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SERA POLICY PROJECT YEAR 3 WORKPLAN

TANZANIA ENABLING POLICY ENVIRONMENT FOR AGRICULTURAL SECTOR GROWTH

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SERA POLICY PROJECT

YEAR 3 WORKPLAN

Contract No. 621-C-00-11-00003-00
USAID Feed the Future SERA Policy Project
Tanzania Enabling Policy Environment for Agricultural Sector Growth

Implemented by Booz Allen Hamilton

DISCLAIMER

The author's views expressed in this publication do not necessarily reflect the views of the United States Agency for International Development or the United States Government.

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ABBREVIATIONS AND ACRONYMS

ACT	Agriculture Council of Tanzania
AIRD	Associates for International Resources and Development
BMGF	Bill & Melinda Gates Foundation
BoT	Bank of Tanzania
CI	Custom Indicator
COP	Chief of Party
DCOP	Deputy Chief of Party
DFS	Department of Food Security
DFSN	Department of Food Security and Nutrition
ERS	Economic and Research Service
FAO	Food and Agriculture Organization
FSND	Food Security and Nutrition Department
FtF	Feed the Future
GoT	Government of the Republic of Tanzania
iAGRI	USAID Feed the Future Research and Education Project
ICT	Information Communications Technology
IR	Intermediate Result
LGA	Local Government Authority
M&E	Monitoring and Evaluation
MAFC	Ministry of Agriculture, Food Security and Cooperatives
MANR	Ministry of Agriculture and Natural Resources
MIT	Ministry of Industry and Trade
MLF	Ministry of Livestock and Fisheries
MoF	Ministry of Finance
MoL	Ministry of Land
MSU	Michigan State University
MUCHALI	Tanzanian Food Security and Nutrition Analysis System
NAFAKA	USAID Feed the Future Staples Value Chain Project
NBS	National Bureau of Statistics
NFRA	National Food Reserve Agency
NGO	Non-governmental organization
PMO	Prime Minister's Office
PMP	Performance Management Plan
RALG	Regional Administration and Local Government
PPD	Policy and Planning Department
RGoZ	Revolutionary Government of Zanzibar
SAGCOT	Southern Agriculture Growth Corridor of Tanzania

SERA	USAID Feed the Future Policy Project
SMEs	Small- and Medium-Scale Enterprises
SOW	Scope of Work
STTA	Short-term Technical Assistance
SUA	Sokoine University
TANEXA	Tanzania Exporters Association
TAPP	Tanzania Agricultural Productivity Program
TASAF	Tanzania Social Action Fund
TASTA	Tanzania Seed Traders Association
TMG	The Mitchell Group, USAID FtF Implementing Partner
TOR	Terms of Reference
TOT	Training of Trainers
USAID	United States Agency for International Development
USDA	United States Department of Agriculture
USG	United State Government

INTRODUCTION

The Tanzania SERA Policy Project (SERA) of the United States Agency for International Development (USAID) Feed the Future (FtF) Initiative began in May 2011 and completed the second full year of operation on September 30, 2013. Feed the Future seeks to improve food security in Tanzania by increasing agricultural production and nutrition. SERA Project is primarily focused on improving the policy environment for agriculture and on developing individual and institutional capacity to undertake policy analysis and advocate effectively for policy reforms. Improving agricultural policies is accomplished by working with the Government of Tanzania (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 conducts and commissions evidence-based policy research and develops 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.

ACHIEVEMENTS

The SERA Policy Project has made significant achievements towards improving the agricultural policy environment and developing individual and institutional capacity in the first two and a half years of the project. SERA Project is well placed to continue these achievements over the remaining two and a half years of the project. The SERA Project has developed a reputation for fair, balanced, and timely analysis and cutting edge research on important policy issues. It has also actively engaged in a program of individual and institutional capacity building to improve the ability of individuals and institutions to engage in policy analysis and advocacy.

Significant achievements in policy include:

- instrumental in convincing the GoT to lift the food crops export ban,
- developed, piloted, and implementing the food basket approach to measure access to food,
- researched the impact of export permits on food crops trade and advocated for the elimination of permits,
- implementing a collateral registry system to improve lending for moveable assets,
- researched land benefits sharing and compensation in the region,
- researched rice markets on mainland and Zanzibar to guide policy decisions on import policy and strategic reserves,
- analysed National Food Reserve Agency's (NFRA) policies and procedures to determine the appropriate levels of food stocks to meet emergencies, and
- advocated for improved tax treatment of seeds and seed packaging materials.

Significant achievements in capacity building include:

- co-sponsored a policy seminar series at Sokoine University (SUA),
- taught an 8-week policy analysis course to various ministries staff in Zanzibar,
- supported Agriculture Council of Tanzania (ACT) strategic planning and institutional assessment, and
- supported Zanzibar Department of Food Security and Nutrition (DFSN) strategic planning and institutional assessment.

PRIORITY ACTIVITIES FOR YEAR 3

Year 3 of the SERA Policy Project will see the conclusion of a number of important policy studies that are expected to influence GoT and the Revolutionary Government of Zanzibar (RGoZ) policy decisions. In Year 3, SERA Project will also continue the capacity building activities to strengthen the institutions that implement policy reforms. For individual capacity building, we will continue the activities already initiated and will provide new support to selected activities that address important policy issues. Greater focus will also be directed to measure the impact of policy reforms and capacity building activities.

In Year 3, the priority areas for policy analysis and research will include:

- prepare a policy options paper on food security and present to GoT,
- seek parliamentary approval of the legal framework for the collateral registry system,
- implement a rules-based system for emergency food imports,
- complete the land compensation and benefits sharing research and present to stakeholders,
- improve tax treatment of seeds and seed packaging materials,
- measure the impacts of the lifting of the export ban,
- provide policy analysis for the rice market and strategic grain reserve in Zanzibar, and
- analyse the profitability of irrigated and rain-fed rice in Zanzibar.

The priority areas for capacity building will include:

- develop capacity to implement the food basket methodology in the Ministry of Agriculture, Food Security and Cooperatives (MAFC) Department of Food Security (DFS),
- improve capacity of the DFSN of Ministry of Agriculture and Natural Resources (MANR) in Zanzibar,
- conduct a needs assessment and develop a capacity building program for MUCHALI (Tanzanian Food Security and Nutrition Analysis System),
- teach the policy analysis course to ministry staff on mainland and expand course to include data analysis, and
- support a second set of papers for the policy seminar series.

SIGNIFICANT CHANGES FOR YEAR 3

Several important changes occurred in SERA personnel and priorities in Year 2, whereby the Communications Officer left the project in August 2013 and the Operations Manager gave notice of her intent to depart the project in October 2013. A new Operations Manager will be recruited to begin work as soon as possible in Year 3. The Communications Officer will not be replaced and instead, communications activities will be led by the SERA Deputy Chief of Party (DCOP) with support from a Communications and Capacity Building Specialist who will be recruited and expatriate short-term technical assistance (STTA). The Advocacy and Communications strategy changed in Year 2 to focus on public sector institutions rather than grass roots organizations. This change corresponds with the focus of the SERA Project to work closely with GoT and RGoZ counterparts to achieve policy reforms.

IMPLEMENTATION PLAN

COMPONENT I: POLICY RESEARCH AND REFORM

The SERA Project undertakes analysis and research on important policy issues in an effort to provide evidence-based analysis of policy impacts and provide policy options to government. Some of this research is conducted by SERA staff, and some is contracted to consultants. In all cases, high standards are maintained.

1. Intermediate Result 1: Improved Agriculture Productivity

A. Seed Policy

Access to high quality seeds is essential to raising productivity and improving the competitiveness of the agricultural sector. However improved seeds in Tanzania are less than 15 percent of total seeds planted, which is among the lowest in the region. This situation is due, at least in part, to weak enforcement of existing regulations and strong GoT controls on certain aspects of the seed industry which limits private sector involvement. The SERA Project seeks to improve access to high quality seeds at internationally competitive prices, and to stimulate investment in the seed sector by creating an enabling economic environment for the private sector. In Year 3, SERA will review the seed sector and meet with local experts and MAFC officials in order to identify the priority policy reforms needed to create an enabling environment. SERA will then focus research on these issues in an effort to inform policy makers of policy alternatives that could improve the sector's performance.

Tasks:

- Review existing policy studies.
- Identify priority policy issues with seed experts and MAFC officials.
- Prepare a concept note for research to address priority policy constraints.

Milestones:

- Priority policy issues identified. (Q2)
- Concept note completed. (Q3)

Resources:

- Don Mitchell, Alex Mkindi, Aneth Kayombo.

Key Partners:

- Tanzania Seed Traders Association (TASTA), Southern Agriculture Growth Corridor of Tanzania (SAGCOT), MAFC.

Contribute to:

- Intermediate Result (IR) 4.5.1-24 Number of policies/regulations/administrative procedures in each of the following stages: Stage 1, Analyzed; Stage 2, Drafted and presented for public/stakeholder consultation; Stage 3, Presented for legislative decree; Stage 4; Passed/approved; Stage 5, Implementation has begun.
- Custom Indicator (CI) 1.1.1 Volume of improved seed available in domestic market.
- CI 4.1.1 Number of research outputs.

B. Seed Taxes

High taxes on seeds and seed packaging materials have been identified as one of the constraints to expanded local production and sale of seeds, and the SERA Project is working with the seed industry through TASTA, and SAGCOT to improve the tax treatment of seeds and seed packaging materials. The case for reducing taxes on seeds and seed packaging materials was prepared by SERA in collaboration with TASTA and SAGCOT in Year 2 and submitted to MAFC. This material was used to support MAFC's request to the Ministry of Finance (MoF) to reduce taxes. However no policy action was taken and now SERA will focus on strengthening the case for reduced taxes on seed packaging materials and pursue other tax issues.

Tasks:

- Prepare the material to support MAFC's request to reduce taxes on seed packaging materials.

Milestones:

- Supporting material to reduce taxes on seeds packaging material completed. (Q3)
- Taxes on seed packaging materials reduced. (Q3)

Resources:

- Don Mitchell, Alex Mkindi, Aneth Kayombo.

Key Partners:

- TASTA, SAGCOT, MAFC.

Contribute to:

- IR 4.5.1-24 Number of policies/regulations/administrative procedures in each of the following stages: Stage 1, Analyzed; Stage 2, Drafted and presented for public/stakeholder consultation; Stage 3, Presented for legislative decree; Stage 4; Passed/approved; Stage 5, Implementation has begun.
- CI 1.1.1 Volume of improved seed available in domestic market.

2. Intermediate Result 2: Expanding Markets and Trade

SERA Project is working to expand markets through improved trade policies, improved market performance, and increased access to credit. Trade policy is an important component of

economic policy and an enabling economic environment. The SERA Project has focused on two important trade policy issues. The first is the requirement that traders obtain export and import permits from GoT before trading. The second is to address the ad hoc approach of GoT to emergency food imports which disrupt markets and are vulnerable to abuse. Improved credit also contributes to expanding markets and trade, and is addressed by the collateral registry system being developed with the Bank of Tanzania (BoT). SERA will also begin efforts to improve the performance of food crop markets.

A. Export Permits

Permits are required from the Ministry of Agriculture, Food Security and Cooperative to import or export food crops to or from Tanzania. The confusing, lengthy, and costly procedure for obtaining permits has led to widespread efforts to circumvent the system. Research conducted by the SERA Project in Years 1 and 2 showed that export permits do not provide accurate information on export levels nor do they control the flow of exports. Imports are similarly controlled by permits and traders report that food crops are often imported without appropriate permits. The SERA Project is working with the MAFC and the Prime Minister's Office (PMO) to remove unnecessary permits and provide a better method of recording trade.

Tasks:

- Review current legislation and Acts regarding trade of agricultural products.
- Meet with MAFC and PMO to discuss removal of export/import permits.
- Develop an alternative method of measuring exports and imports.

Milestones:

- Current legislation and Acts reviewed. (Q2)
- Export/Import permits not required for trade of food crops. (Q3)

Resources:

- Don Mitchell, Alex Mkindi, Aneth Kayombo.

Key Partners:

- NAFKA, Associates for International Resources and Development (AIRD).

Contribute to:

- IR 4.5.1-24 Number of policies/regulations/administrative procedures in each of the following stages: Stage 1, Analyzed; Stage 2, Drafted and presented for public/stakeholder consultation; Stage 3, Presented for legislative decree; Stage 4; Passed/approved; Stage 5, Implementation has begun.
- CI 4.1.1 Number of research outputs.

B. Transparent and Rules-Based Import Policy

The GoT allowed duty-free rice imports from January to March 2013 leading to market disruptions and protests by the private sector. A more transparent policy would be for the GoT to enforce existing tariffs and allow the private sector to import and export freely based on market conditions. The SERA Project will assist the GoT in designing and implementing a rules-based and transparent mechanism to allow emergency food imports.

Tasks:

- Meet with MAFC and PMO to design a transparent and rules-based mechanism to allow duty free food imports.

Milestones:

- Transparent and rules-based mechanism for emergency food imports implemented. (Q4)

Resources:

- Don Mitchell, Alex Mkindi, Aneth Kayombo.

Key Partners:

- NAFKA, AIRD.

Contribute to:

- IR 4.5.1-24 Number of policies/regulations/administrative procedures in each of the following stages: Stage 1, Analyzed; Stage 2, Drafted and presented for public/stakeholder consultation; Stage 3, Presented for legislative decree; Stage 4; Passed/approved; Stage 5, Implementation has begun.
- CI 4.1.1 Number of research outputs.

C. Credit to Smallholders and SMEs

Credit is essential to investments and delivering credit to small- and medium-scale enterprises (SMEs) 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 weak legal structure and undeveloped registry to record liens against such assets. The SERA Project is working to improve this situation by completing the legal requirements and computer software for a collateral registry system. Capacity to use this system will then be developed through trainings and capacity building activities. This will primarily help SMEs who own moveable assets that can be used as collateral.

Tasks:

- Develop the legal framework for the collateral registry.
- Obtain parliamentary approval for legislation.

Milestones:

- Legal framework developed. (Q3)
- Legislation passed. (Q4)

Resources:

- One expatriate consultant for an estimated 63 days of LOE, one local consultant for an estimated 40 days LOE.

Key Partners:

- BoT, MoF.

Contribute to:

- IR 4.5.1-24 Number of policies/regulations/administrative procedures in each of the following stages: Stage 1, Analyzed; Stage 2, Drafted and presented for

public/stakeholder consultation; Stage 3, Presented for legislative decree; Stage 4; Passed/approved; Stage 5, Implementation has begun.

- IR 4.5.2-7 Number of individuals who have received United States Government (USG) supported short-term agricultural sector productivity or food security training.

D. Improving Markets

Research has shown that with slower and less complete adjustments to market fundamentals, food markets in Tanzania are not as efficient as those in neighboring countries. The SERA Project will design research to determine the causes for these inefficiencies and recommend policy changes that will improve market performance.

Tasks:

- Develop a concept note and scope of work (SOW) to research food crops market performance.
- Identify and engage a consultant to undertake research.
- Research food crop market performance.

Milestones:

- Concept note and SOW completed. (Q2)
- Research completed. (Q4)
- Policies to improve food crop markets implemented. (Q4)

Resources:

- Don Mitchell, Alex Mkindi, Aneth Kayombo.
- One local consultant for 10 days of LOE.

Key Partners:

- iAGRI.

Contribute to:

- IR 4.5.1-24 Number of policies/regulations/administrative procedures in each of the following stages: Stage 1, Analyzed; Stage 2, Drafted and presented for public/stakeholder consultation; Stage 3, Presented for legislative decree; Stage 4; Passed/approved; Stage 5, Implementation has begun.
- CI 4.1.1 Number of research outputs.

3. Intermediate Result 4: Improved Enabling Policy Environment for both Agriculture and Nutrition

Improving the enabling environment is essential to a competitive private-sector led agricultural sector and the SERA Project has several activities designed to improve the enabling environment including, review food security policies on the mainland and Zanzibar, review of NFRA, and improve land policies and the business environment.

A. Food Security in Tanzania

The SERA Project is working with the GoT to develop a more comprehensive food security program. Research completed in Years 1 and 2 will be combined with results from the assessment of the NFRA to become the basis for a Policy Options Paper for GoT. This activity

will be jointly prepared by the SERA staff and AIRD staff with support from the NAKAFA Staples Value Chain Project of FtF. This Policy Options Paper should conclude our research efforts to provide mainland Tanzania with options for a more comprehensive food security program.

Tasks:

- Prepare a Policy Options Paper on Food Security for GoT.

Milestones:

- New Food Security Program adopted. (Q4)

Resources:

- Don Mitchell, Alex Mkindi, Aneth Kayombo.

Key Partners:

- NAKAFA, AIRD.

Contribute to:

- IR 4.5.1-24 Number of policies/regulations/administrative procedures in each of the following stages: Stage 1, Analyzed; Stage 2, Drafted and presented for public/stakeholder consultation; Stage 3, Presented for legislative decree; Stage 4; Passed/approved; Stage 5, Implementation has begun.
- CI 4.1.1 Number of research outputs.

B. National Food Reserve Agency

An assessment of the policies, procedures, and priorities of the National Food Reserve Agency was initiated in Year 2 and will be completed in Year 3. That will provide an improved understanding of the emergency food requirements. NFRA's policies and procedures will also be examined in order to create a more efficient and effective agency.

Tasks:

- Complete NFRA assessment.

Milestones:

- Assessment report completed and presented to GoT. (Q3)

Resources:

- Don Mitchell, Alex Mkindi, Aneth Kayombo.

Key Partners:

- NAKAFA, AIRD.

Contribute to:

- IR 4.5.1-24 Number of policies/regulations/administrative procedures in each of the following stages: Stage 1, Analyzed; Stage 2, Drafted and presented for public/stakeholder consultation; Stage 3, Presented for legislative decree; Stage 4; Passed/approved; Stage 5, Implementation has begun.

C. Land Policy

Only one-quarter of the land suitable for cropping in Tanzania is actually used to grow crops, which suggests that there is substantial land available to expand agricultural production by new investors and existing farmers. However, much of this is used for other livelihood activities by

people with informal use rights. These people are displaced when land is allocated to investors. That has made land use and land policies very controversial and the GoT has requested donors to withhold their involvement until a clear approach to land allocation has been developed by GoT. The SERA Project was invited to undertake a study on compensation and benefits sharing approaches used in the region. SERA brought a team of consultants from Landesa, an international non-governmental organization (NGO) focusing on land policies, to Tanzania in Year 2 to undertake the study. The team spent two weeks in country, including a field trip to the Arusha area, to meet with communities engaged in joint ventures with investors. The study follows two previous studies funded by development partners and identifies opportunities for local communities to engage directly with local or foreign investors rather than the more common practices of villages transferring their land to the central government before the land is made available to an investor. This issue is critical to the future of SAGCOT and the ability of Tanzania to provide conflict-free land to investors. Preliminary indications are that there is legal authority and actual experiences of villagers engaging directly with investors while still retaining ownership of the land. This study has the potential to unlock village land for investment while protecting the rights of villagers.

Tasks:

- Complete the land compensation and benefits sharing study.
- Hold workshop with stakeholders.

Milestones:

- Report completed and presented at workshop. (Q2)

Resources:

- Landesa Consulting.
- One local consultant for 15 days of LOE.

Key Partners:

- Ministry of Land (MoL), Landesa Consulting.

Contribute to:

- IR 4.5.1-24 Number of policies/regulations/administrative procedures in each of the following stages: Stage 1, Analyzed; Stage 2, Drafted and presented for public/stakeholder consultation; Stage 3, Presented for legislative decree; Stage 4; Passed/approved; Stage 5, Implementation has begun.
- CI 4.1.1 Number of research outputs.

D. Business Environment

The SERA Project will review investment incentives available to large-scale agricultural projects and compare them with those offered by neighboring countries. This activity will help to inform the GoT of how their incentives compare with others in the region and will provide a basis to adjust current investment incentives as necessary to be more competitive.

Tasks:

- Develop a concept note and SOW to compare the incentives available to large-scale agricultural investors in Tanzania and neighboring countries.

- Identify and engage a consultant to undertake the study.
- Complete research.

Milestones:

- Concept note and SOW completed. (Q2)
- Report completed. (Q4)

Resources:

- Don Mitchell, Alex Mkindi, Aneth Kayombo, and STTA.

Key Partners:

- SAGCOT.

Contribute to:

- IR 4.5.1-24 Number of policies/regulations/administrative procedures in each of the following stages: Stage 1, Analyzed; Stage 2, Drafted and presented for public/stakeholder consultation; Stage 3, Presented for legislative decree; Stage 4; Passed/approved; Stage 5, Implementation has begun.
- CI 4.1.1 Number of research outputs.

COMPONENT II: INDIVIDUAL AND INSTITUTIONAL CAPACITY BUILDING

The SERA Project's approach to capacity building is twofold. The first approach focuses on institutional capacity building activities of selected organizations that can provide the greatest impact to support development of an enabling policy environment. The second approach addresses increasing capacity for research and evidenced-based policy analysis of individuals through training and support for research and policy analysis.

In Year 3, the SERA Project will focus on public sector institutions, providing institutional and individual capacity building to support the implementation of policy reforms. The majority of resources will focus on GoT and RGoZ agriculture line ministries and institutions. Partnerships with private sector organizations will be limited in an effort to minimize conflicting priorities with GoT counterparts. SERA will continue to provide strategic support to private sector institutions, targeting critical stakeholders in the policy reform process. SERA Project will continue the individual capacity building efforts already underway and will initiate new ones based on demand. In some cases trainings will be part of large institutional capacity building effort.

1. Intermediate Result 4: Improved Enabling Policy Environment for both Agriculture and Nutrition

A. MUCHALI - Institutional Assessments and Capacity Building Action Plan

MUCHALI is the Tanzanian Food Security and Nutrition Analysis System. The system includes two core institutions, the national MUCHALI Team, and the Secretariat and Local Government Authorities (Council) MUCHALI Teams. The national team is composed of a selection of public, private, and donor stakeholders, and the secretariat, and day-to-day management is part of the MAFC Department of Food Security, Crops and Early Warning Unit. MUCHALI provides the final assessment of food security needs to the GoT, and recommendations on the locations and levels of food assistance required from NFRA.

In Year 3, the SERA Project will work with the MUCHALI Secretariat to develop a Capacity Building Action Plan.

Tasks:

- A.1. Assessment Tools:
 - Develop SOW
 - Collect assessment tools and background information from MUCHALI
 - Review assessment tools, reporting mechanisms, and processes.
- A.2. Training Program: Conduct training needs assessment focused on policy analysis, data analysis, and report writing; establish a training program; and conduct trainings.
- A.3. SERA Database: The SERA Project has compiled an extensive database of economic, agricultural, and nutritional information. This database will be provided to the MUCHALI Secretariat with training on maintenance and use. Efforts will focus on developing a training program, conduct the training, and transfer the database.

Milestones:

- A.1. Assessment Tools:
 - SOW completed. (Q1)
 - Assessment tools, reporting mechanisms, and processes reviewed. (Q2)
- A.2. Training Program:
 - Training needs assessment completed. (Q2)
 - Training program developed. (Q 3)
 - Report and recommendations delivered. (Q3)
 - Trainings held. (Q3, Q4)
- A.3. SERA Database: Database transferred to MUCHALI Secretariat. (Q4)

Resources:

- Two expatriate consultants for 40 days of LOE.
- Two local consultants for 46 days of LOE.
- One international trip to Tanzania for 15 days for each expatriate consultant.

Key Partners:

- MAFC Department of Food Security, Crops and Early Warning Unit; PMO Disaster Management Department; MUCHALI Secretariat.

Contribute to:

- IR 4.5.2-7 Number of individuals who have received USG supported short-term agricultural sector productivity or food security training.
- CI 4.1.1. Number of institutions receiving USG assistance.

B. Ministry of Agriculture, Food Security and Cooperatives, Department of Food Security

The Economic Research Service (ERS) of the United States Department of Agriculture (USDA), the DFS, and the SERA Project have committed to developing a capacity building program based on the piloted Food Basket Methodology. This work is led by ERS and will be based on the Food Basket Analysis (Annex 1). The activity will focus on the Ministry of Industry and Trade (MIT), the Ministry of Livestock and Fisheries (MLF), and the PMO Regional Administration and Local

Government (RALG). Participants, priority regions, and an illustrative timeframe have been identified.

To better support this partnership, SERA Project will draft a Letter of Collaboration with the DFS to define the activity objectives, and identify and commit resources.

Tasks:

- Draft Letter of Collaboration and SOW for Food Basket Methodology training.
- Develop training materials.
- Hold training sessions.

Milestones:

- Letter of collaboration and SOW completed. (Q1)
- Trainings completed. (Q4)

Resources:

- USDA ERS.
- One local consultant for an estimated 60 days LOE.
- In-country travel and support for training participants.

Key Partners:

- USDA ERS, MAFC Department of Food Security, MLF, MIT, and RALG.

Contribute to:

- IR 4.5.2-7 Number of individuals who have received USG supported short-term agricultural sector productivity or food security training.
- CI 4.1.1. Number of institutions receiving USG assistance.

C. Retail Price Data

The Food Basket Methodology depends on retail prices collected at the district level by various local government employees. MIT collects retail prices, but collection is not consistent, methodologies vary, and the delivery of the information is through hard copies by post. MAFC also has staff reporting retail prices on an irregular basis. In some districts, the same person reports to both MIT and MAFC. To address data needs and current inconsistencies, the SERA Project, in collaboration with the ERS and relevant agricultural line ministries, will develop a common methodology and reporting system that support the requirements of the Food Basket Approach. SERA will hold three to six workshops in different regions of the country to bring the price reporters together and establish common procedures for collecting and reporting prices.

Tasks:

- Meet with MAFC, MIT, MLF, and PMO Local Government Authority (LGA).
- Develop activity SOW in collaboration with MAFC, MIT, MLF, and PMO-LGA.
- Identify and engage consultant.
- Develop training materials, including training of trainers (TOT) materials.
- Conduct trainings. (Q3)

Milestones:

- Activity SOW developed. (Q2)

- Training materials developed and training timeframe adopted. (Q3)
- Trainings conducted. (Q3)

Resources:

- One expatriate consultant for 8 weeks, and one international trip of 18 days.
- One local consultant for 6 weeks.
- In-country travel to three training sites.

Key Partners:

- USDA ERS, MAFC Department of Food Security, MLF, MIT and RALG.

Contribute to:

- IR 4.5.2-7 Number of individuals who have received USG supported short-term agricultural sector productivity or food security training.
- CI 4.1.1. Number of institutions receiving USG assistance.

D. Economic Modeling - Ministry of Agriculture, Food Security and Cooperatives, Department of Policy and Planning

This activity seeks to develop the capacity of the MAFC Policy and Planning Department (PPD). The FtF iAGRI Project will lead this activity, and the SERA Project will work collaboratively to support the development, institutionalization, and training of an Economic Modeling system in SUA and MAFC.

Tasks:

- Draft concept note and secure commitments from partners and stakeholders. *iAGRI*
- Draft SOW. *iAGRI*
- Conduct needs assessment. *iAGRI*
- Identify and engage economic modeling team. *iAGRI*
- Develop Economic Modeling System. *iAGRI*
- Identify and engage economic modeling support staff. *iAGRI*
- Draft training modules including TOT. *iAGRI*

Milestones:

- Concept note completed and resources committed. (Q1)
- SOW completed. (Q2)
- Needs assessment completed. (Q2)
- Economic modeling team identified. (Q2)
- Model developed. (Q3)
- Training modules, including TOT, drafted. (Q3)
- Economic modeling system transferred to MAFC. (Q3)
- Trainings conducted. (Q4)

Resources:

- One expatriate consultant for 25 days LOE, and one international trip for 12 days, in-country travel to Morogoro for 1 week.
- One local consultant for 9 months.

Key Partners:

- iAGRI, Michigan State University (MSU), MAFC PPD.

Contribute to:

- IR 4.5.2-7 Number of individuals who have received USG supported short-term agricultural sector productivity or food security training.
- CI 4.2.1 Number of institutions receiving USG assistance.

E. Strategic Support

Private sector organizations that are key stakeholders in policy reform activities will be considered for strategic capacity building support in Year 3. Organizations identified for potential support include:

- i. Tanzania Seed Traders Association: TASTA is receiving capacity building support from the Bill & Melinda Gates Foundation (BMGF) to develop a capacity building action plan. SERA plans to continue to provide targeted support to TASTA.
- ii. Tanzania Exporter Association (TANEXA): TANEXA is a key stakeholder in the Export Permits policy activity.

Tasks:

- Support stakeholder events (as needed).
- Support policy research (as needed).

Milestones: TBD

Resources: TBD

Key Partners: TBD

Contribute to:

- IR 4.5.2-7 Number of individuals who have received USG supported short-term agricultural sector productivity or food security training.
- CI 4.2.1 Number of institutions receiving USG assistance.

F. Information Communications Technology (ICT) Systems – Ministry of Agriculture, Food Security and Cooperatives

Price and data collection systems in the MAFC's DFS are varied. DFS made a request to the SERA Project to evaluate these systems. The SERA Project will work with the DFS to develop terms of reference for a review of existing communications technology and systems for data transfer.

The review will include, but may not be limited, to addressing the following issues:

- Technical hardware inventory including use and capacity.
- Existing functioning and non-functioning of software system.
- Purpose/function of individual systems including reporting lines from collection to application of data.

Tasks:

- Develop SOW in collaboration with the MAFC DFS.
- Identify and engage consultant.
- Conduct technology assessment and provide recommendations.

Milestones:

- SOW drafted. (Q2)

- Assessment report delivered. (Q3)

Resources:

- One local ICT consultant for 15 days of LOE, in-country travel to 2 locations for 2 days.

Key Partners:

- MAFC, National Bureau of Statistics (NBS), FtF Monitoring and Evaluation Project (M&E), local ICT companies (TDB).

Contribute to:

- CI 4.2.1 Number of institutions receiving USG assistance.

G. Policy Seminar Series at Sokoine University

The SERA Project and iAGRI have jointly sponsored a Policy Seminar Series for faculty and students at Sokoine University to encourage policy research. Four research teams received support to prepare research papers for presentation at the Policy Seminar Series and the papers were presented in Year 2. The activity will continue in Year 3.

Tasks:

- Select teams to undertake policy research
- Provide appropriate support to selected teams to undertake research.

Milestones:

- Policy research papers and seminars completed. (Q4)

Resources:

- Don Mitchell.

Key Partners:

- iAGRI.

Contribute to:

- IR 4.5.2-7 Number of individuals who have received USG supported short-term agricultural sector productivity or food security training.
- CI 4.2.1 Number of institutions receiving USG assistance.

H. Policy Analysis Training Course

The most requested capacity building activity from SERA has been for training in policy analysis. In response, the SERA Chief of Party (COP) designed and taught, jointly with the SERA Junior Policy Analyst, an 8-week course on policy analysis to 20 students from various ministries in Zanzibar. The course was very well received and will be taught on the mainland in Year 3.

Tasks:

- Teach course.

Milestones:

- Course teaching completed. (Q4)

Resources:

- Don Mitchell, Aneth Kayombo.

Key Partners:

- N/A.

Contribute to:

- IR 4.5.2-7 Number of individuals who have received USG supported short-term agricultural sector productivity or food security training.
- CI 4.2.1 Number of institutions receiving USG assistance.

COMPONENT III: ADVOCACY AND COMMUNICATIONS

The SERA Project starts Year 3 with a realignment of the Advocacy and Communications component, and with a renewed commitment to our primary target audiences, the GoT, and other policy makers. The SERA Project will focus on communication activities that support the policy research agenda and will target public sector institution. The primary communication instrument will be the SERA Project website. Future work on advocacy with non-state actors will be limited to avoid conflict with our ability to work closely with our GoT counterparts. The Advocacy and Communication component activities will fall under the leadership of the Individual and Institutional Capacity Building Component, and will be supported by a local Communications and Capacity Building Specialist and expatriate communications professionals.

1. Intermediate Result 4: Improved Enabling Policy Environment for both Agriculture and Nutrition**A. SERA Website**

The website will become the main communications tool for SERA, making available evidence-based research and other key policy information. The website will be completed and launched in Year 3. The website will be updated and maintained by the Communications/Capacity Building Specialist and backstopped by off-site support.

Tasks:

- Populate the website.
- Train local Communications and Capacity Building Specialist on technical aspects.
- Launch website.

Milestones:

- Website launched. (Q2)

Resources:

- One expatriate consultant for 80 days of LOE, and one international trip. *Note that resources are combined with C. Revised Communications and Advocacy Strategy.*

Key Partners:

- Opt Media Information Solutions.

Contribute to:

- CI 4.1.3 Number of hits/visits to the SERA website.

B. Policy Briefs

No additional policy briefs were prepared in Year 2. It is anticipated that SERA will continue to draft research and policy briefs on a case-by-case basis as part of our revised Communication and Advocacy Strategy.

Tasks: TBD

Milestones: TBD

Resources:

- Local Communications and Capacity Building Specialist.

Key Partners: TBD

Contribute to:

- CI 4.1.2 Total number of SERA mentions in the press and social media.

C. Revised Communications and Advocacy Strategy

The first quarter of Year 3 will include a review and revision to the SERA Project Communications and Advocacy Strategy.

Tasks:

- Review and revise Communications and Advocacy Strategy.

Milestones:

- Communications and Advocacy Strategy revised. (Q1)

Resources:

- See activity A. SERA Website.

Key Partners:

- Expatriate consultant for an estimated 60 days LOE for life of project.
- Local Communications and Capacity Building Specialist.

Contribute to:

- CI 4.1.2 Total number of SERA mentions in the press and social media.

ACTIVITIES IMPLEMENTED IN ZANZIBAR

1. Intermediate Result 2: Expanding Markets and Trade

A. Rice Import Policy

Rice is the main food crop in Zanzibar accounting for about 30 percent of total calories. However, about 85 percent of consumption is imported, making Zanzibar very dependent on the world rice market which is a concern of RGoZ. There are close linkages with the mainland rice market as rice is imported from the mainland and also transferred to the mainland to take advantage of the differential tariff rates between Zanzibar and the mainland. The SERA Project worked closely with the Zanzibar Ministry of Agriculture and Natural Resources to better understand the rice market in Zanzibar and to advise the RGoZ on the strategic rice reserve.

Tasks:

- Develop a cost effective policy to mitigate risks of disruptions in imports.

Milestones:

- **Cost effective policy developed. (Q4)**
- New rice import policy implemented. (Q4)

Resources:

- Don Mitchell, Alex Mkindi, Aneth Kayombo.

Key Partners:

- Food and Agriculture Organization (FAO)

Contribute to:

- IR 4.5.1-24 Number of policies/regulations/administrative procedures in each of the following stages: Stage 1, Analyzed; Stage 2, Drafted and presented for public/stakeholder consultation; Stage 3, Presented for legislative decree; Stage 4; Passed/approved; Stage 5, Implementation has begun.
- CI 4.1.1 Number of research outputs.

B. Irrigated and Rain-Fed Rice Profitability Analysis

The SERA Project is working with the NAFKA Project and the Tanzania Agriculture Productivity Program (TAPP) to evaluate the profitability of irrigated and rain-fed rice on Zanzibar. This analysis will be used to guide policy and investment decisions of USAID and other donors active in the rice sector of Zanzibar.

Tasks:

- Analyze the profitability of irrigated and rain-fed rice in Zanzibar.
- Present results to MANR and USAID.

Milestones:

- Analysis presented. (Q1)

Resources:

- Don Mitchell.

Key Partners:

- NAFKA, TAPP.

Contribute to:

- IR 4.5.1-24 Number of policies/regulations/administrative procedures in each of the following stages: Stage 1, Analyzed; Stage 2, Drafted and presented for public/stakeholder consultation; Stage 3, Presented for legislative decree; Stage 4; Passed/approved; Stage 5, Implementation has begun.
- CI 4.1.1 Number of research outputs.

2. Intermediate Result 4: Improved Enabling Policy Environment for both Agriculture and Nutrition**A. Zanzibar Department of Food Security and Nutrition**

The SERA Project continued to work with the Department of Food Security and Nutrition (DFSN) in Zanzibar and will complete activities identified in the implementation of the Capacity Building Action Plan. These activities were initiated in Year 2 and will be completed in Year 3, including: the training and development of an institutional performance monitoring plan and an assessment of food security and nutrition activities implemented by the Tanzania Social Action Fund (TASAF) program in Zanzibar.

The FAO is the lead agency providing support to the Food Security and Nutrition Department (FSND) for the implementation of the Strategic Prioritization Plan. The SERA Project had

committed to provide strategic support in the establishment and adoption of a food basket approach as part of the Early Warning Information System (done in collaboration with ERS USDA). In addition, the SERA Project is committed to provide strategic training as needed in the development of the Zanzibar Early Warning Information System.

Tasks:

- 2.A.1. Performance Management Plan (PMP) Training:
 - Revise SOW
 - Conduct PMP training.
- 2.A.2. TASAF Food Security and Nutrition Activities:
 - Assess food security and nutrition activities implemented by TASAF.
- 2.A.3. Food Basket Methodology:
 - Develop SOW for the development and adoption of the food basket approach.
 - Train FSND and Early Warning staff on the application of the food basket approach.

Milestones:

- 2.A.1. PMP Training: Trainings completed. (Q2)
- 2.A.2. Food Security and Nutrition Activities:
 - Assessment completed. (Q2)
 - Report delivered. (Q3)
- 2.A.3. Food Basket Methodology:
 - Training and TOT developed and adopted. (Q2)
 - Training and TOT delivered. (Q3, Q4)

Resources:

- 2.A.1. PMP Training:
 - DCOP. Additional resources accounted for in Advocacy and Communication website activity.
 - Two trips to Zanzibar for 10 days. One day conference accommodations for 1 day.
- 2.A.2. Food Security and Nutrition Activities:
 - DCOP, Senior Policy Advisor.
 - Four trips to Zanzibar for 20 days. In-country travel.
- 2.A.3. Food Basket Methodology:
 - ERS USDA.
 - One local consultant for estimated 30 days LOE.
 - Local in-country travel in Zanzibar for 1 week.

Key Partners:

- ERS USDA, FAO, FSND.

Contribute to:

- IR 4.5.2-7 Number of individuals who have received USG supported short-term agricultural sector productivity or food security training.
- CI 4.2.1 Number of institutions receiving USG assistance.

PROJECT MANAGEMENT AND PERFORMANCE

1. Project Management

The Capacity Building and Advocacy and Communications Components of the SERA Project have been modified to better support the policy research and reform agenda. These components will focus more closely on the public sector counterparts with limited support to private sector organizations and advocacy to avoid conflict with our ability to work closely with our GoT counterparts. The Advocacy and Communication Component will be led by the DCOP with support from expatriate and local STTAs. Additional personal changes will include the approval of Jen Braswell as Booz Allen Hamilton Program Manager, and the hiring of two new SERA staff for the positions of Operations Manager and Communications and Capacity Building Specialist.

2. Policy Reform Agenda

The SERA Project maintains a flexible approach to the policy research agenda and is committed to meeting the demands of partners as well as responding to new policy reform opportunities. Year 2 saw the addition of three new policy activities and the discontinuation of three policy activities.

New policies undertaken in Year 2 included:

- Analysis of duty-free rice imports;
- Review of food import policies; and
- Study of land compensation and benefits sharing schemes.

SERA discontinued work on three policy activities due to the increased efforts of other donors, the lack of resources, or the limited opportunities for policy reform. Discontinued policy activities in Year 2 included:

- Analysis of nutrition policies;
- Analysis of the Cereals and Other Produce Board;
- Analysis of the Cereals and Other Product Regulatory Authority.

In Year 3, two new policy activities have been added, namely:

- The Business Environment;
- Improving Markets.

3. Monitoring and Evaluation

The following section summarizes the revised SERA Performance Management Plan. These changes are based on the recommendations of the Data Quality Analysis, and changes in the Advocacy and Communications component.

- Indicator *4.5.2-35 Percent change in value of intra-regional trade in targeted agricultural commodities (RiA) (Outcome)* was dropped. This indicator is collected and reported on by USAID Regional Missions.

- Custom/Project Indicator *IR 8.2.1. Number of individuals who have participated in USG support training activities* is replaced with *Custom Indicator 4.5.2-7 Number of individuals who have received USG supported short-term agricultural sector productivity or food security training (RiA)*.
- IR 8.2.3 Number of policy seminar conducted. This activity is done in collaboration with iAGRI. iAGRI is reporting results.
- IR 8.2.4 Number of communications products. Changes in the SERA communications program will result in more targeted communications relayed on the website.

CROSS-CUTTING ISSUES

Poverty and gender are cross cutting issues that the SERA project impacts through its national policy reforms. The SERA Project plans to team with FtF partner The Mitchell Group (TMG) to evaluate the impacts of the lifting of the maize export ban by using a regional econometric model that quantifies the decline in wholesale prices relative to major export markets. That will allow the impacts of SERA activities to be estimated and those results will be evaluated by TMG using data from the Unified Baseline Survey.

Tasks:

- Estimate the impact of lifting the export ban on regional wholesale prices.

Milestones:

- Research report completed. (Q2)

Resources:

- Don Mitchell, Alex Mkindi, Aneth Kayombo.

Key Partners:

- TMG.

ESTIMATED BUDGET

	Q1 Oct - Dec 13	Q2 Jan - Mar 14	Q3 Apr - Jun 14	Q4 Jul - Sep 14	Year 3 TOTAL Oct 13 - Sep 14
Estimated Costs	\$425,318	\$684,531	\$467,172	\$525,667	\$2,102,688
Fee	\$34,025	\$54,762	\$37,374	\$42,053	\$168,215
Total Estimated Cost Plus Fixed Fee	\$459,343	\$739,294	\$504,545	\$567,721	\$2,270,903

PERFORMANCE MANAGEMENT PLAN

Table 1. USAID Standard and Required if Applicable Indicator Targets for Life of Contract

Indicator		Baseline	Year 0.5 Apr 2011 – Sep 2011	Year 1 Oct 2011 – Sep 2012	Year 2 Oct 2012 – Sep 2013	Year 3 Oct 2013 – Sep 2014	Year 4 Oct 2014 – Sep 2015	Year 5 Oct 2015 – Apr 2016	LIFE OF CONTRACT TARGET
IR. 4.5.2-7 Number of individuals who have received USG supported short-term agricultural sector productivity or food security training. (RiA)	New					159	98	0	437
	Cont.					80	100	0	
	Male	0	N/A	N/A	N/A	159	132	0	
	Female					80	66	0	
IR 4.5.2-36 Value of exports of targeted agricultural commodities as a result of USG assistance. (RiA)	Maize	\$20,820,000	0	0	\$28,920,000	\$31,910,000	\$34,990,000	\$36,330,000	\$56,749,200
	Rice	\$37,050,000	0	0	0	0	0	0	0
IR 4.5.2-30 Number of MSMEs receiving businesses, including farmers, receiving USG assistance to access loans (S)	Medium		0	0	0	0	800	1,600	2,400
	Small	N/A	0	0	0	0	125	225	350
	Micro		0	0	0	0	75	175	250
IR 4.5.1-24 Number of policies / regulations / administrative procedures in each of the following stages of development (S)	N/A								15
• Stage 1: Analyzed		N/A	0	7	0	0	0	0	2
• Stage 2: Drafted and presented for public/stakeholder consultation		N/A	0	4	5	2	0	0	3
• Stage 3: Presented for legislative decree		N/A	0	1	2	1	1	0	0
• Stage 4: Passed/ approved		N/A	0	1	2	3	0	0	0
• Stage 5: Implementation has begun		N/A	0	1	0	3	3	3	11

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

Indicator	Baseline	Year 0.5 Apr 2011 – Sep 2011	Year 1 Oct 2011 – Sep 2012	Year 2 Oct 2012 – Sep 2013	Year 3 Oct 2013 – Sep 2014	Year 4 Oct 2014 – Sep 2015	Year 5 Oct 2015 – Apr 2016	LIFE OF CONTRACT TARGET
1.1.1 Volume of improved seed available in domestic market	26,545 tons	0	0	0	0	5,000 tons	5,000 tons	36,000 tons
4.1.1 Number of research outputs	N/A	0	3	2	2	0	0	7
4.1.2 Total number of SERA mentions in the press and social media.	N/A	0	10	12	10	5	3	40
4.1.3 Number of hits/visits to the SERA website.	N/A	0	0	2,000	2,500	2,000	1,500	9,000
4.2.1 Number of institutions receiving USG assistance	N/A	0	2	3	4	3	3	15

ANNEX 1: Food Basket Methodology Capacity Building Summary

Purpose

Introduce and train GOT food security personnel and the development, utilization and application of the Food Basket Methodology presented in *Measuring Access to Food: A Food Basket Approach*, USDA ERS, Nancy Cochrane.

Participants

Several GOT institutions are involved in GOT food security system at the national and sub-national levels:

- MAFC Department of Food Security, Crops and Early Warning Unit. The Crops and Early Warning team is based in Dar es Salaam and will provide up to 5 team leaders for training.
- MIT, Trade Promotion and Marketing Department. The focus of the MIT will be the collection and reporting of retail price data.
- Ministry of Livestock and Fisheries.
- PMO – Regional Administration and Local Governance.

Structure of the training

The training will start with 1-2 days classroom introduction to the food basket approach and methodology. The classroom training can accommodate up to 10 participants.

Field training for up to 5 people per trip will follow classroom training. Field training will take place over 3 days, excluding travel time.

Illustrative Schedule for 2014

- January – 3 weeks
- May/June – 2 weeks
- November/December – 2 weeks

1st phase regions

- Mara and Mbeya, continue work from 2013.
- Morogoro – Kilombero, Mtibwa; focus rice and sugar.
- Manyara – Longido; focus livestock.
- Kigoma; focus fish.

2nd phase regions

- Singida and Dodoma; focus sorgum and millet.
- Mtwara – Newala, Lindi; focus cassava.
- Mbeya – Kagera; focus banana.

