Division of the MAFSC; however it is delayed pending additional information and expressed commitments.

Phase 3. Capacity Building Action Plans: The SERA Project developed three capacity building action plans in Year1. The approach to developing the institutional capacity action plans is driven by three factors, the current policy reform agenda, the USAID AID Forward initiative, and project resources. Each plan includes long-term capacity building objectives and identifies specific actions that support institutional capacity building to support the SERA Project’s advocacy and reform agenda. Each plan is designed for one cycle of activities and will be reviewed in Year 2. When possible, plans identify linkages with other FTF activities and donors and leverage resources for implementation.

Implementation of the capacity building plan began for two institutions in Year 1, and this section will provide a brief overview of the implementation efforts.

Agriculture Council of Tanzania. ACT is an apex organization of agricultural associations and stakeholders and is the leading agriculture advocacy and policy reform group in Tanzania. The objectives of the ACT Capacity Building Action Plan are to 1) improve ACT’s capacity to identify, prioritize policy issues, conduct policy analysis and research, 2) increase organizational capacity; and 3) strengthen advocacy with the Government of Tanzania. The Action Plan outlines activities for Year 2 and Q1 of Y3. After this time the Action Plan will be reviewed and modified.

In Q3, SERA began support for ACT’s second strategic planning process, supporting Objective 2, to increase organizational capacity. This is a three-phased activity, began in June when SERA supported a study tour to the Zambian National Farmers Union (ZNFU) and the National Smallholder Farmers Association of Malawi (NASFAM). The tour was designed to gain first-hand knowledge of approaches to organizational development, association management, and stakeholder engagement.

A delegation of eleven representatives from ACT, consisting of three association members, four board members and four secretariat employees participated in the study tour and were also ACT strategic planning committee members. Nine participants attended meetings with ZNFU management, member organizations, and farmer clubs; eight participants met with NASFAM operations, members organizations, and other stakeholders. In addition, participants in Malawi also attended a one day Agricultural Policy Seminar sponsored by the Farmers Union of Malawi (FUM). Four participants travelled to both Zambia and Malawi. The information learned during the meetings and interviews provided key inputs into the strategic planning process and were presented at the Strategic Planning workshop in Q1 of Year 2. The main findings of the study tour were:

1. Democratic systems, transparency, and set terms for leadership are key pillars in the organization structure and operations;
2. The non-political nature of an organization and its members are critical to an organization's legitimacy, and because of that individual members, staff, and organizations are prohibited from standing for political office;
3. Services must provide tangible benefit for members and be paid for by members.

Direct support for the evaluation of ACT's first strategic plan and the creation of the second strategic plan began in Q4 of Year 1 with an environmental scan and analysis and a detailed stakeholder analysis. To develop the external environmental scan, the SERA team conducted open source research and gathered relevant documentation to analyze and present an understanding of the social, political, and economic factors that may impact ACT as an organization. The SERA team conducted a stakeholder's analysis to develop an understanding of the operating environment. The SERA team worked with ACT to build a representative list of 20 interviewees (15 external, 5 internal) that formed a cross-section of board members, ACT members, and ACT Secretariat staff located in both Dar es Salaam and Arusha. In these interviews, a series of questions were asked about their perspective on ACT's successes, strengths, weaknesses, opportunities, and challenges. This information was presented at the ACT Strategic Planning workshop on October 5, 2012, Q1 of Year 2.

Activities that support objective 1, *improve ACT's capacity to identify, prioritize policy issues, conduct policy analysis and research*, specifically policy analysis training, are planned for project Year 2.

Ministry of Agriculture Food Security and Cooperatives, Tanzania. The objectives of the MAFSC Capacity Building Action Plan are to improve MAFSC's capacity to identify and prioritize policy issues, conduct policy analysis and research; improve organizational systems, operations and internal management structure; and create systems and management structures to better absorb and retain qualified staff. The SERA approach is to work in collaboration with various departments of the MAFSC and meet their specific capacity needs while identifying additional opportunities for interventions that support the policy reform agenda.

Implementation of activities to support the MAFSC Food Security Department will begin in Q1 of Year 2.

Ministry of Agriculture and Natural Resources, Food Security and Nutrition Department, the Revolutionary Government of Zanzibar. The ZDFSN was established in November 2011 as part of the Food Security and Nutrition Act of 2011. The department has three core functions: coordination, capacity enhancement, and monitoring and evaluation of the food security and nutrition situation in Zanzibar. The ZDFSN is housed within the Ministry of Agriculture and Natural Resources and has received support from the Food and Agriculture Organization (FAO), World Food Programme (WFP), and United Nations Development Programme (UNDP) under the Zanzibar Food Security and Nutrition Programme, 2008. This programme ends in 2013.

The ZDFSN capacity building action plan has three objectives: i) improve organizational systems and internal management structures to respond to internal and external needs, ii) improve methodologies and approaches for early warning systems to identify food insecure regions, and plan and deliver food assistance, and iii) improve capacity to identify and prioritize policy issues, and conduct policy analysis and research.

ZDFSN’s capacity building plan establishes activities that support all three objectives. Activities to support objective 1 are planned for Q1 of Year 2. In Q4 of Year 1, SERA met with ZDFSN, FAO, and WFP to initiate discussions on collaboration. Follow-up activities included a detailed action plan of opportunities to collaborate on activities related to objective 2, will be completed in Q1 of Year 2. Support for objective 3 was initiated in Q4 of Year 1 with preparations made for an eight-week policy analysis course to begin in Q1 of Year 2.

Challenges: All activities planned for Year 1 were completed and implementation of capacity building action plans was initiated, however, there were some challenges. The late arrival of the Capacity Building Component Lead delayed the start of these activities until January 2012. The responsiveness of selected institutions and the success of research and policy reform activities led to a change in priority organizations. Only one of the institutions identified as a possible partner in the Year 1 work plan is currently receiving support. Factors contributing to this also include SERA’s limited resources, programs and activities of other projects and donors, and the USAID AID Forward agenda.

Activities contributed to the following indicators:

Indicator	Year 0.5 Actual	Year 1 Target	Year 1 Actual	LIFE OF CONTRACT TARGET
IR 8.2.1 Number of Individuals who have participated in USG supported training activities	0	11	10	1,700
IR 8.2.2 Number of Institutions receiving USG assistance	0	2	1	15

2. INDIVIDUAL CAPACITY BUILDING

Background: Building local capacity to do policy research and analysis is essential to the continuing impact of the SERA Project. Without developing such local capacity, policies will continue to be developed without adequate understanding of the impacts and without data intensive and facts-based analytics. Since building policy research capacity is a long-term activity, the SERA Project planned to follow a multifaceted approach, including encouraging agricultural policy research at Sokoine University and other universities and research organizations in Tanzania, exploring the support for co-sponsoring an annual workshop on agricultural policy with the MAFSC, sponsoring seminars by international experts working in the region, and hosting interns interested in working on agricultural policy issues as part of their graduate programs. The objective is to strengthen interest in agricultural research and the use of such research in policy making. The specific activities planned for Year 1 included:

- Meet with the administration of Sokoine University to enlist their support for increased agricultural policy research and follow that with a seminar to the faculty of agricultural economics to explain the FtF Initiative and invite research proposals on agricultural policy.
- Meet with other research institutions including the University of Dar es Salaam and REPOA to gauge their interest in participating in agricultural policy research.
- Sponsor research seminars at Sokoine and other participating institutions on a quarterly or thrice yearly basis to allow researchers to present the results of their policy analysis.
- Invite international experts on agricultural policy to present seminars on recent research when they are traveling within the region.
- Host a Masters of Science (MS) level student from Sokoine to join the SERA team to finish their thesis on a topic of interest to policy makers.

Many of these planned activities were successfully completed. The Policy Seminar Series was launched at Sokoine University following agreement with University officials on procedures and the call for Concept Notes was issued in Q3 and four Concept Notes were approved for funding in Q4. The authors of these Concept Notes will receive financial support from SERA and iAGRI to undertake their research and complete the seminar and final research papers in Year 2. Two local research organizations, REPOA and ESRF, were contacted to discuss their interest in collaborating with SERA and both expressed strong interest in collaborating. An international expert working in the region to present their research has not been identified, but efforts continue to find such an expert to present a research seminar. An MS level student from Sokoine University was identified and hired as a Junior Policy Analyst on the SERA Project.

The most requested capacity building activity of the SERA Project has been for training in policy analysis. In response to that request, a policy analysis course proposal was prepared and submitted to the Department of Policy and Planning in the Ministry of Agriculture in Zanzibar. The proposed course was to include three hours of lecture and skills training per week for eight weeks and the preparation of policy analysis papers by the students. The course was accepted

by the Ministry of Agriculture and will begin in Q1 of Year 2. The course will be taught by SERA staff and is expected to be offered on the mainland in Year 2.

Activities contributed to the following indicators:

Indicator	Year 0.5 Actual	Year 1 Target	Year 1 Actual	LIFE OF CONTRACT TARGET
IR 8.2.1 Number of Individuals who have participated in USG supported training activities	N/A	11	14	1,700
IR 8.2.3 Number of policy seminars conducted	N/A	1	1	9

COMPONENT 3 ACTIVITIES: ADVOCACY AND COMMUNICATIONS

A senior communications and advocacy person was added to the SERA team in Q1 of Year 1 following the resignation of Jack Meena who served in that capacity during the start-up phase of the project. The Year 1 work plan included developing a communication strategy, supporting the communications strategy of SAGCOT, and developing an advocacy plan around priority policy issues. A draft Communication and Advocacy Strategy was developed and is undergoing review prior to finalization. Efforts to collaborate and support the communications messages of SAGCOT were not successful despite SERA efforts because of the slow start-up and lack of clear direction of the SAGCOT Center and the eventual replacement of the Chief Executive Officer (CEO). The final objective of the Year 1 work plan was to develop specific advocacy plans around particular policy issues and that was successfully completed for the export ban policy. The workshop dealing with the export ban resulted in extensive and overall positive coverage in the press and social media. Because of this activity, the SERA Project and the research prepared on the export ban received several mentions in the following newspapers: Daily News, The Guardian, The Citizen, Business Times, The Express, The African, Tanzania Daima, Majira, Mwananchi and Nipashe in addition to electronic coverage on ITV, Channel Ten, TBC1, Capital TV, Star TV, and Mlimani TV and on Radio One Stereo, Radio Tumaini, Magic FM and Clouds FM. Several blogs also ran pieces on the workshop - Michuzi Blog, Full Shangwe and Jiachie - underscoring the media's ability to transmit advocacy messages on behalf of the project.

1. STAKEHOLDERS SURVEY

While not part of the Year 1 initial work plan, the SERA Project commissioned a stakeholder survey examining opinions and perceptions from a range of important actors who are either involved in agriculture in the United Republic of Tanzania or who observe activities related to the sector's development. A total of 35 stakeholders participated in the survey of a sample of 100. This provided very useful information that strengthened the communication and advocacy strategy that was developed to guide the advocacy work SERA will undertake over the next four

years. The strategy defines the key target groups; identifies the relevant approaches and the internal processes for optimizing communication with such target groups; outlines the mechanisms for delivering information and messages; and presents the time frame for carrying out the plan and the budget, in the overall context of making the best use of resources allocated to communication work. The strategy will shape the development of the project’s advocacy as it engages stakeholders and decision makers to communicate the key messages related to the SERA work and the importance of agricultural policy reform. It will also serve as a useful document for project staff and partners at all levels, acting as a reminder of the need for all to embrace advocacy and help promote our key messages. The issue now is one of effectively translating the strategy into action.

2. BRANDING AND MARKING PLAN

A Branding Implementation and Marking Plan for the SERA Project was finalized and will be adhered to in ensuring the successful implementation and impact of the project. The document demonstrates that the team fully understands and will rigorously follow USAID Branding and specific procedures as presented in the mandatory internal reference Branding and Marking in USAID Direct Contracting in the Automated Directives System, Chapter 320 (ADS 320), including the USAID Graphic Standards Manual, and USAID’s stated preference that projects not assume a public identity independent of the Agency.

3. PROJECT WEBSITE

A proposal for a SERA website was prepared and circulated to a number of firms in Tanzania during Q4 and resulted in two proposals. After careful review, the development of the SERA website was awarded to one of the firms and a contract for services is now being prepared.

Activities contributed to the following indicators:

Indicator	Year 0.5 Actual	Year 1 Target	Year 1 Actual	LIFE OF CONTRACT TARGET
IR 8.2.4 Number of communications products produced and disseminated	0	10	10	40
IR 8.2.6 Number of instances SERA is mentioned in the press and social media	0	0	1	18

Contract No. 621-C-00-11-00003-00

Tanzania SERA: Enabling Policy Environment for Agricultural Sector Growth

Year 1 Annual Report: October 1, 2011 – September 30, 2012

FINANCIAL SUMMARY

Tanzania SERA Accruals: October 1, 2011 – September 30, 2012

	Contract Total	Obligated Amount	Year 0.5 Total May 11 - Sep 11	Year 1 Total Oct 11 - Sep 12	Cumulative May 11 - Sep 12	Contract Balance
Reimbursable Costs	\$5,231,658		\$190,508	\$1,430,472	\$1,620,979	
Fee	\$418,342		\$15,229	\$105,283	\$120,512	
Reimbursable Costs plus Fee	\$5,650,000	\$2,200,000	\$205,736	\$1,535,754	\$1,741,491	\$3,908,509

* Accruals include expenses incurred and billed, and expenses incurred and not yet billed.

ANNEXES

ANNEX 1: Gender Work Plan

IR 3. Increased Investment in Agriculture & Nutrition related activities				
Component 1: Research and Policy Reform				
1.4 Credit to Smallholders and SMEs				
Objective	Women's access to credit through the collateral registry			
Activity	Timeframe	Quantitative Targets	Indicators	Resources / Partners
Creation of a Collateral Registry				
<ul style="list-style-type: none"> Baseline on a target area on women's access to credit for farm input 	Y3, Q2			Unified Base Line Study team
<ul style="list-style-type: none"> Communication strategy in target region using farmers groups and associations 	Y3, Q2			Communication Officer to draft targeted strategy for women
<ul style="list-style-type: none"> Training women on access and use of the collateral registry 	Y3, Q3/4	Number of women trained	IR 8.2.1 Number of individuals who have participated in USG supported training activities IR 8.2.2 Number of institutions receiving USG assistance	Capacity Building Officer to work with other FTF projects, credit providers, and local training specialist to design and deliver training on collateral registry
	Y3, Q3/4	Number of women-owned businesses in the collateral registry	IR 3.1.1 Number of MSMEs receiving business development services	Capacity Building Officer to work with other FTF projects, credit providers, and local training specialist to design and deliver training on collateral registry

<ul style="list-style-type: none"> • Training banks on gender sensitivity 	Y3, Q3/4	Number of banks trained Number of loan officers trained	IR 8.2.1 Number of individuals who have participated in USG supported training activities IR 8.2.2 Number of institutions receiving USG assistance	Capacity Building Officer to work with other FTF projects, credit providers, and local training specialist to design and deliver training on collateral registry
	Y3, Q3/4	Number of women-owned businesses who have loans against registry	IR 3.1.1 Number of MSMEs receiving business development services	Capacity Building Officer to work with other FTF projects, credit providers, and local training specialist to design and deliver training on collateral registry
IR 8. Improved Enabling Environment for Agriculture and Nutrition				
Component 2: Individual and Institutional Capacity Building				
2.1. Institutional Capacity Building				
2.1.2 Institutional Capacity Action Plans				
Objective	Improved gender consideration in supported institutions			
Activity	Timeframe	Quantitative Targets	Indicators	Resources / Partners
<ul style="list-style-type: none"> • The role of gender in organizational leadership 	Rolling active plans. See individual capacity building action plans for details.	Percentage of women in leadership / management roles of supported institutions	IR 8.2.1 Number of individuals who have participated in USG supported training activities IR 8.2.2 Number of institutions receiving USG assistance	Capacity Building Officer

<ul style="list-style-type: none"> • Identification of gender issues in institutional plans 	Rolling active plans. See individual capacity building action plans for details.	Number of gender issues identified	IR 8.2.1 Number of individuals who have participated in USG supported training activities IR 8.2.2 Number of institutions receiving USG assistance	Capacity Building Officer
<ul style="list-style-type: none"> • Gender integration activities supported in partner institutions 	Rolling active plans. See individual capacity building action plans for details.	Number of activities supported	IR 8.2.1 Number of individuals who have participated in USG supported training activities IR 8.2.2 Number of institutions receiving USG assistance	Capacity Building Officer
2.2. Individual Capacity Building				
2.2.1 Policy Seminar Series				
Objective				
Activity				
Timeframe				
Quantitative Targets				
Indicators				
Resources / Partners				
Gender consideration made in promotion of Seminar Series (women encouraged to participate)		Number of women participating in Seminar Series	IR 8.2.1 Number of individuals who have participated in USG supported training activities IR 8.2.2 Number of institutions receiving USG assistance	Prof. Andrew Temu, Sokoine University

Gender issues considered in policy research		Number of gender-related issues researched	IR 8.2.1 Number of individuals who have participated in USG supported training activities IR 8.2.2 Number of institutions receiving USG assistance	Prof. Andrew Temu, Sokoine University
2.2. Individual Capacity Building				
2.2.2 Policy Analysis Training				
Objective				
Activity	Timeframe	Quantitative Targets	Indicators	Resources / Partners
Women encouraged to participate		Number of women trained	IR 8.2.1 Number of individuals who have participated in USG supported training activities IR 8.2.2 Number of institutions receiving USG assistance	Don Mitchell, GOT/GOZ counterpart
Gender issues considered in policy analysis training		Number of policy issues related to gender considered	IR 8.2.1 Number of individuals who have participated in USG supported training activities IR 8.2.2 Number of institutions receiving USG assistance	Don Mitchell, GOT/GOZ counterpart

ANNEX 2: Performance Management Plan

Table 1. USAID Standard Indicators and Common Indicators Targets for Life of Contract

Indicator		Baseline	Year 0.5 Actual May 11 – Sep 11	Year 1 Target Oct 11 – Sep 12	Year 1 Actual Oct 11 – Sep 12	LIFE OF CONTRACT TARGET	
IR 2.3.1. Percent change in the value of intra-regional trade in targeted agriculture commodities	Maize	\$25,418,241	N/A	0	0	40	
	Rice	\$69,327	N/A	0	0	40	
IR 3.1.1. Number of MSMEs receiving business development services	Medium	0	N/A	0	0	2,400	
	Small	0	N/A	0	0	350	
	Micro	0	N/A	0	0	250	
IR 8.1.1. Number of policies / regulations / administrative procedures in each of the following stages of development	• Stage 1: Analyzed		N/A	0	7	12	
	• Stage 2: Drafted and presented for public/stakeholder consultation		N/A	0	4	12	
	• Stage 3: Presented for legislation decree		N/A	0	1	8	
	• Stage 4: Passed/ approved		N/A	0	1	7	
	• Stage 5: Passes for which implementation has begun			N/A	0	1	7

Table 2. Project/Custom Level Indicators Targets for Life of Contract

Indicator	Baseline	Year 0.5 Actual May 11 – Sep 11	Year 1 Target Oct 11 – Sep 12	Year 1 Actual Oct 11 – Sep 12	LIFE OF CONTRACT TARGET
IR 8.2.1. Number of individuals who have participated in USG supported training activities	N/A	N/A	0	25	1,700
IR 8.2.2 Number of institutions receiving USG assistance	N/A	N/A	0	2	15
IR. 8.2.3. Number of policy seminars conducted	N/A	N/A	1	1	9
IR. 8.2.4 Number of communications products produced and disseminated	N/A	N/A	0	N/A	18
IR. 8.2.5 Number of hits/visits to the SERA website.	N/A	N/A	0	N/A	9,000
IR. 8.2.6 Number of instances SERA is mentioned in the press and social media	N/A	N/A	0	10	40
IR 8.1.1.1. Number of research outputs	N/A	N/A	0	3	7
IR. 8.1.3.2 Volume of improved seed available in domestic market	26,545 tons	N/A	0	0	36,000 tons

ANNEX 3: Deliverables and Reports

- Work Plan for Year 1, October 1, 2011 – September 30, 2012
- Draft Work Plan for Year 2, October 1, 2012 – September 30, 2013
- Quarterly Report for Q1, October 1, 2011 – December 31, 2011
- Quarterly Report for Q2, January 1, 2012 – March 31, 2012
- Quarterly Report for Q3, April 1, 2012 – June 30, 2012
- Concept Note on Food Security, Economic Growth and Poverty Reduction
- Review of the Cereals and Other Produce Act of 2009
- Rapid Institutional Assessment for Capacity Building
- Stakeholder Analysis for Component 3 Communications and Advocacy
- Ahmed, Syud Amer, Noah S. Diffenbaugh, Thomas W. Hertel, and William J. Martin, Agriculture and Trade Opportunities For Tanzania: Past Volatility and Future Climate Change, Development Research Group, the World Bank, Washington D.C., June 2012.
- Christensen, Cheryl and Nancy Cochrane, Strengthening Tanzania's Safety Net: Alternative Program and Policy Options to Support Food Security, Economic Research Service, United States Department of Agriculture, Washington D.C., June 2012.
- Diao, Xinshen, Athur Mabiso, and Adam Kennedy, Economywide Impacts of Maize Export Bans on Agricultural Growth and Household Welfare in Tanzania—a Dynamic CGE Model Analysis, International Food Policy Research Institute, Washington D.C., June 2012.
- Stryker, Dirck and Mukhtar Amin, Study of Policy Options for Increasing Tanzanian Exports of Maize and Rice in East Africa While Improving Its Food Security to the Year 2025, Associates for International Resources and Development, Arlington, Massachusetts, June 2012.
- Workshop on Food Security, Economic Growth and Poverty Reduction in Dodoma on June 16th
- Workshop on Food Security, Economic Growth and Poverty Reduction at Kunduchi Beach Hotel in Dar es Salaam on June 19th
- ACT Study Tour Summary Report
- SERA Policy Brief: Time to Re-think the Food Crops Export Ban
- Concept Note and Scope of Work for a Land Allocation and Compensation Study

