



Annual Report 2010

Research on Poverty Alleviation

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LETTER FROM THE CHAIRPERSON OF THE BOARD OF DIRECTORS



Professor Esther Mwaikambo

This Annual Report marks the beginning of REPOA's fourth strategic plan for the period January 2010 - December 2014. The preceding strategic plan was characterised by the rapid expansion and diversification of operations stemming from the increased demand for REPOA to provide high quality research and analysis services. While this is a positive sign of the value placed upon research – an acknowledgement of REPOA's contribution to society – these growing expectations brought challenges along with new opportunities.

The challenges have provided positive stimulus for the development of a dynamic organisation, and inputs from external reviews and stakeholders have offered valuable insights for the organisation's strategic direction. The new strategic plan aims to re-focus the organisation upon its fundamental mandate to produce and promote the use of knowledge. The plan establishes the framework for a period of consolidation, a time to concentrate REPOA's efforts on those areas where we can make the most effective and lasting contribution to Tanzania's development.

The vitality and sustainability of REPOA will continue to be derived from the value of our services to society. The credibility of the knowledge produced, the increasing awareness of the important contribution of knowledge to improving people's quality of life, and the reliance on knowledge as both the foundation and impetus for policy development are all essential for the organisation to grow and prosper. To achieve these ends, we will continue to dedicate ourselves to producing knowledge that is relevant, timely and easily accessible.

On behalf of the Board members, Technical Advisory Committee and REPOA staff, I would like to thank you all for your continued support.

A handwritten signature in blue ink that reads "E. Mwaikambo". The signature is written in a cursive, flowing style.

Professor Esther Mwaikambo



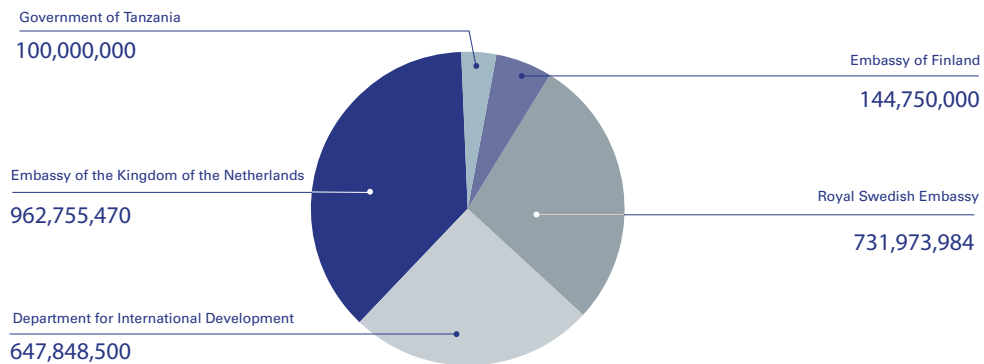
BOARD OF DIRECTORS AS OF DECEMBER 2010

FROM LEFT - Prof. Joseph Semboja, Mr. Rashid Mbuguni, Prof. Samuel Wangwe, Major Gen. Prof. Yadon Kohi

FRONT ROW - Ms. Fides S. Chale, Mr. Joseph Rugumyamheto, Prof. Esther Mwaikambo, Prof. William Lyakurwa, Dr. Servacius Likwelile

ABSENT: Mr. Michael Shirima, Prof. Bertha Koda

REPOA BASKET FUNDERS CONTRIBUTIONS FOR 2010 (FIGURES IN TSHS)



LETTER FROM THE EXECUTIVE DIRECTOR



Professor Joseph Semboja

In every aspect of operations, 2010 was a benchmark year for the organisation, and it is my great pleasure to share some of the year's highlights in this report. A summary table of our main activities and achievements for 2010 can be found on page 8 following the introduction to the organisation's new strategic plan.

As an integral part of the development of the strategic plan, REPOA also reviewed the key components of its operations, including the organisation's research agenda, and its training and communication strategies. These activities were necessary to ensure that our programmes remain current and responsive to the needs of stakeholders and to Tanzania's development. All of the reviews were accomplished and the implementation of recommendations emanating from them will commence in 2011. Specific findings from the reviews are discussed under the relevant sections of this report.

I would like to take this opportunity to wish you pleasant reading, and thank you for your continued support of our work.

A handwritten signature in cursive script, appearing to read 'Semboja', written in a light grey or blue ink.

Professor Joseph Semboja

PROFILE

OUR VISION

To be a leading research institution in the production of knowledge to address development challenges

OUR MISSION

To facilitate and undertake research, training and outreach



To achieve its mission, REPOA is building research capacity and promoting the use of research findings in Tanzania. Research is central to economic growth and the reduction of poverty, as it establishes the foundation for making decisions and designing effective policies and programmes. Decisions on national development should increasingly be made with the support of timely and reliable information. Research outputs and associated policy development contribute to:

- Determining national priorities;
- Evaluating and designing interventions;
- Promoting transparency and good governance, and
- Bringing the voices of vulnerable and marginalised groups to the attention of policy makers.

Since its establishment in 1994, REPOA has become widely recognised as a key contributor to development issues for Tanzania. The organisation proudly serves and collaborates with the Government of Tanzania, development partners, academic institutions, civil society organisations, the media and private sector.

REPOA'S STRATEGIC PLAN 2010-2014

This year's Annual Report is the first progress report on implementation of REPOA's new five-year strategic plan for 2010-2014. The plan builds on the organisation's past achievements while seeking to address identified gaps in competency and production of socio-economic research in Tanzania. In doing so, REPOA aims to provide an improved service to key development agents.

The strategic plan reflects the desire to focus efforts on areas where REPOA can make the strongest contribution to knowledge generation on poverty analysis and related development challenges. Major improvements are the scaling up of strategic research and associated in-house research activities to address current knowledge shortfalls. Efforts in the policy area will be more targeted, with the primary focus on supporting policy development with research, and presenting an increasing content of research results in the Annual Research Workshop. The research agenda will have a stronger focus on growth for the reduction of poverty, and we will extend our strategic research activities within the East Africa Region. We will improve the credibility of our work by scaling up the quality of our work.

The new plan incorporates important lessons from its predecessor. The period 2005-2009 was characterised by rapid expansion and diversification of operations. Over that time, the general research agenda expanded from a narrow focus on poverty alleviation *per se* to encompass issues of economic growth, social protection, governance and the environment, with emphasis on their contribution to poverty reduction. This trend is a healthy sign that local research is responding to pressing contemporary domestic and global concerns. Social policy without recognising the importance of the growth agenda is unsustainable. Our strategic research component will therefore continue to inform policy and programmes to achieve inclusive growth and poverty reduction.

Another lesson is that in spite of our efforts to build research capacity, coordinate research, and support policy development, the demand for credible research and analysis products continues to grow. Increasingly, REPOA is called upon to meet the current shortfall of high quality research. In response, the 2010-2014 plan anticipates that more studies will be conducted in-house.

OUR FOUR STRATEGIES FOR THE NEXT FIVE YEARS

To realise its vision and meet its mission, REPOA will employ four major strategies over the next five years. The strategies and their key results are as follows:

STRATEGY I: DEVELOP RESEARCH CAPACITY

Key result: Junior and mid-level researchers provided with opportunities to undertake socio-economic research, develop their skills, and participate in knowledge sharing.

STRATEGY II: FACILITATE AND UNDERTAKE STRATEGIC RESEARCH

Key result: Senior researchers provided with opportunities to undertake strategic research, update their skills, and participate in knowledge sharing in order to contribute to informed dialogue and policy development.

REPOA's strategic research agenda encompasses three core themes and two cross-cutting themes:

Core themes

Growth and poverty

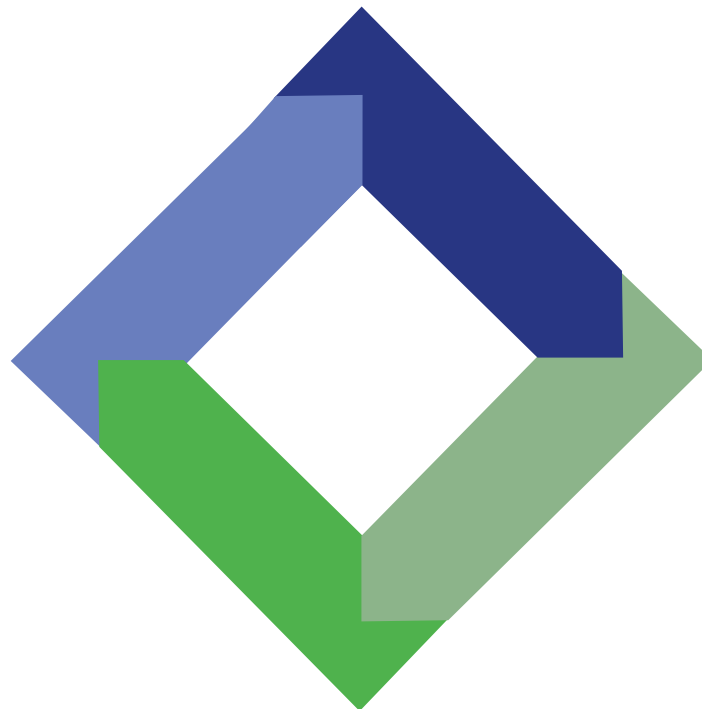
Governance and service provision

Vulnerability and social protection

Cross-cutting themes

Gender

Technology



STRATEGY IV: ENHANCE REPOA'S CAPACITY TO IMPLEMENT THE STRATEGIC PLAN

Key result: REPOA has the systems, capacity and skill set in place to provide robust, efficient and useful services and products to its key stakeholders in a responsive and timely manner.

STRATEGY III: FACILITATE AND STIMULATE THE UTILISATION OF RESEARCH FINDINGS

Key result: Key development agents provided with opportunities to develop their skills in the use of research outputs, and participate in knowledge sharing to foster informed dialogue and policy development.

REPORT OF ACHIEVEMENTS IN 2010

The 2010 Annual Report will present the year's achievements in outputs and outcomes against each of these strategies beginning with a summary of activities and output targets for the year.

SUMMARY OF ACTIVITIES FOR 2010

The following table summarises REPOA's main activities and achievements for 2010 for each of its four strategies.

2010 ANNUAL TARGET	OUTPUT	COMMENTS
Strategy I: Develop Research Capacity		
Research grants <ul style="list-style-type: none"> Receive and review 140 concept notes and 100 research proposals Approve 20 research projects 	<ul style="list-style-type: none"> 101 concept notes and 82 proposals 19 research projects 	Principal objective of approved projects almost met (95%)
Learning by doing and mentoring researchers <ul style="list-style-type: none"> Review 30 progress reports Review 20 draft final reports Review 12 final reports for publication 	<ul style="list-style-type: none"> 33 progress reports 18 draft final reports 13 final reports for publication 	Target exceeded Target almost met (90%) Target exceeded
Training of researchers <ul style="list-style-type: none"> Conduct 6 training courses 	<ul style="list-style-type: none"> 5 courses (85 participants in total) 	Target met (2 courses were combined into 1 workshop)
Capacity building workshops and seminars <ul style="list-style-type: none"> 10 seminars/workshops 1 Annual Research Workshop 	<ul style="list-style-type: none"> 14 seminars 15th Annual Research workshop held on 19-20 March 2010 	Exceeded target
Library services <ul style="list-style-type: none"> Hold at least 11,200 publications 	<ul style="list-style-type: none"> 11,126 publications in stock as at 31/12/2010 	Target almost met
Strategy II: Facilitate and undertake Strategic Research		
Collaborative research projects <ul style="list-style-type: none"> Collaborate with at least 8 partner institutions Undertake 5 projects 	<ul style="list-style-type: none"> 7 projects with 11 partner institutions ongoing 	Target exceeded
Exchange visits by researchers <ul style="list-style-type: none"> 8 visits 	<ul style="list-style-type: none"> 6 visits 	Target almost met
Strategy III: Facilitate and Stimulate the Utilisation of Research Findings		
Training of research users <ul style="list-style-type: none"> Conduct 32 courses 	<ul style="list-style-type: none"> 28 courses held (825 participants in total) 	Target almost met (88%)
Presentations by REPOA staff at external events <ul style="list-style-type: none"> 10 presentations 	<ul style="list-style-type: none"> 13 presentations given 	Target exceeded
Events attended by REPOA staff <ul style="list-style-type: none"> 35 events 	<ul style="list-style-type: none"> 48 events attended 	Target exceeded
Participation in policy development <ul style="list-style-type: none"> 2 roundtable policy discussions 5 exhibitions 	<ul style="list-style-type: none"> 3 roundtable discussions 6 exhibitions 	Target exceeded
REPOA publications <ul style="list-style-type: none"> 10 publications (research reports, special papers and other media) 8 briefs Circulate 10,000 copies 	<ul style="list-style-type: none"> 11 publications (5 research reports, 5 special papers and 1 booklet) 11 briefs 20,302 copies disseminated 	Target exceeded
Strategy IV: Enhance REPOA's capacity		
Staff training <ul style="list-style-type: none"> Train 4 staff members 	<ul style="list-style-type: none"> Total of 19 staff members trained at two tailor-made workshops + 8 staff attended short-term courses 	Target exceeded

KEY OUTPUTS AND OUTCOMES FOR 2010

REPOA'S 15TH ANNUAL RESEARCH WORKSHOP

Now in its 15th year, REPOA's Annual Research Workshop is the longest running and largest research workshop held by a Tanzanian research institution. Each year the workshop brings together junior and senior researchers, academic institutions, government officials, civil society organisations, the private sector and development partners to share the results of the previous year's research projects and to discuss significant trends and challenges in Tanzanian development that demand attention from the research community. A total of 216 participants attended this year's event.

For the third year, the theme of the workshop was "Growth and Development in Tanzania" – a topic of ongoing importance given that the strong growth rates achieved nationally over the last decade have not translated into significant declines in poverty rates.

The Prime Minister of the United Republic of Tanzania, the Honourable Mizengo Pinda, opened the workshop, and Prof. Hans Binswanger, Tshwane University of Technology, Pretoria made the keynote presentation entitled "Kilimo Kwanza: Promoting agriculture for economic transformation in Tanzania". Appendix I lists all the papers presented at the 2010 Annual Research Workshop.



"The relevance of REPOA's Annual Research Workshop to our country's policies and programmes does not need much emphasis... It is reassuring to know that we can all continue to rely on REPOA's contribution to research, training and policy development."

*Prime Minister Mizengo Pinda
2010 Annual Research Workshop*

REPOA is also producing a report of workshop proceedings focusing on the keynote speeches and plenary sessions for the last three years. Once it is finalised, it will be available on REPOA's website at www.repoa.or.tz

STRATEGY 1: DEVELOP RESEARCH CAPACITY



Researcher, Rehema Tukai

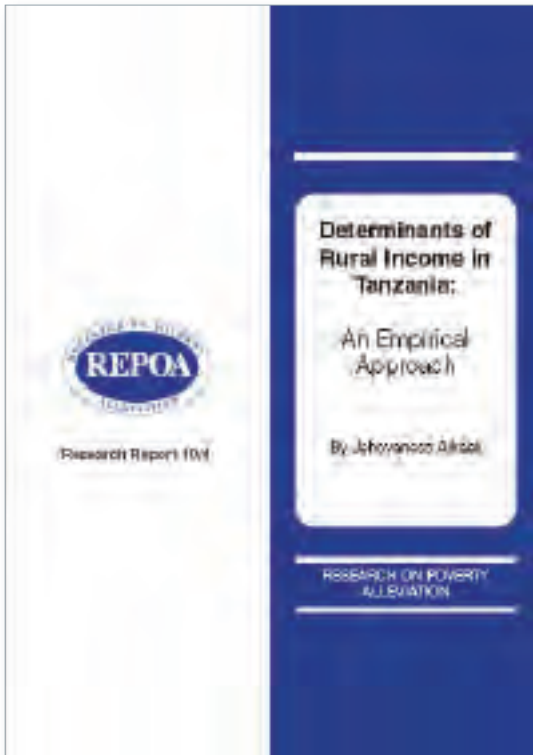
Research is the core of REPOA's operations. We strongly believe that a nation's intellectual resource underpins development, and we aim to build local capacity to undertake and produce insightful and relevant information.

RESEARCH GRANTS

Under REPOA's Open Competitive System (OCS) for research grants – also known as Window I – researchers are invited to submit concept notes via public calls for proposals. If a concept note is judged to be of merit, then the researcher is invited to prepare a full research proposal. All proposals, which must fall within

REPOA's research agenda (see below), are subjected to a rigorous, anonymous, review process by three independent experts in the field. Researchers who are awarded grants are required to produce progress and draft final reports which are presented at REPOA's seminars and workshops. In this way, researchers receive ongoing constructive feedback throughout their projects to hone their skills and strengthen their study outputs. Inexperienced researchers who demonstrate potential are also encouraged to participate in a mentoring programme with a senior researcher.

In 2010, 19 research projects were approved to receive a grant. The projects covered diverse topics and geographical locations throughout Tanzania from the contribution of fisheries to household income on Lake Tanganyika to the implications of gazetting the Derema Forest in the Usambara Mountains. Projects also ranged from micro-level studies, for example, the contribution of sunflower production to poverty reduction in Kongwa and Singida districts, to macro-level assessments, including an examination of the discriminatory effects of Tanzanian inheritance law on women's empowerment and a study on board composition in microfinance institutions in East Africa. Appendix II provides the complete list of research projects approved in 2010.



Draft research reports are presented during REPOA's Annual Research Workshop. During the workshops, researchers benefit from wide public comment and peer review on their projects, followed by technical consultations with experts. If papers meet appropriate standards, they are published at REPOA's expense under its research report series and disseminated. Five research reports were published in 2010.

A review of the OCS was also completed in 2010 to improve the programme and to broaden the geographical scope of REPOA's grants to neighbouring countries in East Africa. The principal findings of the review were as follows:

- Expansion to East Africa is considered more advantageous for the Strategic Research Programme (or Window II) at this stage, targeting senior researchers and analysts to develop proposals for collaborative research projects on global and regional challenges with in-built mechanisms for incorporating junior researchers for capacity building. Further discussion of the Strategic Research Programme can be found under Strategy II below.
- The OCS would benefit from a re-design to strengthen existing and formulate new procedures that address constraints such as the quality of reviews, post-proposal support to grantees, timely project completion, the quality of reports submitted.

Recommendations from the review have been taken on board and implementation will begin in 2011.

To view research reports published under OCS or to access information on how to prepare a research proposal and apply for a research grant, see REPOA's website www.repoa.or.tz

TRAINING FOR RESEARCHERS

REPOA trains junior and intermediate researchers on research design, methods and analysis, as well as report writing. As with research grants, training opportunities are widely advertised and participants are selected on merit. This year, a total of 85 researchers attended the following courses:

Training on Data Exploration: Using R¹

These workshops provide practical guidance to junior researchers on how to use data description as a tool for discovery, i.e., getting ideas from the data (hypothesis searching).

Training on Participatory Research Methods

This workshop equips researchers with skills in participatory methods for undertaking research with adults and children.

Training on Research Report Writing Skills

This training provides practical guidance to beginner and intermediate researchers on how to write good quality research reports with the potential for publication.

To coincide with the commencement of the 2010-2014 Strategic Plan, a review of the training programme was carried out to align the programme with the new strategic plan. The review determined that the training courses currently facilitated by REPOA for researchers were still valid and relevant. The review also noted that the demand for those courses was increasing and might call for collaboration with other institutions for effective delivery. The value of attending all the courses by researchers was also amplified. The recommendations which

were made have been discussed and will be implemented from 2011.

REPOA, in collaboration with the Economic and Social Research Foundation (ESRF), and the Institute of Social Studies (ISS), The Hague., continued to conduct the Post-graduate Diploma Programme in Poverty Analysis. This part-time, ten-month course focuses on investigative skills and research capabilities for applied policy analysis. The nature of the programme is interdisciplinary with the focus on issues of poverty, vulnerability and social protection. The course is funded by the UNDP. In 2010, a total of 22 candidates graduated from the programme (16 men, 6 women).

A review of the diploma programme was also conducted in 2010 to assess the relevance, efficiency, effectiveness, impact and sustainability of the programme. Generally, the review found that the programme is still valid and relevant. The programme was positively evaluated in terms of delivery and impact on participants and their employers. The review noted that the content and course materials were of an excellent international standard and the teaching and learning strategy works well resulting in an enormously successful programme. The capacity building element in partner institutions (REPOA and ESRF) was also evident. Recommendations were made to look into the issue of workload for further improvement of quality of the programme. As part of a sustainability strategy, the review proposed exploring other sources of funding, possibly in the form of a basket with contributions from different funders.

¹ 'R' is a programming language and environment for statistical computing and graphics.



Senior Researcher, Raymond Mnenwa

Capacity building in research

A Journey from Research Grantee to Director

My research career started in 1998 when my colleague, Emmanuel Maliti, and I first developed a concept note on the role of small businesses on poverty alleviation. It was exciting. The concept note was in response to an announcement by REPOA in a newspaper calling for submission of concept notes. After some time, we received a letter telling us that our concept note was successful and that we could proceed with writing a proposal. We prepared the proposal and submitted it to REPOA who in turn recommended that we needed to undergo some training at REPOA in order to strengthen our report writing and research methodology skills. However, we dropped the idea because we thought this was a long procedure.

In 2004, we decided to revive the proposal and resubmitted it for consideration. The proposal was accepted. I also attended the training courses proposed earlier by REPOA to enhance my research capacity and writing skills. The skills gained from the training courses were applied during the implementation of the research project. Encouraged by successful completion of the first project, we continued applying for more research projects. From there onwards the need to do research became part of me. Each year, I strived to do at least one research project.

With time I felt confident with the skills and knowledge I acquired and started taking consultancy assignments with various organisations. In due course, I discovered that I needed to have a PhD to further strengthen my research capacity and broaden my knowledge. In 2006, I enrolled as a PhD candidate at the Sokoine University of Agriculture and graduated in 2010.

Research is now my way of life. It has shaped my thinking and way of doing things. The experience and knowledge acquired through involvement in research has contributed very much to who I am. I have always enjoyed researching and have been using research methods in consultancies and day-to-day activities. Currently, I am working with REPOA as a senior researcher responsible for commissioned research. From a young REPOA grantee in 1998, I am now a Senior Researcher and a Director in 2010. A long and challenging journey, but exciting and interesting.

Raymond Mnenwa, PhD

STRATEGY 2: FACILITATE AND UNDERTAKE STRATEGIC RESEARCH

STRATEGIC RESEARCH PROGRAMME

The Strategic Research Programme provides for large-scale research projects that are important from a national perspective and examine the potential impact of emerging issues and developing trends. The prompt provision of information to policy makers is crucial, and, to achieve this outcome, skilled researchers must scan the horizon, look at the big picture, and take globalisation issues into account. Most of the projects are large and multi-disciplinary, involving teamwork from both experienced and young researchers. At times REPOA forms partnerships with local and international research institutes to develop and implement these projects. In 2010, five special papers and five briefs were produced under this programme.

To ensure that this programme continues to respond to the needs of stakeholders, particularly key actors in Tanzanian development, REPOA commissioned a review of the research agenda under its 2005-2009 strategic plan. The three themes under the research agenda are:

- Growth and poverty
- Vulnerability and social protection, and
- Governance and service provision

The review confirmed that the current research agenda was relevant and responded adequately to the needs of the country. However, the review recognised the importance of climate change as

the underlying context that will inform themes under the research agenda. It was further recommended that the broad themes be broken down into sub-themes and guidance provided to researchers to take them up.

The following research projects were undertaken in 2010 under the programme's different themes:

Growth and Poverty Research Programme

The Effects of the Global Economic Crisis in Tanzania

This study was supported by DFID. It started in mid-2009 and was completed this year.

The Accumulation and Loss of Productive Assets in Smallholder Tanzanian Agriculture: Income Shocks, Vulnerability and Other Determinants.

Data analysis is in progress and will continue into 2011.

A research programme was also developed within the theme of "growth and poverty" with specific emphasis on structuralist approaches to the macroeconomics of growth. The main objective of the study is to identify the missing link/s between economic growth and poverty reduction in Tanzania. REPOA is currently carrying out analysis of prices, food tradability and exchange rates. Initial findings of this study will be presented at the 2011 Annual Research Workshop and the final work is scheduled to be completed by July 2011.



Poverty Among the Elderly and Children in Mainland Tanzania

This short analytical paper, based on the results of the HBS 2007, analyses the economic situation of elderly persons and children in Tanzania.

Local Government Research Programme

Local government research documents the processes of change and impacts of the Local Government Reform Programme (LGRP) in Tanzania, and provides key stakeholders with operationally relevant data and analyses. Three papers were published this year.

- i) *Local Government Finances and Financial Management in Tanzania: Empirical Evidence of Trends 2000-2007*
- ii) *Planning in Local Government Authorities in Tanzania: Bottom-up Meets Top-down*
- iii) *The Impact of Local Government Reforms in Tanzania, 1998-2008.*

Vulnerability and Social Protection Research Programme

Social Protection of the Elderly in Tanzania: Current Status and Future Possibilities

This study aimed at analysing the current status of living arrangements and material well-being of Tanzanians over 60 years of age using data from the 2007 Household Budget Survey (HBS 2007) conducted by the National Bureau of Statistics, and the Views of the People 2007 survey (VoP 2007) conducted by REPOA. It then assessed the affordability of a universal pension for all persons over age 60 or 65 years set at the food poverty line. Finally, it explored the implications of introducing an old age pension on the socio-economic and political attitudes and behaviours of Tanzanians.



Tanzania Governance Noticeboard (TGN)

The Tanzania Governance Noticeboard is an online interactive database used for collecting, sharing and presenting information on government finances, management / administration and service delivery. The overall mandate of TGN is to provide information in a simple, user-friendly manner and train stakeholders to analyse, interpret and use this data so as to strengthen accountability, transparency and governance in Tanzania.

This year, REPOA completed the implementation of phase II of the TGN which started in 2009. Activities included the preparation and uploading of health sector non-financial data as well as audit and budget data for the financial years 2009/2010 and 2010/2011. A stakeholders' technical session was also organised to discuss the content and form of the TGN website, which is expected to be launched in 2011.

Commencing in late 2006, trainings on budget analysis and public expenditure tracking systems (PETS) have been conducted to enhance the capacity of local councillors, staff of local government authorities, civil society organisations (CSOs), and members of the media in analysing and understanding the budget and the Government processes that impact the allocation and utilisation of resources. The knowledge and skills imparted helped participants to play a more active role to strengthen the planning and budgetary systems at all levels of Government, and to perform a valuable oversight role in ensuring that decisions made by Government are coherent with set goals and are followed through consistently.

PETS training provided stimulation and further understanding of the importance of financial reporting in lower- and higher-level local government authorities (LLGAs and HLGAs). It stimulates good governance and accountability. Through the training and knowledge acquired, councillors are now able to question and demand information from the Municipal Directors about project implementation, unlike previously when they kept quiet until further information came from the Directors. We are now posting funds to the community-specific project accounts for implementation. Recently, on 5 May 2011, the Tanzania Chamber of Commerce, Industry and Agriculture (TCCIA) in Lindi organised a one-day workshop presenting a PETS report on the agricultural sector specifically for District Agricultural Development Plan (DADP) projects implemented in Lindi Town Council. The participants were from the regional secretariat, TCCIA members, LLGA members, HLGA members and farmers. The PETS training empowered us to be more proactive in what we are doing.

*Mophen G. Mwakajonga,
Lindi Municipal Council*

Two related thematic studies were conducted. Challenges in Data Collection, Consolidation and Reporting for Local Government Authorities examined the system of data collection consolidation and reporting within six local councils and four central government ministries in Tanzania. A briefing paper was produced and published by REPOA. A tracer study of the budget analysis and PETS training programmes over the period 2007-2009 was also commissioned in 2010. The paper will be published in 2011.

COLLABORATIVE RESEARCH

REPOA has been working with other institutions in implementing collaborative studies and trainings. In total, 7 collaborative projects with 11 partner institutions were being implemented in 2010; four projects were ongoing from previous years and three commenced this year. The seven projects are:

- Elites, Production and Poverty Project
- Tracking Development Research Project
- Learning from REDD²
- Strengthening the Capacity of Parliament
- Civil Society Research Facility (CSRF)
- Effects of the Global Economic Crisis in Tanzania
- Diploma in Poverty Analysis

Elites, Production and Poverty Project

Launched in 2008, the Elites, Production and Poverty Project is a collaborative research programme that brings together research institutions and universities in Bangladesh, Denmark, Ghana, Mozambique, Tanzania and Uganda. It is funded by the Danish Consultative Research Committee for Development Research. The programme runs until the end of 2011.

² REDD is the acronym for the United Nations Collaborative Programme on Reducing Emissions from Deforestation and forest Degradation in Developing Countries.

REPOA is very effective and provides a fairly broad-based framework of poverty analysis. They put the poverty agenda into the public arena and they meet the expectations of government, community-based organisations and the private sector.

KI collaborating institution

The programme focuses on the roles of elites in formulating and implementing productive sector initiatives that promote economic growth and reduce poverty. Case studies cover prominent initiatives in agriculture, agro-processing and fisheries in the participating countries. The programme aims to produce the following research outputs:

- Analyses of the political economy of policy formulation and implementation in general, and in selected cases of productive sector initiatives in particular, in five country studies;
- Contributions to better theoretical and operational understanding of the role of elites and the factors which affect how productive sector initiatives are designed and how they succeed or fail;
- International debate about what is pro-poor economic growth and what approaches to supporting productive sectors have the greatest impact on long-term poverty reduction.

In 2010, the researchers continued with data collection and analysis.

Three reports were produced:

1. *The Slowly Changing Structure of Tanzania's Ruling Coalition*

This report was developed based on political settlement and ruling coalition case study. The report involves an extensive interview with stakeholders relevant to elites, policy makers and implementing agencies.

2. *Elites in Economic Processing Zones (EPZ) in Tanzania*

The paper covers information on issues regarding EPZ formulation, implementation and outcomes.

3. *Pushing for Agricultural Transformation: Irrigated Rice in Tanzania*

The papers present findings of a study on irrigated rice in Tanzania.

Work on the three reports is expected to be completed in 2011. Further information on these projects can be found at www.diis.dk/epp

Tracking Development Research Project (TDRP)

This comparative research project examines the divergence in development performance between Southeast Asia and Sub-Saharan Africa. The project seeks answers as to why the development of the two regions has diverged so sharply in the last 50 years. There are four historically pre-determined pairs: Tanzania and Vietnam, Kenya and Malaysia, Uganda and Cambodia, and Nigeria and Indonesia. The project is funded by the Dutch Ministry of Foreign Affairs.



A comparison of Vietnam and Tanzania's cashew sector showcases distinctions not only between the two countries but also within the two countries.

At the household level the preliminary results show three main differences: yield, output and land size.

Production in Tanzania shows low yield, low output with big land size. Vietnam's yield as defined as output per hectare is nearly ten-fold that of Tanzania. There is hardly any differentiation between numbers of trees within Tanzania per hectare/tree density (max of 40 trees); while in Vietnam, farmers have around 150 to 200 trees per hectare.

*Blandina Kilama,
PhD student, TDRP*

The Tanzanian research component explores the divergence between Tanzania and Vietnam focusing on the production of cashew nuts. Tanzania has been a long-time cashew producer, while Vietnam is a new entrant into the market. The full report of this study is expected at the end of the 2011.

Learning from REDD

REPOA signed a contract with the Centre for International Forestry Research (CIFOR) to implement the Norwegian Agency for Development Cooperation (NORAD) funded project: *Learning from REDD: A Global Comparative Analysis*. The international community now recognises that reducing emissions from deforestation and forestry degradation (REDD) is a critical component of national and international strategies for mitigating climate change.

To inform this endeavour, CIFOR is currently setting up a four-year global comparative research project on first-generation REDD demonstration activities and national REDD initiatives in selected countries across Asia, Africa and Latin America. REPOA is responsible for initiating the study in Tanzania and becoming the scientific focal point for the study. This activity continues in 2011.

Strengthening the Capacity of Parliament

REPOA will work with the Parliamentary Center based in Ghana to facilitate strengthening the capacity of the Parliament of Tanzania to achieve: i) accountability to citizens in budget oversight; ii) legislation and regulatory processes that enhance and empower the Parliament's authority and involvement in the budget process; and iii) implementation of budget oversight responsibilities. For this programme, REPOA will conduct research to tailor the Africa Parliamentary Strengthening Programme (APSP) activities to fit the local context. This activity continues in 2011.

Civil Society Research Facility (CSRF)

REPOA, in collaboration with the Centre for International Development Issues Nijmegen (CIDIN) in the Netherlands, is working to strengthen the role of civil society in development processes. The project seeks to build the capacity of young researchers within civil society, improve the understanding of the dynamics of CSOs in Tanzania, and strengthen the role of CSOs in development and policy processes in Tanzania. The project will involve funding research proposals on themes related to CSOs networks, institutional settings, international networks, impact and accountability. For further details please visit <http://www.ru.nl/cidin/>



Researcher, Lucas Katera

COMMISSIONED RESEARCH

REPOA undertakes commissioned research projects for both local and international organisations as per its research mandate. It is one of the key avenues for the organisation to contribute to and participate in socio-economic and policy development processes. In 2010, a total of 19 assignments were in progress; 10 were new projects, 9 were carried over from previous years. The following 12 assignments were completed in 2010.

Institutional Analysis of the Sugar Industry for the Sugar Board of Tanzania (SBT)

This study examined the development of governance structures, instruments, financing models and negotiation forums for present and future sugarcane out-growers' societies. Specifically, the study aimed at improving the position of out-growers in the sugarcane supply chains.

Urban Assessment of Food Security for the World Food Programme (WFP)

In 2009, the World Food Programme conducted a qualitative analysis in urban areas to determine the impact of the global economic crisis on food security. The findings show that some population groups had been negatively affected both socially and economically. However, the extent of the impact on these groups was yet to be quantified. Consequently, WFP commissioned REPOA to conduct a quantitative survey in selected urban areas. The survey data set is available to all interested stakeholders for further analysis.

Executive Opinion Survey for the World Economic Forum (WEF)

This research involved in-depth interviews with a sample of business executives in Tanzania. The survey, which is completed in countries around the world, forms a major component of the Global Competitiveness Report, an annual measurement of the economic environment in participating nations and their ability to achieve sustained growth.

Service Delivery Survey by REPOA and African Economic Research Consortium (AERC)

This study, which was commissioned by the AERC, aimed to develop a systematic service delivery index/set of indicators to measure progress in the primary education and health sectors. The data set is available to all stakeholders for further analysis.

Promotion of Women’s Entrepreneurship in Tanzania: Virtual Business Incubator Survey for the World Bank

A baseline assessment of entrepreneurship among women in Dar es Salaam and Kibaha was carried out by REPOA prior to implementation of a pilot project to develop a Virtual Business Incubator (VBI) for female entrepreneurs. The VBI will deliver training and individual mentoring to women, with a focus on developing skills in areas such as financial literacy, market outreach, product development and marketing.

Transition from Humanitarian Assistance to Sustainable Support in North-western Tanzania: Value Chain Analysis of Priority Commodities for WFP

The assignment conducted a detailed analysis of the value chain for priority commodities in six districts in north-western Tanzania: Kigoma, Kasulu, Kibondo, Ngora, Karagwe and Kagera Districts. It identified the actors, linkages, service providers, and areas for strengthening the value chain, as well as the nature of agri-business linkages to be set up. The research team focused on collecting data on major local market-oriented commodities with respect to:

- i) Potentialities and constraints along the chain – production, post-harvest, management, processing and marketing;
- ii) Contextual issues analysis – policy, economic, social, technological and environmental; and
- iii) Analysis of business organisations and business development services.

Baseline Survey on Sugar Reform Accompanying Measures for SBT

This survey established baseline data prior to the establishment of programmes to address the short-term negative impacts of reforms in the sugar sector on small-scale sugar cane producers. The survey was conducted in Kilombero, Mtibwa, Kagera, Moshi and Zanzibar.

Assessment of the Impact of HIV and AIDS Epidemics on Growth and Implementation Effectiveness in Tanzania

This impact assessment of HIV/AIDS on economic growth was completed to inform ongoing reviews of the National Strategy for Growth and the Reduction of Poverty (MKUKUTA). Survey findings were presented to the MKUKUTA Cluster II Working Group and Tanzania Commission for AIDS (TACAIDS). The final report was submitted to the government.

Baseline Survey on Purchase for Progress Programme (P4P) for WFP

The World Food Programme has been undertaking the procurement of food from suppliers for the purpose of providing food relief to needy communities. Recently, the WFP realised that the process of procurement could be used as a tool to support the poor and marginalised communities to escape from poverty by facilitating their participation in the marketing of food crops. Within this context, the WFP planned to launch a set of pilot activities, primarily in Africa, to further explore the programming and procurement modalities that may stimulate agricultural and market development to maximise benefits to smallholder/low income farmers. This effort is known as "Purchase for Progress", or P4P, and will be implemented over a five-year period from 2009 to 2013. The current baseline survey was carried out to understand the current socio-economic status of the pilot communities.

The Health Insurance Fund Baseline Survey for the Dutch Government

The Dutch Government is implementing a programme to support access to health insurance among coffee farmers in the Kilimanjaro region, and clients of Promotion of Rural Initiatives and Development Enterprise (PRIDE) in Dar es Salaam. PRIDE is the largest microfinance institution in Tanzania. To measure the performance of the programme, a baseline survey on the socio-economic and health status of the potential beneficiaries was undertaken and completed. The data set for the survey is available for further analysis to all stakeholders.

Public Expenditure Review (PER) on Employment within the Energy Sector for the International Labour Organisation (ILO)

A PER study on employment within the energy sector was carried out in 2010. The study is particularly timely and important to inform the development of the second phase of MKUKUTA. The role of energy as an enabler for growth, productive employment, and the reduction of poverty was not well articulated in the first phase of the strategy. The review focused on three policy areas: i) Promoting growth through increased production and productivity as a result of the expansion of electrification; ii) Job creation in the energy sector directly and all other sectors that are positively impacted by the availability of reliable power, which is one of the biggest challenges for addressing poverty in developing countries; and iii) Using the government budget as an instrument for achieving these goals.

The final report, published as REPOA Special Paper 10/3, is available at <http://www.repoa.or.tz/content/blogcategory/25/53/>

The following commissioned research projects are ongoing:

Survey of Micro Entrepreneurs for the Norwegian School of Economics and Business Administration (NHH)

This study tracks PRIDE clients in order to learn more about their business practices and outcomes. The objective of the survey is to identify strategies to improve the functioning of micro-credit institutions in Tanzania.

Rights, Responsibilities, Corruption and State Legitimacy in Tanzania

Based on the Afrobarometer survey, the aim of this study is to inform democratic, economic and other development processes through production of data and reports on public attitudes and behaviour related to important political, economic and social issues.

Implementation of the ILO Employment and Decent Agenda CEB Toolkit in Tanzania for ILO

The toolkit will assist government ministries to assess their policies, programmes and budget in terms of their impact and implications for employment and decent work. The self-assessment of the CEB Toolkit will result in recommendations for development of a practical instrument for use by Tanzanian authorities to assess key policies and programmes, particularly annual work plans and budgets. Ten productive ministries will be involved in the assignment.

Preparation of Policy Briefs on Linkages between Policy and Research for UNESCO

The assignment involves the production of reports and policy briefs involving three ministries and related parastatals: Ministry of Communication, Science and Technology, Ministry of Industry, Trade and Marketing, the Small Industries Development Organisation, and the Ministry of Agriculture, Food Security and Cooperatives.

Qualitative Evaluation of the Impact of World Food Programme Purchases on Local Markets for WFP

This study assesses the economic performance of the marketing system using a structure-conduct-performance model (S-C-P) and uses qualitative analysis to determine the impact of the WFP Purchase for Progress (P4P) Programme on different categories of actors in the production and marketing systems in Kilimanjaro, Manyara, Arusha, Kigoma, Kagera, Dodoma, Singida, Iringa, Rukwa and Ruvuma. The study examines farmers' perceptions of the impact of P4P programme activities in their areas.

Survey for the Impact Assessment of the National Agricultural Input Voucher Systems (NAIVS) for the Ministry of Agriculture, Food Security and Cooperatives (MAFSC) and the World Bank

The Tanzanian Government has been implementing the National Agricultural Input Voucher Scheme since 2007. The World Bank recently approved the Accelerated Food Security Project (AFSP) to support the scaling up and implementation of NAIVS over the next three years. The aim of the survey is to evaluate the performance and impacts of NAIVS that would feed into the plan and implementation of the AFSP project.

STRATEGY 3: FACILITATE AND STIMULATE THE UTILISATION OF RESEARCH FINDINGS

Effective communication of research findings is vital for social-economic development and policy processes. A knowledgeable society with sound information based on evidence has the power to drive its own development processes. REPOA continues to actively facilitate, strengthen and encourage the utilisation of intellectual resources between stakeholders through policy dialogue, support for government policy processes, training of research users, and networking and sharing of information.

SUPPORTING GOVERNMENT POLICY PROCESSES

REPOA supports the poverty reduction activities of the Government of Tanzania by participating in various fora. The organisation is a member of the Census and Surveys Technical Working Group of the MKUKUTA Monitoring System as well as the Public Expenditure Review. In addition, REPOA is engaged in the review of MKUKUTA/MKUZU and is coordinating the implementation of analytical studies in the areas of growth diagnostics and distributional aspects of growth. For the past ten years, REPOA has also served as secretariat of the Research Analysis Working Group (RAWG), which includes representatives from central government ministries, the National Bureau of Statistics, development partners, academia and national civil society organisations. The RAWG is an integral part of the Tanzanian government's institutional framework for poverty monitoring.

In our role as Secretariat, REPOA has championed the publication of the Poverty and Human Development Report series. The availability of up-to-date, reliable information is vital for the determination and analysis of poverty levels and



Participants at the 2010 Annual Research Workshop

trends, for timely and efficient dissemination of that information to the public, and for facilitating decision-making on policies and strategies. We also provide technical support to the NGO Policy Forum Working Group on Expenditure Tracking, participate in technical review meetings for the health sector, and are a member and secretariat for the Policy Advisory Group for Child Labour.

In collaboration with the Ministry of Finance Economic Affairs (MOFEA), REPOA produced the Tanzania Gender Indicators Booklet 2010. The booklet highlights national progress towards gender equality, analyses achievements and disparities in the operationalisation of MKUKUTA gender-based indicators, and recommends effective ways to address identified gender disparities to promote economic growth and reduce poverty. The booklet was launched on 28 July 2010 to various stakeholders and it has been widely disseminated. With the support of MOFEA, 14,000 copies were printed; 7,000 in English and 7,000 in Swahili. The electronic copy of the booklet can be found at www.repoa.org.tz



This year also marked the successful handover of the Secretariat of the Gender Mainstreaming Working Group for Macro Policies to the Ministry of Community Development, Gender and Children. REPOA has hosted the Secretariat since 2006 and we are proud of the major achievements of the GMWG during this period. Over this time, the GMWG maintained close collaboration with key stakeholders, including public expenditure review working groups, to promote gender equality and women's advancement.

TRAINING OF RESEARCH USERS

As with other programmes in 2010, REPOA reviewed its training programme for research users. The objective of the review was to examine the current training strategy and provide future direction including guidance on training focus areas. The review noted that REPOA should concentrate on areas for which it had comparative advantage over other training providers such as budget analysis and economic literacy courses. The review further observed that REPOA should introduce workshops to enhance the capacity of stakeholders to draw policy implications and options from research. REPOA acknowledged the recommendations and agreed to commence their implementation in 2011.

Major achievements of the GMWG during 2010.

Tanzania Gender Indicators Booklet 2010;

- *Gender audits of the Ministry of Industry, Trade and Marketing and the Ministry of Agriculture Food Security and Cooperatives (2009/10);*
- *Provision of gender input in the MKUKUTA Review Process and in drafting of MKUKUTA II (2009/10);*
- *Research on gender-based violence in Mtwara, Musoma, Kinondoni and Iringa districts, and on gender and management of local government resource and services in Bagamoyo and Arusha districts (2009/10).*
- *Three training workshops for Gender Focal Points in government MDAs on tools and frameworks for mainstreaming gender in sectors and on the medium-term expenditure framework (MTEF) and gender budgeting (2008-2010);*
- *Two capacity building workshops for Permanent Secretaries; the first on mainstreaming gender in policy, planning and budgeting processes (in 2008); the second on gender input in the MKUKUTA Review Processes and reporting on implementation of the Convention on the Elimination of All Forms of Discrimination Against Women (in 2010);*

This year, trainings on Public Expenditure Tracking Systems (PETS) were held around the country under the Tanzania Governance Noticeboard (TGN) project. A workshop for budget analysis and two one-day workshops for media journalists were also held under TGN. These and other workshops conducted during the year are reported below.

Training on Public Expenditure Tracking Systems (PETS)

Training workshops on PETS were organised for members of civil society organisations (CSOs), local councillors and staff of local government authorities. The objectives of these workshops are to:

- Improve the confidence and capacity of CSOs and councillors to request and use financial information from local government;
- Improve the capacity of LGAs to design and operationalise simple and easy-to-understand formats for providing financial information to members of the community;

- Sensitise LGAs on the importance of enhancing financial transparency and accountability;
- Enhance the capacity of civil society to undertake PET studies/surveys; and
- Chart a way forward for institutionalising a public expenditure tracking system in local governments.

Budget Analysis Workshop

Training on budget analysis enhances the capacity of CSOs to analyse and understand the budget and other government processes that impact on resource allocation and utilisation. The knowledge and skills imparted help CSOs work more effectively with government and strengthen planning and budgetary systems at all levels. Four workshops involving 142 participants were held in 2010.

For evaluation purposes, the TGN project also commissioned a tracer study on the PETS and Budget Analysis workshops, to be published as a special paper in 2011. The following box highlights some of the valuable outcomes from these trainings.

Practical outcomes of REPOA's Budget Analysis and PETS Training Courses,

Budget Analysis

Nearly all (96%) of the survey respondents said that the training had changed the way they worked. In particular, they reported that the training had improved their ability to analyse budgets and expenditure, increased their confidence in querying allocations, and helped them to work with others to increase transparency in financial matters at national and local levels. Three-quarters of respondents had carried out a budget analysis since attending the course. Some of the outcomes that participants reported are listed below.

- Provided the Ministry of Youth and Labour with data from a budget analysis on resources for youth, in order to support requests for an increased budget allocation from the Ministry of Finance.
- Wrote articles critiquing the national budget (participant from media).
- Worked with the WaterAid policy department to carry out a budget analysis of the water and health sectors, helping the water engineers understand that their work is being reviewed and to act more transparently and responsibly.
- Accessed the District (Karagwe) Water Department budget and organised an advocacy platform to discuss with the LGA officials the need to allocate more funds for the Water Department.
- Participated in the Tanzania Gender Networking Programme (TGNP) budget analysis task team to analyse national budgets and identify opportunities/challenges for advocacy.

- The Mwanza Policy Initiative network of CSOs carried out a budget analysis for health and education for 2008/09 and is currently carrying out a similar analysis for 2009/10.

PETS

More than four-fifths of the respondents reported that they had carried out follow-ups of budgets and expenditures since their training. Most assessments were performed at the council level but other follow-ups were reported at ward, village, sector and project level. Some outcomes from these activities are as follows:

- A member of a CSO in Bagamoyo stated that his training of communities to follow-up budgets and expenditures increased their confidence to report misallocations of funds to the Prime Minister during his visit to Bagamoyo, which resulted in the sacking of some district staff in January 2010.
- In Iloilo District, two classrooms at one secondary school were built below standard. The contractor was ordered to re-do the classrooms. At one primary school a teacher's house was left unfinished. We presented the findings of how the funds were used and the house was completed.
- In Kidodi Ward, Kimamba District, a Public Expenditure Tracking Survey was conducted, supported by JET, to ensure that communities benefit from wildlife protection.
- A village in Tabora District was able to stop a technical school from being sold to a private businessman. The sale would have deprived village youth of accessing technical training needed to start small businesses.



Prof. Samuel Wangwe

Gender Budgeting Workshop

This workshop on gender-responsive budgeting was organised for Gender Focal Points / Coordinators. The objectives of the workshop were to train participants to analyse sectoral budgets for gender inclusion and to mainstream gender perspectives in sectoral budgets.

Gender Mainstreaming Workshop for Permanent Secretaries

A two-day consultative workshop for Permanent Secretaries was held at Mzumbe University in Morogoro. The objectives of the workshop, which was chaired by the Chief Secretary, Mr. Phillemon Luhango, were: to receive feedback on the implementation of the Permanent Secretaries' Zanzibar recommendations, to share progress reports and experiences of mainstreaming gender within Government Ministries, Departments and Agencies (MDAs), and to strengthen commitments and determination to mainstream gender issues in sector policies, strategic plans, programmes and budgets. Thirty-nine Permanent Secretaries and Cabinet Secretariat members attended.

Training for the Media

Two one-day workshops for journalists were held in 2010 to develop and strengthen capacity to use the TGN database and report more effectively on issues related to public expenditure and accountability.

PUBLICATIONS

During 2010, a total of 10 research reports and special papers were published on topics ranging from agriculture to children's issues, social protection, employment and governance. From those reports, six policy briefs were produced. Five briefs from the 2009 Poverty and Human Development Report (PHDR) were also published in English and Kiswahili.



REPOA is an authority in development and has brought change in the way we do programming. With well-synthesised reports and briefs, it empowers a development practitioner like myself to strategically plan and implement robust programmes. A research report disseminated by REPOA is a treasure that if well used can define community development agenda for the benefit of the country. REPOA has done a great job in giving direction also on national strategic papers that will go a long way in supporting policy makers and policy implementers.

Peter M. Owaga, Country Representative,
German Foundation for World Population (DSW)

In addition, the Tanzania Gender Indicators Booklet 2010 was published as a joint initiative of the Ministry of Finance and Economic Affairs and the Gender Mainstreaming Working Group - Macro Policies under the auspices of REPOA, which was secretariat to the group at the time.

Print copies of publications are available at REPOA's office or on our website www.repoa.or.tz

SPECIAL PAPERS:

The Impact of Local Government Reforms in Tanzania 1998-2008 (SP 10/1)

by Jamal Msami and Per Tiedemann

Tanzania's Local Government Reform Programme began in 1998 with the aim of transferring resources from central to local government, and devolving and decentralising power to create more autonomous LGAs. The programme has two broad objectives: i) to improve local governance; and ii) to improve service delivery. This report was commissioned to explore the extent to which these objectives have been met.

Local Government Finances and Financial Management in Tanzania: Empirical Evidence of Trends 2000-2007 (SP 10/2)

by Odd-Helge Fjeldstad, Lucas Katera, Jamal Msami and Erasto Ngalewa

REPOA has been implementing a formative process research programme on local government reform since 2002; the current phase ran until the end of 2010.

This paper documents and analyses the impacts of the Tanzanian local government reforms on the research programme's third theme, "local finances and financial management".



Job Creation and Productivity Gains Through Expanded Electrification (SP 10/3)

by Arthur Mwakapugi (REPOA), Waheeda Samji and Sean Smith (SkillsGap International)

The Government of Tanzania aims to connect 500,000 households to the national grid over the next five years. This study evaluates the dynamic linkages between expansion of the national electricity grid and off-grid alternative/renewable sources of electricity, job growth and productivity. It also assesses the public resources required by the energy sector to galvanise sustained economic performance and attain poverty reduction targets.

A Comparative Analysis of Poverty Incidence in Farming Systems of Tanzania (SP 10/ 4)

by Raymond Mnenwa and Emmanuel Maliti

In Tanzania, the agriculture sector is the main provider of livelihoods for around 80% of the population. Hence, progress in this sector is central to national poverty reduction. This study analysed poverty incidence in relation to Tanzania's major farming systems, utilising data from the Agriculture Sample Census 2002/03.

Social Protection of the Elderly in Tanzania: Current Status and Future Possibilities (SP 10/5)

by Thadeus Mboghoina and Lars Osberg

Based on United Nations demographic estimates, the number of Tanzanians over 60 years of age is expected to almost triple between 2020 and 2050. As a consequence, the government is likely to face escalating pressure to design and implement effective social protection measures to minimise poverty and deprivation among the elderly. This study begins by analysing the current status of living arrangements and material well-being of Tanzanians over 60 years of age, using data from the 2007 Household Budget Survey conducted by the National Bureau of Statistics and REPOA's Views of the People 2007 survey. The study then assesses the affordability of a universal pension for all persons over age 60 or 65, set at the food poverty line, and finally explores implications of the introduction of an old age pension on the socio-economic and political attitudes and behaviours of Tanzanians.

RESEARCH REPORTS:

Widowhood and Vulnerability to HIV and AIDS-related Shocks: Exploring Resilience Avenues (RR10/5)

by Flora Kessy, Iddy Mayumana and Yoswe Msongwe

This study explored the contexts and factors under which violation of the inheritance and property rights of widows and orphans occurs, and resilience avenues for safeguarding these rights. The study findings show that property grabbing after the death of the husband is not uncommon. The women interviewed also revealed that the inheritance of widows may increase the risk of transmitting HIV to the inheritor and to co-wives on one hand, but also of infecting widows who may not have the virus.

Determinants of Rural Income in Tanzania: An Empirical Approach (RR10/4)

by Jehovaness Aikaeli

This study conducted an econometric analysis of data from the 2005 Tanzania Rural Investment Climate Survey to assess the impact of selected socio-economic and geographic factors on the income of rural households and communities. Linear models for these factors were estimated by applying a generalised least squares technique. The analysis found that improvements in four variables had a significant positive impact on the incomes of rural households: the level of education of the household head, size of household labour force, acreage of land use and ownership of a non-farm rural enterprise.

Poverty and the Rights of Children at Household Level: Findings from Same and Kisarawe District, Tanzania (RR10/3)

by Ophelia Mascarenhas and Huruma Sigalla

This study examined the relationship between poverty at the household level and children's rights. The study recognised that how households meet children's needs may be affected by environmental, social, cultural and economic factors. Although children's rights were considered at a general level, the main focus was on three basic rights: (i) access to education; (ii) access to adequate food; and (iii) access to clean water. The study's core assumption that poverty affects children's basic rights was confirmed by the marked differences in children's access to quality education, food and water across household income groups.

Children's Involvement in Small Business: Does it Build Youth Entrepreneurship? (RR10/2)

by Raymond Mnenwa and Emmanuel Maliti

This study assessed how children's work in small businesses impacts their future entrepreneurial talents by examining: i) the economic, psychological and social factors that prompt children into small businesses; ii) the contribution of small business to children's entrepreneurship development; and iii) factors that influence development of entrepreneurial skills such as business type, ownership rights and profit appropriation. The study found that the participation of children in small business was largely influenced by push factors, particularly the lack of educational facilities and alternative occupational activities.

The study also revealed that the small businesses surveyed had very little influence on the development of children's entrepreneurial talents. Although some children displayed entrepreneurial skills, these did not seem to originate from the businesses they were running.

Coping Strategies Used by Street Children in the Event of Illness (RR10/1)

by Zena Amury and Aneth Komba

This study examined the health-seeking behaviours of street children in the three municipal districts of Dar es Salaam, Tanzania. The research was carried out in October 2005 and involved 272 street children aged 10 to 18 years. Both quantitative and qualitative methodologies were used for data collection. Findings reveal that street children frequently experience illnesses and injuries, including fever, skin diseases, headaches, respiratory infections, diarrhoea and stomach upsets. However, the majority of children did not use health services. The cost of services and unfriendly attitudes of health workers were the barriers to access most often cited by participants.

Policy Briefs:

The core purpose of the Policy Brief is for readers to succinctly evaluate policy options regarding a specific issue, for a specific policy-maker audience.

REPOA produced the following Policy Briefs in 2010: *Poverty Among the Elderly and Children in Mainland Tanzania (Brief 23)*

by Wietze Lindeboom and Valerie Leach

This brief analyses the economic situation of elderly persons and children in Tanzania. Significantly, the analysis found that households with only elderly people and children are by far the poorest. In both urban and rural areas, 45% of these households are below the poverty line, compared with 33% of households with at least one adult of working age. Very high percentages are female-headed (62%). Based on the evidence collected, both the elderly persons and children in these households – an estimated 330,000 children and 251,000 elderly people – merit special consideration in national programmes of social protection and agricultural development.

Challenges in Data Collection, Consolidation and Reporting for Local Government Authorities in Tanzania (Brief 22)

by Esther Msuya

The brief summarises the findings of a 2009 study conducted by REPOA which examined the systems of data collection, consolidation and reporting for local government authorities (LGAs) within four central government ministries and six councils in Tanzania. The study found that ministries and councils experience similar constraints in data management, including a shortage of skilled staff (especially statisticians and IT staff) as well as limited or delayed funding. LGAs also lacked adequate

computer hardware and software. As a result, the dissemination of consolidated data by central ministries was hampered by late or incomplete reporting by LGAs, but the councils surveyed also cited that data collection forms were often not distributed by central ministries on time.

Children's Involvement in Small Business: Does it Build Youth Entrepreneurship? (Brief 21)

by Raymond Mnenwa and Emmanuel Maliti

This brief summarises the findings of a study conducted in Dar es Salaam, Tanzania in 2006 that examined how children's work in small businesses impacts the development of their entrepreneurship. The study revealed that the participation of children in small businesses is largely influenced by push factors, particularly the lack of educational opportunities and alternative occupational activities. However, the small businesses had, in the short run, little influence on the development of children's entrepreneurial talents, though a proportion of respondents felt that the businesses were educative.

Widowhood and Vulnerability to HIV and AIDS Related Shocks: Exploring Resilience Avenues (Brief 20)

by Flora Kessy, Iddy Mayumana and Yoswe Msongwe

This brief summarises the findings of a study conducted in Makete district, Iringa region, Tanzania in 2008 that explored the contexts and factors under which violation of the inheritance

and property rights of widows and orphans occurs, and the resilience avenues for safeguarding these rights. The research found that property grabbing by women's in-laws following the death of the husband, and cultural norms which allow for the inheritance of the wife remain stark realities for a significant number of Tanzanian women. The study concludes that a system of protective, promotive and transformative social protection mechanisms needs to be put in place to better protect the rights and well-being of widows and their children.

Energy, Jobs and Skills: A Rapid Assessment in Mtwara, Tanzania (Brief 19)

by Waheeda Samji, K. Nsa Kaisi and Alana Albee

This brief examined the energy sector in Tanzania and the acute shortage of electricians expected as the national security grid expands. The study links employment potential of the energy sector with the views and challenges of young Tanzanians in becoming qualified and skilled electricians. The findings indicate more opportunities for practical training are needed and that links between training institutions and apprenticeships should be strengthened, so that young graduate electricians can receive on-the-job training and mentoring by experienced trade professionals.

Planning in Local Government Authorities in Tanzania: Bottom-up Meets Top-down (Brief 18)

by Odd-Helge Fjeldstad, Lucas Katera and Erasto Ngalewa

This brief examines the experience of four councils in Tanzania in implementing Opportunities and Obstacles to Development (O&OD), a bottom-up participatory planning methodology for local development. The study found little evidence to date that the approach has increased local autonomy in prioritising, planning and budgeting of development activities.

Poverty and Human Development Report 2009 (Brief Series)

These brief series summarise key information from the Poverty and Human Development Report. Each brief focuses on specific policy areas in a format which enables dissemination to a wider audience.

Brief 1: The Status of Economic Growth and Poverty Reduction in Tanzania

This brief presents a summary of trends and targets under MKUKUTA's Cluster I, which focuses on indicators of national economic growth and reduction of income poverty.

Brief 2: Progress Towards Improved Quality of Life and Social Well-being for All Tanzanians

This brief assesses MKUKUTA's achievements in education, healthcare, water, sanitation and social protection, and draws policy implications.

Brief 3: Progress Towards Good Governance and Increased Accountability in Tanzania

Economic growth, reduction of poverty and improved quality of life all rely upon the fair, effective and transparent use of Tanzania's resources. Therefore, the success of MKUKUTA's Clusters I and II relies on achieving the four desired outcomes of MKUKUTA's Cluster III: i) good governance and the rule of law; ii) accountability of leaders and public servants; iii) democracy, and political and social tolerance; and iv) peace, political stability, national unity and social cohesion. This brief, the third in the series of briefs on PHDR 2009, presents data on key indicators for Cluster III.

Brief 4: An Analysis of Household Income and Expenditure in Tanzania

This brief summarises the principal findings of an analysis of household income and expenditure in Tanzania, and assesses progress towards national poverty reduction targets.

Brief 5: The Role of the State in a Developing Market Economy

A deeper understanding of the role of the Tanzanian State within market-dominated economic management is essential to inform and guide the development of the country's strategic direction to realise the goals of Tanzania's Development Vision 2025. This brief highlights the role of the state in a developing market economy as discussed in Chapter 3 of PHDR 2009.

SHARING INFORMATION AND NETWORKING

REPOA continued to maintain and broaden national and international connections to research and policy bodies, civil society organisations, non-governmental organisations, academic institutions, the private sector, development partners and individual researchers.

A review of REPOA's communication strategy was conducted with the objectives of evaluating communication practices in place and designing a new communication strategy to support the new Strategic Plan. The review revealed that although stakeholders have strong positive perceptions of REPOA's communication activities, a number of additional activities could be incorporated to improve information sharing externally, as well as better align communications strategies with the strategic plan. An implementation plan was drawn up, which commenced in the third quarter of 2010 and will continue in 2011.

In September 2007, the Development Gateway (<http://www.developmentgateway.org>) listed two REPOA resources, Special Papers 07.23 'Guidelines for Preparing Concept Notes and Proposals' and 07.24 'Common Mistake and Problems in Research Proposal Writing', as amongst the most popular resources for the knowledge community categories of 'Civil Society', 'Knowledge Economy' and 'Poverty' for that month. These communities comprise 250 organisations and 36,000 registered members.

REPOA External Review

STRATEGY IV: ENHANCE REPOA'S CAPACITY TO IMPLEMENT THE STRATEGIC PLAN

REPOA continued to build its systems, capacity and skill set to provide robust, efficient and useful services and products to its key stakeholders in a responsive and timely manner.

The administrative and organisational structure of REPOA consists of the members of the Annual General Meeting, the Board of Directors, the Technical Advisory Committee and staff.

GOVERNANCE

REPOA is registered as a limited guarantee company. Its constitution requires that it operates as a non-profit organisation.

BOARD OF DIRECTORS AS AT 31 DECEMBER 2010

Director		Organisation Affiliated To
Prof. Esther Mwaikambo	Chairperson	The Hubert Kairuki Memorial University
Ms. Fides S. Chale	Vice Chairperson	Tanzania Gender Networking Programme (TGNP)
Prof. Bertha Koda		University of Dar es Salaam
Major Gen. Prof. Yadon M. Kohi		Ministry of Defence and National Service
Dr Servacius Likwelile		Ministry of Finance
Prof. William Lyakurwa		Africa Economic Research Consortium
Mr Rashid Mbuguni		Waldorf Education Trust
Mr. Joseph Rugumyamheto		Joe & Will Development Management Services
Prof. Samuel Wangwe		Daima Associates Limited
Mr. Michael Shirima		Precision Air Tanzania
Prof. Joseph Semboja		REPOA

MEMBERS OF THE TECHNICAL ADVISORY COMMITTEE AS AT 31 DECEMBER 2010

Professor Esther Mwaikambo	Chairperson
Prof. Marjorie Mbilinyi	Member
Dr. Angwara Kiwara	Member
Dr. Brian Cooksey	Member
Dr. Abdallah Chungu	Member
Dr. Ben Tarimo	Member
Prof. Idris Kikula	Member
Prof. Amandina Lihamba	Member
Prof. Joseph Semboja	Secretary

HUMAN RESOURCES

REPOA's Strategic Plan for 2010-2014 requires that the infrastructure is enhanced to ensure that REPOA is effectively staffed, and the appropriate operational systems are in place. As at 31 December 2010 there was a total of 27 staff with an addition of 2 staff members from the previous year. Seventeen members of staff are researchers with the remaining 12 serving administrative and support functions.

New Hires

In May 2010, Prof. Marc Wuyts of the International Institute of Social Studies, Erasmus University joined as a senior research fellow. As a part of his fellowship, Prof. Wuyts began leading a project titled The Growth-poverty Nexus: towards a structuralist macroeconomic perspective, located within the theme of "Growth and Poverty". The project will continue in 2011.

Raymond Mnenwa joined as a Senior Researcher. He holds a Bachelor of Science in Agriculture from Sokoine University, a Master of Science in Agricultural Economics and is currently finalising PhD studies with the Sokoine University of Agriculture and Danish Institute for International Studies.

Karin Rupia joined as Assistant Researcher. She holds a Bachelor of Arts in Economics and a Master of Arts in Economics, both from Carleton University, Canada.

Hanna Mtango joined as Communications Assistant. She holds a Bachelor of Arts in Mass Communications from California State University, Dominguez Hills and a Master of Commerce in Marketing from the University of New South Wales, Sydney, Australia.

Internal Capacity Building

REPOA continued to build staff capacity through various training opportunities. During 2010, REPOA sponsored four staff members in pursuing their PhD studies, with two commencing their studies during the year and two continuing from the previous year.

Fourteen staff members attended a tailor made course on Communication by NUFFIC. Seven REPOA staff attended a training workshop on Household Level Food Security Impacts in the context of the Bio Energy and Food Security project organised by FAO Tanzania, and five members of staff attended an introductory training session on Experimental Economics facilitated by a PhD student from the Norwegian School of Economics. At the end of the year, one staff member attended an Afro-barometer summer course in Cape Town.

REPOA STAFF MEMBERS AS AT 31 DECEMBER 2010



Professor Joseph Semboja	Executive Director
Donald Mmari	Senior Researcher
Raymond Mnenwa	Senior Researcher/ Director, Strategic Research
Damian Gabagambi	Senior Researcher
Zuki Mihyo	Researcher
Rehema Tukai	Researcher/ Director, Research Grants
Lucas Katera	Researcher
Blandina Kilama	Researcher
Joanita Magongo	Assistant Researcher/ Act. Director, Training
Francis Omondi	Assistant Researcher/ Act. Director, Support Services
Danford Sango	Assistant Researcher
Cornel Jahari	Assistant Researcher
Thadeus Mboghoina	Assistant Researcher
Jamal Msami	Assistant Researcher
Esther Msuya	Assistant Researcher
Karin Rupia	Assistant Researcher
Jofrey Amanyisye	ICT Manager
Alison Mutembei	Director of Finance
Ella Nyika	Human Resources and Administration Coordinator
Joyce Bayona	Communications Manager
Hannah Mwandoloma	Communications Assistant
Hanna Mtango	Communications Assistant
Rehema Losiru	Accountant
Hubert Shija	Librarian
Enock Anaeli	Office Assistant
Khadijah Omari	Logistics Officer
Celina Rodgers	Office Attendant

It will take time for growth to trickle down to rural poor

By Timothy Kibanda,
Duo in Jakarta

THE Bank of Tanzania has said

China which took seven years to grow to 7 per cent.

"For the economy to trickle down to the rural population, we need to grow between 8 to 9 per cent, and it will take between 30 and 40 years to attain the goal," he said.

He said, privatisation was one of the factors that will hasten growth, especially in rural areas where farmers succeeding privatised enterprises will benefit by selling their products and services to the firms in such a way as what is happening with out-grower associations.

Earlier in his presentation, he said, leadership has a defining role in achieving success – getting a huge weight on shoulders are chosen, and more importantly from above, the local accountability

for results.

"There is need for collective action to spur joint expansion-agglomeration economies and provide regional public goods," he said.

According to him, the development challenges Tanzania faces are daunting but are not insurmountable, as Tanzanians will have to shape their own destiny where they are in the world and successful approaches are engendered results.

Prof Ndulu also suggested reaching into deeper pockets – indigenous resource mobilisation such as savings, local igama syndicates and MFIs, prudent commercial borrowing by the public sector, and cooking it on the growing remittances into the country.

In regard to development factors to discuss, he said they should provide more and better aid to help meet the ambitious MDG agenda, look for innovative approaches to leverage public-private partnerships and help engender a supportive global trading environment.

He said, critical areas in achieving growth lay in the investment climate, infrastructure which is a big pain in investment and efficiency, innovation for increasing productivity and institutional capacity which also encompasses contract enforcement, enhanced public scrutiny, revenue transparency in mining, and country-driven anti-corruption



Hannah Mwandoloma, Communications Assistant

COMMUNICATIONS

A review of REPOA's communication strategy was conducted in order to support the new strategic Plan 2010 – 2014. The objectives of the review were to provide suggestions on how to improve communication and dissemination of research findings to stakeholders in a manner that may lead to a larger impact.

This includes enhancing the use of technology and integrating communications in every stage of research activities. 2010 marked the start of some of the review's implementation which included the redesign of REPOA's website, the redesigning and strengthening of our brand guidelines, and providing communications training to all of REPOA's staff.

In 2010, REPOA's website was updated 69 times. The most popular page is the Home page (<http://www.repoa.or.tz>) and the majority of our views came from Tanzania (62.6%) followed by Kenya (5.7%). Continental wise the percentage of views is as follows; Africa 79.1%, Asia 3.0%, Europe 10.9%, North America 5.5%, South America 0.2%, and Oceania 0.3%,

REPOA has appeared 42 times in both printed and electronic media, and contact with the media was made 37 times as per 2010.

LIBRARY SERVICES

This year marked the beginning of the library's transition to a resource centre. The resource centre will boast a wider range of information media, introduce different avenues for accessing information, and extend its reach through internet services.

The library continues to acquire information materials through donations, purchases and subscriptions. In 2010, the stock of publications increased by nine percent. The library also enjoyed an increase in average monthly physical and online visitors from 2009 by 20% and 9% respectively (see graph below). Document exchange relationships were maintained with 138 other libraries and organisations (127 national and 11 international institutions).

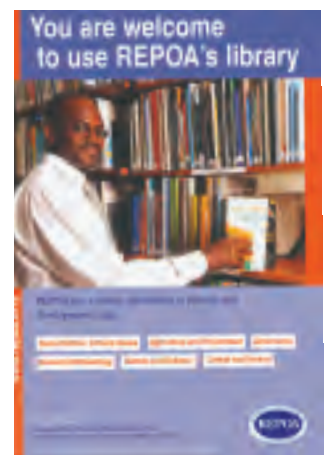
IT SERVICES

During 2010, the IT department worked on developing an internal information sharing system to enable stronger internal communications among staff.

An e-records management system/intranet was developed and introduced to staff for testing. The system is expected to be fully operational in 2011.

REPOA has an excellent, well-managed library and is up-to-date with the latest publications on poverty and development issues.

Dr. Brian Cooksey





Director of Finance, Alison Mutembei

As part of enhancing capacity of the finance department, in 2010 REPOA introduced a new Accounting Procedure Manual which provided changes to the old accounting system and provided guidance to staff on the processing of accounting transactions. Following the introduction of the manual, the accounting software was also changed from the old pastel partner to the enhanced sage pastel evolution. The new system has the capacity of generating reports in a more convenient way. This made easier the production of management and financial reports that are in line with activities of the strategic plan. Staff in the finance office was trained in the use of the new system and started implementation in 2010.

AUDITORS REPORT

The audit of financial statements for the year ending 31 December 2010 was conducted by REPOA auditors Ernst and Young. A clean audit report was issued. A summary of the financial performance for the year is presented below.

FINANCIAL STATEMENTS

Income

During 2010, a total of TZS 5.9 billion was raised, representing an increase of 7% compared to the year ended 31 December 2009. This came from two sources:

- Basket funding – 41% compared to 59% in 2009
- Other sources – 59% compared to 41% in 2009

The decrease in the basket funding by TZS 813 million is due to decrease of the funding from the Embassy of the Kingdom of the Netherlands. The Embassy reduced disbursement for year 2010 due to an oversight in the timing of the contract end period that was not in line with the previous strategic plan. On the other hand, an increase of TZS 1.2 billion was recorded in income from other sources due to increases in revenue from collaborative and commissioned assignments.

Expenditure

Expenditure amounting to TZS 5.5 billion was incurred during 2010. This amount is 7% less than for 2009. This was allocated to the activities as follows:

- Strategic research – 31% compared to 34% in 2009
- Utilization of research findings – 26% compared to 10% in 2009
- Enhance REPOA's capacity – 25% compared to 32% in 2009
- Develop adequate research capacity – 18% compared to 24% in 2009

The overall decrease in the total expenditure for 2010 is attributed by the management decision to adjust some of the basket-financed activities due to the decrease in basket income. An overall surplus of TZS 401 million was recorded during the year compared to a deficit of TZS 428 million for 2009.

INCOME & EXPENDITURE STATEMENT

For the Year ended 31 December 2010

	2010 TZS	2009 TZS
Income		
Revenue grants received:		
- Basket fund contributions	2,451,837,914	3,264,657,123
- Other sources	3,468,735,519	2,251,600,577
	<u>5,920,573,433</u>	<u>5,516,257,700</u>
Expenditure		
Strategy 1: To Develop Adequate Research Capacity	1,002,764,842	1,413,736,000
Strategy 2: To Facilitate and Undertake Strategic Research	1,699,759,589	2,016,484,713
Strategy 3: To Facilitate and Stimulate the Utilization of Research Findings	1,432,219,059	617,416,987
Strategy 4: To Enhance REPOA's capacity to Implement the SP	1,383,951,243	1,896,846,218
	<u>5,518,694,733</u>	<u>5,944,483,917</u>
(DEFICIT) / SURPLUS FOR THE YEAR	<u>401,878,698</u>	<u>(428,226,217)</u>

BALANCE SHEET

The main changes in the balance sheet compared to 2009 are as follows:

- i. An increase by 103% of gratuity payable to staff at the end of contract.
- ii. A decrease by 94% of receivables to recognise funds for 2009 paid in 2010 by the Netherlands Embassy.
- iii. A decrease by 81% of deferred income to record the balance on the basket funds carried over to the following financial year.

BALANCE SHEET

AS AT 31 DECEMBER 2010

	2010 TZS	2009 TZS
ASSETS		
Property and equipment	1,354,971,241	1,455,288,981
Current assets		
Cash and short-term deposits	2,369,562,504	1,870,277,538
Receivables	29,248,500	462,716,272
	<u>2,398,811,004</u>	<u>2,332,993,810</u>
TOTAL	<u>3,753,782,245</u>	<u>3,788,282,791</u>
Equity		
Capital grants	192,000,000	204,000,000
Endowment fund	1,367,432,114	1,166,492,765
General reserve	618,686,025	417,746,676
Accumulated fund	1,100,782,810	1,091,282,810
Revaluation reserve	-	9,500,000
	<u>3,278,900,949</u>	<u>2,889,022,251</u>
LIABILITIES		
Current liabilities		
Payables	339,391,255	167,286,555
Deferred income	135,490,040	731,973,984
	<u>474,881,295</u>	<u>899,260,539</u>
TOTAL	<u>3,753,782,244</u>	<u>3,788,282,790</u>

The financial statements were approved by the Board of Directors on 15 April 2011 and were signed on its behalf by:-



Prof. Esther Mwaikambo
CHAIRPERSON



Prof. Samuel Wangwe
EXECUTIVE DIRECTOR

STATEMENT OF CHANGES IN EQUITY AS AT 31 DECEMBER 2010

	CAPITAL GRANT TZS	ENDOWMENT FUND TZS	GENERAL RESERVES TZS	REVALUATION RESERVES TZS	ACCUMULATED FUNDS TZS	TOTAL TZS
Balance as at 1.1.2010	204,000,000	1,166,492,765	417,746,676	9,500,000	1,091,282,810	2,889,022,251
Depreciation transfer	-	-	-	(9,500,000)	(9,500,000)	-
Surplus for the year - other sources	-	-	-	-	401,878,698	401,878,698
Amortisation during the year	(12,000,000)	-	-	-	-	(12,000,000)
Transfer to Endowment Fund	-	200,939,349	-	-	(200,939,349)	-
Transfer to General Reserves	-	-	200,939,349	-	(200,939,349)	-
Prior year adjustment	-	-	-	-	-	-
Balance as at 31.12.2010	192,000,000	1,367,432,114	618,686,025	-	1,100,782,810	3,278,900,949
Balance as at 1.1.2009	216,000,000	1,274,290,156	728,675,505	19,000,000	1,091,282,810	3,000,276,317
Depreciation transfer	-	-	-	(9,500,000)	9,500,000	-
Surplus for the year	-	-	-	-	(428,226,219)	(428,226,219)
Amortisation during the year	(12,000,000)	-	-	-	-	(12,000,000)
Transfer to Endowment Fund	-	(107,797,390)	-	-	107,797,390	-
Transfer to General Reserves	-	-	(310,928,829)	-	310,928,829	-
Balance as at 31.12.2009	204,000,000	1,166,492,766	417,746,676	9,500,000	1,091,282,810	2,889,022,252

CASHFLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2010

	2010 TZS	2009 TZS
CASHFLOW FROM OPERATING ACTIVITIES		
Surplus for the year	401,878,698	(428,226,219)
Adjust for:		
- Depreciation	142,408,189	122,086,740
- Gain on disposal of assets	(29,538,400)	(15,720,500)
- Amortisation of capital grants	(12,000,000)	(12,000,000)
	502,748,487	(333,859,979)
Changes in working capital		
Decrease/Increase in receivables	433,467,772	(392,935,174)
Increase/Decrease in payables	172,104,700	(99,538,740)
Decrease in deferred income	(596,483,944)	586,320,563
Net cashflows from operating activities	511,837,016	(240,013,330)
CASHFLOW FROM INVESTING ACTIVITIES		
Purchase of property and equipment	(51,590,549)	(439,076,933)
Cash proceeds from sale of assets	39,038,498	15,720,500
Net cashflows on investing activities	(12,552,051)	(423,356,433)
Net change in cash and cash equivalent	499,284,965	(663,369,764)
Cash and cash equivalents at 1 January	1,870,277,538	2,533,647,302
Cash and cash equivalents at 31 December	2,369,562,503	1,870,277,538

RESEARCH ON POVERTY ALLEVIATION NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2010

1. BASIS OF PREPARATION

The company has been registered under the repealed Companies Ordinance (CAP 212) which has been replaced by Companies Act 2002, as a company limited by guarantee. The liability of members is limited to the maximum of TZS 2,000 each. Therefore, the Company has no share capital.

The company pursues charitable (not-for profits) objectives and its constitution requires that the income and property of the company shall be applied solely towards promotion of the objectives of the company as set forth in the Memorandum of Association and no portion thereof shall be paid or transferred directly or indirectly, by way of dividend, gift, division, bonus or otherwise by way of profit to the members of the company. The company also pursues other income generated to supplement charitable donations.

The company has signed a Memorandum of Understanding (MOU) and funding commitment from Embassy of Sweden, Embassy of Finland and Department for International Development (DFID) to support its Strategic Plan 2010-2014. Directors continue to pursue other donors to fund its strategic plan 2010-2014.

The financial statements have been prepared under the historical cost basis except for motor vehicles that have been measured at fair value.

2 SIGNIFICANT ACCOUNTING POLICIES

a) Income

Grants income

Income received in form of grants is recognized where there is reasonable assurance that the grant will be received and all attaching conditions will be complied with.

Where the grant relates to an expense item, it is recognized as income over the period necessary to match the grant on a systematic basis to the costs that it is intended to compensate. Thus donors' advances are treated as deferred income and transferred to income statement when the related expenditure is incurred.

Where the grant relates to an asset, the fair value is credited to capital grants account and is released to the income statement over the expected useful life of the relevant asset by equal annual installments.

Income from other income generating activities is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized:

Sale of goods

Income is recognized when significant risks and rewards of ownership of the goods have passed to the buyer.

Rendering of services

Income is recognized in the accounting periods in which the services are rendered and the costs incurred for the transaction can be measured reliably.

b) Property and equipment

Property and equipment are stated at cost less accumulated depreciation and accumulated impairment in value.

Depreciation is calculated in the straight line basis over the useful life of the assets as follows:

Computer equipment	33%
Furniture and fittings	12.5%
Office machines and equipment	12.5%
Motor vehicles	25%
Buildings	4%

Valuations are performed frequently enough to ensure that the fair value of revalued asset does not differ materially from its carrying amount. Any revaluation surplus is credited to the asset revaluation reserve included in the equity section of the balance sheet, except that it reverses a revaluation decrease of the same asset previously recognized in profit or loss, in which case the increase is recognized in the profit or loss.

An annual transfer is credited to the asset revaluation reserve to retained earnings is made for the difference between depreciation based on the revalued carrying amount of the assets and depreciation based on the assets original cost. Additionally, accumulated depreciation at revaluation date is eliminated against the gross carrying amount of the assets and the net amount is restated to the revalued amount of the assets. Upon disposal any revaluation reserve relating to the particular

asset being sold is transferred to retained earnings.

An item of equipment is derecognized upon disposal or when the future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognising of the assets is included in the income statement in the year the asset is derecognized.

The assets residual values, useful lives and depreciation methods are reviewed annually and adjusted if appropriate at each year end.

c) Intangible assets

Intangible assets acquired separately at the cost equivalent to or more than USD 20,000 are measured on initial recognition cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses, if any. Intangible assets are amortised over the useful economic life.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between net disposal proceeds and the carrying amount of the asset and are recognized in the income statement when asset is derecognized. Intangible assets cost less than USD 20,000 are expensed as incurred.

d) Impairment of Assets

An assessment is made at each balance sheet date to determine whether there is objective evidence that an asset or a group of assets may be impaired. If such evidence exists, the estimated recoverable amount of that asset is determined and any impairment loss recognized for the difference between the recoverable amount and the carrying amount.

e) Provisions

Provisions are recognized when the company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and reliable estimate of amount can be made.

f) Foreign currencies transactions

The financial statements are presented in Tanzania shillings, which is the company functional and presentation currency. Transactions in foreign currencies are initially recorded in the functional currency rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency rate of exchange ruling at the balance sheet date. All differences are taken to income and expenditure statement. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the dates when the fair value was determined.

g) Cash and short term deposits

Cash and cash equivalent in the balance sheet comprise of cash at banks and on hand and short term deposits.

h) Pension and other post-employment benefits

The organization contributes in a statutory pension scheme (National Social Security Fund) to which the employer and the employee contribute 10% respectively. The employer's contributions are charged to the income statement as they fall due.

The company provides 25% of basic salary to employees as gratuity, payable on completion of contract period or on smooth exit procedure.

i) Distribution of reserve funds

The company pursues not-for-profit objectives and as such its reserves are restricted and can not be distributed as dividends. These are reserved to sustain the continued operation of the company.

The company ensures continuity of its operations by distributing reserves. At each balance sheet date, the company distributes surplus or deficit arose from funds from income generated activities as follows:

Endowment fund

50% of surplus or deficit arose from income generated activities.

General reserves

50% of surplus deficit that arose from income generated activities.

j) Value Added Tax (VAT)

The company is not registered for VAT therefore cost of the purchase of supplies includes the VAT except where VAT exemption is obtained from Tanzania Revenue Authority on specific procurement of goods and services.

k) Income Tax

The company is subject to income tax laws of Tanzania (Income Tax Act 2004) except where tax exemption has been sought and granted by Tanzania Revenue Authority (TRA) in accordance with section 131 of the Act.

APPENDIX I

PAPERS PRESENTED AT THE 15TH ANNUAL RESEARCH WORKSHOP

Key note presentation

Kilimo Kwanza: Promoting Agriculture for Economic Transformation in Tanzania by Prof. Hans Binswanger, Tshwane University of Technology, Pretoria

2. *Climate Change and Poverty Linkages: The Role of Formal and Informal Education on Adaptation in Eastern Usambara, Tanzania* by Eugenia Kafanabo, Amos Majule, Emanuel Elia and Brown Gwambene

Economics and management group

1. *Affordability of Modern Fuels and Patterns of Energy Demand in Urban Tanzania* by Emmanuel Maliti and Raymond Mnenwa
2. *Relocating Informal Businesses in Dar es Salaam and its Effects on Social Capital of Entrepreneurs* by Elineema Kisanga, John Mduma and Dora Semkwiji
3. *Social Protection for the Elderly in Tanzania: Current Realities and Future Implications* by Lars Osberg and Thadeus Mboghoina
4. *Poverty Among the Elderly and Children in Mainland Tanzania* by Wietze Lindeboom and Valerie Leach
5. *Adoption of Information and Communication Technologies and its Impact on Sustainable Environment and Poverty Alleviation: The Case of Tanzania* by Jabir Bakari, Athuman Samzugi and Lazaro Swai
6. *Is Booming Tourism in Zanzibar Pro-poor? A Micro-economic Impact Analysis* by Venance Mutayoba and Rose Mbwete

3. *Potentials of Biofuel Production in Wealth Creation for Poverty Alleviation in Rural Tanzania: A Baseline Study* by Riziki Shemdoe and Iddi Mwanyoka
4. *An Analysis of Contribution of Wildlife Management Areas to Poverty alleviation: The Case of Jumuiya ya Hifadhi Burunge (JUHIBU)* by Dr. Abiud Kaswamila and Jason Makokecha
5. *An Analysis of Socio-economic Impacts of Involuntary Resettlement of Livestock Keepers from the Ihefu Wetlands* by Jerry Ngailo
6. *The Implications of Coral Reef Degradation to Local Livelihoods in Kilwa District, Tanzania* by Nsajigwa Mbije
7. *Seasonal Variation in Fisheries, Livelihoods and Poverty Levels Among Fishing Communities in the Kilombero River Basin, Tanzania* by Daudi Msangameno and Mwita Mangora

Resources management group

1. *Climate Change Impacts to Livelihoods in Wetland Resources of Bahi District, Central Tanzania* by Amos Majule and Pius Yanda

Thematic group

Agriculture

1. *Government Interventions in the Rice Sector: Design and Implementation* by Ole Therikildsen
2. *Strengthening Market Incentives for Local Varieties of Banana for Better Livelihoods of Farmers in Kagera Region, Tanzania* by Jackson Nkuba

3. *Improved Technologies Disseminated by Research Institutions – The Adoption Rate and the Extent of Abandonment: An Illustrative Example of Tumbi Research Institute, Tabora* by Salatiel Simon and Theofora Nyoni
4. *The Investment and Business Climate for the Sugar Industry in Tanzania* by John Shao
5. *Role of Rural Producer Marketing Groups in Improving Market Access by Smallholders in Iringa, Tanzania* by Esther Dambal, Yusuph Mshana and Basili Liheta

Children research programme

1. *Early Childhood Relationships and the Realisation of Children’s Rights in Tanzania* by Sofia Frankenberg and Severine Kessy
2. *Creating Space for Child Participation in Local Governance in Tanzania: Save the Children and Children’s Councils* by Koshuma Mtengeti and Meda Couzens

APPENDIX II

RESEARCH PROJECTS APPROVED TO RECEIVE A GRANT FOR THE PERIOD JANUARY-DECEMBER 2010

1. *Privatisation of the Gold Mining Industry and its Socio-economic Effects on Artisanal and Small-scale Miners in Tanzania: Experience from Bulyanhulu Gold Mine* by Samwel Kabote and Eliot Niboye
2. *The Contribution of Lake Tanganyika Fisheries to Household Incomes: A Case Study of Kigoma Urban, Tanzania* by Odass Bilame
3. *Growth Processes in the Industrial Clusters and Impacts on Poverty Reduction in Tanzania* by Edwin Paul Mhede
4. *Dynamics of Street Beggars and Begging Life in Urban Areas of Central Zone, Tanzania* by Baltazar Namwata
5. *Round Potato Production in Tanzania: Varieties, Choices and Markets* by Hosea Mpogole
6. *The Impact of Policy Processes on Utilization of Natural Resources in the Great Ruaha Basin (2nd resubmission)* by Shadrack Mwakalila and Mark Mwashihava
7. *Women Economic Empowerment Through Alternative Approaches in Addressing the Problem of Discriminative Inheritance Law in Tanzania* by Grace Kamugisha and Sylvia Rutagumirwa
8. *The Role Warehouse Receipt System on Farmers Income: The Case of Coffee Farmers in Mbinga District, Tanzania* by David Mhando, Betty Mtambo and Shigela Ganja
9. *The Implications of Gazetting the Derema Forest Corridor on Adjacent Communities Livelihoods and Conservation* by Nangena Mtango and Adam Kijazi
10. *Financing Tourism Micro and Small Enterprises in Tanzania: A Case of Arts and Crafts in Arusha and Manyara Regions* by Paskazia Mwesiga and Basilli Liheta
11. *Agronomic Factors Limiting Groundnut Production: A Case of Smallholder Farming in Tabora Region* by Mangasini Katundu, Mwanahawa Mhina, Neema Kumburu and Arbogast Mbeyererwa
12. *Rural Non-farm Activities and Poverty Alleviation in Tanzania: A Case of Dodoma Region* by Israel Katega and Constantine Lufuliro
13. *Sunflower Production and its Contribution to Poverty Reduction in Kongwa and Singida Districts, Tanzania* by Innocent Zilihona, Hija Mwatawala and E. Swai
14. *Effects of Board Composition on Social and Financial Performance of Microfinance Institutions: Evidence from East Africa* by Neema Mori and Donath Olomi
15. *Contractual Choices for Vegetable Supply Chains in Mvomero and Lushoto Districts (PhD)* by Rasheli Arbogast

16. *Credit Rationing for Small and Medium Scale Enterprises in the Commercial Bank Loan Market (PhD)* by Martha Maziku
17. *Potential of Rainfall-indexed Micro-insurance Programmes as Tools to Mitigate Agricultural Production in Tanzania* by Reuben Kadigi, Peter Kingu and Aloyce Kaliba
18. *Street Children's Views on Accessing Quality Inclusive Primary Education in Temeke Municipality, Dar es Salaam* by Betty Malaki and Alan Jury
19. *Sustainability of Collective Actions: An Empirical Analysis of the Village Community Banks (VICOBAs) in Tanzania* by Emmanuel Maliti



Research on Poverty Alleviation,
REPOA, is an independent,
non-profit making
organisation; concerned with
poverty and related policy issues
in Tanzania. REPOA undertakes
and facilitates research,
conducts and coordinates training,
and promotes dialogue and
development of policy for pro-poor
growth and poverty reduction.



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