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Major General Professor Yadon M. Kohi Chairperson (from 10 August 2012)



Professor Esther Mwaikambo Chairperson (until 10 August 2012)

"Reducing poverty has been and continues to be the major preoccupation of our Government and those before us since independence."

H.E. Dr. Jakaya Mrisho Kikwete

President of the United Republic of Tanzania

# LETTER FROM THE CHAIRPERSON OF THE BOARD OF DIRECTORS





Old logo

New logo

Since commencing in 1995, REPOA has evolved significantly from a small time-bound programme focused on building capacity to research poverty to become one of the leading independent policy research institutions in Tanzania. To reflect this institutional growth and change, REPOA revised its organisational logo in 2012. The acronym, REPOA, has been maintained given the strong national and international recognition of this abbreviated institutional title. However, the logo's wording has been amended from "Research on Poverty Alleviation" to "Policy Research for Development" to indicate the organisation's broader research scope.

At the same time, the provision of research-based knowledge to inform national policies and programmes to promote growth and to combat poverty remains REPOA's core mandate. As H.E. Dr. Jakaya Kikwete, President of the United Republic of Tanzania, observed in his opening address to REPOA's 17<sup>th</sup> Annual Research Workshop: "Reducing poverty has been and continues to be the major preoccupation of our Government and those before us since independence". REPOA therefore remains dedicated to playing its role inachieving the overarching development goal of improving the quality of life of all Tanzanians. Achieving socio-economic transformation to rapidly and sustainably reduce poverty will demand evidence-based research of the highest quality to inform national policies and programmes. REPOA is well-placed to meet this research challenge.

REPOA could not have become the institution it is today without the generous support of our donor partners. On behalf of the Board of Directors, Technical Advisory Committee and REPOA staff, I would like to express my gratitude for the invaluable contributions of the Governments of the Netherlands, Denmark, Sweden and the United Kingdom, the Think Tank Initiative managed by Canada's International Development Research Centre (IDRC) and all other collaborating institutions during 2012.

On a personal note and on behalf of REPOA, I would like to thank Professor Esther Mwaikambo for her twelve years of service as Chairperson of REPOA's Board of Directors. Her remarkable work has contributed in large measure to REPOA's continued growth and success. As the new Chairperson, I look forward to leading the organisation and further unlocking its remarkable potential as a centre of excellence in policy research for development.



Chairperson of the Board of Directors Major General Professor Yadon M. Kohi







Professor Samuel Wangwe

The central question remains:

What is required to achieve socio-economic transformation for inclusive growth and rapid poverty reduction in Tanzania?

# LETTER FROM THE EXECUTIVE DIRECTOR

In 2012, REPOA has continued to sharpen its research focus in light of the current Tanzanian context and the experience of socioeconomic transformation in the more successful developing countries. The central question remains: What is required to achieve socio-economic transformation for inclusive growth and rapid poverty reduction in Tanzania? As noted in our 2010-2014 Strategic Plan, no major decisions on national development should be made without the support of sound and reliable information. Research outputs and associated support for policy development play a vital role in identifying national priorities, evaluating interventions, promoting good governance and transparency, and bringing the voices of those less able to be heard to the attention of policy makers. Research is central to realising inclusive economic growth and accelerating poverty reduction as it provides the necessary foundation for designing national policies and programmes.

This year, in line with REPOA's internal review of 2011, the organisation continued to place emphasis on strategic research. However, this revised direction coincided with major changes in the funding structure of the institution with the phasing out of the Embassy of the Netherlands as our principal donor following changes in policy of the Dutch Government. As a result, more responsibility was placed on REPOA to raise funds from other sources to fill the budget gap. REPOA's researchers their efforts to carry out commissioned work which reduced available capacity for the implementation of more time-demanding strategic research. Most of these commissioned works, however, were directly relevant to REPOAs mandate, its core research themes, and viewed as important avenues for influencing policies and, interventions in the direction of inclusive growth and the improved well-being of Tanzanian citizens and society. The diversification of sources of funding was graced with the commencement of core funding from the Embassy of Denmark in the second half of 2012.

In terms of financial resources, a large portion that was earmarked for 2012 activities was received in the latter half of the year so some activities, especially those requiring upfront funding or unable to be carried out by REPOA staff, had to be rescheduled for the second half of the year, making the period slightly overloaded. However, considerable efforts were made to implement planned activities.

This situation highlighted the institution's ongoing need for skilled human resources. REPOA is endeavouring at every turn to strengthen its research capacity, through recruitment, long-term training and collaborative research, and through the use of associate researchers on specific projects. In 2012, REPOA also reviewed its scheme of service and incentive systems to strengthen its human resources generally, attract and retain senior researchers particularly.

Despite these constraints, the year was marked by steady progress and achievements. As will be readily seen in the Year in Brief and the Highlights of 2012 under each section of the report, REPOA staff have worked hard to fulfil the immediate and intermediate outcomes under our 2010-2014 strategic plan. On behalf of the team at REPOA, I would like to thank all donors and stakeholders who have contributed to this year's successful outcomes in producing and disseminating high-quality research outputs, and especially to the end users of research knowledge who have realised that sound policies and decision making processes are founded on solid evidence.

Executive Director

Prof. Samuel Wangwe





# BOARD OF DIRECTORS FOR THE YEAR ENDED 31 DECEMBER 2012



Maj. Gen. Prof. Yadon M. Kohi Chairperson (from 10 August 2012)



**Mr. Joseph Rugumyamheto** Vice Chairperson (from August 2012)



**Prof. Esther Mwaikambo**Member
(Chairperson until 10 August 2012)



Ms. Fides S. Chale Vice chairperson (Until 10th August 2012)



**Prof. Bertha Koda** Member



Mr. Rashidi Mbuguni Member



Prof. William Lyakurwa Member



Dr. Servacius Likwelile Member



Mr. Michael Shirima Member



**Prof. Joseph Semboja** Member



Ms. Mary Rusimbi Member (From 10 August 2012)



**Prof. Samuel Wangwe** Secretary

# **REPOA Basket Fund Contributors for 2012**

| Embassy of Denmark                      | 1,052,631,579  |
|---|----------------|
| United Kingdom                          | 371,100,000    |
| Department of International Development | t              |
| Embassy of Kingdom of the Netherlands   | 1,882,400,000  |
| Embassy of Sweden                       | 711,887,968    |
| Disb                                    | ursement (TZS) |
| Source:                                 | Actual         |







# ORGANISATIONAL PROFILE

REPOA is an independent research institution which primarily undertakes research on socio-economic and development issues to influence pro-poor policy.

# Our Vision

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

# **Our Mission**

Knowledge generation through research, training and outreach.

# Objectives

- Strengthen the capacity of the intellectual resource.
- Undertake, facilitate and encourage strategic research.
- Facilitate and stimulate the utilisation of research findings.

# **Strategies**

- Strategy | Develop research capacity.
- Strategy II Undertake and facilitate strategic research.
- Strategy III Facilitate and stimulate the utilisation of research findings.
- Strategy IV Enhance REPOA's capacity to implement the strategic plan

# Immediate outcomes

- Successful collaboration with other institutions on research of strategic importance to REPOA.
- Strategic Research undertaken on achieving inclusive growth and poverty reduction.
- Commissioned research undertaken in areas where REPOA has comparative advantage.
- Research findings effectively communicated to targeted stakeholders.

# Intermediate outcomes

- Stakeholders base policy formulation and implementation on research.
- REPOA increasingly recognised as a credible, opinion – forming research institution.
- Enhanced evidence base on the interrelationships between economic growth and poverty reduction.

# THE YEAR IN BRIEF

The year 2012 marked the mid-point of REPOA's strategic plan 2010-2014 and the second year of implementation of institutional changes identified through interna reviews in 2011 to more effectively pursue the organisation's vision to be Tanzania's premier research institution in the production of knowledge for development. All departments have contributed to this year's successful outcomes. Some of the most notable achievements are described below.

# **Poverty and Human Development Report 2011**

As secretariat to the Research and Analysis Working Group (RAWG) of the MKUKUTA Monitoring System, REPOA produced and launched the 2011 *Poverty and Human Development Report (PHDR)* on 6 September 2012 in Dar es Salaam. The PHDR is a key output of the monitoring system for the National Strategy for Growth and Reduction of Poverty. PHDR 2011 is the sixth report in the series published by REPOA since 2002.

# **Establishment of the National Centre for Employment Studies (NCES)**

In response to the rising concern on inclusive development, the challenges of poverty reduction through employment and enhanced information market dynamics in Tanzania, REPOA, in collaboration with the International Labour Organisation (ILO) and the Ministry of Labour and Employment, established the National Centre for Employment Studies (NCES). The centre will initiate and coordinate studies on trends in employment, labour prductivity and earnings, and labour market dynamics. Three studies were started in the centre's first year.

# **Executive Opinion Survey 2012 for the World Economic Forum**

For the fourth year running, REPOA completed the Executive Opinion Survey on behalf of the World Economic Forum (WEF). The results form a major part of *The Global Competitive Report (GCR) 2012-2013*, a leading international publication that compares the economic environment in participating countries.

# **Ethics, Payments and Maternal Survival in Tanzania**

With funding from the Wellcome Trust, the "Ethics, payments and maternal survival in Tanzania" project was successfully implemented by a team of researchers from REPOA, the Open University (UK), the National Institute for Medical Research (NIMR) and the Economic and Social Research Foundation (ESRF). Led by Dr Paula Tibandebage of REPOA, the study seeks to answer the question: How do the payments that women make for maternal health care influence their experiences during pregnancy and birth? A dissemination workshop of the findings was held in December 2012, and four research apers will be published as REPOA special papers in 2013 and research articles prepared for submission to peer-reviewed journals.





# **Afrobarometer Survey - Round 5**

The Afrobarometer survey is an independent, non-partisan research project that assesses the social, political and economic situation in participating countries through an ongoing series of national public attitude surveys. The survey aims to advance democracy and strengthen governance in Africa. REPOA is the national implementing partner for the Afrobarometer in Tanzania. Round 5 of the survey was conducted by REPOA during May and June 2012 and survey results disseminated through a media briefing in Dar es Salaam and via a press dissemination sessions are planned for 2013.

# **Views of the People Survey**

This major national perception survey coordinated by REPOA seeks to capture citizens' views on the performance of Tanzania's *National Strategy for Growth and Reduction of Poverty (MKUKUTA)*. The second round of survey, conducted in 2012, sampled 5,000 households across ten regions of the country. Results will be disseminated in 2013.

# **Development of the Tanzania Natural Gas Policy**

REPOA was commissioned by the Ministry of nergy and Minerals to review and finalise the development of a natural gas policy for Tanzania. A final draft policy was submitted to the Ministry in August 2012. The Ministry of Energy and Minerals has made the draft natural gas policy available to the public for discussion.

### **Research Grants**

A total of 14 new research grants were approved and funded under REPOA's Open Competitive System and 8 research projects were implemented under the Civil Society Research Facility, a facility implemented jointly with the Centre for International Development Issues Nijmegen (CIDIN) of The Netherlands.

# **Dissemination of Research Findings**

Through seminars, workshops and presentations by its staff members at external events, REPOA actively shared research knowledge to foster informed dialogue and contribute to policy development processes. Throughout the year, REPOA staff made 42 presentations at high-level domestic and international events. On 28-29 March 2012, REPOA also held its 17th Annual Research Workshop with H.E. Dr. Jakaya Mrisho Kikwete, President of the United Republic of Tanzania, as guest of honour. About 300 participants attended. The theme of this year's workshop was *Socioeconomic Transformation for Poverty Reduction in Tanzania*. The keynote address was given by Dr. Philip Mpango, Executive Secretary of the Planning Commission in the President's Office, and discussions led by Prof. Do Duc Dinh from Vietnam and Prof. Li Xiaoyun from China shared the experiences of socioeconomic transformation in their respective countries.





# **Communications**

Online and in print, REPOA's communications continued to grow through 2012. The website received 34,234 visitors, and followers and friends on social media sites, increased seven-fold. Two media workshops were held for news editors and nine features were published in newspapers through collaboration between REPOA and media houses. Nine research reports and special papers were published during the year, of which two were published as journal articles. In addition, nine project and policy briefs were published in 2012. Overall, 12,405 copies of publications were disseminated.





# INTRODUCTION TO THE 2012 ANNUAL REPORT

Implementation of the 2012 Annual Plan proceeded well along with the ongoing adjustment and adaptation following REPOA's organisational review and restructure in 2011. Significant achievements were recorded by all research and support departments. Highlights of the year's activities are presented in the following six sections with close reference to the four immediate and three intermediate outcomes under the 2010-2014 Strategic Plan.

- 1. Implementation of Research
- 2. Participation in Policy Development Processes
- 3. Development of National Research Capacity
- 4. Dissemination of Research Findings
- 5. Strengthening organisational capacity
- 6. Financial Report



# 1 IMPLEMENTATION OF RESEARCH PROJECTS

Generating knowledge through research is the essence of REPOA's vision and mission. Responding to the need for robust evidence to inform national development policies and decision making processes, REPOA's research programme is structured around three core research themes:



The critical issues of the environment, climate change, technology and diversity (including gender) cut across all three themes.

During 2012, priority has been given to enhancing the synergy between the three core themes. In achieving Tanzania's long-term aspiration of socio-economic transformation to a middle-income country, understanding the linkages between growth patterns, social protection, and governance and accountability is essential for the design of national poverty reduction strategies. The research programme is based on the premise that poverty cannot be separated from the dynamics of development when a substantial proportion of the country's population is poor. Hence, a pattern of growth and structural change is required which generates jobs and other income-earning activities that are adequately remunerated and accessible to all regardless of income or class status, gender, ethnicity or location.

This orientation was reinforced at REPOA's 17th Annual Research Workshop (ARW) which was held on 28-29 March 2012. The theme for this year's workshop was *Socioeconomic Transformation for Poverty Reduction*. The event featured presentations on socio-economic transformation from China, Vietnam and Botswana to better inform the Tanzanian audience of lessons from their recent experiences of development and poverty reduction.

Three broad types of studies are undertaken under each theme of the programme:

**Strategic research** studies that are conceptualised and designed internally by REPOA researchers and senior visiting research fellows.

Collaborative research studies that REPOA researchers develop and undertake in collaboration with researchers from other institutions around the world, thereby promoting institutional linkages though research on issues of common interest.

**Commissioned research** studies that identify and implement research projects commissioned by stakeholders to build the evidence base to inform and influence national development policies.



# **Theme 1: Growth and Development**

The focus of research under this theme is on socioeconomic transformation for inclusive growth and poverty reduction. The significance of economic growth in national development is explicitly acknowledged within the second phase of the *National Strategy for Growth and Reduction of Poverty (MKUKUTA) 2010/11-2014/15 and the Five-Year Development Plan 2011/12-2015/16.* Both of these major national initiatives emphasise the linkages between economic growth and productive employment as the means to achieve sustained poverty reduction. Therefore, research under this theme investigates patterns of development that can generate and sustain growth in which the majority of citizens can participate and sufficient productive jobs can be created and decently remunerated.

3 strategic,
2 collaborative
and
7 commissioned
research studies
were conducted
in 2012

# Highlights in 2012

# **Poverty and Human Development Report 2011**

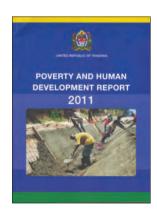
As secretariat to the Research and Analysis Working Group (RAWG) of the MKUKUTA Monitoring System, REPOA coordinated the production of the *Poverty and Human Development Report (PHDR) 2011.* This work included commissioning research studies and

draft papers for inclusion in the report, extensive review, consolidation and editing of the document as well as final design and publication. The PHDR is a key output of the monitoring system for the National Strategy for Growth and Reduction of Poverty. PHDR 2011 is the sixth report in the

Undertaking research on inclusive growth and poverty reduction

series published since 2002. Building upon the foundation of the series to date and a growing store of domestic research, this year's report provided an expanded analysis of the trends and outcomes in national development as well as discussion of important socio-economic issues facing the country.

As in previous editions, Chapter 1 – the status chapter – reviewed progress towards key development targets based on the national indicators set for MKUKUTA's three major clusters of desired outcomes. In particular, this year's report benefited from the new and expanded data set collected by the *Tanzania Demographic and Health Survey 2010*, ground-breaking national studies, such as the *Violence Against Children 2009* report, and strengthened government systems of routine data management and reporting.



In addition to the status chapter, two thematic chapters in PHDR 2011 explored the interplay between economic growth, productive employment and poverty reduction to identify policy options that can make future growth in Tanzania more inclusive and propoor. The report argues that managing structural changes, realising productivity gains by investing more in human capital, and creating an enabling business environment are key actions for the Government of Tanzania to create decent, productive jobs and achieve inclusive growth. In turn, the reconfiguration of the economy towards inclusive growth with expanded private sector employment and productivity can bring about sustainable cuts in income poverty and promote broad-based human development in the country.

The report was launched on 6 September 2012 in Dar es Salaam.







# Industrialisation through Learning to Compete: Accelerating Industrial Development in Africa

In collaboration with the African Development Bank, the Brookings Institution, International Growth Centre and the United Nations University World Institute of Development Economics Research (UNU-WIDER), the Industrialisation through Learning to Compete project seeks to answer seemingly simple but puzzling question: Why is there so little industry in Africa?

The project involves case studies of 12 African countries. REPOA is responsible for implementing the Tanzania case study. The project's first phase assessed the evolution of the manufacturing industry in Tanzania and industrial export performance.

Successful collaboration

Commenced in 2012, the second phase aims to understand drivers of manufactured exports in Tanzania. The research encompasses 86 firms across 10 sub-sectors of the economy. The study is expected to be finalised in 2013.



# The Growth-Poverty Nexus: Towards a Structuralist Macroeconomic Perspective Commenced in 2010, this project aims to establish a research framework for investigating the

relationship between economic growth and poverty reduction in Tanzania using the structuralist approach to the macroeconomics of growth. This initiative is led by Professor Marc Wuyts of the International Institute of Social Studies (ISS) of Erasmus University in Rotterdam. In April this year, a seminar was conducted at the University of Dar es Salaam (UDSM) on the theme, Tanzania Macro-economic Patterns and Stories of Economic Change. Well-attended by researchers and policy analysts, this learning session prompted requests from various institutions, including UDSM, for REPOA to organise further sessions to stimulate policy and intellectual debate on the structure of Tanzanian economy. Short training seminars on the subject have also been developed.



# **Establishment of the National Centre for Employment Studies (NCES)**

In response to the rising concern on inclusive growth and employment challenges it was deemed imperative to give priority to generating information and knowledge on labour market dynamics in Tanzania. In this regard, REPOA, in collaboration with the International Labour Organisation (ILO) and the Ministry of Labour and Employment, established the National Centre for Employment Studies (NCES). The Centre will initiate and coordinate studies on trends in employment, labour productivity and earnings and labour market dynamics. It will also promote policy dialogue on employment issues and maintain a database of relevant information on the subject. Three studies were started in the centre's first year:

1. The Quest for Inclusive Growth: Exploring the Nexus between Economic Growth, Employment and Poverty in Tanzania with Professor Rizwanul Islam from Geneva engaged as a visiting fellow to undertake preliminary analytical work.

Undertaking research on inclusive growth and poverty reduction

- 2. Analysis of the Response of Municipal Councils on Youth Unemployment from a Capability Perspective, which is investigating how factors that govern trade in the urban economy, such as licensing, access to business premises, access to finance and taxes, affect young people's productive capabilities to participate in gainful employment within the urban economy.
- 3. Rural Employment, a collaborative project with the United Nations Research Institute for Social Development (UNRISD), which is examining poverty reduction and development in rural Tanzania, focusing on employment, social policy and institutional change.







# **Executive Opinion Survey 2012 for the World Economic Forum**

For the fourth year running, REPOA completed the Executive Opinion Survey on behalf of the World Economic Forum (WEF). The survey consists of in-depth interviews with a sample of business executives in Tanzania, the results of which form a major part of *The Global Competitive Report (GCR) 2012-2013*, a leading international publication that compares the economic environment in participating countries.

REPOA also produced a policy brief that summarises the country-level findings from the report, highlights the current institutional set up in relation to investment in Tanzania, and identifies institutional and policy reforms that could stimulate growth and make Tanzania more competitive on the global market.

# Key study results

Tanzania is still one of the least competitive economies in the world, ranking 120 out of 144 economies in the 2012/3 GCR. Competitiveness is hampered by inadequate infrastructure, low use of technologies (such as the internet) and the poor health and education of its citizens. Investment and growth are likely to decline in Tanzania unless the country's institutional systems become stronger, and the many administrative and legal obstacles facing the private sector are addressed.

The report recommends that the government and its partners should work to strengthen the institutional framework for service delivery, increase the transparency of policymaking, ensure property and intellectual property are better protected, simplify the tax system, and improve dispute settlement processes.

Rutaihwa, J. (2013). Examining the Institutional Framework for Investment in Tanzania: A perspective from the Executive Opinion Survey, 2012-13. REPOA Brief No. 39.

# Purchase for Progress (P4P) study for the World Food Programme

REPOA was the implementing partner in Tanzania, for the World Food Programme's *Purchase* for *Progress* project from 2008-2013. Implemented in 21 countries, the P4P study aims to contribute to poverty alleviation through support to agricultural production and markets.

Smallholder farmers are given greater incentive to invest in production as they have the possibility to sell to a reliable buyer and receive a fair price for their crops. The study was completed in April 2012.

Commissioned research with comparative advantage

# Strengthening the Institutional Framework of Sugarcane Out-Growers to Improve Productivity and Enhance Sugar Production Efficiency

Commissioned by the Sugar Board of Tanzania, this study examined how to organise out-growers in the sugar industry to enhance their productivity and competitiveness. The study's recommendations were endorsed during a Sugar Industry Stakeholders Forum in mid-December for implementation in 2013.

# **Theme 2: Social Protection**

REPOA's research programme on social protection is based upon a dynamic conceptualisation of poverty that includes insecurity and vulnerability. Social protection is examined not only in terms of its role in income and consumption smoothing but also in terms of its potential to accelerate social and economic development and reduce poverty. Therefore, the programme aims to investigate the transformative role of social policy in achieving broader economic, social and political goals.

The programme focuses on four main areas:

- 1. Protecting income against impoverishment (Income transfers and consumption smoothing)
- 2. Preventing capability deprivation (Enhancing human capabilities through social protection)
- 3. Social protection and productive competencies (Labour, productivity and livelihoods across the informal/formal divide)
- 4. Pro-poor growth and social protection (Macro dimensions of generalised insecurity)

# Highlights in 2012

4 strategic,
I commissioned
and
2 collaborative
research studies
were conducted
in 2012

# **Ethics, Payments and Maternal Survival in Tanzania**

This two-year research project funded by Wellcome Trust is being implemented by a team of researchers from REPOA, the Open University UK, the National Institute for Medical Research (NIMR) and the Economic and Social Research Foundation (ESRF). The project is led by Dr Paula Tibandebage of REPOA. Commenced in July 2011, the study seeks to answer the question: How do the payments that women

make for maternal health care influence their experiences during preg-

Successful collaboration

A dissemination workshop of the findings was held in December 2012. Four research papers will be published as REPOA special papers in 2013 and research articles prepared for submission to peer-reviewed journals.



# Key study results

nancy and birth?

While care during pregnancy and birth is officially free in the public sector, the study found that a large majority of women had to make payments to access maternal care during pregnancy and birth. Payments at birth were high relative to local incomes: an average of 12,800 Tanzanian shillings (USD 8) in the public sector and 29,500 Tanzanian shillings (USD 18.50) in faith-based facilities. The results also show that payments for maternal care are problematic not only because of the difficulty of affording care but also because they influence the interaction between maternal health care staff and expectant mothers. These payments have become embedded in hard-tochange working cultures within facilities. Thus, payments reform is not only a matter of influencing the level of payments but also their form and function within the process of care. Charging-based cultures within health facilities need to be replaced with truly workable alternatives.

Mackintosh, M., Kida, T. Tibandebage, P., Ikingura, J., & Jahari, C. (forthcoming). Payments for Maternal Care and Women's Birth Experiences: Working Paper 1 from the project, Ethics, Payments and Maternal Survival





Prof. Maia Green presenting a paper at REPOA's open seminar

# **Perceptions of Poverty and Opportunity in Tanzania**

Professor Maia Green of the University of Manchester has been engaged by REPOA as a senior visiting fellow to undertake this study. The project examines how culture shapes the economic strategies of rural dwellers in the context of increased social differentiation. Particular focus is on the relation between cultural transformation and economic opportunity in Ulanga district of Morogoro Region. The final report is expected to be published as a special paper in 2013.

# Learning with Older People about their Transport and Mobility Problems in Rural Tanzania

In collaboration with HelpAge and the University of Durham (UK), this project identified mobility-focused interventions which will aid older people living in rural areas and those in their care to achieve better health and well-being. The field work was undertaken in Kibaha district.

# Key study results

Transport was found to be a major hurdle for many older people in rural settlements of Kibaha district – most particularly for daily domestic water and fuel needs, but also for their access to health services and improved livelihoods. However, the rapid spread of motorcycle taxi services or boda-boda has effected a transport revolution over the last few years particularly in the off-road settlements examined and especially where they operate in conjunction with mobile phones. In the absence of alternatives, motorcycle taxis have brought improved mobility – at least in emergency contexts – even for very old people, despite the high fares. But many older people find travel by boda-boda a dangerous and frightening experience. It is important to explore if/how these vehicles might be adapted to make them safer and more comfortable for older people, and to examine feasible alternatives, especially in the context of travel of sick older people to health centres.

Porter, G. (2012) Learning with older people about their transport and mobility problems in rural Tanzania: Focus on improving access to health services and livelihoods. Rural transport services for older people in Kibaha District, Tanzania: Report of project findings.

# **Theme 3: Governance and Service Delivery**

Research under this theme investigates government responsiveness to the needs of citizens and the influence of citizens on how policies are shaped and how services are delivered. It addresses institutions and processes of power in relation to ordinary citizens and approaches to strengthening resource mobilisation capacities with a view to improving policy space and social service delivery.

Research under these programmes revolves around the following issues:

- Governance both at the central level (e.g., policy formulation, devolution by line ministries) and at the local government levels (e.g. planning processes and citizen participation)
- Service delivery at the local level (including primary education, health, water supply and aspects of gender and diversity differentials)
- Local government finances and financial management (e.g., local revenue bases and collection, intergovernmental fiscal transfers, etc.)

# Highlights in 2012

5 strategic,2 collaborative and4 commissionedresearch studieswere conductedin 2012

# **Afrobarometer Survey**

The Afrobarometer survey is an independent, non-partisan research project that assesses the social, political and economic situation in participating countries through an ongoing series of national public attitude surveys. The survey aims to measure and compare over time citizens' attitudes on democracy, governance, economic reform, civil society and quality of life in Africa with the aim of advancing democracy.

Recognition as a credible

research institution

REPOA is the national implementing partner for the Afrobarometer in Tanzania. Fiverounds of the survey have been completed in Tanzania since 1999. Field work for Round 5 of the survey was conducted by REPOA during May and June 2012. Results of the survey on the effectiveness of government and its performance in delivering public services and on livelihoods and the macroeconomy were disseminated through a media briefing in Dar es Salaam and via a press release in November 2012. Further dissemination sessions are planned for 2013 along with a paper on citizens' perceptions on the constitutional review process in Tanzania. Results from all rounds including the latest analsis from Round 5 can be found at http://afrobarometer.org/results/results-bycountry- n-z/tanzania.

# Key study results

More people adversely rated the government's performance in 2012 than 2008. Despite these present negative perceptions, two-thirds of Tanzanians remain optimistic that the Government will turn things around within five years. As in 2008, the management of the economy, water supply and health care were perceived by citizens as the most important problems in need of government attention.

REPOA. (2012). Progress on MKUKUTA: Results from the Afrobarometer Round 5 survey in Tanzania, 21 November 2012.





# **Tanzania Governance Notice Board (TGN)**

REPOA continued to host, maintain and expand awareness of the Tanzania Governance Noticeboard (TGN) in 2012. The TGN is an online interactive database used for collecting, sharing and presenting information on government finances, management/administration and service delivery. The TGN has been set up to strengthen governance in Tanzania by encouraging individuals and groups to be better informed and to participate more fully in public affairs, ensuring the accountability and integrity of government officials, and enhancing transparency about government actions through increasing the availability of information on government budgets, spending and performance.

Data are available on government entities at all three levels of administration: central government institutions, including ministries, departments and agencies (MDAs); regional administrations; and local government authorities, including citymunicipalities and town authorities. The types of information available on the TGN include budget data, audit information from reports by the Auditor-General, and key indicators of service delivery. All data uploaded onto the TGN are sourced from official government statistics. Anyone can access the TGN. Government officials, civil society organisations, the private sector and all interested members of the public are welcome to use the database.

During 2012, data on local government budgets on primary education and health for 2010 and 2011 were uploaded, two thematic studies were completed and published, and a sensitisation workshop for Members of Parliament was held to inform them about the TGN and how to use data to promote transparency and accountability.

# Views of the People Survey

This major national perception survey coordinated by REPOA seeks to capture citizens' views on the performance of Tanzania's National Strategy for Growth and Reduction of Poverty (MKUKUTA). The survey sampled 5,000 households across ten regions of the country. This is the second round of the survey; the first round was conducted in 2007. The results of the second round will be disseminated by the Poverty Eradication Division of the Ministry of Finance and Economic Affairs in 2013.

# Commissioned studies for the Ministry of Justice and Constitutional Affairs (MoJCA), Revolutionary Government of Zanzibar

REPOA successfully completed two studies on the justice sector in Zanzibar commissioned

by the MoJCA: (i) A capacity assessment for legal sector actors; and (ii) A needs and obstacle assessment of the justice sector.

Commissioned research with comparative advantage

# **Survey of Services Delivered by Central Government**

The President's Office-Public Service Management commissioned REPOA to assess the degree to which citizens and actual users of a selected number of public services are satisfied with access to and the quality of services as well as the incidence of corruption.

# 2

# PARTICIPATION IN POLICY DEVELOPMENT PROCESSES

In 2012, REPOA continued to participate in high-level government policy analysis and development processes. In addition to its key role in poverty monitoring through the Research and Analysis Working Group, REPOA was engaged by several national ministries and development agencies to undertake policy reviews and dialogues. These activities represent strategic opportunities for directly promoting evidence-based policy formulation and implementation. REPOA is also the policy hub for the Alliance for Green Revolution in Africa (AGRA) and a member of the Census and Surveys Technical Working Group of the MKUKUTA Monitoring System, the Special Parliamentary Speakers Committee on Tax Issues and the Fiscal Decentralisation Task Force.

# Highlights in 2012

# **Development of the Tanzania Natural Gas Policy**

REPOA was commissioned by the Ministry of Energy and Minerals to review and finalise the development of a natural gas policy for Tanzania. This process involved extensive document reviews, on-site field visits, consultations, and benchmarking visits to three countries (Malaysia, Netherlands and Norway) that have succeeded in utilising natural gas resources to transform its economy. A final draft policy was submitted to the Ministry in August 2012.

In the light of the new developments in the sector and the outcome of the draft Natural Gas Policy, the Ministry of Energy and Minerals has decided to review the National Energy Policy (2003).

Evidence-based policy formulation and implementation

# **Review of the Decent Work Policy**

The International Labour Organisation commissioned REPOA to review the Decent Work Policy for Mainland Tanzania. This assignment involved extensive review of the implementation of the United Nations System Chief Executive Board (CEB) Toolkit for Mainstreaming Employment and Decent Work in policies, programmes and plans from an employment and decent work perspective along with existing monitoring reports of MKUKUTA II.

# **General Budget Support (GBS) Annual Review**

REPOA was commissioned by the Ministry of Finance and Economic Affairs to facilitate and prepare a report of the 2012 General Budget Support (GBS) Annual Review meeting which marked the end of the 2012 GBS annual review cycle. Held on 19 November 2012, the event brought together senior representatives from the government and 12 development partners providing budget support. The main objective of the review was to assess the performance of the government and GBS partners against their respective commitments under the Partnership Framework Memorandum, signed in May 2011 and the Performance Assessment Framework (PAF). It provided an opportunity to discuss four other key issues: the New Budget Cycle, Rapid Budget Analysis, the Big Fast Results Now initiative and preliminary findings of the GBS Independent Impact Evaluation.





# DEVELOPMENT OF NATIONAL RESEARCH CAPACITY

As part of the organisation's core mandate, REPOA continued to build the capacity of junior and intermediate researchers with the objective of broadening the pool of Tanzanian researchers capable of undertaking credible research to address development challenges. As in previous years, the capacity building programme has two main components:

- A competitive grant scheme to identify and support junior and intermediate researchers.
- A comprehensive capacity support package linked to the grant scheme, which includes specialised training workshops, thematic seminars and structured mentoring.

Undertaking research on inclusive development and poverty reduction

# Research Grants



Prospective Grantee presenting his work to researchers.

In 2012, a total number of 14 research projects were approved and funded. In addition, 8 research projects were implemented under the Civil Society Research Facility, a facility implemented jointly with the Centre for International Development Issues Nijmegen (CIDIN) of The Netherlands.

See Appendix 1 for a full list of the research projects funded under Open Competitive System (OCS) in 2012.

# Training

The implementation of training remained at a low level during 2012, deliberately structured according to needs identified by recipients of REPOA's research grants as is stipulated in REPOA's Annual Plan. Two workshops were conducted in November 2012, the first on empirical macro-economics, the second on monitoring and evaluation (M & E) for impact and performance.



Participants at Monitoring and Evaluation Training

In addition, REPOA continued to coordinate the year-long Post Graduate Diploma training for researchers. The course involves conceptualising poverty, research methods and policy analysis, and writing research essays. In August, 26 individuals (out of 27 candidates from kthe 7<sup>th</sup> student intake) were awarded the Postgraduate Diploma in Poverty Analysis for Social Security and Development.

For more information on the Post-Graduate Diploma on Poverty Analysis, please use the following link: http://www.repoa.or.tz/index.php/training/category/dipl\_poverty\_analysis/

# 4

# DISSEMINATION OF RESEARCH FINDINGS

Through seminars, workshops, and presentations by its staff members at external events, REPOA actively disseminates research knowledge to foster informed dialogue and contribute to policy development. REPOA also interacts and shares information with various stakeholders through both traditional and social media platforms. Our well-equipped resource centre is another avenue for information sharing. All of these interactive platforms make research findings more accessible to stakeholders, while at the same time facilitating feedback to inform the development of REPOA's research agenda.

# Highlights in 2012

REPOA's 17<sup>th</sup> Annual Research Workshop – Socio-Economic Transformation for Poverty Reduction in Tanzania

REPOA's 17th Annual Research Workshop was held on 28-29 March 2012. H.E. Dr. Jakaya Mrisho Kikwete, President of the United Republic of Tanzania, was the guest of honour for the event. About 300 participants attended the workshop.

The theme of this year's workshop was Socio-Economic Transformation for Poverty Reduction in Tanzania. Over the last decade the Tanzania economy has grown strongly, with the rate of GDP growth averaging 7% per annum between 2001 and 2011, yet poverty levels have only declined marginally. In contrast, the recent development experience in Botswana, Vietnam and China has shown that it is possible for countries to transform their economies and reduce poverty levels substantially. Therefore, this year's workshop sought to determine what lessons can be drawn from these examples to achieve growth with more rapid poverty reduction.

The shift from [the] public to [the] private sector being the engine of growth is a major economic transformation in our country. As you know, prior to that the public sector was the engine of growth. What we are now saying with this policy shift is that "let Government govern and the private sector do business". Their roles are complementary not contradictory.

-- Speech by H.E. Dr. Jakaya Mrisho Kikwete, President of the United Republic of Tanzania, at the opening of REPOA's 17th Annual Research Workshop, 28 March 2013

# The keynote address was given by Dr. Philip Mpango the Executive Secretary of the Planning Commission in the President's Office. In his speech, Dr. Mpango identified eight messages for unlocking Tanzania's socio-economic potential. His address was followed by presentations from Prof. Do Duc Dinh from Vietnam and Prof. Li Xiaoyun from China. Over the course of the workshop, the results of 15 research papers were also presented. Policy briefs summarising Dr Mpango speech and Prof. Dinh's presentation will be produced in early 2013.

# During 2012

6 seminars and 10 workshops were organised at REPOA and 42 presentations were made by REPOA staff members at external events, nationally and internationally.



H.E. Dr. Jakaya Mrisho Kikwete, President of the United Republic of Tanzania, presenting an opening speech at the 17th Annual Research Workshop.





Dr. Philip Mpango, presenting the key note speech at the 17th Annual Workshop.

The picture I have just painted of structural shifts required of Tanzania to graduate to middle-income status are obviously a tall order and cannot be attained through the business as usual attitude. It will need strong transformational leadership, ruthless focus on prioritization of programmes and projects, radical productivity improvement in agriculture, aggressive industrialization drive, making land readily available for large scale investment in agriculture and industry, vigorous developmental role for the state or SMART government, steadfast on macroeconomic and political stability, strict discipline of implementation, mindset change and taking full advantage of Tanzania's niches and catching emerging opportunities promptly.

-- Keynote Address by Dr. Philip Mpango, Executive Secretary, President's Office – Planning Commission, at REPOA's 17th Annual Research Workshop, 28 March 2012.

Evaluation of the workshop was very positive, especially regarding the high quality of the papers presented by prominent researchers and rich discussion during the first day.

See Appendix 2 for a full list of papers presented during the 17th Research Workshop. The keynote address and all the papers can be downloaded at www.repoa.or.tz

# **Staff Presentations**

A selection of the 42 presentations made by REPOA staff members throughout 2012 are highlighted below.

# Annual National Policy Dialogue, 26-27 January 2012, Dar es Salaam

REPOA staff made four presentations on the 2011 Poverty and Human Development Report at the Annual National Policy Dialogue: Donald Mmari on growth and poverty, Rehema Tukai on social services and poverty, Lucas Katera on governance and Prof. Samuel Wangwe on the business environment.

# Towards a Global Post-2015 Framework for Development, 19-21 May 2012, Beijing, China

Prof. Samuel Wangwe made three presentations during this event to UN senior officials, Chinese policy think tank senior officials and to Heads of Mission in Beijing. His talks focused on the African perspective of the Post-2015 Development Framework.

Effective communication of findings

# Workshop on the Budget Cycle for Members of Parliament and Staff, 9 June 2012, Dar es Salaam

Jamal Msami spoke on the *Challenges facing the budget process in Tanzania and their solutions* to members and staff of Parliament. He also made a presentation to MPs on the data available on the Tanzania Governance Noticeboard and on how to use these data to promote accountability.

# Workshop on Southeast Asian Development Models for Africa, 4 September 2012, Singapore

Blandina Kilama made a presentation titled *Learning from cashew production: A contrastive analysis between Tanzania and Vietnam* at this workshop. This event was hosted to examine why Southeast Asia has been the most consistently successful region of the developing world over the last 50 years, yet has not produced its own coherent school or schools of development studies from which policymakers, donors and specialists in other countries can learn.

# Global Poverty Reduction and Development Forum: Inclusive Development and Poverty Reduction, 17-18 October 2012, Beijing, China

This workshop was organised by International Poverty Reduction Centre in China and UNDP-China. Dr. Flora Myamba made a presentation on *Social protection as a means to poverty reduction*.



Researcher, Blandina Kilama during staff media training.

# REPOA's online communications through REPOA's website and social media continued to grow through 2012. The website received 34,234 visitors, and followers and friends on social media sites, Twitter and Facebook, increased seven-fold from 257 followers in 2011 to 1,887 followers by the end of 2012. REPOA's relations with the media have been further strengthened. Two means and November, with the aim of

Effective communication of findings

relations with the media have been further strengthened. Two media workshops attended by news editors were held in June and November, with the aim of exchanging views on the role that the media play in influencing policy with the use of evidence-based research, as well as networking and disseminating REPOA's research outputs. Over the course of the year, nine features were published in newspapers through the collaboration between REPOA and media houses.



In addition, REPOA staff were trained on media relations with the aim of empowering them to be good communicators and effective disseminators of REPOA's work.

# Participant Feedback from the Media Workshops

This workshop was an eye opener, I have been using findings but not as much as I should and I had no idea that we can access these findings from REPOA for free and at any time. I can as well say it was educative because we have seen how important it is to use evidence based information to influence policy makers. I can say to most of us this was very informative and timely

Communications online and through the media

Chabby Barasa, Head of Weekend Publications, Daily News and Sunday News, at the completion of media workshop for news editors

Talking to the media is a challenge that I fear less now. My main take-away from the training was keeping it simple and avoiding technical jargon. Research findings need to be translated and shared in the simplest a ppropriate manner so as to get the message across to the intended audience. At the same time, I need to and make sure I provide information that leads me to getting an opportunity to share my message rather than diverge from it.

Blandina Kilama. Repoa's researcher at the end of staff media training.





# **Publications**

Research reports, special papers and policy briefs are published by REPOA in both print and electronic formats as part of the dissemination of the institutions research findings. Nine research reports and special papers were published during the year, of which two were published as journal articles. In addition, nine project and policy briefs were published in 2012. Overall, 12,405 copies of publications were disseminated. Highlights in 2012 included the following papers:

Mpogole, H., & Kadigi, R. M. J. (2012). Round potato (Solanum tuberosum) profitability and implications for variety selections in the Southern Highlands of Tanzania. *Journal of Development and Agricultural Economics*, 4(9), 258-267.

### Available at

 $http://www.academia.edu/1967836/Round\_potato\_Solanum\_tuberosum\_production\_in\_southern\_highlands\_of\_Tanzania\_Are\_smallholder\_farmers\_becoming\_commercial$ 

Kweka, O. (2012). On whose interest is the state intervention in biofuel investment in Tanzania. *Cross-Cultural Communication*, 8(1), 80-85. DOI:10.3968/j.ccc.192367002012 0801.1132

Available at http://cscanada.net/index.php/ccc/article/view/2310/0

Osberg, L. & Bandara, A. (2012). Why poverty remains high in Tanzania: And what to do about it? REPOA Special Paper 12/3.

Available athttp://www.repoa.or.tz/documents/SP\_12-3.pdf

See Appendix 3 for a full list of publications in 2012. All publications can be downloaded at www.repoa.or.tz.

Kweka, O. (2012). On whose interest is the state intervention in biofuel investment in Tanzania. Cross-Cultural Communication, 8(1), 80-85. DOI:10.3968/j.ccc.19236702012 0801.1132

Available at http://cscanada.net/index.php/ccc/article/view/2310/0

Osberg, L. & Bandara, A. (2012). Why poverty remains high in Tanzania: And what to do about it? REPOA Special Paper 12/3.

Available athttp://www.repoa.or.tz/documents/SP\_12-3.pdf

See Appendix 3 for a full list of publications in 2012. All publications can be downloaded at www.repoa.or.tz.

# REPOA RESOURCE CENTRE Our Main Information Services e-Document delivery In-house DVD/video viewing Selective Dissemination of Information (SDI) Library catalogue search REPOA Resource Centre is tree and open to all members of the Public. Opening hours Monday to Friday 1000am 1:00pm 2:00pm - 5:00pm REPOA FOR DEVEL OPHERS WWW.repoa.or.tz

# **Resource Centre**

REPOA's resource centre provides a wide range of materials and services. The centre is free and open to all members of the public. The centre's extensive print and online resources focus on issues relevant to Tanzania's development. The centre's services include in-house video and DVD viewing, internet access, electronic document delivery, remote library catalogue search, access to REPOA's virtual library, word processing, photocopying and printing.

For more information please contact us at library@repoa.or.tz or repoa@repoa.or.tz

# Testimonials from satisfied users of REPOA's Resource Centre

The REPOA library is providing an excellent service to researchers and for academics at the university. Your library and the services it provides are an important resource for doing research in Dar es Salaam. Please keep up the good work.

-- Bruce Heilman, Senior Lecturer. University of Dar es Salaam

Taking a social protection course in first year, I did my examination in the last semester and passed well because your library was of great help, especially when we were doing research on poverty and social security issues.

-- Ahmed Mussa, Student. Institute of Finance Management (IFM)





# STRENGTHENING OF ORGANISATIONAL CAPACITY

The organisation's capacity to realise the objectives and outcomes of its 2010-2014 strategic plan was further strengthened this year through enhanced institutional governance, appropriate operational systems and skilled human resources. We also consolidated our results-based management and systems by developing an organisational policy on Monitoring and Evaluation.

REPOA undertook the mid-term review of the strategic plan to assess progress towards meeting the plan's objectives and to draw lessons for better effective implementation. In many respects the findings and recommendations of the Mid-Term Review are consistent with the new direction and repositioning of REPOA as a leading research institute

# Governance

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.

The higher administrative bodies, i.e., the Board and Technical Advisory Committee, continued to function well. The bodies provided strategic guidance on the programmes and strategies employed by the management to realise organisational outcomes. Meetings were held as scheduled. During the Board's 80th Special Meeting, held on 31 August 2012, Maj. Gen. (rtd) Prof. Yodan Kohi was elected to be the new Chairperson of the Board of Directors and Mr. Joseph Rugumyamheto to be the new Vice chairperson.



Maj. Gen. (rtd) Prof. Yodan Kohi, REPOA's new Chairperson of the Board of Directors.



Mr. Joseph Rugumyamhe,
REPOA's new Vice-chairperson of the
Board of Directors.

# Human Resources

In 2012, REPOA reviewed its scheme of service and incentive systems to strengthen its human resources generally, and attract and retain senior researchers particularly. This year, Dr. Flora Myamba was recruited as a researcher and Dr. Donald Mmari completed his PhD studies successfully and re-joined REPOA as a Senior Researcher and a Director of Research on Growth and Development.

### **Staff Profiles**

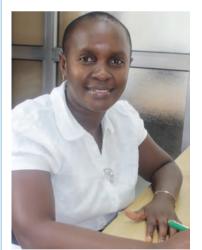
Dr. Donald Mmari

# Dr. Donald Mmari, Director of Research on Growth and Development

Donald Mmari's career at REPOA started in July 2001 when he was recruited as *Coordinator for Commissioned Research*, responsible for coordinating the design and implementation of the REPOA's commissioned studies. In 2008, with support from REPOA and the Dutch Government, he commenced a PhD programme focusing on development economics, institutions and market competitiveness at the International Institute of Social Studies of Erasmus University, Rotterdam, The Netherlands. He successfully completed his doctorate in 2012.

In 2009, while studying and working, Dr. Mmari was promoted to the position of **Director for Strategic Research**, responsible for coordinating the design and implementation of the institution's strategic research, a position he held until 2010. Dr. Mmari now holds the position of **Director of Research on Growth and Development**.

Dr. Mmari is well-versed in economic and social policy analysis, institutional development, policy formulation, corporate planning, strategic planning and policy research. He has led teams of professionals on various assignments commissioned by the Government of Tanzania, development partners, international organisations and business enterprises. He sits on several national policy review committees and is a member of the Board of Directors of the Tanzania Petroleum Development Corporation and the Presidential Trust Fund. His extensive knowledge and skill set are invaluable assets to REPOA.



Dr. Flora Myamba

# Dr. Flora Myamba, Director of Research in Social Protection

Dr. Flora Myamba earned her doctorate in sociology at Western Michigan University in April 2009. Her areas of expertise include applied social research, criminology and victimology with a special focus on programs and the rights of most vulnerable groups particularly women and girls. In addition to her research expertise and university-level teaching experience, Dr. Myamba worked as Program Director for a US-funded health program in Karatu, Arusha, where she was involved in a wide range of activities including research and management. She also brings to REPOA her experience working for the Netherlands Development Organisation (SNV) in advisory and capacity building roles, particularly the Tanzania Domestic Biogas Program (TDBP).



To extend her own professional development, Dr Myamba participated in the Virtual Leadership Development Program for Monitoring and Evaluation in 2010, a course funded and facilitated by the United States Agency for International Development. In January 2013, Dr Myamba was appointed to the position of **Director of Research in Social Protection** with the major responsibility of coordinating and supervising all activities under this core research theme. She commits to using the best-proven approaches for achieving real results in development and for serving the most marginalised and the poor.

# **Exchange Visits by Senior Researchers**

REPOA facilitated seven exchange visits by senior researchers during 2012:

- Prof. Maia Green from the University of Manchester for the Perceptions of Poverty and Opportunity in Tanzania research project.
- Prof. Marc Wuyts from the International Institute of Social Studies, Erasmus University Rotterdam, for the *Growth-Poverty* Nexus research project.
- Dr. Paula Tibandebage visited Open University UK for the *Ethics, Payments and Maternal Survival in Tanzania* project.

Successful collaboration

- Dr. Andrew Coulson from the University of Birmingham,
   England, visited REPOA to discuss the possibility of publishing a book on Learning from Experience: Agriculture and Rural Development in Tanzania.
- Prof. Maureen Mackintosh of the Open University of UK also visited for the *Ethics, Payments and Maternal Survival in Tanzania* project.
- Prof. Islam Rizwanul (former Special Adviser, Employment Sector, ILO Geneva) visited REPOA to develop a framework and research agenda for the employment research project. He also commenced the study, Quest for Inclusive Growth: Exploring the Nexus between Economic Growth, Employment and Poverty.
- Prof. Theodore Valentine from the United States is visiting REPOA for six months from November 2012 to work on employment and poverty issues.

# 6 FINANCIAL REPORT

The audit of financial statements for the year ending 31 December 2012 was conducted by Ernst & Young as appointed by REPOA Annual General Meeting in 2012. They issued a clean audit opinion as indicated on page 35 of the report.

### Income

During 2012, a total of TZS 6.4Bn/= was raised, representing an overall increase of 18% compared to previous year 2011. This came from two sources:

· Basket funding 63% 2011: 74%

· Other Sources 37% 2011: 26%

The increase in the basket funding by 6% is attributed by the introduction of the Embassy of Denmark, however the Embassy of Netherlands and DFID reduced contributions for two reasons; the Netherlands Embassy is gradually phasing out the financing due to change in the foreign policy to stop financing Tanzania and DFID paid the final committed amount to conclude the financing contract which ended in April 2012.

Other sources increased by 67% due to increase in the collaborative and commissioned projects and the income generated from the bank interest.

### **Expenditure**

Expenditure amounting to Tshs.5.7Bn/= was incurred during 2012. This amount is 15% higher than for 2011. This was spent as follows:

- Strategy 1 15% compared to 21% in 2011
- · Strategy 2 36% compared to 28% in 2011
- Strategy 3 13% compared to 11% in 2011
- Strategy 4 36% compared to 40% in 2011

The increase in the total expenditure for 2012 is attributed to increase in overall implementation in all activities.

An overall deficit of TZS 104M/= was recorded during the year compared to surplus of TZS 194M/= in 2011 for two reasons; the loss on exchange rate differences on transactions in 2012 and unspent funds from basket contributions amounting to TZS 1.4Bn remaining at the end of year 2012 which according to the policy are reduced from the income for the year.

### Assets:

The main changes in the statement of financial position compared to 2011 are as follows; an increase by 28% of cash and short term deposits in the bank, an increase by 98% of unpaid staff gratuity and an increase by 122% of the deferred income to recognise unspent funds received from the basket contributions as required by the policy. Note that 44% of the basket funds were received at the end of the year therefore carried over to finance activities in 2013.



# REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 DECEMBER 2012

### 1. INTRODUCTION

The Directors present their report together with the financial statements for the year ended 31 December 2012.

### 2. INCORPORATION

Research on Poverty Alleviation was incorporated in 1994 under the repealed Companies Ordinance CAP 212 as a company limited by guarantee and not having a share capital. The liability of the members is limited to the amount not exceeding TZS 2,000 each.

# 3. STATEMENT OF DIRECTORS RESPOSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS

The Companies Act 2002 requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company as at the end of the financial year and of the results of the company for that year. It also requires the directors to ensure that the company keeps proper accounting records, which disclose with reasonable accuracy at any time, the financial position of the company. They are also responsible for safeguarding the assets of the company.

The directors are responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards. This responsibility includes: designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, selecting and applying appropriate accounting policies, and making accounting estimates that are reasonable in the circumstances.

The directors accept responsibility for the annual financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgments and estimates, in conformity with International Financial Reporting Standards and in the manner required by the Companies Act 2002. The directors are of the opinion that the financial statements give a true and fair view of the state of the financial affairs of the company and of their operating results. The directors further accept responsibility for the maintenance of accounting records, which may be relied upon in the preparation of financial statements, as well as adequate systems of internal financial control. The Directors also confirm that the financial statements have been prepared on the going concern basis.

### 4. ACTIVITIES

Research on Poverty Alleviation (REPOA) is a not-for-profit research centered organisation.

### Vision

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

# Mission

To facilitate and undertake research, training and outreach. The overall objectives of REPOA are to:

- strengthen the capacity of the intellectual resource;
- undertake, facilitate and encourage strategic research; and

- facilitate and stimulate the utilisation of research findings. To achieve its objectives,
   REPOA employ four major strategies for through 'Strategic Plan 2010 2014', namely:
- Strategy I: Develop Research Capacity
- Strategy II: Facilitate and Undertake Strategic Research
- Strategic III: Facilitate and Stimulate the Utilisation of Research Findings
- Strategy IV: Enhance REPOA's Capacity to implement the Strategic Plan

# 5. ORGANISATION STRUCTURE

The Company reviewed its organisation structure for effective implementation of its activities. The new structure is designed to ensure activities are implemented by three main themes of the Strategic Plan (Economic Growth, Social Protection and Governance).

The Company is governed by Members and Board of Directors and the day to day management is entrusted to the Technical Advisory Committee and the Secretariat led by Executive Director.

The Executive Director is supported by the following departments:

- Economic Growth and Development
- Governance and Service Provision
- Social Protection
- Information and Communication Services
- Programmes and Support, Monitoring and Evaluation, and Learning
- Finance and Administration

# 6. EMPLOYEES WELFARE

The number of employees as at 31 December 2012 was 29 (31 December 2011: 35) During the year, two new researchers and two new support staff were recruited for various positions in the revised organisational structure and replacement of vacant positions. During the same period, ten staff departed for various reasons.

The relationship between employees and management continued to be good. The company provides employees with:

# (i) Training support

The company supports training to employees to address current and future skills requirements of the organisation.

### (ii) Medical treatment

The Company provides medical insurance to each employee together with their immediate family members.

# (iii) Loans and advances

The company provides financial facilitation to employees to enable them to meet emergency and pressing financial needs.

# (iv) Bonus scheme

The company pays a bonus to its employees to encourage good performance.





### 7. RISK MANAGEMENT AND INTERNAL CONTROLS

The Board accepts final responsibility for the risk management and internal control systems of the company.

The Board oversees the management of financial risks and establishes the appropriate financial risk governance framework for the company.

It is the task of the Board to ensure that adequate internal financial and operational control systems are developed and maintained on an ongoing basis in order to provide reasonable assurance regarding:

- The effectiveness and efficiency of operations;
- The safeguarding of the company's assets;
- Compliance with applicable laws and regulations;
- The reliability of accounting records;
- Business sustainability under normal as well as adverse conditions; and
- Responsible behavior towards all stakeholders.

The company has established an Accounting Procedures manual. The management has also drafted a Procurement and Asset Management manual that is pending Board approval.

The efficiency of any internal control system is dependent on the strict observance of prescribed measures. There is always a risk of non-compliance of such measures by staff. Whilst no system of internal control can provide absolute assurance against misstatement or losses, the internal control system is designed to provide the Board with reasonable assurance that the procedures in place are operating effectively.

The Board of Directors assessed the internal control systems throughout the financial year ended 31 December 2012 and is of the opinion that they met accepted criteria.

# 8. SUBSEQUENT EVENTS

There were no events that have occurred after the reporting period, that require adjustment to, or disclosure in these financial statements.

### 9. AUDITORS

The Auditors, Ernst & Young, were selected in the Annual General Meeting and have expressed their willingness to be re-appointed.

By order of the Board

Prof. Yadon Kohi Chairperson

Prof. Samuel Wangwe **Executive Director** 

3rd May 2013

3rd May 2013











# REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF RESEARCH ON POVERTY ALLEVIATION

We have audited the accompanying financial statements of the Research on Poverty Alleviation (REPOA), which comprise the Statement of financial position as at 31 December 2012, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes set out on pages 40 to 42.

### Directors' responsibility for the financial statements

The directors are responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards and for such internal controls as management determine is necessary to enable the preparation of financial statements that are free from misstatement, whether due to fraud or error.

### Auditors' responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we considered the internal controls relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that were appropriate in the circumstances, but not for the purpose of expressing an opinion on the entity's internal controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Opinion

In our opinion the accompanying financial statements presents fairly, in all material respects, the financial position of the company as at 31 December 2012, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards and the requirements of the Tanzanian Companies Act, 2002.

### Report on other legal requirements

As required by the Tanzanian Companies Act 2002, we report to you, based on our audit, that:

- i) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- ii) in our opinion proper books of account have been kept by the company, so far as appears from our examination of those books; and
- iii) the company's statement of financial position and statement of comprehensive income are in agreement with the books of account.

Ernst & Young
Certified Public Accountants
Dar es Salaam
Signed by: Joseph Sheffu
Partner

3rd May 2013





# STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2012

|  | (TZS)         | (TZS)          |
|--|---------------|----------------|
|  | 2012          | 2011           |
| Income   |               |                |
| Revenue grants received:   |               |                |
| - Basket fund contributions  | 3,267,766,728 | 3,511,998,685  |
| - Other donors   | 2,237,058,839 | 1,411,340,595  |
| - Other income   | 114,327,162   | 16,590,126     |
|  | 5,619,152,729 | 4,939,929,406  |
|  |               |                |
| Expenditure  |               |                |
| Strategy 1: To Develop Adequate Research Capacity                            | 864,155,548   | 1,017, 796,605 |
| Strategy 2: To Facilitate and Undertake Strategic Research                   | 2,023,898,339 | 1,384,646,819  |
| Strategy 3: To Facilitate and Stimulate the Utilisation of Research Findings | 725,401,128   | 528,264,442    |
| Strategy 4: To Enhance REPOA's Capacity to Implement the Strategic Plan      | 2,059,677,960 | 1,985,701,656  |
|  | 5,673,132,975 | 4,916,409,521  |
|  |               |                |
| SURPLUS FOR THE YEAR   | (53,980,246)  | 23,519,885     |
|  |               |                |
| Other comprehensive income   |               |                |
| Exchange differences on transactions   | (50,442,989)  | 171,107,706    |
|  |               |                |
| TOTAL COMPREHENSIVE INCOME   | (104,423,235) | 194,627,591    |

The financial statements were approved for issue by the Board of Directors and were signed on its behalf by:

Prof. Yadon Kohi Chairperson

Date: 3rd May 2013

Prof. Samuel Wangwe Executive Director

Date: 3rd May 2013

# STATEMENT OF FINANCIAL POSITION FOR THE YEAR ENDED 31 DECEMBER 2012

|                               |       | (TZS)         | (TZS)         |
|-------------------------------|-------|---------------|---------------|
|                               | Notes | 2012          | 2011          |
| A                             | 15    |               |               |
| Assets Property and equipment | 15    | 1,180,076,695 | 1,275,263,878 |
| Property and equipment        |       | 1,180,070,095 | 1,275,265,676 |
| Current assets                |       |               |               |
| Cash and short-term deposits  | 13    | 3,864,954,418 | 3,008,313,397 |
| Prepayments                   | 14    | 161,930,408   | 44,889,599    |
|                               |       | 4,026,884,826 | 3,053,202,996 |
| TOTAL ASSETS                  |       | 5,206,961,521 | 4,328,466,874 |
|                               |       |               |               |
| Equity                        |       |               |               |
| Capital grants                | 16    | 168,000,000   | 180,000,000   |
| Endowment fund                | 17    | 1,412,534,292 | 1,464,745,910 |
| General reserve               | 18    | 663,788,202   | 715,999,820   |
| Accumulated fund              | 19    | 1,100,782,810 | 1,100,782,810 |
|                               |       | 3,345,105,304 | 3,461,528,540 |
| Liabilities                   |       |               |               |
| Current liabilities           |       |               |               |
| Trade and other payables      | 20    | 495,422,213   | 250,757,149   |
| Deferred income               | 21    | 1,366,434,004 | 616,181,185   |
|                               |       | 1,861,856,217 | 866,938,334   |
|                               |       |               |               |
| TOTAL EQUITY & LIABILITIES    |       | 5,206,961,521 | 4,328,466,874 |

The financial statements were approved for issue by the Board of Directors and were signed on its behalf by:

Prof. Yadon Kohi Chairperson

Date: 3rd May 2013

Prof. Samuel Wangwe Executive Director

Date: 3rd May 2013



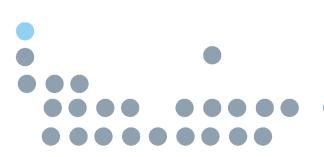




# STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2012

(TZS)

|                         | Capital<br>Grant | Endowment<br>fund | General<br>Reserves | Revaluation reserves | Accumulated funds | Total         |
|-------------------------|------------------|-------------------|---------------------|----------------------|-------------------|---------------|
| D. I.                   |                  |                   |                     |                      |                   |               |
| Balance as at           | 400 000 000      | 4 404 745 040     | 745 000 000         |                      | 4 400 700 040     | 0.404.500.540 |
| 1.1.2012                | 180,000,000      | 1,464,745,910     | 715,999,820         | -                    | 1,100,782,810     | 3,461,528,540 |
| Total comprehensive     |                  |                   |                     |                      |                   | ,             |
| income                  | -                | -                 | -                   | -                    | (104,423,235)     | (104,423,235) |
| Amortisation during     |                  |                   |                     |                      |                   |               |
| the year                | (12,000,000)     | -                 | -                   | -                    | -                 | (12,000,000)  |
| Transfer to             |                  |                   |                     |                      |                   |               |
| Endowment Funds         | -                | (52,211,618)      | -                   | -                    | 52,211,618        | -             |
| Transfer to General     |                  |                   |                     |                      |                   |               |
| Reserves                | -                | -                 | (52,211,618)        | -                    | 52,211,618        | -             |
| Balance as at           |                  |                   |                     |                      |                   |               |
| 31.12.2012              | 168,000,000      | 1,412,534,292     | 663,788,202         | -                    | 1,100,782,810     | 3,345,105,304 |
|                         |                  |                   |                     |                      |                   |               |
| Balance as at 1.1.2011  | 192,000,000      | 1,367,432,114     | 618,686,025         | 9,500,000            | 1,100,782,810     | 3,278,900,949 |
| Depreciation transfer   | -                | -                 | -                   | (9,500,000)          |                   | -             |
| Total comprehensive inc | ome -            | -                 | -                   | -                    | 194,627,591       | 194,627,591   |
| Amortisation during     |                  |                   |                     |                      |                   |               |
| the year                | (12,000,000)     | -                 | -                   | -                    | -                 | (12,000,000)  |
| Transfer to             |                  |                   |                     |                      |                   |               |
| Endowment Fund          |                  | 97,313,796        | -                   |                      | (97,313,796)      | -             |
| Transfer to General     |                  |                   |                     |                      |                   |               |
| Reserves                |                  | -                 | 97,313,795          |                      | (97,313,796)      | _             |
| Balance as at           |                  |                   |                     |                      |                   |               |
| 31.12.2011              | 180,000,000      | 1,464,745,910     | 715,999,820         | -                    | 1,100,782,810     | 3,461,528,540 |





# CASHFLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2012

| Cashflow from operating activities  Surplus for the year (53,980,246) 23,519,885  Non cash adjustments: |
|---|
| Surplus for the year (53,980,246) 23,519,885  |
|   |
|   |
| Non cash adjustments:   |
| Non cash adjustments:   |
|   |
| - Depreciation 151,160,530 147,016,865  |
| - Amortisation of capital grants (12,000,000) (12,000,000)  |
| <b>85,180,284</b> 158,536,750   |
| Working capital adjustments:  |
| (Increase)/decrease in prepayments (117,040,809) 15,641,099   |
| (Decrease)/increase in trade and other payables 244,665,063 (88,634,106)                                |
| Increase/(Decrease) in deferred income 750,252,819 480,691,145  |
|   |
| Net cashflows from operating activities 963,057,357 534,952,690   |
|   |
| Cashflow from investing activities  |
|   |
| Purchase of property and equipment (55,973,347) (67,309,503)  |
| Cash proceeds from sale of assets   |
| Net cashflows on investing activities (55,973,347) (67,309,503)   |
|   |
| Net change in cash and cash equivalent 907,084,010 467,643,187  |
| Exchange difference on transactions (50,442,989) 171,107,706  |
| Cash and cash equivalents at 1 January 3,008,313,397 2,369,562,504                                      |
|   |
| Cash and cash equivalents at 31 December 3,864,954,418 3,008,313,397                                    |





## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2012

#### 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-profit) 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 generating activities to supplement charitable donations.

The company has signed a Memorandum of Understanding (MOU) and funding commitment from Embassy of the Kingdom of the Netherlands, Department for International Development (DFID) and Embassy of Sweden 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 recognised 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 recognised 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 recognised 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 recognised:

#### Sale of goods

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

#### Rendering of services

Income is recognised 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 equi | pment 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 recognised in profit or loss, in which case the increase is recognised 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 asset and the net amount is restated to the revalued amount of the asset. Upon disposal any revaluation reserve relating to the particular asset being sold is transferred retained earnings.

An item of equipment is derecognised 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 derecognised.

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 amortisation and accumulated impairment losses, if any. Intangible assets are amortised over the useful economic life.

Gains or losses arising from derecognition of an intangible assets are measured as the diference between net disposal proceeds and the carrying amount of the asset and are recognised in the income statement when asset is derecognised.

Intangible assets costing less than USD 20,000 are expensed as incurred.





#### d) Impairment of non-financial 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 recognised for the difference between the recoverable amount and the carrying amount.

#### e) Provisions

Provisions are recognised when the company has a present legal or constructive obligation as 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 e change 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 transactions. 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 organisation 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 cannot 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 generating activities as follows:

#### **Endowment fund**

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

#### **General reserves**

50% of surplus or deficit that arose from income generating 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.

#### 3. CHANGES IN ACCOUNTING POLICIES

The accounting policies adopted are consistent with those of the previous financial year, except for the following new and amended IFRS and IFRIC interpretations effective as of 1 January 2012:

- IAS 12 Income Taxes (Amendment) Deferred Taxes: Recovery of Underlying Assets.
   Effective implementation date is for annual periods beginning on or after 1 January 2012
- IFRS 1 First-Time Adoption of International Financial Reporting Standards (Amendment)
   Severe Hyperinflation and Removal of Fixed Dates for First-Time Adopters. Effective implementation date is for annual periods beginning on or after 1 July 2011 with early adoption permitted.
- IFRS 7 Financial Instruments: Disclosures Enhanced Derecognition Disclosure Requirements. Effective implementation date is for annual periods beginning on or after 1 July 2011 with no comparative requirements.

The adoption of these revised standards and interpretations did not have any material effect on the financial performance or position of the company.

#### 4. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the end of the reporting period. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including experience of future events that are believed to be reasonable under the circumstances.

#### Equipment

Critical estimates are made by directors in determining the useful lives and residual values to equipment based on the intended use of the assets and the economic lives of those assets. Subsequent changes in circumstances such as technological advances or prospective utilisation of the assets concerned could result in the actual useful lives or residual values differing from initial estimates.





#### 5. STANDARDS ISSUED BUT NOT YET EFFECTIVE

Standards issued but not yet effective up to the date of issuance of the company's financial statements are listed below. This listing of standards and interpretations issued are those that the company reasonably expects tave an impact on disclosures, financial position or performance when applied at a future date. The company intends to adopt these standards when they become effective.

### IAS 1 Financial Statement Presentation – Presentation of Items of Other Comprehensive Income

The amendment becomes effective for annual periods beginning on or after 1 July 2012. IAS 19 Employee Benefits (Amendment)

The amendment becomes effective for annual periods beginning on or after 1 January 2013. IAS 28 Investments in Associates and Joint Ventures (as revised in 2011)

The amendment becomes effective for annual periods beginning on or after 1 January 2013.

IAS 32 Offsetting Financial Assets and Financial Liabilities — Amendments to IAS 32

The amendments become effective for annual periods beginning on or after 1 January 2014.

IFRS 9 Financial Instruments: Classification and Measurement

The standard becomes effective for annual periods beginning on or after 1 January 2013. IFRS 10 Consolidated Financial Statements, IAS 27 Separate Financial Statements

The amendment becomes effective for annual periods beginning on or after 1 January 2013. IFRS 11 Joint Arrangements

This standard becomes effective for annual periods beginning on or after 1 January 2013. IFRS 12 Disclosure of Involvement with Other Entities

This standard becomes effective for annual periods beginning on or after 1 January 2013. **IFRS 13 Fair Value Measurement** 

This standard becomes effective for annual periods beginning on or after 1 January 2013. **Annual Improvements May 2012** 

These improvements will not have an impact on the Company, but include:

#### IAS 1 Presentation of Financial Statements

This improvement clarifies the difference between voluntary additional comparative information and the minimum required comparative information. Generally, the minimum required comparative information is the previous period.

#### IAS 16 Property Plant and Equipment

This improvement clarifies that major spare parts and servicing equipment that meet the definition of property, plant and equipment are not inventory.

#### IAS 32 Financial Instruments, Presentation

This improvement clarifies that income taxes arising from distributions to equity holders are accounted for in accordance with IAS 12 Income Taxes.

These improvements are effective for annual periods beginning on or after 1 January 2013.



#### APPENDIX 1:

# LIST OF RESEARCH PROJECTS APPROVED FOR FUNDING UNDER OPEN COMPETITVE SYSTEM, JANUARY-DECEMBER 2012

- Rural-urban migrants' contribution to rural poverty reduction: A case study of Mbeya and Rungwe Districts, Tanzania by Cosmas Hassan Sokoni.
- 2. Trends in sector growth poverty and inequality in Tanzania since the 1990s by Dr. Godius Kahyarara.
- 3. Impacts of microfinance on livelihoods and environmental conservation in biodiversity-rich areas of Tanzania: The case of Uluguru Mountains by Nicholaus Musimu Kuboja.
- 4. Assessment of the impact of baobab fruit tree in livelihood promotion in Dodoma Region (Kongwa and Manyoni districts) by Bernadeta Minja and Victor George.
- 5. Community participation in the governance of the public health system in Tanzania: What works, how and in what context? by Stephen Maluka.
- Community perspectives on the effectiveness of Ikona Wildlife Management Area in contributing to local livelihoods in Western Serengeti, Tanzania by Enock Makupa and Alex Wilbard Kisingo.
- 7. Effect of increasing land pressure on the contribution of communal land productivity and poverty alleviation in Bukoba District by Amos Mwijage.
- 8. The role of labour laws in reducing poverty and promoting economic growth in the Economic Development Zones in Dar es Salaam by Jaba Shadrack & Victor Rugumamu.
- Heifer-in-Trust Schemes' contribution to small holder famers' well-being in diverse agro-ecological and cultural environments of Njombe and Shinyanga Regions by Msangya Lameck Msangya.
- 10. Enhancing knowledge sharing among agricultural stakeholders for improved agricultural productivity in Tanzania by Andrew Msungu.
- 11. Determinants of productivity growth in textiles and garment manufacturing firms in Tanzania: An econometric approach by Edwin P. Mhede.
- 12. Efficiency and sustainability of saving and credit cooperatives in Tanzania: Empirical evidence from semi-parametric analysis by Nyamkono Wambura Marwa.
- 13. Analysis of the potential for payment for watershed services and livelihoods improvement in Pangani River Basin, Tanzania by Makarius Lalika.
- 14. Price transmission and integration of maize domestic market: A case study of Tanzania by Anasia G. Maleko.





#### APPENDIX 2:

#### PAPERS PRESENTED DURING THE 17TH ANNUAL RESEARCH WORKSHOP 2012

- 1. Rural transformation in Tanzania by Prof. Haidari Amani and Elizabeth Mkumbo.
- Making the informal labour market work for the poor: Insights from the daladalas in Dar es Salaam by Dr. Matteo Rizzo (SOAS).
- 3. Natural resource management for transformation: The case of the mining sector in Botswana by Dr. Keith Jefferis. Econsult. Botswana.
- \*Agroeconomic factors limiting groundnut production. A case of smallholder farming in Tabora region by Katundu Mangasini.
- Industrialization for socio-economic transformation in Tanzania by Dr. Yoshiyasu Mizuno and Edwin Paul Mhede.
- 6. The public-private interface in public service reforms: Illustrative evidence from the health sector by Dr. Paula Tibandebage (REPOA), Prof. M. Macintosh (Open University, UK), and Dr. Tausi Kida (ESRF).
- 7. Foreign direct investment's (FDIs) roles in economic transformation for poverty reduction: What does it take in a Tanzanian-type economy by Dr. Honest Ngowi.
- 8. Education and farm productivity in rural Tanzania by Lucas Katera.
- 9. Competitiveness of smallholders in bifurcated coffee markets by Donald Mmari.
- \*Conducting research with children: Capturing voices of orphaned children heading households in Tanzania by Helen Kijo-Bisimba.
- \*Child protection and child social protection: Issues and practice in the Tanzania experience by Moses Mnzava.
- 12. \*We can't change things": A study on public attitudes to local governance in Njombe, Ludewa and Makete by Frank Kaduma, BenTaylor and Kapongola Nganyanyuka.
- 13. Governance of the capitation grant in primary schools: From civic engagement and school autonomy perspectives by Kenny Manara and Stephen Mwombela.
- 14. \*Enforcement in informal groups: The role of indirect punishments on repayment behaviour within the financial self-help groups in Tanzania by Emmanuel Maliti.
- 15. Improving the contribution of agricultural research to economic growth: Policy implications of a scoping study in Tanzania by Andrew Coulson and Bitrina Diyamett.



<sup>\*</sup>Research Projects Funded under the open competitive system.

# APPENDIX 3: PAPERS PUBLISHED BY REPOA IN 2012

#### **Research Papers**

- The growth of micro and small, cluster-based furniture manufacturing firms and their implications for poverty reduction in Tanzania by Edwin Paul Maede REPOA Research Report 12-1.
- 2. The effect of boards on the performance of microfinance institutions: Evidence from Tanzania and Kenya by Neema Mori and Donath Olomi. REPOA Research Report 12-2.
- 3. The instrumental versus the symbolic: Investigating members' participation in civil society networks in Tanzania by Kenny Manara. REPOA Research Report 12-3
- 4. Factors affecting participation in a civil society network (Nangonet) in Ngara district by Raphael N.L. Mome. REPOA Research Report 12-4.

#### **Special Papers**

- The governance of the capitation grant in primary education in Tanzania: Why civic engagement and school autonomy matter by Kenny Manara and Stephen Mwombela. REPOA Special Paper 12-1.
- The instrumental versus the symbolic: Investigating members' participation in civil society networks in Tanzania by Kenny Manara. REPOA Special Paper 12-2.
- Why poverty remains high in Tanzania: And what to do about it? by Lars Osberg and Amarakoon Bandara. REPOA Special Paper 12-3.

#### **Project Briefs**

- 4. Creating space for child participation in local governance in Tanzania: Save the Children and Children's Councils by Meda Couzens and Koshuma Mtengeti. REPOA Brief No. 27.
- 5. Growth of micro and small, cluster-based furniture- manufacturing firms and their implications for poverty reduction in Tanzania by Edwin Paul Mhede. REPOA Brief No. 28.
- 6. Using Annual Performance Reports to manage public resources in Tanzania by Stephen Mwombela. REPOA Brief No. 29.
- 7. Competitiveness of Tanzanian coffee growers amid bifurcated coffee markets by Donald Mmari. REPOA Brief No. 30.
- 8. The instrumental versus the symbolic: Investigating members' participation in civil society networks in Tanzania by Kenny Manara. REPOA Brief No. 31.
- Supporting Tanzania's cocoa farmers by Z. Kanyeka, A. Nyomora and A. Ndunguru. REPOA Brief No. 32.
- Biofuel investment in Tanzania: Awareness and participation of the local communities by Opportuna Kweka. REPOA Brief No. 33.
- Affordability and expenditure patterns for electricity and kerosene in urban households in Tanzania by Raymond Mnenwa & Emmanuel Maliti. REPOA Brief No. 34.
- 12. Understanding rural transformation in Tanzania by Maia Green. REPOA Brief No. 35.





| NOTES |  |
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#### REPOA

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