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SERA POLICY PROJECT YEAR 5 QUARTER 3 REPORT

TANZANIA ENABLING POLICY ENVIRONMENT FOR AGRICULTURAL SECTOR GROWTH

APRIL 1, 2016 – JUNE 30, 2016

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SERA POLICY PROJECT

YEAR 5 QUARTER 3 REPORT

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

Implemented by Booz Allen Hamilton

DISCLAIMER

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

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ABBREVIATIONS AND ACRONYMS

ANSAF	Agriculture Non-State Actors Forum
ASPIRE	USDA Specialty Crops Research Initiative
BOT	Bank of Tanzania
CI	Custom Indicator
COP	Chief of Party
COR	Contracting Officer's Representative
DAEA	Department of Agricultural Economics and Agribusiness
DFSN	Department of Food Security and Nutrition
DPP	Department of Policy and Planning
ENGINE	Enabling Growth through Investment and Enterprise
ERS	Economic Research Service
FBC	Food Basket Cost
FBM	Food Basket Methodology
FtF	Feed the Future
GOT	Government of the United Republic of Tanzania
HEA	Household Economic Approach
iAGRI	USAID Feed the Future Research and Education Project
IFC	International Finance Corporation
IR	Intermediate Result
MAFC	Ministry of Agriculture, Food Security and Cooperatives
MALF	Ministry of Agriculture, Livestock and Fisheries
MIU	Market Intelligence Unit
MLND	Maize Lethal Necrosis Disease
MLHHSD	Ministry of Lands, Housing and Human Settlements Development
MSME	Micro, small and medium enterprise
MSU	Michigan State University
NA	Not applicable
NAFAKA	USAID Feed the Future Staples Value Chain Project
NFRA	National Food Reserve Agency
NFSD	National Food Security Department
PAC	Policy Action Committee
PAG	Policy Agricultural Group
PAPAC	Platform for Agricultural Policy Analysis and Coordination
PDB	President's Delivery Bureau
PRU	Policy Research Unit
RCT	Rice Council of Tanzania
RGOZ	Revolutionary Government of Zanzibar

SAGCOT	Southern Agricultural Growth Corridor of Tanzania
SERA	USAID Feed the Future Policy Project
SME	Small and medium-sized enterprise
STTA	Short term technical assistance
SUA	Sokoine University
TASTA	Tanzania Seed Trade Association
TBD	To be determined
TIC	Tanzania Investment Centre
TNS	Taylor Nelson Sofres
USAID	United States Agency for International Development
USDA	United States Department of Agriculture
USG	United States Government
WB	World Bank
ZFSND	Zanzibar Food Security and Nutrition Department

EXECUTIVE SUMMARY

The Tanzania SERA Policy Project (SERA) of the United States Agency for International Development (USAID) Feed the Future (FtF) Initiative is implemented by Booz Allen Hamilton. The SERA Project is focused on improving the policy environment for agriculture, and developing individual and institutional capacity to undertake policy analysis and advocate effectively for policy reforms. SERA began in April 2011, and completed the fourth full year of operation on September 30, 2015. This Quarterly Report, Quarter 3 (Q3) of Project Year 5 (Y5), covers the period from April 1, 2016 to June 30, 2016. The SERA Project's period of performance was originally set to end on April 6, 2016, however, a request for a no-cost extension was approved by USAID that extended the period of performance through August 30, 2016.

The following tasks were completed in Q3:

- Presentation of the Close-Out Plan to USAID on April 18.
- Presentation of the Business Environment Study to stakeholders on April 20, and completion of the Policy Brief (Annex 1).
- Completion of a Policy Brief on Policy Options for Food Security, Economic Growth and Poverty Alleviation (Annex 2).
- Completion of the Rice Market Efficiency Study (Annex 3).
- Completion of a report on the impact of the Global Food Crisis, in collaboration with the United States Department of Agriculture (USDA), that was accepted for publication in a forthcoming book on Food Security (Annex 4).
- Presentation of the draft Maize Gender Study, undertaken in collaboration with the World Bank (WB)/International Finance Corporation (IFC), at a workshop on May 23, and finalization of the report (Annex 5).
- Completion of the report on the Transparent Rules-Based System for Emergency Food Imports (Annex 6).
- Completion of a training on a Healthy Food Basket to the staff of the Department of Food Security and Nutrition in Zanzibar (Annex 7). The training was conducted by Nancy Cochrane of the Economic Research Service (ERS) in collaboration with SERA staff and a nutrition expert.
- SERA project worked with the USAID ASPIRE Project to deliver training to over 40 participants from the Government of Tanzania (GOT) and the Revolutionary Government of Zanzibar (RGOZ) on the use of STATA statistical software.
- SERA concluded its support to the Tanzania Seed Trade Association (TASTA) by hosting a one-day stakeholder workshop on June 3, 2016 in Arusha. 68 participants from the public and private sectors attended the workshop to discuss issues related to access to public bred varieties and the impact of the Maize Lethal Necrosis Disease (Annex 8).
- Completed a training on website design, development, and maintenance for key SERA beneficiaries (Annex 9).

Delays were encountered in these activities:

- The SERA Project had planned to support the Bank of Tanzania (BOT) to reform the Secured Transactions Laws and implement a Collateral Registry, but that activity was postponed by the BOT because of internal delays. No further SERA support is planned.
- The data for the Maize Gender Study was found to be incomplete and returned to Taylor Nelson Sofres (TNS) consultants on May 6 for revision and data checking. Revised data was received on June 24.

INTRODUCTION

The Tanzania SERA Policy Project assists both the Government of the United Republic of Tanzania and the private sector to enable a broad-based, sustainable transformation of the agricultural sector through policy reform. The vision for this project is twofold: to improve the policy and regulatory environment for agricultural growth and to build a group of public sector institutions, advocacy organizations, and individuals capable of performing rigorous policy analysis and advocating for policy reform. Improving agricultural policies is accomplished by working with the GOT and other stakeholders to identify important policy constraints to growth in the agricultural sector and by helping to alleviate these constraints through policy and regulatory reforms.

The SERA Project conducts and commissions evidence-based policy research to inform the GOT and other stakeholders of the impacts of existing policies and the potential benefits of improved policies. In addition, the SERA Project develops the capacity of individuals, institutions, and organizations to engage in policy analysis and advocate for policy change. At the conclusion of the project, we expect USAID will leave behind an improved policy environment and a legacy of enabling the GOT and other stakeholders to initiate, develop, and utilize evidence-based research in policy decisions and implementation. The SERA Project focuses its activities around priorities identified in collaboration with the Southern Agricultural Growth Corridor of Tanzania initiative.

OVERVIEW

The SERA Policy Project has three primary components: Policy Research and Reform, Capacity Building, and Advocacy and Communications. Other important activity areas include collaboration, leadership, monitoring and evaluation.

Policy Research and Reform

The SERA Project's approach to policy reform is to provide evidence-based research on important policy issues to inform GOT and other stakeholders on policy impacts and options. This has proven to be an effective method of encouraging policy debate and achieving policy reforms.

Capacity Building

The SERA Project is engaged in both institutional and individual capacity building in support of policy reform. This includes institutional evaluations and support for strategic planning as well as

formal training for GOT staff. Support to individuals includes financial assistance for research on important policy issues and training for selected individuals.

Advocacy and Communications

The approach to advocacy and communication is to provide information and disseminate research findings rather than to publicly advocate for policy reform. This is consistent with our approach to policy reform which is focused on GOT counterparts for policy reform rather than grass roots organizations or other stakeholders.

IMPLEMENTATION PROGRESS

COMPONENT I: POLICY RESEARCH AND REFORM

The SERA Project undertakes analysis and research on important policy issues in an effort to provide evidence-based analysis of policy impacts and provide policy options to government. Some of this research is conducted by SERA staff, and some is contracted to consultants. In all cases, high standards are sought. Increasingly, the SERA team is invited to join policy discussions at an early stage to provide input on important policy issues and this has become an effective way to influence policies in the early development stages.

1. Intermediate Result 2: Binding Constraints to Private Sector Investment Reduced

The SERA Project works to expand markets through improved trade policies, improved market performance, and increased access to credit. Trade policy is an important component of economic policy and the economic environment. The SERA Project has previously focused on two important trade policy issues: the requirement of the Ministry of Agriculture, Food Security and Cooperatives (MAFC) / Ministry of Agriculture, Livestock and Fisheries (MALF) that traders obtain export and import permits from the GOT before undertaking trade, and the ad hoc approach of the GOT to emergency food imports that can disrupt markets and are vulnerable to rent seeking. Both of these efforts are on-going. The SERA Project is also conducting research on the performance of the maize and rice markets, and the impact of gender on maize marketing and production to provide a deeper understanding of these issues and provide support for policy reform recommendations. The proposal for a Transparent Rules-Based System for Emergency Food Imports, first proposed by SERA to the GOT in 2012, has gained strong support within the Government and is the main policy activity of SERA to Expand Markets and Trade during the remainder of the project. This effort will be combined with activities that support the proposed Market Intelligence Unit (MIU) in the Ministry of Agriculture, Livestock and Fisheries.

Improved credit to smallholders and small and medium-sized enterprises (SME) has been a SERA priority since inception, but the BOT informed the SERA Project that it cannot adhere to the agreed timetable and no further support is planned. The activity will be transitioned to other development partners.

A. Transparent and Rules-Based Import/Export Permit Policy

In Year 4, the SERA Project presented a series of recommendations in the Policy Options for Food Security, Agricultural Growth and Poverty Alleviation (Policy Options Paper) for the establishment of a Transparent Rules-Based System for Emergency Food Imports. The final report was completed in Q3 and will be presented to stakeholders in Q4. This activity will transition to Platform for Agricultural Policy Analysis and Coordination (PAPAC).

Policy Action Status:

- Stage 2: Stakeholder consultation/public debate.
SERA Project proposed recommendations for eliminating the permit systems in the Policy Options Paper presented to GOT at a workshop in February 2014. Since then, there has not been any progress in the status of the export permit policy. No further action has been requested or initiated by the GOT.

Tasks completed in Q3 of Y5:

- Completed the report on a Transparent Rules-Based System for Emergency Food Imports.
- Designed a Transparent Rules-Based System for Emergency Food Imports in preparation for training of the proposed Market Intelligence Unit in the MALF.

Tasks planned for Q4 of Y5:

- Stakeholders' workshop on proposed Transparent Rules-Based System for Emergency Food Imports.
- Draft and implement training on the application of the Transparent Rules-Based System for Emergency Food Imports.

Milestones:

- Transparent Rules-Based System for Emergency Food Imports presented to GOT and other stakeholders (Q4).
- Implementation plan and capacity building action plan created (Q4).
- Capacity building provided (Q4).

Resources:

- SERA Policy Analyst
- SERA Senior Agriculture Policy Advisor
- SERA Senior Advisor
- Short term technical assistance (STTA) Economist Varun Kshirsagar.

Key Partners: Michigan State University (MSU), MALF.

Contribute to:

- Intermediate Result (IR) 4.5.1-24 Number of agricultural and nutritional enabling environment policies completing the following process/steps of development as a result of United States Government (USG) assistance in each case: 1: Analysis -- 2: Stakeholder consultation/public debate -- 3: Drafting or revision -- 4: Approval (legislative or regulatory) -- 5: Full and effective implementation.
- Custom Indicator (CI) 4.1.1 Number of research outputs.

B. Credit to Smallholders and SMEs /Collateral Registry

Credit is essential to investments and delivering credit to small- and medium-scale enterprises and small farmers has been a challenge in Tanzania because of the lack of a legal framework governing lending for movable assets. Land cannot generally be used as collateral because all land is owned by the government. Moveable assets have not been used as collateral in Tanzania due to the weak legal structure and undeveloped registry to record liens against such assets. The SERA Project has worked to improve this situation by supporting the Bank of Tanzania to adopt and implement a modern secured transactions/collateral registry. The SERA Project collaborated with the World Bank on this important activity, with the World Bank providing financial support for the necessary computer equipment and software, and SERA providing policy support. Unfortunately, this activity cannot be completed due to internal delays at the Bank of Tanzania and the activity will be transitioned to the USAID-funded ENGINE Project.

Policy Action Status:

- Stage 1: Analysis.

The target policy action for Year 5 is *Stage 4, Approval (legislative or regulatory)*. In Year 3, SERA Project reported delays in attaining targets for this activity and the same delays remained in Year 4. Lack of progress on the draft, presentation, and adoption of the legislations has a direct impact on meeting *IR 4.5.2-30 Number of micro, small and medium enterprises (MSME) including farmers, receiving USG assistance to access loans*.

Tasks completed in Q3 of Y5: None.

Tasks planned for Q4 of Y5:

- Draft and submit transition letter to BOT.
- Submit deliverables to World Bank and local partners for activity transition.

Milestones:

- Legislation finalized (Q2).
- Stakeholder events held in support of the Legislation (Q2).
- Legislation presented in Parliament (Q3).

Resources:

- SERA Senior Agriculture Policy Advisor
- SERA Senior Advisor
- SERA Communications and Capacity Building Specialist
- STTA Legal Expert Dale Furnish
- M&N Law Associates (Advocates).

Key Partners: BOT, WB, MSU, Agriculture Non-State Actors Forum (ANSAF).

Contribute to:

- IR 4.5.1-24 Number of agricultural and nutritional enabling environment policies completing the following process/steps of development as a result of USG assistance in each case: 1: Analysis -- 2: Stakeholder consultation/public debate -- 3: Drafting or revision -- 4: Approval (legislative or regulatory) -- 5: Full and effective implementation.
- IR 4.5.2-30 Number of MSMEs, including farmers, receiving USG assistance to access loans.

C. Improving Performance of Maize and Rice Market Prices

The SERA Project's research on maize and rice markets efficiency is comprised of two components. The first looked at the domestic and external drivers of maize prices and the report was completed in 2014. That study resulted in a Policy Brief that was disseminated in December 2014 at the 1st Annual Agricultural Policy Conference in Tanzania, and a research paper that was presented at the International Conference of Agricultural Economists in Milan, Italy in August 2015. The paper has been submitted for publication to the World Bank's Research journal. The second component of the study looks at the domestic and external drivers of rice prices using the same methodology as the maize study. The rice study was completed in Q3 and a Policy Brief will be prepared.

Policy Action Status:

- Stage 2: Stakeholder consultation/public debate.

Tasks completed in Q3 of Y5:

- Completed the study of domestic and external drivers of rice prices (Annex 3).

Tasks planned for Q4 of Y5:

- Complete Policy Brief.

Milestones:

- Research results presented to stakeholders (Q3).

Resources:

- SERA Policy Analyst
- SERA Senior Advisor
- STTA Economist Varun Kshirsagar.

Key Partners: Not applicable (NA).

Contribute to:

- IR 4.5.1-24 Number of agricultural and nutritional enabling environment policies completing the following process/steps of development as a result of USG assistance in each case: 1: Analysis -- 2: Stakeholder consultation/public debate -- 3: Drafting or revision -- 4: Approval (legislative or regulatory) -- 5: Full and effective implementation.
- CI 4.1.1 Number of research outputs.

2. Intermediate Result 2.2: Agricultural Productivity and Profitability Increased in Targeted Value Chains

An enabling environment is essential to a competitive agricultural sector led by the private-sector. The SERA Project completed numerous activities designed to improve the enabling environment, including reviewing food security policies, reviewing operations of the National Food Reserve Agency (NFRA), improving land policies, and improving the business environment and incentives. The reviews of food security policies and the NFRA are complete, the analysis of the agricultural business environment and incentives is complete, and the study of land compensation and valuation is complete and has been disseminated to stakeholders. No further activities are planned.

A. Food Security

The SERA Project worked with the GOT to develop a more comprehensive food security policy, and presented a workshop in Y4 on Policy Options for Food Security, Agricultural Growth and Poverty Alleviation. This Policy Options Paper concluded our research efforts to provide mainland Tanzania with options for a more comprehensive food security policy. A Policy Brief on the Policy Options paper was completed in Q3 (Annex 2). The policy recommendations presented to GOT are discussed further under ***Component II: Individual and Institutional Capacity Building.***

B. Agriculture Business Environment Study – Support Concluded

The business environment facing agriculture in Tanzania is poor and largely accounts for the low level of foreign direct investment in the sector. Several studies have identified factors contributing to the poor business environment and they include: an unreliable and costly power supply, poor infrastructure, lengthy and uncertain procedures for foreign investors to acquire land, and high taxes and operating costs. In response to requests from GOT, the SERA Project began a study of the business environment for Tanzanian agriculture and a comparison with those of Mozambique and Zambia. This study was conducted in collaboration with the staff from MALF, Southern Agricultural Growth Corridor of Tanzania (SAGCOT), President's Delivery Bureau (PDB), and Tanzania Investment Centre (TIC). A workshop to stakeholders and a Policy Brief were completed in Q3 (Annex 1).

Policy Action Status:

- Stage 2: Stakeholder consultation/public debate.

Tasks completed in Q3 of Y5:

- Completed the report on the agriculture business environment in Tanzania.
- Disseminated final report to key stakeholders.
- Completed a Policy Brief.
- Presented report and Policy Brief to collaborators at workshop on April 20, 2016.

Tasks planned for Q4 of Y5: None

Milestones:

- Field research completed (Q1).
- Draft report delivered (Q2).
- Final report delivered (Q3).
- Policy Brief Completed (Q3).

Resources:

- SERA Research Associate
- SERA Senior Agriculture Policy Advisor
- SERA Senior Advisor.

Key Partners: SAGCOT, MALF Department of Policy and Planning (DPP), PDB, TIC.

Contribute to:

- IR 4.5.1-24 Number of agricultural and nutritional enabling environment policies completing the following process/steps of development as a result of USG assistance in each case: 1: Analysis -- 2: Stakeholder consultation/public debate -- 3: Drafting or revision -- 4: Approval (legislative or regulatory) -- 5: Full and effective implementation.

- CI 4.1.1 Number of research outputs.

C. Land Policy – Support Concluded

Land policy is very controversial in Tanzania amid concerns that investors will grab land and displace those with informal or insecure land rights. The SERA Project was invited by the Minister of Lands, Housing and Human Settlements Development (MLHSD) to undertake a study on Compensation and Benefits Sharing approaches used in the region. The study was completed and presented to MLHSD for comments. SERA Project has received no further communication from the MLHSD or follow-up from the Commissioner of Lands. No further activities are planned.

Policy Action Status:

- Stage 2: Stakeholder consultation/public debate.

Contribute to:

- IR 4.5.1-24 Number of agricultural and nutritional enabling environment policies completing the following process/steps of development as a result of USG assistance in each case: 1: Analysis -- 2: Stakeholder consultation/public debate -- 3: Drafting or revision -- 4: Approval (legislative or regulatory) -- 5: Full and effective implementation.
- CI 4.1.1 Number of research outputs.

D. Food Demand

The SERA Project began research on food demand in Year 4 and will complete the research in Year 5. This study will contribute to a better understanding of the current situation and future trends in food and nutritional demand. The information will in turn be useful in directing resources, such as extension services and marketing, into the rapidly growing segments of food demand and also in guiding government and other stakeholder's interventions in promoting nutritional security in the country. Such information is essential to evidence-based policy decisions and strategic planning. The study uses data from the most recent household budget survey, and an academic expert was identified to provide guidance on the methodology and interpretation of the results. Expected outcomes of the study include:

- Estimates of price, income, and expenditure elasticities for different food groups,
- Estimates of nutrient demand,
- Comparisons of food demand patterns between rural and urban households,
- Identification of socio-economic characteristics that affect consumer food demand.

Policy Action Status: Stage 1: Analysis.

Tasks completed in Q3 of Y5:

- Completed initial estimation of food demand.
- STTA Economist, Professor Chen Zhen, traveled to Tanzania to complete the Food Demand Study.

Tasks planned for Q4 of Y5:

- Complete the final estimation of food demand and include a nutrition analysis component.
- Complete the Policy Brief.

Milestones:

- Draft initial report (Q4).
- Complete and publish final report (Q4).

Resources:

- SERA Senior Advisor
- SERA Senior Agricultural Policy Advisor
- SERA Research Associate
- STTA Economist, Professor Chen Zhen.

Key Partners: iAGRI, MSU.

Contribute to:

- IR 4.5.1-24 Number of agricultural and nutritional enabling environment policies completing the following process/steps of development as a result of USG assistance in each case: 1: Analysis -- 2: Stakeholder consultation/public debate -- 3: Drafting or revision -- 4: Approval (legislative or regulatory) -- 5: Full and effective implementation.
- CI 4.1.1 Number of research outputs.

COMPONENT II: INDIVIDUAL AND INSTITUTIONAL CAPACITY BUILDING

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

The SERA Project continues to focus its support on public sector institutions, providing institutional and individual capacity building to support the implementation of policy reforms. Public sector support in Year 4 was extended to include institutional training with the MAFC/MALF Department of Policy and Planning. Policy research activities have expanded opportunities to provide capacity building to individuals representing various GOT institutions through the development of local policy research teams. In addition, SERA Project provided strategic support to the Tanzania Agricultural Seed Traders Association and the Rice Council of Tanzania (RCT).

A. Ministry of Agriculture, Livestock and Fisheries, National Food Security Department

SERA Project continued to work with the USDA's Economic Research Service to support the adoption of the Food Basket Methodology (FBM) by the MAFC/MALF National Food Security Department (NFSD). The focus of activities was on the development and implementation of a Food Basket pilot program that would help ensure stakeholder ownership and long-term sustainability.

The Department of Policy and Planning in MAFC/MALF expressed strong interest in the FBM and the implementation of recommendations from the Policy Options Paper. This led to the DPP submitting a proposal for a feasibility study for a Market Intelligence Unit, and training by SERA of the PAPAC unit on the FBM.

i. Food Basket Methodology – NFSD

SERA Project and ERS of the USDA have provided support to the MAFC National Food Security Department for the development of a pilot activity that would provide insights on the feasibility of integrating Household Economy Analysis (HEA) data and retail prices collected at the district level in measuring food access using Food Basket Methodology. USDA ERS returned to Tanzania in February to work intensively with three of the NFSD staff to begin the desk study. NFSD participants gathered monthly prices for 2014 and 2015 for 12 monitored crops from four districts: Bahi District of Dodoma, Kilosa District of Morogoro, Masasi District of Mtwara and Longido District of Arusha.

SERA Project provided continuous technical assistance throughout March to the MALF NFSD team. The team analyzed market prices from the four districts for 2014 and 2015, and for January and February 2016 where available. The team also continued to work on using HEA to estimate monthly income for the pilot districts during the reference years. In April, the team of seven staff started to calculate food basket costs (FBC) and measure access to food in the four pilot districts using retail prices collected by the MALF, and calories and income obtained from HEA.

In May 2016, the pilot team from the DFS participated in field visits to two selected zones: Northern Maasai Pastoral (Longido District) and Mtwara- Lindi plateau (Masasi District). Longido represent pastoral society and Mtwara represent agricultural society. The objective of the field visits was to introduce FBM in the regions and districts, improve data used in the FBM, and streamline FBM in the District Councils. The methodology was well received at the regional and district levels. The next step will be to conduct the food security stakeholder’s workshop and discuss findings of the pilot study. This activity will take place under the direction of USDA. Q3 ends SERA capacity building activities on the FBM to the DFS.

Related Policy Action Status:

- Stage 2: Stakeholder consultation/public debate.
The target policy status for Year 5 is *Stage 5: Full and effective implementation*. This activity remains in Stage 2.

Tasks completed in Q3 of Y5:

- Completed field visit for the pilot activity.

Tasks planned for Q4 of Y5:

- Transition activity to USDA.

Milestones:

- Pilot activity completed (Q3).

Resources:

- SERA Chief of Party
- SERA Senior Agricultural Policy Advisor
- SERA Communications and Capacity Building Specialist
- SERA Policy Analyst.

Key Partners: MALF Department of Food Security, USDA ERS.

Contribute to:

- IR 4.5.1-24 Number of agricultural and nutritional enabling environment policies completing the following process/steps of development as a result of USG assistance in each case: 1: Analysis -- 2: Stakeholder consultation/public debate -- 3: Drafting or revision -- 4: Approval (legislative or regulatory) -- 5: Full and effective implementation.
- IR 4.5.2-7 Number of individuals who have received USG supported short-term agricultural sector productivity or food security training.
- CI 4.2.1. Number of institutions receiving USG assistance.

B. Ministry of Agriculture, Livestock and Fisheries, Department of Policy and Planning**i. Market Intelligence Unit**

In Q4 of Year 4, the DPP requested support for a feasibility study on the creation of a Market Intelligence Unit. Diligent Consulting is leading this study, and in Q3 the team began to conduct interviews with stakeholders at the national and sub-national levels, including both public and private sector entities. Interviews were completed and the team developed a report outline covering five chapters:

1. Introduction: historical background, current agricultural MIS structure and functions, objective of the report, and methodology;
2. Situation Analysis of agricultural marketing information system in Tanzania;
3. Rationale and objectives of establishing an agricultural MIU;
4. Proposed establishment of MIU at MALF: introduction, mission, functions, institutionalization of price data collection in the existing agencies, organizational structure and staffing, capacity needs, legal framework, financing arrangement, expected outputs, and expected risks and challenges;
5. Pros and cons of an independent agency v/s the MAFS housed version;
6. Work plan for period 2016/2017 – 2017 and estimated budget for 2016/2017 – 2017.

The draft report will be delivered in Q4 to key stakeholders, followed by a stakeholder workshop.

Related Policy Action Status: NA.

Tasks completed in Q3 of Y5:

- Completed kick off meeting with Diligent Consulting, SERA, and David Nyange.
- Completed interviews with stakeholders.
- Completed draft report.

Tasks planned for Q4 of Y5:

- Present draft report to key stakeholders.
- Hold stakeholder workshop.
- Transition activity to ENGINE Project.

Milestones:

- Study drafted (Q3, revised).
- Study presented to stakeholders (Q4, revised).

Resources:

- Diligent Consulting

- SERA Chief of Party (COP)
- SERA Senior Agricultural Policy Advisor.

Key Partners: MAFC, MSU, PAPAC.

Contributes to:

- IR 4.5.1-24 Number of agricultural and nutritional enabling environment policies completing the following processes/steps of development as a result of USG assistance in each case: State 1, Analysis; State 2, Stakeholder consultation/public debate; Stage 3, Drafting or revision; Stage 4, Approval (legislative or regulatory); Stage 5, Full and effective implementation.
- IR 4.5.2-7 Number of individuals who have received USG support short-term agricultural sector productivity of food security training.
- CI 4.2.1. Number of institutions receiving USG assistance.

ii. STATA Training

The SERA Project and ASPIRE Project sponsored a training on the use of STATA statistical software. STATA was selected as it is a commonly used statistical software package among researchers and policy analysts for data management, manipulation and statistical analysis, and is also used by the GOT and RGOZ. This training improved policy analysis capacities in the GOT, specifically, in MALF-PAPAC and Zanzibar Food Security and Nutrition Department (ZFSND). The objective of this activity was to provide participants with the skills and ability to use STATA statistical software packages for data management, data manipulation and statistical analysis. ASPIRE provided the training materials and a lead trainer for the first session. SERA provided training assistants for the first session. The training assistants were selected from local training institutions, IFM and REPOA, to develop local training capacity. The training assistants led the second training. The training was provided to a total of 40 participants from eight institutions over two training sessions. 33% of the participants were women.

Related Policy Action Status: NA.

Tasks completed in Q3 of Y5:

- Delivered STATA Training to 40 participants from GOT and RGOZ agencies.

Tasks planned for Q4 of Y5:

- Purchase STATA licenses (Q4).

Resources:

- SERA Communications and Capacity Building Specialist
- SERA Policy Analyst
- SERA Research Associate.

Key Partners: ASPIRE, IFM, and REPOA.

Contribute to:

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

C. Strategic Support – Advocacy Organizations

Private sector organizations that are key stakeholders in policy reform activities are evaluated for strategic capacity building support in Year 5. Organizations identified for potential support include:

- **TASTA.** In Year 5, SERA continued to provide support to TASTA for stakeholder engagement and public-private sector dialogue with the GOT. SERA Project supported a one-day stakeholder workshop on March 11, 2016 in Arusha with 68 participants from the public and private sectors. The agenda included updates on public access to government seeds and issues related to seed packaging taxation. Also discussed was Maize Lethal Necrosis Disease (MLND), and mitigation efforts. A workshop summary is provided in Annex 8.
- **Rice Council of Tanzania.** The SERA Project continued to provide personnel support for policy analysis in Year 5. It is anticipated that the personnel support will be picked up as a direct cost under RCT at the conclusion of SERA Project.
- **Website Management Training.** The SERA Project organized a training to provide basic skills on website management to key public sector and private sector institutions. The purpose of this scope of work is to build capacity of public and private sector staff on website design, content management, and maintenance for effective food security information communication and dissemination. The training covered, but were not limited to, an overview of Joomla content management system, introduction to Content Management System, and article, menu and media management. Ten participants from the PAPAC, ZDFSN, RCT, and TASTA took part in the training. A training report is in Annex 9.

Related Policy Action Status: NA.

Tasks completed in Q3 of Y5:

- Provided support for TASTA stakeholders' workshop.
- Continued support for RCT Policy Analyst.
- Supported preparation and delivery of website training course.

Tasks planned for Q4 of Y5:

- Complete Website training.

Milestones: NA.

Resources:

- SERA Communications and Capacity Building Specialist
- SERA Senior Agricultural Policy Advisor.

Key Partners: TASTA, RCT.

Contribute to:

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

D. Sokoine University (SUA)

Collaboration with iAGRI ended at the end of Q2. No further work is planned on the two activities listed below.

i. Policy Seminar Series - *Support Concluded*

SERA, iAGRI, and Michigan State University jointly sponsored a Policy Seminar Series for faculty and students at Sokoine University to encourage agricultural policy research. The second Policy Seminar Series began in Year 4 where the topical research focused on land. Four papers were developed and reviewed for comments. iAGRI will continue to implement this activity.

ii. Policy Research Unit – *Support Concluded*

SERA Project and iAGRI have worked together to support the development of a Policy Research Unit (PRU) in the Department of Agricultural Economics and Agribusiness (DAEA) at Sokoine University. The vision is for the PRU to conduct demand driven evidence-based policy analysis for internal and external clients. MSU has joined this collaboration. Discussion resulted in agreement that a feasibility study should be conducted to ensure institutional readiness and demand for services.

COMPONENT III: ADVOCACY AND COMMUNICATIONS

The SERA Project focuses on communication activities that support the policy research agenda and targets public sector institutions. The primary communication instruments are the SERA Project website, policy briefs, and public events such as conferences and stakeholder workshops.

A. SERA Website

The website is the main communications tool for SERA, making available evidence-based research and other key policy information. In Year 5, SERA will begin to transition information and research to local partners.

Related Policy Action Status: NA.

Tasks completed in Q3 of Y5:

- Updated content and monitor usage.

Tasks planned for Q4 of Y5:

- Transition information to local partners.

Milestones: NA.

Resources:

- SERA Communications and Capacity Building Specialist.

Key Partners: OMIS.

Contribute to:

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

B. Policy Briefs and Policy Research Briefs

Policy Briefs and Policy Research Briefs summarize specific research and policy recommendations on key issues affecting the agriculture sector. They are meant to inform decision makers and stakeholders.

Related Policy Action Status: NA.

Policy Briefs completed in Q3 of Y5:

- Food Basket Costs and Food Security.
- Policy Options for Food Security, Agricultural Growth and Poverty Reduction.
- Agriculture Business Environment and Incentives.

Policy Briefs planned for Q4 of Y5:

- Gender in Maize Marketing and Production.
- Transparent Rules-Based System for Emergency Food Imports.
- Food Demand in Tanzania.
- Drivers of Rice Prices.

Milestones:

- Policy Options for Food Security, Agricultural Growth and Poverty Reduction (Q3).
- Agriculture Business Environment and Incentives (Q3).
- Gender in Maize Marketing and Production (Q4 *revised*).
- Drivers of Rice Prices (Q4 *revised*).
- Transparent Rules-Based System for Emergency Food Imports (Q4 *revised*).
- Demand for Food (Q4).

Resources:

- SERA Communications and Capacity Building Specialist
- SERA Policy Analyst
- SERA Senior Advisor.

Key Partners: iAGRI, MSU.

Contribute to:

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

C. Policy Conferences and Workshops – Support Concluded

The 2nd Annual Agricultural Policy Conference was held February 23-25 at the Serena Hotel in Dar es Salaam. Members of the SERA Project played key roles in the planning and execution of this conference. SERA Project chaired the conference communications committee and provided logistical and administrative support to the event. In addition, SERA Project was active in the technical program of the event. SERA Policy Project participation included:

- Presentations by Senior Advisor, Don Mitchell, on:
 - Updated Policy Options for Food Security
 - Agriculture Business Environment Study
 - Land Compensation Schemes and Valuation Models (study done by Landesa).
- Presentation by STTA Professor Dale Furnish on Secured Transactions/Collateral Registry.
- Session chaired by Senior Agricultural Policy Advisor, Alex Mkindi, on Agricultural Inputs.

Related Policy Action Status: NA.

Tasks completed in Q3 of Y5:

- The Policy Agricultural Group (PAG)/Policy Action Committee (PAC) meeting planned for Q3 has been postponed to Q4. It is unlikely SERA project will participate.

Tasks planned for Q4 of Y5: None.

Milestones: NA.

Resources:

- SERA Staff
- SERA Senior Advisor.

Key Partners: PAPAC, MSU.

Contribute to:

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

D. Success Stories

In Q3, success stories were drafted and outlined for the remaining time of the contract.

Related Policy Action Status: NA.

Tasks completed in Q3 of Y5:

- Drafted Evidence-based research to support policy: Lifting the maize export ban.
- Drafted FBM – Zanzibar: Design and implementation of the food basket methodology, including healthy food basket design.
- Drafted the RCT story.
- Drafted the Annual Agricultural Policy Conference story.

Tasks planned for Q4 of Y5:

- Finalize Evidence-based research to support policy: Lifting the maize export ban.
- Finalize FBM – Zanzibar: Design and implementation of the food basket methodology, including healthy food basket design.
- Finalize RCT story.
- Finalize Annual Agricultural Policy Conference story.
- Draft and finalize Rice (Trade Policy) – Transparent Rules-Based System for Emergency Food Imports.
- Draft and finalize FBM – Mainland: Design and implementation of a food basket methodology into the food security early warning system.
- Draft and finalize TASTA story.

Milestones:

- Evidence-based research to support policy: Lifting the maize export ban (Q3).
- FBM – Zanzibar: Design and implementation of the food basket methodology, including healthy food basket design (Q3).
- FBM – Mainland: Design and implementation of a food basket methodology into the food security early warning system (Q4).
- Annual Agricultural Policy Conference (Q4).
- Rice – Transparent Rules-Based System for Emergency Food Imports, and the creation of the MIU to support further sustained engagement (Q4).

- The RCT Story (Q4).

Resources:

- SERA Staff
- SERA Senior Advisor.

Key Partners: MSU, PAPAC, RCT.

Contribute to:

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

ACTIVITIES IMPLEMENTED IN ZANZIBAR

1. Intermediate Result 2.1 Binding Constraints to Private Sector Investment

A. Zanzibar Department of Food Security and Nutrition – *Support Concluded*

The SERA Project and the USDA’s Economic Research Service are working with the Zanzibar Department of Food Security and Nutrition (DFSN) to support the application of the Food Basket Methodology in the Zanzibar Food Security early warning system. The development of the Food Basket Methodology and training of DFSN staff were completed in Y4, and the DFSN will use the FBM in quarterly presentation of early warning information to the Food Security and Nutrition Committee. In February, USDA ERS met with the DFSN and finalized the composition of the healthy and nutritious food basket. Capacity building and training on the application of the healthy and nutritious food basket was completed for eight members of the DFSN. In March the DFSN began to work with the calculations.

In May 2016, a Nutrition expert from USDA ERS delivered capacity building to 12 staff of the DFSN on basic nutrition concepts related to FBM. The training was successful and improved the staff’s nutrition knowledge, especially those who did not have the nutrition background. The FBM expert also introduced a tool (optifood) which could be used by the DFSN to analyze a healthy food basket; the tool is expected to enable broader analysis of the basket. Currently the DFSN and FBM experts are working on the feasibility of using existing survey data in optifood.

Policy Action Status: NA.

Tasks completed in Q3 of Y5:

- Training for DFSN on the application of the healthy and nutritious food basket.
- Finalize Zanzibar healthy and nutritious food basket.

Tasks planned for Q4 of Y5: None.

Key Partners: USDA ERS

Contribute to:

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

PROJECT MANAGEMENT AND PERFORMANCE

1. Management

In Q3, SERA project submitted the Draft Close-Out Plan to USAID for review. On April 19, SERA COP and Senior Advisor met with USAID Contracts Office and Contracting Officer's Representative (COR) to review the draft Close-Out Plan and discuss any issues or concerns regarding the close-out process. Of note, is the extended leave of the COR starting April 20 through the end of July. An acting COR was designated.

SERA Project initiated the retrenchment process for all local staff. Working with local attorneys, SERA project received approval from USAID for retrenchment packages consistent with Tanzanian Local Labour Law. Notices were sent to subcontractors Aysla Consultants Ltd and Diligent Consulting Ltd.

In June, the COP began a reduced work schedule, which will be maintained through the remainder of the life of the project.

PROBLEMS / CHALLENGES

The change in national government continued to cause delays in SERA implementation. The Ministry of Agricultural, Food Security and Cooperatives merged with the Ministry of Livestock and Fisheries. The appointment of new leadership and directors resulted in the delay in the start of the Market Intelligence Unit activity.

CROSS-CUTTING ISSUES

1. Gender

Gender is an important cross cutting issue and the SERA Project is undertaking research to better understand women maize farmers' input use, yields, and price received compared to male maize farmers.

A. Gender in Maize Marketing and Production

Gender is an important cross cutting issue and the SERA Project, in collaboration with the World Bank and the International Finance Corporation, supported research to better understand female maize farmers' input use, yields, and price received compared to male maize farmers. This activity helped to identify key causes of differences in yields and policy constraints for women farmers, and provided policy recommendations to reduce these differences.

Policy Action Status: NA.

Tasks completed in Q3 of Y5:

- Completed draft report.
- Completed final report.

Tasks planned for Q4 of Y5

- Complete Policy Brief.

Milestones:

- Field research completed (Q1).
- Report drafted (Q2).
- Final report delivered to stakeholders (Q3).

Resources:

- SERA Senior Advisor
- SERA Senior Agricultural Policy Advisor
- TNS Social Research Division.

Key Partners: World Bank, Diligent Consulting.

Contribute to:

- IR 4.5.1-24 Number of agricultural and nutritional enabling environment policies completing the following process/steps of development as a result of USG assistance in each case: 1: Analysis -- 2: Stakeholder consultation/public debate -- 3: Drafting or revision -- 4: Approval (legislative or regulatory) -- 5: Full and effective implementation.
- CI 4.1.1 Number of research outputs.

B. Gender representation in SERA activities.

SERA Project training activities track the inclusion of women in policy analysis, advocacy, and dialogue. In Q3, women represented 33% of all training participants.

SERA Project staff gender representation is 50% women and 50% men.

2. Poverty

Tanzania has made significant progress in reducing poverty in recent years, with rural poverty declining by 15% from 2007 to 2011 according to the National Bureau of Statistics. However, poverty remains high and an estimated 80% of the poor live in rural areas and depend directly or indirectly on the agricultural sector for their livelihoods. The SERA Policy Project has focused on improving agricultural policies through evidence-based research and policy reform that contributes to reducing poverty. An example of the contribution of the SERA Project's research on policy was the Government's decision to lift the maize export ban in 2012 based on SERA policy research. That policy reform provides farmers greater access to foreign markets and the opportunity to receive higher prices for their marketed maize. It also provides greater employment opportunities for labor in rural areas to support expanded exports. The SERA Project has also been actively involved in improving access to high quality inputs that can raise productivity and reduce costs. Since an estimated 80% of Tanzanian farmers produce maize, the impact of improved access to markets and high quality inputs directly contributes to alleviating poverty.

3. Climate Change

Climate change is a serious concern for Tanzania because it could lead to increased variability in production and lower crop yields. One way to reduce the reliance on climate is to better utilize

water resources and that should remain a long-term strategy. However, policies can also be used to offset the impacts of climate change and should be utilized as a low-cost approach to dealing with the impacts of climate change. The SERA Project research on Drivers of Maize Prices showed that open border policies reduce maize price variability and can help alleviate the impact of increased production variability on prices due to climate change. Other research presented by SERA Project showed that Tanzania could also face improved export opportunities as neighboring countries increase food crop imports to offset lower and more variable production, and more open trade policies would allow Tanzania to take advantage of these expanded export opportunities.

SERA Project’s work with the Revolutionary Government of Zanzibar on the potential to increase irrigated paddy areas on Zanzibar also contribute to work on Climate Change. The work was part of an effort to develop a strategy to reduce reliance on rain-fed rice due to concerns over climate change. The analysis also considered technologies that could raise irrigated paddy yield and better utilize limited ground water supplies.

FINANCIAL SUMMARY

QUARTERLY REPORT	SERA YEAR 5 - QTR 3				
	Apr-16	May-16	Jun-16	Quarter Total	Contract Cumulative
Reimbursable Costs	\$219,751	\$155,839	\$155,182	\$530,771	\$6,983,384
Fee	\$17,357	\$12,464	\$12,484	\$42,305	\$560,054
Reimbursable Costs plus Fixed Fee	\$237,108	\$168,302	\$167,666	\$573,076	\$7,543,438
Contract Cumulative	\$7,207,470	\$7,375,772	\$7,543,438		

PERFORMANCE MANAGEMENT PLAN

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

Indicator		Baseline	Y5 Target	Q1 Actual	Q2 Actual	Q3 Actual	Q4 NA	Y5 Total	LIFE OF CONTRACT TARGET
IR 4.5.2-7. Number of individuals who have received USG supported short-term agricultural sector productivity or food security training (RiA) (WOG).	New	0	80	0	NA	NA			1,700
	Continue	0	100	0	NA	NA			
	Male	0	60	2	12	42		56	
	Female	0	30	0	9	8		17	
IR 4.5.2-36 Value of exports of targeted agricultural commodities as a result of USG assistance (\$).	Maize	\$20,820,000	\$34,990,000	NA	NA	NA		0	\$56,749,200
	Rice	\$37,050,000	\$38,500,000	NA	NA	NA		0	NA
IR 4.5.2-30 Number of MSMEs, including farmers, receiving USG assistance to access loans (\$).	Medium	0	0	0	0	0		0	2,400
	Small	0	0	0	0	0		0	350
	Micro	0	0	0	0	0		0	250
IR 4.5.1-24 Number of agricultural and nutritional enabling environment policies completing the following process/steps of development as a result of USG assistance in each case (\$):	NA								
	• Stage 1: Analysis	0	1	0	0	0		0	2
	• Stage 2: Stakeholder consultation/public debate;	0	0	0	4	3		4	3
	• Stage 3: Drafting or revision;	0	1	0	0	0		0	3
	• Stage 4: Approval (legislative or regulatory).	0	0	0	0	0		0	0
	• Stage 5: Full and effective implementation.	0	0	0	0	0		0	6

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

Indicator	Baseline	Y5 Target	Q1 Actual	Q2 Actual	Q3 Actual	Q4 NA	Y5 Total	LIFE OF CONTRACT TARGET
1.1.1 Volume of improved seed available in domestic market	26,545 tons	5,000 tons	NA	NA	NA		NA	36,000 tons
4.1.1. Number of research output	0	4	0	0	1		1	7
4.1.2 Total number of SERA mentions in the press and social media	0	5	0	0	0		0	40
4.1.3 Number of hits/visits to the SERA website	0	1,800	734*	210	800		1,744	9,000
4.2.1 Number of institutions receiving USG assistance	0	4	2	10	11		23	15

*Google Analytics is used to track this indicator. Tracking began on 2 December 2014.

ANNEXES

Annex 1. Policy Brief - Business Environment and Incentives for Tanzanian Agriculture

Please see attachment *SERA Year 5, Quarterly Report 3, Annex 1.*



Annex 2. Policy Brief – Policy Options for Food Security, Agricultural Growth, and Poverty Reduction in Tanzania

Please see attachment *SERA Year 5, Quarterly Report 3, Annex 2.*

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The U.S. Government's Global Hunger & Food Security Initiative

April 2016, Policy Brief No. 5

SERA Policy Brief

*Policy Options for Food Security, Agricultural Growth,
and Poverty Reduction in Tanzania **

Annex 3. Summary - Rice Market Efficiency Study

Please see attachment *SERA Year 5, Quarterly Report 3, Annex 3.*

The Cross-Border Transmission of Price Shocks Evidence from Tanzanian Food Markets*

John Baffes[†] Varun Kshirsagar[‡] Donald Mitchell[§]

May 22, 2016

Abstract

We estimate external and domestic food market linkages in Tanzania to better understand the cross-border transmission of shocks. We employ a market-network approach to show that i) The largest city is not a major source of influence; ii) Demand shocks emanate from border markets that may serve as conduits for informal trade and iii) Prices in the high potential areas are especially sensitive to systemic shocks. Taken together, our analysis suggests that an interventionist trade policy is not an alternative to remedying the inefficiencies that stem from inadequate rural infrastructure.

Annex 4. Report – Impact of Global Food Crisis

Please see attachment *SERA Year 5, Quarterly Report 3, Annex 4*.

Food Costs during the Food Crisis: The Case of Tanzania

by Donald Mitchell, Aneth Kayombo, and Nancy Cochrane¹

June 12, 2016

The global food crisis of 2007-2008 led to social and political unrest in many countries, including food riots in some, and contributed to the uprising in the Middle East that toppled several governments. Food prices rose in many countries and the FAO estimated that global hunger rose by 75 million (FAO 2009). Ivanic and Martin (2008) estimated that global poverty could have increased by 105 million during the global food crisis based on their assumed rates of international price transmission to domestic markets and an extrapolation of their results from ten low-income countries to all low-income countries. Wodon and Zaman (2008) used a similar approach to consider the impact of the global food crisis on the poor in Sub-Saharan African countries and concluded that the poor would have been significantly affected by the food price increases associated with the global food crisis. These estimates focused primarily on staple food crops that are heavily traded in global markets. Using a different approach, the Gallup World Poll of self-assessed food insecurity found that Sub-Saharan Africa was hardest hit and that Tanzania topped the list as having the largest increase in self-assessed food insecurity (Headey 2013). But, how were domestic food costs and food prices actually affected? We consider the case of Tanzania and examine the actual cost of the typical food basket and key

Annex 5. Report - Maize Gender Study

Please see attachment *SERA Year 5, Quarterly Report 3, Annex 5*.

Gender Effects on Agricultural Productivity, Marketing and Incomes: Evidence from Maize Farmers in Southern Tanzania

SERA Policy Project and World Bank/International Finance Corporation¹
June 30, 2016

Maize is grown by an estimated 80% of farmers in Tanzania and about 20% of those farmers are in female-headed households. Most of these females were widowed or divorced and are disadvantaged compared to male-headed households with respect to knowledge of production practices, land holdings, use of improved inputs, yields, and prices received for marketed maize. Better understanding of these female maize farmers and their characteristics and endowments could help Government, NGOs, and donors provide better services such as extension, access to inputs, and information on marketing and business practices with the objective of raising incomes and reducing poverty. Higher incomes would also contribute to increased food security among this vulnerable segment of the rural population.

The USAID-funded Tanzania SERA Policy Project and the Finance & Markets Global Practice of the World Bank Group engaged TNS Social Research in Nairobi, Kenya to survey 600 male and 600 female maize farmers in four regions of southern Tanzania's maize producing regions. The results of that survey are presented in this report along with recommendations of how to better support female maize farmers. The findings may have implications for female farmers producing other crops in Tanzania who face similar circumstances and for female farmers throughout the region.

Baffes (2009) reported the existence of a large productivity gap between male and female cotton farmers in Uganda, thus highlighting the importance of gender in understanding productivity. Baffes

Annex 6. Report – Rules-Based Transparent System for Emergency Food Imports

Please see attachment *SERA Year 5, Quarterly Report 3, Annex 6*.

Rules-Based Transparent System for Emergency Food Imports

Tanzania SERA Policy Project¹

June 30, 2016

Tanzania imports large quantities of basic food staples such as palm oil, rice, sugar, and wheat and occasionally has large imports of maize. While imports are needed to meet local demand, they often disrupt domestic markets when quantities imported exceed market requirements or when large imports are authorized by the Government but not anticipated by the private sector. This can lead to price volatility and increased risks for producers, traders, and stockholders. A more transparent and predictable staple foods import policy could encourage increased development of the staple food crops sectors, provide additional tariff revenue to Government, and reduce market uncertainty. It would also reduce the need for ad hoc policy decisions that can lead to regional trade disputes, and provide a more stable market environment for the commodity exchange that is currently being developed.

One of the challenges of implementing an effective staple foods import policy is the difficulty of controlling illegal imports that enter Tanzania from neighbouring countries and through major Tanzanian sea ports. They are illegal in the sense that they don't have import permits as required, and they don't pay the import tariff. The magnitude of these illegal imports is unknown, but they

Annex 7. Training Report - Healthy Food Basket Training in Zanzibar

TRAINING REPORT Healthy Food Basket 8-11 May 2016, Zanzibar

by Josephat Kanyunyu, Communication and Capacity Building Specialist, SERA Project

Following the February 2016 training, the Zanzibar Department of Food Security and Nutrition adjusted the Zanzibar food basket in a way that satisfied most nutritional requirements, but it was still deficient in a few key nutrients, such as calcium. The participants requested a training to cover some general nutritional concepts. They also requested assistance in building a linear programming model that can automatically generate a low-cost healthy diet.

Training on Nutritional Concepts

To address the general nutritional concepts, a nutrition expert from USAID's Bureau of Global Health was invited to provide the training. The training covered the following:

- How do nutrition and agriculture link to improve nutrition outcomes?
 - Malnutrition is closely linked to major causes of death and disability worldwide
 - The causes of malnutrition are directly related to inadequate dietary intake
 - Improve nutrition around the lifecycle
 - Improve nutrition through improved food production.
- Programmatic approaches to address malnutrition: the United States Women, Infants and Children (WIC) Program
 - Population served
 - Nutrition assessment
 - Supplemental food packages.
 - Breastfeeding promotion, and nutrition education
- Monitoring and evaluation of maternal and child nutrition
 - Overview
 - Understanding nutrition indicators
 - Anthropometric measures
 - Identify nutrition interventions.

Linear programming model for generating a low-cost healthy diet.

To address the second request, participants were introduced to Optifood program, a software program that uses linear programming and mathematical optimization to generate and test diets (i.e. the lowest cost, nutritionally best diet) for specific population.

It is possible to use Optifood to analyse diets at the household-level and determine nutritionally optimal food baskets.

Annex 8. Meeting Report – TASTA Workshop, Arusha, 3 June 2016

MEETING REPORT Access to Public Bred Varieties and Impact of MLND 3 June 2016, Arusha by Alex Mkindi, Senior Agricultural Policy Advisor

The workshop was organized by Tanzania Seed Trade Association (TASTA) while funding for the workshop came from USAID under its SERA project and AGRA under its MIRA project. The workshop brought together key players in the Seed Industry as well as other stakeholders in agricultural value chain, and was attended by 78 participants representing different categories like Ministry of Agriculture Livestock and Fisheries (MALF), TASTA, seed companies, other input suppliers, research institutions, regulatory bodies, extension services, farmers, and the media.

The workshop was facilitated by Mr. Patrick Ngwediagi. Mr. Twahir Nzallawahe the Director for Crop Development in the MALF, who represented the Permanent Secretary for MALF, introduced and welcomed Honourable William Tata Ole Nasha, Minister for Agriculture Livestock and Fisheries to officially open the workshop. Introductory remarks were made by representatives of various institutions responsible for workshop organization.

A major activity undertaken was local companies signing agreements with the Government to use seed materials that public research scientists developed using tax payers' money. Hence, the local seed companies have the right to obtain such inventions and develop business plans to produce/market/promote seed and pay royalties to the government in an acceptable manner.

In the past, production and marketing of Pre-Basic and Basic seed of Public Varieties were done through Government Agricultural Seed Agency (ASA). During the workshop, three (3) seed companies signed the Agreement and were handed certificates by the Deputy Minister for Agriculture, Livestock and Fisheries, Hon. William Ole Nasha to commemorate the launching and beginning of a new era in seed industry of Tanzania, demonstrating a true spirit of public-private partnership (PPP). The companies were Agri Seed Company of Kilosa, Beula Seed Company of Arusha, and Namburi Seed Company of Moshi.

The second part of the workshop involved deliberations of a maize disease, Maize Lethal Necrosis Disease (MLND), which could be dangerous to food security and have negative economic impact to value chain stakeholders. The following papers were presented and discussed during the workshop:

1. The Research Experiences and Agenda of IITA on MLN
2. The Research Experiences and Agenda of SARI on MLN
3. The Research Experiences and Agenda of MARI, on maize diseases (especially MLND)
4. Research Experiences and Agenda of WEMA Project on Maize Lethal Necrosis Disease in Tanzania

5. Maize Lethal Necrosis (MLN) in Eastern Africa –Tackling a Major Challenge
6. Syngenta Perspective on MNLD Interventions in Tanzania
7. Status and Progress Activities on Maize Lethal Necrosis Diseases

Several key issues arose based on the papers presented, whereby the key issue addressed strategies to make sure that maize seeds are produced in areas which are free from MLN disease. It was resolved a task force should be formed to ensure the nation is containing the disease which was proposed on the spot. Also, that awareness on the disease should be increased. Moreover, farmers should be trained on how to diagnose the disease, and reporting mechanism to relevant authorities should be set up. Seed companies and other seed dealers were requested to adhere to quarantine measures which forbid production of seed from endemic areas and selling it in areas not affected, especially the Southern highlands Regions.

The workshop was closed by Bob Shuma the Executive Director of TASTA by requesting more cooperation among stakeholders to ensure our country's food security is not compromised. He re-iterated the need for maintaining trust among the partners in the seed industry and the government, and that the farmer deserved quality seed for his money, something we should all strive to achieve.

Annex 9. Training Report - Website Content Management

TRAINING REPORT Website Content Management 27 June – 1 July 2016, Dar es Salaam.

by Josephat Kanyunyu, Communication and Capacity Building Specialist

The **objective** of the training is to provide knowledge and skills on website content management systems (CMS) to the staff from Zanzibar Department of Food Security and Nutrition (ZDFZN), Rice Council of Tanzania (RCT), Platform for Agricultural Policy Analysis and Coordination (PAPAC) and Tanzania Seed Trade Association (TASTA) who are using or intend to use website as a medium for communication.

A web content management system (WCMS) is a software system that provides website authoring, collaboration, and administration tools designed to allow users with little knowledge of web programming languages or markup languages to create and manage website content easily.

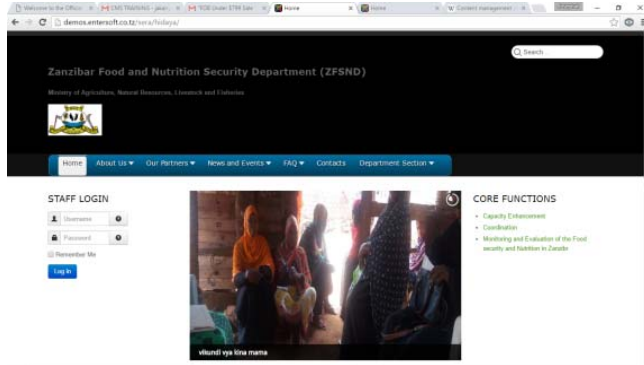
Participants came from ZFSND (2), RCT (3), PAPAC (2), TASTA (1), and SERA (2).

Training Assessment. Participants admitted that the training was relevant and will be applied when they go back to their offices. Most of the participants managed to design their website by using temporary server provided by the trainer. These websites (links below) will online until Friday, July 8, 2016.

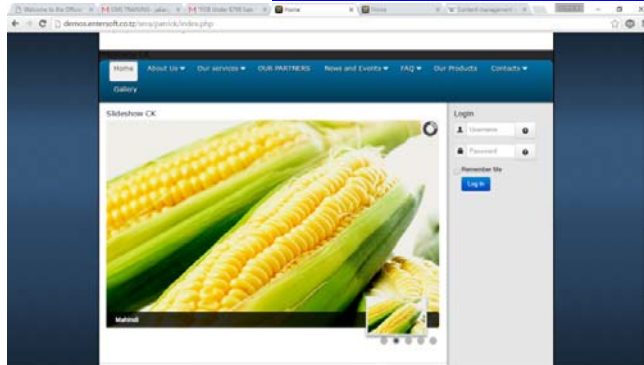
Ahmed Gharib from ZDFSN, <http://demos.entersoft.co.tz/sera/ahmed/index.php>



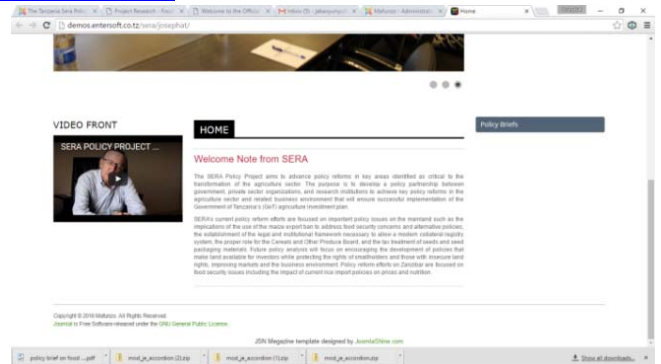
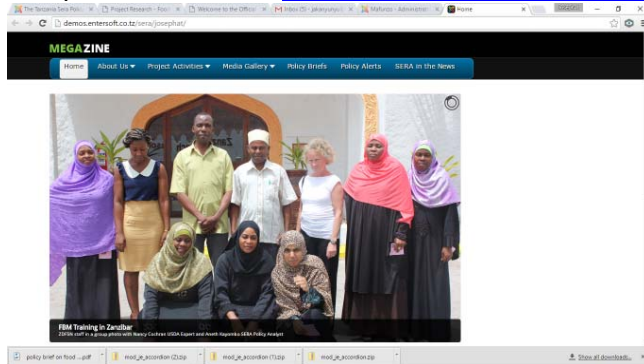
Hidaya from ZDFN, <http://demos.entersoft.co.tz/sera/hidaya/>



Patrick from TASTA, <http://demos.entersoft.co.tz/sera/patrick/index.php>



Josephat from SERA, <http://demos.entersoft.co.tz/sera/josephat/>



Conclusion and Way forward. Participants were grateful to SERA for organizing the training. It has helped them to understand website designing and management, how to work with the web administrators in their offices or website service providers.

RCT is mobilizing resources and planning to engage the same consultant to design their website.

U.S. Agency for International Development

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