

Annual Report 2013



ECONOMIC AND SOCIAL RESEARCH FOUNDATION (ESRF)



Annual Report 2013

Economic and Social Research Foundation (ESRF)
51 Uporoto Street, off Ali Hassan Mwinyi Road
P.O. Box 31226, Dar es Salaam, Tanzania
Tel : (+255-22) 2926084-9 • Fax : (+255-22) 2926083
E-mail : esrf@esrf.or.tz • Website : www.esrftz.org

ESRF Managed Websites:

(Tanzania Online): www.tzonline.org
Tanzania Development Gateway: www.tanzaniagateway.org
Tanzania Knowledge Network (TAKNET): www.taknet.ortz

This publication was supported by the Government of the United Republic of Tanzania, The African Capacity Building Foundation (ACBF) and International Development Research Centre (IDRC)

TABLE OF CONTENTS

TABLE OF CONTENTS	ii
LIST OF ABBREVIATIONS	iv
ACKNOWLEDGEMENT	vi
NOTE FROM THE EXECUTIVE DIRECTOR	vii
1.0 INTRODUCTION	1
1.1 About the Economic and Social Research Foundation	1
1.2 The Mandate of ESRF	1
1.3 ESRF's Strategic Objectives	2
1.4 Country Context in 2013.....	2
2.0 THE MEDIUM TERM STRATEGIC PLAN 2012-2015	4
2.1 Research Area One: Inclusive Growth and Wealth Creation	4
2.2 Research Area Two: Social Services, Social Protection and Quality of Life	4
2.3 Research Area Three: Natural Resources and Environment Management	5
2.4 Research Area Four: Governance and Accountability	5
2.5 Research Area Five: Globalisation and Regional Integration	5
3.0 GOVERNANCE STRUCTURE	6
3.1 Board of Trustees.....	6
3.2 Technical Advisory Committee (TAC)	7
3.3 ESRF Management	7
4.0 STRATEGIC RESEARCH FOR POLICY AND INFLUENCE	8
4.1 Supply Driven Research.....	8
5.0 CAPACITY DEVELOPMENT FOR POLICY RESEARCH, ANALYSIS AND MANAGEMENT	15
5.1 Capacity Development Activities	15
5.2 Dissemination-Workshops and Policy Dialogue Seminars	15
5.2.1 Knowledge Sharing Workshops	15
5.2.2 Policy Dialogue Seminars: Platform to Inform Policy Making Process	18
5.2.3 Mentoring/ Coaching University Students	18
6.0 INFORMATION AND KNOWLEDGE DEPARTMENT	20
6.1 Tanzania Knowledge Management Project.....	21
6.2 Library and Online Resources	22
6.3 Tanzania Online	22
6.4 Tanzania Development Gateway.....	22
6.5 Tanzania Knowledge Network	22
6.6 Communication	22

6.7	Information Technology.....	23
7.0	REGIONAL AND INTERNATIONAL PROGRAMMES AND WORKSHOPS HOSTED AT ESRF	24
7.1	Postgraduate Diploma in Poverty Analysis (PGD).....	24
8.0	INSTITUTIONAL INFRASTRUCTURE	29
8.1	Staff Recruitment.....	29
8.2	Training and Capacity Development.....	29
8.3	Organizational Chart.....	30
9.0	FINANCIAL REPORT 2013	31
9.1	Introduction.....	31
9.2	Statement of the Board of Trustees' Responsibilities in respect of the Financial Statements.....	31
9.3	Results.....	31
9.4	Auditors.....	31
9.5	Statement of the Board of Trustees' Responsibility.....	31
9.6	Auditors Report.....	32
10.0	ESRF PUBLICATIONS	44
11.0	ESRF STAFF LIST 2013	47

LIST OF ABBREVIATIONS

AARF	African Research and Resource Forum.
AAI	Afro-American Institute.
AAU	Association for African universities
ACBF	African Capacity Building Foundation.
AES	Agrarian and Environment Studies.
AERC	African Economic Research Consortium.
AMEDEAST	American-Middle East Educational Training Services.
APIF	African Policy Institute Forum.
ASARECA	Association for Strengthening Agriculture Research in East and Central Africa
ASDP	Agriculture Sector Development Plan.
BOT	Bank of Tanzania
BLDS	British Library for Development Studies.
CAAP	Comprehensive African Agriculture Programme.
CAADP	Comprehensive African Agriculture Development Programme
CDR	Capacity Development Report
COSTECH	Commission for Science and Technology.
COMESA	Common Market for Eastern and Southern Africa.
CRDB	Community and Rural Development Bank.
CSO	Civil Society Organization.
CUTS	Consumer Unity and Trust Society.
EAC	East African Community.
ESA	Environment of Eastern and Southern Africa.
ESRF	Economic and Social Research Foundation.
EWURA	Energy and Water Regulatory Authority.
FANRPAN	Food, Agriculture Natural Resources Policy Analysis Network.
FCS	Foundation for Civil Society.
GDP	Gross Domestic Product.
GDN	Global Development Network.
GISAMA	Guiding Initiatives for Strengthening Agriculture Markets.
GOT	Government of Tanzania.
IT	Information Technology.

ICT	Information and Communication Technology.
IDRC	International Development Research Centre.
IFP	International Fellowship Programme.
IFRS	International Financial Reporting Standards.
INASP	International Network for Availability of Scientific Publication.
IPOA	Istanbul Plan for Action.
ISS	International Institute of Social Studies.
KM	Knowledge Management.
LDC	Least Developed Countries.
MAFAP	Monitoring Africa Food and Agriculture Policies.
MKUKUTA	Mpango wa Kupunguza na Kutokomeza Umasikini Tanzania.
MKUZA	Mpango wa Kupunguza na Kutokomeza Umaskini Zanzibar.
MoEVT	Ministry of Education and Vocational Training.
MuCCOBs	Moshi University College of Co-operative and Business Studies
NEPAD	New Partnership for African Development.
NSA	Nutritional Security Agency.
NGO	Non-Government Organization.
PGD	Post Graduate Diploma.
PACT EAC	Promoting Agriculture, Climate and Trade Linkages in East Africa.
QER	Quarterly Economic Reports.
REPOA	Research on Poverty Alleviation.
RPST	Research Paper Supervision Team.
SADC	Southern Africa Development Countries.
SPD	Social Policy Development.
SUA	Sokoine University of Agriculture.
TAC	Technical Advisory Committee.
TAKNET	Tanzania Knowledge Network
TDV	Tanzania Development Vision.
THDR	Tanzania Human Development Report.
TZDG	Tanzania Development Gateway.
TIFPA	Tanzania International Fellowship Programme Alumni Association.
USAID	United States Agency for International Development.
UNDP	United Nations Development Programme.
URT	United Republic of Tanzania.

ACKNOWLEDGEMENT

Foundation would like to acknowledge the technical, logistical and financial support provided by various national and international organizations during the year 2013. In particular, these include:

1. Government of Tanzania (GoT)
2. African Capacity Building Foundation (ACBF)
3. International Development Research Centre (IDRC)
4. United Nations Development Programme (UNDP)
5. Foundation for Civil Society (FCS)

We also wish to acknowledge the support from other institutions and networks, with whom we collaborated during this period, namely: Food, Agriculture and Natural Resources Policy Analysis Network (FANRPAN), the African Policy Institute Forum (APIF); the Ford Foundation.

International Fellowship Program in Tanzania (IFP), the International Institute of Social Studies of Erasmus University Rotterdam (ISS), REPOA, the Economics Department of the University of Dar es Salaam, the African Economic Research Consortium (AERC), the Istanbul Plan of Action (IPOA) Network for the Least Developed Countries LDCs IV, Association for Strengthening Agricultural Research in Eastern and Central Africa (ASARECA) and the Bank of Tanzania (BoT).

NOTE FROM THE EXECUTIVE DIRECTOR

A year following the launch of the new Mid Term Strategic Plan 2012-2015, ESRF has continued implementing its research agenda geared towards addressing social and economic challenges influenced by several dynamic changes from both within and outside the country.

As the Foundation marks 19 years since its inception, ESRF has remained to be the leading Think Tank in Tanzania, and has continued to inform and influence policies and strategies with a sole purpose of providing tangible and well researched solutions to emanating challenges.

In 2013, ESRF in collaboration with the United Nations Development Programme (UNDP) along with other project partners launched the Tanzania Human Development Report project which focuses on the national perspectives on human development. The project addresses themes, emerging trends, opportunities and challenges that will lead to a national policy dialogue on variety of national perspectives on identification and analysis of development alternatives. The report will thereafter feed into the broader Global Human Development Reports so as to better gauge the progress made vis a vis the rest of the world.

The Foundation also continued working very close with the government of the United Republic of Tanzania (URT) by undertaking several projects such as the Infrastructure development for modern and market oriented agriculture in Tanzania project; the Formulation of Agricultural Sector Development Program (ASDP II); Reviewing of the Microfinance Policy 2000; and reviewing of Energy Policy, commissioned by the Ministry of Energy and Minerals. Regionally, ESRF continued Promoting Agriculture, climate change and Trade Linkages in the East African Community (PACT EAC) in collaboration with CUTS International. Through support from ASARECA, the Foundation has also been able to undertake Food price Trend Analysis and Policy Options for Enhancing Food Security in Eastern Africa which was motivated by the food crisis which happened in 2007/08 within the region and awakened the need to periodically monitor food price movement across markets within the region. In strengthening international collaboration, ESRF continued being involved in the "LDC IV Monitor Project", an independent consortium for monitoring the outcome of the fourth United Nations conference on the Least Developed Countries (LDC IV). As a member of this consortium, ESRF has been involved in writing a chapter titled "Recent Trends in LDCs: Agricultural and Rural Development", which shall form part of a book to be published in 2014 through the generous support of the Commonwealth Secretariat.

The Governance and Capacity Building initiatives on policy research have continued being one of the most important aspects of the Foundation's activities. As of 2013, ESRF organized ten (10) workshops and seven (7) policy dialogues driven from stakeholders such as CAADP, CUTS International, FAO and others. More importantly, the Foundation successfully organized "*National Conference on Unleashing Growth Potentials in Tanzania: Making Natural Gas a Guarantee for Sustainable Development*" which involved high ranking stakeholders drawn from Government, Development Partners, the Private Sector, Civil Society, NGOs, higher learning institutions, Research Institutions and Academia. The Foundation has also been able to engage one of its staffs to participate in a seminar on industrial structural

adjustment and development policies for developing countries in China as means of enhancing their research capacity.

Continued routine online discussion for a through the Tanzania Knowledge Network (TAKNET) portal, Tanzania Online, Tanzania Development Gateway and several dissemination workshops have all contributed in the Foundation's enhancement of Knowledge Management and Information sharing capacity.

It is evident that ESRF has been able to continue implementing its targeted goals as explicitly stipulated in the Strategic Plan. With Tanzania and the Eastern Africa region recently discovering significant deposits of oil and gas reserves, this calls for continued policy research at country level and regional level on the medium and long term coordination and management of the fiscal and monetary impacts of its burgeoning oil and natural gas industries. Africa as whole needs also to continue working on creating conducive policy environment so as to attract more investors and build capacity for effective attainment of the set new Sustainable Development Goals. Being the leading policy think tank in the country, ESRF ought to continue addressing all the emerging socio-economic-political changes that may arise.

The Foundation expresses its uttermost appreciation to all our stakeholders who have tirelessly being giving their moral, technical and material support to the Foundation resulting to effective implementation of our activities. We recognize and appreciate the support extended to us from the Government and various other national and international institutions during the year 2013.



H. B. Lunogelo (PhD)
Executive Director

1.0 INTRODUCTION

1.1 About the Economic and Social Research Foundation

The Economic and Social Research Foundation (ESRF) is an independent, not-for-profit non-governmental research institute that was established in April 1993 and commenced its operations in 1994. The primary objectives are to undertake policy-enhancing research, strengthen capabilities in policy analysis and decision making as well as to articulate and improve the understanding of policy options in government, the public sector, the donor community, and the growing private sector, and civil society.

From its inception in the 1990s, ESRF has played a catalytic role in the country's socio-economic reforms. Since then it has evolved through four planning phases, along the lines of the financial phases of the key founder trustees, i.e. The African Capacity Building Foundation (ACBF) and the Government of Tanzania.

The first phase (ESRF 1 - 1994-1997) focused on four programme areas, namely: (i) ESRF institutional development, (ii) core research, (iii) commissioned studies, and (iv) policy dialogue and dissemination. The second phase (ESRF-II – 1998-2001) had five components, namely: institutional capacity building; capacity strengthening of Tanzanian institutions involved in the development agenda; core research in issues concerning development, policy dialogue, the publication and dissemination of the outputs.

The third phase (ESRF-III - 2002-2006), and the fourth phase (ESRF IV - 2008 – 2011) primarily continued with the activities started in the preceding phases, but in addition strived to ensure that there was a balance between research, commissioned studies and consultancies, so as to reduce the high proportion of consultancies.

In the future, there are still many issues amongst those highlighted above that will continue to dominate the research agenda for informing policy formulation and development planning in the country. New issues and challenges are likely to emerge and all will be pursued by ESRF under the new strategic plan (2012-2015).

1.2 The Mandate of ESRF

The Foundation's mandate embraces the following areas of work: (i) to undertake research in public policy and in sector-oriented issues, (ii) to facilitate capacity development for government and other stakeholders of economic development, (iii) to act as a focal point for dialogue and the exchange of knowledge on economic and social issues, and (iv) to disseminate policy and ESRF researched information so as to widen the understanding of the public and dedicated groups of policy makers and researchers. Whereas ESRF has historically played a positive role in the policy formulation and economic reforms in Tanzania, there are still broad ranges of challenges that require solid policy analysis, enhanced policy dialogue and critical questioning and thinking. The original mandate and objectives of the ESRF, as highlighted above, are therefore still valid for the Strategic Plan of 2012-2015.

Vision: To become a national and regional centre of excellence in capacity development for policy analysis and development management, policy research and policy dialogue.

Mission: Advancing knowledge to serve the public, the government, CSOs and the private sector through sound policy research, capacity development initiatives and advocating good development management practices.

1.3 ESRF's Strategic Objectives

The overall objective of ESRF is to conduct research in economic and social policy areas and development management, and use its research outcomes to facilitate the country's capacity for economic development and social advancement.

Specific Objectives:

- (i) Undertake policy research and analysis to increase stakeholders' knowledge on major issues that affect the society;
- (ii) Strengthen capacity for policy analysis through innovative capacity development initiatives such as training, outreach programmes and policy dialogue;
- (iii) Increase the awareness of national decision makers on specific policy issues and options that affect the nation and the communities;
- (iv) Facilitate debate and discourse on issues pertinent to the national and regional development priorities;
- (v) Encourage national, regional and international networking around policy issues.

1.4 Country Context in 2013

Over the past decade, Tanzania's economy has become significantly more open. The trade-to-GDP ratio has increased from 13.5% in 2000 to more than 30% in 2011, the highest rate among the East African Community countries, with the value of Tanzania's merchandise exports multiplying by a factor of five over this period. The largest contributors to the export basket continue to be primary commodities, particularly gold, coffee, tea, cashew nuts and cotton. At the same time, the volume of manufactured exports has surged in recent years, with the lion's share of these exports going to markets within the region.

The inflation rate continued to decline in 2013, reaching a rate of 6.3% by October 2013. At the end of 2011, the inflation rate had reached almost 20%. This steady and significant decline has been the result of a combination of the implementation of stricter monetary policy and a decline in food and energy prices. As a result, Tanzania's rate of inflation is now roughly equivalent to that of neighboring Uganda and Kenya. The decline has also contributed to the stabilization of the real exchange rate, which appreciated by almost 20% in 2011/12 as the result of the large inflation differential between Tanzania and its trade partners. This stabilization of the real exchange rate also has positive implications for exporters.

The overall fiscal deficit for 2012/13 is estimated to reach a value equivalent to 6.8% of GDP. This represents a significant increase compared to 2011/12, when the deficit stood at a value equivalent

to only 5% of GDP. The deterioration in the fiscal accounts during 2012/13 was the result of the Government's overestimation of revenues and underestimation of expenditure.

The deteriorating financial situation of several parastatals and public agencies has continued to pose a major challenge for fiscal planning. In response to the deteriorating financial situation of the public electricity company TANESCO, Government at the beginning of 2014, raised power tariffs for both domestic and industrial users by an average of 40%. Despite the tariff increase, TANESCO will continue to be subsidized by the Government as the price of its electricity still does not cover production costs until new investments in power to gas become gradually operational by 2015/16. The deterioration of the financial situation in several pension funds is also a source of concern.

An accelerated drive for the development of social and physical infrastructure is underway on the recently launched 'Big Results Now' initiative (BRN). The BRN initiative is inspired by a similar Malaysian program with the stated aim of facilitating the achievement of Tanzania's Development Vision 2025 through the identification of a series of priority areas for expenditure.

With Tanzania's current rate of growth of GDP standing at approximately 7% per annum, no major changes are expected in the country's growth trajectory over the next few years. The sectors which have driven Tanzania's economic growth over recent years, particularly the capital intensive and rapidly expanding communications and financial services sectors, will continue to do so into the future. Economic growth will also be driven by increased activity within the construction sector, particularly with Tanzania's rapid urbanization and the Government's renewed focus on the development of public infrastructure.

The most significant transformative factor on the economy is the large natural gas reserves that were recently discovered. If managed well, these gas reserves have the potential to transform Tanzania's economic future. While the most significant impacts of this discovery on the local economy will not be felt for at least seven to ten years, when exploitation will start at full scale, the discovery will nonetheless drive increased economic activity during the construction phase. In the long term, the magnitude and timing of the impact of the discovery remain uncertain. Careful management of the revenues derived from the newly discovered natural resources will be required to ensure the optimal use of these revenues and to achieve inclusiveness.

Regardless of the significance in the decline of poverty over recent years, Tanzania remains a poor country. In 2012, its average per capita income stood at US\$ 570, placing it in the 176th position out of 191 countries in the world. Even by the most optimistic poverty estimates, there are still approximately 12 million poor people living in Tanzania, which is approximately the same number as in 2001. Improving the socio-economic circumstances of this large group of citizens must therefore remain a top priority for Tanzanian policy makers.

2.0 THE MEDIUM TERM STRATEGIC PLAN 2012 - 2015

The Foundation as of 2012 has embarked on its fifth strategic plan, it is recognized that whether through supply-led or demand-driven initiatives, ESRF research agenda will inevitably be shaped by the evolving economic policies, the dynamics of political governance and the emerging social economic challenges emanating from the changing economic environment in Tanzania, the EAC, and worldwide. The determination of the research priorities cited in ESRF current strategic plan has therefore been influenced by formal and informal consultations with potential clients, an approach that also increases the chances of ESRF being invited to participate in the planned research assignments by those clients.

At the moment, it can safely be assumed that the government and all its stakeholders is committed to achieving increased growth under MKUKUTA-II and MKUZA II, which is inclusive enough to avoid the marginalization of sections of its citizens. It is committed to the pursuit of poverty reduction to afford a better life for every citizen and an improved public service delivery. Decisions regarding the exact policy options to adopt in order to achieve such political ambitions have to be informed by well-articulated research. Under the strategic research, the strategic plan focused on the following research areas:

2.1 Research Area One: Inclusive Growth and Wealth Creation

Tanzania's long-term development objectives requires a sustained acceleration of the rate of economic growth and a pattern of growth that ensures a robust national wealth creation that is inclusive, thus with a strong impact on poverty reduction, particularly through the creation of employment, income generation and social protection measures.

This includes initiatives at the community level, to monitor how development in the economy and public policy impinges on poor households and vulnerable groups, and at the more macroeconomic level to analyze constraints on growth and the impact of growth on different sectors and social groups. This is in support of Tanzania's long-term development objectives which require sustained acceleration economic growth and a growth pattern that ensures a robust national wealth creation that is inclusive, with strong impact on poverty reduction.

2.2 Research Area Two: Social Services, Social Protection and Quality of Life

This area addresses issues of human, capital, education and health care. The foundation seeks to research and understand the dynamics needed to create knowledge based human capital in the hope of facilitating policies that will lead to individual development and provide people the ability to escape poverty. It is therefore important to research and understand the dynamics needed to create a knowledge-based human capital.

2.3 Research Area Three: Natural Resources and Environment Management

In the context of escalating climate changes, resource scarcity and lack of effective management of the natural resources management, ESRF's research focus on these subjects is justified by a major component of its strategy. It is vital that these resources be harnessed for sustained contribution to production, a fair-share of generated income through rent and taxation, as consumption and investments to achieve good returns on capital.

2.4 Research Area Four: Governance and Accountability

Addresses various issues in particular, the rule of law, accountability of leaders and public servants to the people, deepening democracy, political and social tolerance, self restraint and oversight of control in the use of public resources so as to facilitate strategic intervention aimed at achieving good governance in Tanzania.

2.5 Research Area Five: Globalisation and Regional Integration

Research in this area will provide data and analysis of a complex web of economic circumstances that are both global and regional in character that can assist Tanzania and EAC in efforts to advance regional integration and to better understand the dynamics of relations resulting from the changing situation. More importantly it suggests how Tanzania should correspondingly respond, particularly in respect of exploiting the opportunities for trading, investment and foreign aid.

3.0 GOVERNANCE STRUCTURE

3.1 Board of Trustees

Institutional Governance is under the Board of Trustees, as mandated by the constitution of ESRF (1994). The Board is composed of members from different, broadly recognized stakeholders of society, namely the government/public service, the private sector, civil society and academia. The Board also has an Executive Committee that deals with ad hoc operational matters that require their approval. Board Members are appointed for a maximum of two terms of three years. The current (outgoing) Board is composed of the following members:

1. Ms. Ruth H. Mollel - Chairperson - former, Permanent Secretary, Vice President's Office.
2. Prof. Andrew Temu - Vice Chairperson - Senior Lecturer, Sokoine University of Agriculture
3. Mr. Ramadhani Khijjah - Member - Permanent Secretary, Ministry of Finance
4. Mr. Maduka Kessy - Member, Deputy Executive Secretary - President's Office Planning Commission
5. Dr. Charles Kimei - Member, Managing Director - CRDB Bank Limited
6. Amb. Ami Mpungwe - Member, Deputy Chairman - Tanzanite One
7. Ms. Usu Mallya - Member, Executive Director - Tanzania Gender Networking Programme
8. Mr. Kajubi Mukajanga - Member, Executive Secretary - Media Council of Tanzania
9. Dr. Marcellina Chijoriga - Member, Dean - University of Dar es Salaam, Business School
10. Prof. Sifuni Mchome - Member, Executive Secretary - Tanzania Commission for Universities

The incoming Board members sat for the first time on 29th November, 2013 to deliberate on Annual report for 2013 and Work plans for 2014.

The new board members whose names appear here below were approved to take charge by the outgoing Board through circular Resolution.

The incoming board members commenced their duties as of January 2014 is listed below:

1. Mr. Phillemon L. Luhanjo - Chairperson - Former Chief Secretary Government of the United Republic of Tanzania
2. Prof. William Lyakurwa - Vice Chairperson - Executive Director, African Economic Research Consortium
3. Dr. Hassan Mshinda - Director General, Commission for Science and Technology
4. Dr. Servacius Likwelile - Permanent Secretary, Ministry of Finance
5. Prof. Sylvia Temu
6. Dr. Honest Ngowi - Senior Lecturer, Mzumbe University
7. Mr. Charles Singili - Managing Director, Azania Bank Ltd
8. Mr. Maduka Kessy - Deputy Executive Secretary, President's Office - Planning Commission

9. Mr. Kajubi Mukajanga - Executive Secretary - Media Council of Tanzania
10. Mrs. Olive Luena - Chief Executive Officer, Tanzania Gatsby Trust

3.2 Technical Advisory Committee (TAC)

During the year 2012, the Management of ESRF had proposed the establishment of the Technical Advisory Committee (TAC) that will play a key role in providing technical advice in guiding and promoting research and capacity development initiative for the Foundation.

The Technical Advisory Committee consists of the following members:

1. Mr. Amon Manyama - Chairperson
2. Dr. Hassan Mshinda - Vice Chairperson
3. Ambassador Johnny Flentø - Member
4. Prof. Adolf Mkenda - Member
5. Ms. Tonia Kandiero - Member
6. Mr. John Ulanga - Member
7. Dr. Hoseana B. Lunogelo - Ex Officio
8. Dr. Tausi Kida - Secretary

3.3 ESRF Management

The Management Team consists of the following members:

1. Dr. H. Bohela Lunogelo - Executive Director
2. Dr. Tausi Kida - Director of Programmes
3. Dr. Donatilla Kaino - Head, Research and Publication Department
4. Mr. Ernest Chiwenda - Head, Finance and Resource Mobilization Department
5. Mr. Deodatus Sagamiko - Head, Human Resource Department

4.0 STRATEGIC RESEARCH FOR POLICY AND INFLUENCE

The underlying aspiration of Tanzanian Development Vision 2025 (TDV 2025) is to ensure that Tanzania becomes a middle income country (MIC), with an annual per capita income of USD 3,000 by year 2025. This will be based on a competitive, dynamic and highly productive economy, with well-educated citizens enjoying high quality livelihoods, peace, national unity and good governance. Therefore, heightening economic growth and inclusion of the broader segment of the society in the process are paramount. This requires attraction of investments, particularly in areas where the poor are more involved such as agriculture and informal sectors, as well as sustaining macroeconomic stability.

The indication from the experience in the past 15 years of the Vision suggests that there are still a number of policy and economic management challenges that require solid analysis, enhanced dialogue, and critical questioning and thinking. These include among other things, low-level private sector capital investments, especially in the agricultural sector; poor access to financial services; massive unemployment for both educated and less educated youth and; changing environment due to regional development processes, such as those under the EAC, SADC and COMESA. All these issues are well covered in the 5 themes stipulated in the 2012 - 2015 ESRF Strategic Plan i.e. Growth and Wealth Creation, Social Services and Quality of Life, Governance and Accountability, Natural Resources management and Environment and Globalization and Regional Integration.

In 2013 ESRF focused on policy-oriented research activities that generated new insights and options for promoting policies that facilitate inclusive growth. The ultimate objective of the research activities were to contribute to strategic policies that can lead to sustainable growth and increased economic opportunities for the poor and hence a reduction in poverty and inequality. This involved research on how to involve private sector and solve the problem of unemployment and especially of the youth. Other areas that were of ESRF attention included macro-economic management issues, the processes of globalisation and financial markets, trade and competition; regional integration, particularly the case of the East African Community, governance generally, but more particularly economic governance related to the management of natural resources, climate change and public revenues, as well as government decentralisation.

4.1 Supply Driven Research

Some of the key assignments that were initiated and/or carried out in 2013 are listed below:

- (i) **“Food price Trend Analysis and Policy Options for Enhancing Food Security in Eastern Africa”** which was motivated by the food crisis which happened in 2007/08 within the region and awakened the need to periodically monitor food price movement across markets within the region in order to promote trade between surplus and deficit areas. This is in line within the Common Framework for East African Food Security Strategy which was ratified by the member
-

states. This project therefore intends to provide information to stakeholders in the region about the food market situation in Tanzania. It covers food price trends in the selected seven markets for maize, rice and beans. The project was funded by ASARECA and has been completed.

- (ii) **The study is focusing on Trade - Climate Change - Food Security linkages on one hand, and WTO discussions and negotiations on the other hand.** The overall expectations of the project are to increase knowledge on climate change-food security-trade linkages and to enhance capacity of, and interactions among stakeholders from the region, in order to devise holistic policies to better deal with climate change and food security challenges by exploiting the potential of trade as an instrument of development. The project is funded by CUTS and is ongoing.
- (iii) **“Enhancing Land Tenure Security and Agricultural Productivity for small Holder farmers, especially women, in Tanzania”** This is done in collaboration Ardhi University (ARU), National Land Use Planning Commission (NLUPC), Agriculture Council of Tanzania (ACT), HAKIARDHI and the Ministry of Agriculture, Food and Cooperatives (MAFC). This project aims at intervening by enhancing land tenure security and agricultural productivity of small holder farmers, particularly women, by enhancing the understanding of the process of land titling and promoting the issuance of Certificates of Customary Rights of Ownership (CCROs) through information sharing and advocacy. The study is funded by AGRA and is ongoing.
- (iv) **“Mapping of Initiatives on Women in Agriculture by Different Stakeholders in 8 Selected African Countries (Burkina Faso, Liberia, Senegal in West and Central Africa; and Djibouti, Ethiopia, Tanzania, Malawi and Rwanda in East and Southern Africa)** The study, seeks to map out existing initiatives on women in all aspects of agriculture, for example, land tenure reform, access to resources, communication, training, participation and leadership etc. This overview will make it possible to present a baseline status or indicators on each category. The gaps in the overview will provide the context to identify specific policy options to push forward the agenda of addressing the barriers and constraints for women in the agricultural sector. The study was funded by ACBF and has been completed.
- (v) **“Tapping export opportunities for horticulture products in Tanzania: Do we have supporting policies and frameworks?”** The overall objective of this study is to present a synopsis of the status of the export sub-sector of horticulture products, and investigate on the determinants of horticulture exports in Tanzania in the perspective of policy and institutional frameworks. The study was funded by Trust Africa and has been completed.
- (vi) A study on employment is conducted to identify **“Innovative Approaches to Creating Opportunities and Incorporating Young Youth into East Africa’s Labour Markets”**. The study, through analysis of views from households, youth groups, government policy makers



as well as the donor community aims to generate innovative approaches and coherent policy messages with which youth employment can be generated and poverty be reduced at a faster pace in East Africa. The study is funded by IDRC and is ongoing.

- (vii) **Girl Economic Empowerment - The Best Contractive?:** The aim of this study is to investigate whether early childbearing reflects a lack of empowerment among young girls in Tanzania, with a focus on three different empowerment strategies; Reproductive health empowerment training; Economic empowerment training; and both reproductive health empowerment and economic empowerment. The study covers girls from 80 schools that were in their last year of their Ordinary Secondary Level education. The study is collaboratively undertaken with the Norwegian School of Economics (NHH) and FEMINA, the project is still in ongoing.
- (viii) Knowing that the country is gradually moving to the gas economy the Foundation initiated the research on the **“Effective management of the development and extraction of natural gas in Tanzania for a sustainable and inclusive socio-economic impact”**. The overarching goal of this study is to generate a data set and knowledge base to be used to monitor and evaluate the socio-economic impacts related to the development and extraction of natural gas in Tanzania. The main focus of the project is to examine the socio-economic inclusiveness and sustainability of the natural gas sub-sector and foster an understanding of the related benefits and costs in connection with the roles and expectations of stakeholders. The study is funded by ACBF and is ongoing.
- (ix) **The assessment of the implementation of Istanbul Programme of Action (IPOA) for the LDCs;** whereby a chapter titled “Developed Countries’ Support to the Agricultural Sector of LDCs in EA: the Case of Research and Development” was written for a book to be published in 2013.
- (x) A Comparative Experimental Study on Cooperation and Competition in Kenya and Tanzania was carried out to determining the economic and social development factors. **In Tanzania 600 respondents were selected from low income areas of Kinondoni district, namely the wards of Manzese and Kinondoni Moscow as a representative sample. The study was funded by Norwegian School of Economics (NHH) and is being finalised.**
- (xi) **Monitoring African Food Agriculture Policy (MAFAP).** Apart from Tanzania, the study was also conducted in Burkina Faso, Mali, Kenya and Uganda. It sought to undergo in-depth analysis of market incentives and disincentives, as well as public expenditures. The objective of the study was to develop a systematic method for monitoring and analyzing food and agricultural policies in African countries which could support decision-makers at national, regional and pan-African levels. The study was funded by FAO and has been completed.
- (xii) **Capacity Development for Results-Based Monitoring, Evaluation and Auditing Project.** The project involves facilitating implementation of e-communication/advocacy strategy for social protection, poverty reduction and environmental sustainability using TZONLINE and TAKNET. Furthermore it deals with documentation and dissemination of community knowledge and practices on dimension of ICT; and, generating and scaling up knowledge and best practices on localization of MDGs projects through the use of ICT. The project is funded by UNDP through

the United Nations Development Programme (UNDAP)

In addition to the above, during the year 2013, ESRF was commissioned by the Government of Tanzania to conduct the following key assignments: "Review of the microfinance policy of 2000", "Review of energy policy of 2003", "Review of the agriculture sector development strategy", "Formulation of the Agriculture Sector Development Programme (ASDP) phase II" as well as to develop M&E Framework for the Tanzania Extractive Industries Transparency Initiative (TEITI),

Tanzania Human Development Report (THDR) Project

The Economic and Social Research Foundation (ESRF) in collaboration with United Nations Development Programme (UNDP) and other partners have established a new project to produce Tanzania Human Development Reports (THDRs). The current initial phase of THDR project which extends between February 2013 and June 2016 will result in producing two national Human Development Reports namely THDR 2014 and THDR 2016. The project is being funded by United Nations Development Programme (UNDP) and executed by Economic and Social Research Foundation (ESRF) as the project's Implementing Partner (IP). Other project's collaborating partners are:- The National Bureau of Statistics (NBS), Department of Economics University of Dar es Salaam, Commission for Science and Technology (COSTECH) and Research on Poverty Alleviation (REPOA).

Tanzania Human Development Report Project is country based, country driven and country owned. It is focusing on national perspectives on human development in addressing priority themes, emerging trends, opportunities and challenges. It is envisaged that Tanzania Human Development Report project will promote national policy dialogue among variety of national perspectives basing on the identification and analysis of development alternatives. Although THDR is not a consensus document it serves to inform policy making and build shared visions. THDR will feed into the broader global HDRs, hence the need for the themes to resonate with those of the global HDRs. However, since global HDRs usually skip many issues at the national level, themes that address critical country specific issues will be a priority in THDR. When appropriate, THDR can focus on sub national areas such as states, regions, or even districts.

Objectives and rationale of Tanzania Human Development Report project is linked to:-

- (i) Expansion of the country's developing strategy to include poverty reduction (through MKUKUTA) and growth (through medium term development plans and vision 2025).
- (ii) Reinvigorated interest of achieving broad based growth aiming at reversing experiences of last decade and ensure that the majority of Tanzanians enjoy the benefits of economic growth.
- (iii) In recognition of outstanding contribution of Poverty and Human Development Reports (PHDRs) in MKUKUTA monitoring: to support the continuation of national efforts of monitoring medium term development strategies and vision 2025.

Implementation approach for THDR project involves building on best practices from other countries and UNDP in strengthening national capacity for producing national human development reports and their use with the intention of promoting sustainable human development. THDR project has three main components/result areas namely:-

- (i) **Research and Analysis:** This is the project's major component aiming at ensuring that Tanzania Human Development Reports with futuristic contents are produced over a number of years. Some of the key activities of research and analysis component of THDR include defining research problems, assembling evidence, identifying research techniques and instruments to be employed as well as assessing whether data needed are available and reliable. These research and analysis activities aim at yielding high quality analysis that informs credible policy proposals.
- (ii) **Database systems:** An important component project component dealing with management collection and analysis of data. This component works closely with official sources of data i.e. National Bureau of Statistics and other MDAs. Through database component, THDR project assists in devising strategies for improving the quality of data. Database component constructs Human Development Index and other useful indices disaggregated at regional and district levels and produces a regular statistical abstract on trends and patterns of human developments in Tanzania.
- (iii) **Dissemination and advocacy:** An important project component dedicated for dissemination of THDR findings to influence policy decisions for improved sustainable human development management. THDR project employs several levels of dissemination including stakeholder deliberations of research results of the report, other dissemination platforms targeting stakeholders who are supposed to act on recommendations from the report, as well as media briefs which are being disseminated through dialogues and debates. THDR has dedicated a full-fledged website for the project.

COMMISSIONED STUDIES FOR THE YEAR - 2013

Since its re-introduction in 2012, the Commissioned Studies Department (CSD) has essentially centered its attention on demand driven consultancies and researches as envisaged in ESRF's 2012 -2015 broad strategic themes namely; Growth and Wealth Creation; Governance; Social Services and the Quality of Life; Globalization and Regional Integration, as well as Natural Resources and Environment Management. Thus, CSD has been adding value to such institution's strategic thematic areas by providing our clients technical advisory services through undertaking tailored evidence-based research.

Besides, the CSD has been playing major role in broadening the institution's reach to our stakeholders in the use of evidence - based research, influencing policy change and implementation in the Country.

In 2013 when executing its duties and responsibilities, CSD continued working with the government Ministries, Departments and Agencies (MDAs); Development Partners (DPs); local and international NGOs as well as the private sector from both Tanzania mainland and Zanzibar in a total of 25 projects. Out of these, 13 projects were carried forward from 2012 and officially completed in 2013. The rest 12 projects were new and consequent to their implementation, CSD successfully managed to complete 3 of them while the remaining 9 projects were carried over to 2014 work plan.

However, under the same implementation period, CSD submitted 16 expressions of interest and 19 technical and financial proposals. Some of the completed projects included the following:

1. Infrastructure development for modern and market oriented agriculture in Tanzania

Since infrastructure is crucial in determining the performance of the economy, quality agricultural infrastructure has the potentiality of improving the agriculture productivity, reduce post-harvest handling & storage losses, control price fluctuation of commodities and impart considerable multiplier effects in the economy through forward and backward linkages.

This project was assigned to ESRF so as to identify specific gaps and priorities for investments in agriculture infrastructure in order to transform agriculture sector from its current status to a modern and market oriented one. The expected outcomes of this project included:

- i. Reviewed agriculture programs, strategies and reforms that support infrastructure development;
- ii. Identified and developed appropriate agricultural infrastructure;
- iii. Strengthened institutions/MDA's capacity to implement proposed infrastructure for agricultural sector development;
- iv. Commercialized agriculture sector as well as enhanced financing mechanisms of the identified agriculture infrastructure.

2. Formulation of Agricultural Sector Development Program (ASDP II)

ASDP II is a joint initiative between the Government of Tanzania (MAFC and other natural resource based Ministries) as well as the Development Partners (World Bank, JICA, Ireland, AfDB, IFAD etc.). However, ASDP II emanated from the draw backs of ASDP I which included irrigation investment gaps, food and nutrition security, disaster management as well as climate changes mitigation and adaptation. ESRF therefore, in 2013 was assigned by the Ministry of Agriculture, Food Security and Cooperatives (MAFC) to formulate the ASDP II.

The general objective of ASDP II was mainly to create enabling and favorable environment for improving productivity and profitability of the agricultural sector as well as to increase farm incomes so as to reduce rural poverty and guarantee food security. Specifically, ASDP II is geared towards;

- i. Guaranteeing water resources for sustainable land use and irrigation
- ii. Increasing productivity rate and commercial agriculture
- iii. Enhancing and expanding rural marketing infrastructure
- iv. Thorough involvement of competitive private sector
- v. Improving household food and nutrition security
- vi. Raising climatic adaption and mitigation capacity against disasters
- vii. Scaling up policy framework and institutional capacity

On the other hand, the expected outcomes of ASDP II were as follows: increased area for production and reliable water resources for irrigation; improved agricultural productivity and smallholder commercialization; enhanced rural infrastructure to facilitate production, value addition, agro processing, storage and marketing; improved adaptive and mitigation capacity to adverse impacts of weather vagaries; enhanced food and nutrition security; improved policy framework and institutional capacity to implement agric-development sector wide approaches.

The above were not the only accomplished projects, others included;

1. Evaluation of the Institutional Framework to Facilitate Tanzania's Industrialization process. Funded by the Government of the United Republic of Tanzania.
2. Study on Various fees and Preparation of Optimal formula for universities fees based on social-economic and political considerations in Tanzania. Funded by the Government of the United Republic of Tanzania.
3. Tanzania Monitoring and Evaluation II (TMEM). Funded by Mitchel Group
4. A Feasibility Study for the Implementation of an Education Management Information System (EMIS) and E-Library System for all Higher Education and Research Institutions in Tanzania. Funded by COSTECH.
5. Post 2015 MDG National Consultation. Funded by UNDP.
6. Zanzibar International Airport Passenger Satisfaction Survey. Funded by Ministry of Infrastructure and Communication of Zanzibar.
7. Country evaluation of GEF projects in environment. Funded by World Bank
8. ASARECA Review of Completed Projects/Card no. Funded by CARDNO
9. COSA-Tanzania sustainable coffee production survey. Funded by COSA
10. Data Quality Assessment to Implementing Partner. Funded by Mitchel Group
11. Innovation Africa. Funded by ETC Foundation.

Conversely, CSD undertakes the implementation of the on-going projects:

1. Reviewing of the Microfinance Policy 2000, commissioned by Ministry of Finance
2. Dissemination of agricultural finance market scoping (AgFIMS): study survey findings in Tanzania, commissioned by FSDT
3. Reviewing of Energy Policy, commissioned by the Ministry of Energy and Minerals
4. Reviewing of National Environmental Policy Review 1997, commissioned by Vice President's Office
5. Enhancing Pro-poor Innovations in Natural Resources and Agricultural Value-chains (EPINAV), commissioned by Scan team
6. 5th European Report on Development (ERD) 2014, commissioned by ODI.
7. Mapping of the private sector in Tanzania, commissioned by DELOITTE.

5.0 CAPACITY DEVELOPMENT FOR POLICY RESEARCH, ANALYSIS AND MANAGEMENT

Since the launch of the ESRF Medium Term Strategic Plan, the Governance and Capacity Building Department has seen a significant turnaround in most of its core activities. The core activities and Capacity Development have been reinforced and aligned with the current frameworks such as NEPAD, UNDP and World Bank. A well-educated population and one that craves to learn can achieve the targets and objectives of the Tanzania Development Vision 2025. Thus the department's financial and technical resources are focused on providing tailor made training courses.

5.1 Capacity Development Activities

In 2013, the department successfully achieved the planned activities and surpassed the intended targets in knowledge dissemination through policy dialogue and knowledge sharing workshops. The department has also continued to ensure that individuals gain from relevant knowledge through its collaboration programs; post graduate diploma in poverty analysis, the Ford Foundation International Fellowship Program (IFP), the Capacity Development for Partners of Accountability (CDPA) or in Kiswahili *Pamoja Twajenga* and the Tanzania Human Development Report (THDR).

The department organizes both supply driven and demand driven workshops and policy dialogues. It has been keen to listen to the needs of stakeholders and provides a platform for discussions and knowledge sharing on issues that are relevant to development. This has been evidenced by ESRF's organization of the Annual Research Conference on "*Unleashing Growth Potentials in Tanzania: Making Natural Gas a Guarantee for Sustainable Development*". This conference was a result of a demand for awareness and preparedness on the extraction of natural gas not only for the southern part of Tanzania but also other parts of the country.

5.2 Dissemination-Workshops and Policy Dialogue Seminars

The ESRF has been enhancing the strength of institutions and human capacity by reaching out to various stakeholders through dissemination avenues such as trainings, policy dialogue, information and knowledge sharing sessions, networking and facilitation of field work attachments. This initiative will ensure the realization of the national development vision 2025 target of having a well-educated population and one that craves for continuous learning.

5.2.1 Knowledge Sharing Workshops

In order to create an enlightened and well educated society, ESRF continued to play the vital role of raising awareness and understanding of various national development vehicles such as MKUKUTA II and the Five Year Plan (2011/12-2015/16) whereby themes to be addressed via the GCDD workshops and trainings programs continued to be drawn from. For the year of 2013, the Department implemented ten (10) workshops and seven (7) policy dialogues driven from stakeholders such as CAADP, CUTS International, FAO and others. This also included the *National*

Conference on Unleashing Growth Potentials in Tanzania: Making Natural Gas a Guarantee for Sustainable Development which involved high ranking stakeholders drawn from Government, NGOs, higher learning institutions, Research Institution, etc.



The aim of the workshop was to provide a forum for stakeholders to exchange views and experiences for unlocking growth potentials by learning from local and international experiences. The purpose of the forum was to obtain feedback and recommendations from participants as inputs for the preparedness of the country to benefit from the Natural Gas Sub-sector. The in-depth discussions among stakeholders could assist in raising awareness among local and international stakeholders on the socio-economic, environmental and geo-political opportunities and challenges intrinsic in the natural gas economy to Tanzanians which will then aid the Tanzanian Government in designing and financing economic development programs that will meet the national development vision (TDV 2025) goals.

Other supply and demand driven workshops that received high attendance from the public, private, Non-Governmental Organization, and Civil Society Organization include:

- (i) Expert Group Meeting on the Istanbul Plan of Action for least Developed Countries; LDC IV Monitor;
- (ii) International Conference on India- Africa: *New Frontier in South-South Relations*;



- (iii) Stakeholders Policy Dialogue on ESRF Work Plan;
- (iv) African Capacity Building Foundation (ACBF) on the African Capacity Indicator; Validation Workshop;
- (v) Inception Workshop for a *prospective Natural Gas Research Project*;
- (vi) Inception workshop on *Innovative Approaches to Creating Opportunities and Incorporating the Youth Into East Africa's Labor Markets*;
- (vii) Third National Reference Group Meeting for Promoting Agriculture Climate and Trade Linkages in the East African Community (PACT EAC) Launch of a study titled, *"Climate, Food, and Trade: Where is the Policy Nexus?"*



- (viii) Inception workshop for fisheries Sub-Sector Value Chain and Policy Analysis: *Transformations and linkage to Export Processing Zones for Economic Growth and Poverty Reduction in Tanzania*;
- (ix) The international Food Policy Research Institute (IFPRI) meeting on how to enhance research in ESRF and REPOA;
- (x) The Comprehensive Africa Agriculture Development Program (CAADP) National Multi-Stakeholder Policy Dialogue on *Assessment of Youth and Women Farmer Issues in Tanzania*;



- (xi) *Unleashing Growth Potentials in Tanzania: Making Natural Gas a Guarantee for Sustainable Development.*

5.2.2 Policy Dialogue Seminars: Platform to Inform Policy Making Process

In 2013, 6 policy dialogue seminars were organized; these dialogues have continued to provide adequate and free discussion fora to a wider stakeholder community. They have been of consequential impact to the participants in policy making and management. One of the organized dialogues was on **Food, Agriculture and Natural Resources Policy Analysis Network (FANRPAN) National Multi-Stakeholder Youth Policy Dialogue**. The dialogue focused on research evidence from **“current and emerging youth policies and initiatives** with a special focus on links to agriculture, the economy and poverty reduction as a basis for FANRPAN advocacy work.

The FANRPAN multi-stakeholder youth policy dialogue was attended by senior government officials, members from international organizations such as International Labour Organization (ILO), Voluntary Services Organization (VSO), members from CSOs, NGOs, the Tanzania Food and Nutrition Centre, members of the Sokoine University’s Graduate Entrepreneurs’ Cooperatives (SEGOCO), researchers and the media.

The Permanent Secretary at the Ministry for Information, Youth, Culture and Sports, Mr Sethi Kamuhanda officiated the meeting on behalf of the Minister, Hon. Dr. Fenella Mukangara.

Supply and Demand driven dialogues included:

- (i) The National Pre- Budget for the implementation of the national budget for the year 2012/2013;
- (ii) The National Post - Budget for the implementation of the national budget for the year 2013/2014;
- (iii) Food, Agriculture and Natural Resource Policy Analysis Network (FANRPAN) National Multi-stakeholder Youth Policy Dialogue;
- (iv) CAADP National Multi-stakeholder Dialogue;
- (v) Taping Export Opportunities for Horticulture Products in Tanzania: Do We Have Supporting Policies and Frameworks?” Policy Dialogue;
- (vi) Dialogue for the preparation of the Bali Round Table Discussion on WTO’s 9th Ministerial meeting (MC9);
- (vii) CSOs Policy Dialogue for CSO Executives on MKUKUTA II.

5.2.3 Mentoring/ Coaching University Students:

ESRF provides field attachments, mentoring and coaching to students from various reputable national and international universities and institutes to allow them to familiarize with research techniques relevant to economic and social policy analysis. In 2013, a total of 36 students (33 field attachments and 3 interns) were selected for field attachments and mentoring. These students obtained practical knowledge from various ESRF departments including research, administration, IT and knowledge management.



The interns came from higher learning institutions like University of Dar es Salaam, Sokoine University of Agriculture (SUA), Mzumbe University, St. Augustine University of Tanzania and Tumaini University.

6.0 INFORMATION AND KNOWLEDGE DEPARTMENT

Economic and Social Research Foundation Knowledge Management services support both national and regional knowledge management in the areas of policy analysis, development management and research communication. The beneficiaries from ESRF Knowledge Management are internal researchers, policy analysis researchers and other stakeholders.

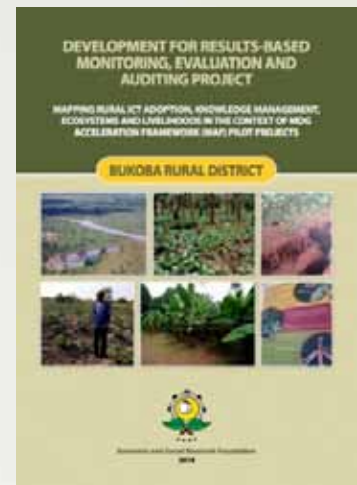
Knowledge Management Department makes sure that it effectively disseminates and communicates the institutional generated knowledge and other collaborating institutions to large audience.

Institutionally the Department supports research, capacity building and consultancy via its modern physical library, two government initiatives, tzoneonline (www.tzoneonline.org) its sister initiative TAKNET (www.taknet.or.tz) and Tanzania Development gateway www.tanzaniagateway.org



The Department continued to brand the Foundation to other ends through its website, newspapers, radio, television, e-brief and social media (facebook, youtube and twitter) internally the use of matukio ya wiki joined the staff to follow what were happening in a week long.

During the year 2013, the Department received funding from the United Nations Development Programme (UNDP) via the Capacity Development For Results – Based Monitoring, Evaluation and Auditing Project. The Project is implemented as part of UNDAP by the UNDP and the Ministry of Finance (Department of Poverty Eradication) for a period of three years to 2014/2015. The objectives of the Project included: Facilitate the implementation of e-communication/advocacy strategy for social protection, poverty reduction and environmental sustainability using Tzonline and TAKNET; Document and disseminate community knowledge and practices on dimension of ICT and Generating and scaling up knowledge and best practices on localization of Millennium Development Goals project via the use of ICT.



The project also involved carrying out studies in Bunda, Bukoba and Uyui districts. The studies were on Knowledge Audit; Use of ICT in rural areas, Benchmarking MDGs localization and ecosystem based interventions using ICTs.

6.1 Tanzania Knowledge Management Project

Capacity Development for Results – Based Monitoring, Evaluation and Auditing Project

By the end of the year 2013, ten reports by districts and themes were prepared from the studies, 4 for Bunda District, 4 for Bukoba rural and 2 for Uyui Districts. Other activities also implemented were; Mapping study to identified audience and knowledge audit



on social protection, poverty reduction and environment (in Bunda and Bukoba rural districts), baseline studies on current practices of Millennium Development Goals localization and benchmarking the best practices through the use of ICT (in Bunda, Uyui and Bukoba Rural districts), Establishment of Content Development Center (both visual & Audio) at ESRF, Establishment of Mobile portal for content dissemination, mapping study on availability and use of Information and Communication Technology in rural areas and its impact on peoples' life (in Bunda and Bukoba districts)



6.2 Library and Online Resources

The Modern library at ESRF anchors to support and facilitate both internal, external researchers and consultancy work by providing them with relevant and timely information. In the period between January and December 2013, subscription was made to the Consortium of Tanzania Universities and Research Libraries (COTUL) for the access to 45 electronic databases of online journal resources from INASP/PERI. The British Library Development (BLD) and other institutions continued to provide online documents. References for library users and internet surfing for ESRF staff and visitors continued in this period in question.

6.3 Tanzania Online

Tanzania Online continued to offer free developmental documents to its users. At the end of the year 2013, more than 850 documents were entered and linked from other websites. About 450 newspaper clipping were processed and entered into newspaper-clipping database. Furthermore about 377 jobs were posted into the job seeker database. The average number of visitors registered was 27,650 per day.

6.4 Tanzania Development Gateway

The Department continued to maintain the portal. At the end of the year 2013, 750 online documents were entered and linked.

6.5 Tanzania Knowledge Network

The platform acts as a tool for exchanging and sharing information on various aspects of social and economic development. At the end of December 2013, the platform had 1,402 contributors who joined the form from different disciplines of life ranging from academia, public sector, civil society organization and the public at large. 7 topics were developed and discussed. Some of them are:- Global 2013 Human Development Report: The rise of the South, Tanzania Development Report 2014: Economic transformation for human development, Post MDGs Development Agenda: What future do we want and how can we achieve and the draft of Natural Resource Gas policy of Tanzania: What is your opinion

6.6 Communication

During the period in question the Knowledge management Department via Communication Unit continued to work with its broad range of stakeholders to communicate key messages to Foundation's appropriate beneficiaries within and outside. The messages were successfully sent across through Media coverage both print and electronic e.g. during policy dialogue series, launching of Tanzania Human Development Report in Dodoma etc, exhibitions such as Civil Society annual Exhibition held at the Bunge grounds in Dodoma, Matukio ya Wiki Bulletin, ED's appearance in Television discussing issues pertaining to country's development and social media.

6.7 Information Technology

The IT Unit continued to give support to researchers and other staff in effective usage of ICT resources and maintain the ICT systems at the Foundation. In 2013, the unit carried out several activities to ensure that the whole ICT operations went on smoothly and timely. Some of the activities were in collaboration with the Finance Department whereby the unit updated work plan data base, accounting systems, online payment voucher and workload management system on increasing work performance and efficiency, the unit procured eleven new computers and one printer. The Unit also improved data capturing and processing tools (using EPI Data System), and continued to support research activities through data processing and data management.

7.0 Regional and international programmes and workshops hosted at ESRF

7.1 Postgraduate Diploma in Poverty Analysis (PGD)

In 2013, ESRF continued to host the second semester (2012/2013 Intake) of the Postgraduate Diploma in Poverty Analysis (PGD). The Postgraduate Diploma in Poverty Analysis programme is an international – based standard programme aiming at imparting investigative skills and research capabilities for applied policy analysis. Its substantive focus concerns the study of issues of poverty, vulnerability and social protection. It is a policy oriented, skills-intensive and interdisciplinary in nature.

The programme aims to make a contribution towards enhancing the quality and effectiveness of policies concerned with poverty reduction and protection of the poor. The underlying main objective is to enhance research capabilities for policy analysis in institutions of higher learning, government and other public institutions, NGOs, private organisations, consultancy firms, and donor agencies and also to develop the capabilities of ESRF and REPOA to further their mandates of providing effective and efficient training in capacity building for poverty reduction and the social protection of the poor in Tanzania.

In line with ESRF Strategic Plan 2012-2015 which focuses on undertaking policy research and analysis to increase stakeholders' knowledge on major issues that affect the society and strengthen capacity for policy analysis through innovative capacity development initiatives such as training, outreach programmes, and policy dialogue; the PGD programme has accomplished in training 184 young mid-career professionals in Tanzania who have been pursuing a career in research and policy analysis. These young professionals are working for government ministries, other public institutions, NGOs, private organisations, consultancy firms and donor agencies.

The following is the summary completed activities of year 2013 for the period of January – December 2013.

(i) Conducted Second Workshop on Research Methods:

The second workshop, which focused on Research Methods, was successfully conducted from 21st to 26th January 2013 at the ESRF conference hall.

The topics taught during the workshop included:

- i. Framing Your Research Problem;
- ii. Literature search, literature survey and literature study: What's the difference?
- iii. How to do it?; Using and Defining Concepts in Research;
- iv. Using evidence to make a point: questioning and interpreting quantitative data;
- v. How to Assess / Investigate whether a policy intervention made a difference?
- vi. How to proceed: Developing an annotated point-based outline.

(ii) Delivered ten units on Policy Analysis For Poverty Reduction:

The Distance Learning component was successfully conducted from 1st February 2013 to 20th May 2013.

A total of 10 units of the Policy Analysis for Poverty Reduction course were delivered, namely:

- i. The Relation between 'Economic' and 'Social' Policy in Poverty Reduction: Duality or Unity?;
- ii. Context-Specific Poverty Reduction Strategies: The Productivity-Employment Nexus;
- iii. Trade Policy and Poverty Reduction;
- iv. Assessing your Evidence;
- v. Redistribution and Health Care;
- vi. Free Primary Education: Are We Postponing Exclusion?;
- vii. Policy on Poverty in Tanzania: A Historical Perspective;
- viii. The Poor, their Money and their Debts;
- ix. Social Protection;
- x. Children and Poverty: Notions of Childhood in Development Discourses and Policies

(iii) Conducted Assessment (examination process) for the Second Semester

The following assessments were conducted:

- i. The Second Semester Essay: The questions were prepared and sent to students on 28th March 2013. The students submitted their essays on 31st March 2013.
- ii. The Second Semester Examination: The examination was conducted in May 2013.

(iv) Conducted Third Workshop on Policy Analysis for Poverty Reduction:

The third workshop, which focused on Policy Analysis for Poverty Reduction, was conducted from 3rd to 8th June 2013 at ESRF conference hall.

Topics taught during the workshop included:

- i. Macro Perspective on Economic Policy: The Case of Tanzania?;
- ii. Conceptualizing Social Protection;
- iii. Mkukuta II and 5-Year Development Plan: the Growth Poverty Nexus; Finance and Poverty;
- iv. Monitoring and Evaluation;
- v. Health and Poverty;
- vi. Human Development Report 2013: The Rise of the South;
- vii. Policy Process in Tanzania.

(v) Finalized the development and supervision of students' Research Papers:

The Research Paper Supervision Team (RPST) provided guidance to the students in the research process. 27 Research projects (papers) were finalized and submitted on 30th June 2013. Four thematic areas have been covered in these 27 projects:

- i. Agriculture and Rural Development; Gender
- ii. Microfinance and Poverty;

- iii. Poverty and Social Development;
- iv. Social Service Provision

(vi) Conducted 8th Cohort Graduation

The 8th Cohort of the Postgraduate Diploma Programme in Poverty Analysis ended in a colourful graduation ceremony in November 2013. The ceremony was held at Double Tree by Hilton Hotel in Dar es Salaam on 2nd November 2013. A total of 27 students graduated from the eighth intake (2012/2013) 19 were male and 8 female. The graduates, who mainly pursue careers in research and policy analysis are mid career professionals from key institutions in the country. Out of the 27 students who graduated, 8 were from central government, 7 from local government authorities; 8 from academic and research institutions; and 4 from local and international NGOs.



Photo: 8th cohort (2012/2013) Graduates

The graduation ceremony was officiated by Dr. Servacius Likwelile, Permanent Secretary, Ministry of Finance. During the year of their studies the students were also working on their research papers that analyzed different socio-economic problems in relation to poverty analysis.

The students were working on 4 thematic areas, under the supervision of experienced academicians. The key research thematic groups were as follows:

- (i) Agriculture and Rural Development;
- (ii) Gender, Microfinance and Poverty;
- (iii) Poverty and Social Development (iv) Social Service Provision

In this cohort the prize for the best research paper was received by Mr. Eliezeri Sungusia, Monitoring & Evaluation Officer at WWF Tanzania. Mr. Sungusia worked on a research paper entitled: **“Vulnerability and Resilience Analysis of Communities living in Wildlife Rich Areas”**



Photo: Mr. Eliezeri Sungusia, Monitoring & Evaluation Officer at WWF Tanzania, **receiving flowers from the guest of honour in recognition of best research paper entitled: “Vulnerability and Resilience Analysis of Communities living in Wildlife Rich Areas”**



Prof Marc Wuyts, Convener of the Programme, ISS; The Executive Director of ESRF, Dr. H. B. Lunogelo, Dr. Servacius Likwelile, Permanent Secretary, Ministry of Finance; Prof. Samuel Wangwe, The Executive Director of REPOA, and Mr. Amon Manyama, Resident Representative, UNDP, at the 8th Graduation Ceremony.



Group picture: Guest of Honor Dr. Servacius Likwelile, Permanent Secretary, Ministry of Finance; Heads of ESRF, REPOA, ISS and UNDP, 8th Cohort graduates together with the teaching team.

(vii) Review of the Postgraduate Diploma in Poverty Analysis Programme

The ESRF/REPOA/ISS Postgraduate Diploma (PGD) in Poverty Analysis jointly designed and delivered by the Economic and Social Research Foundation (ESRF), REPOA and the International Institute of Social Studies (ISS) of Erasmus University Rotterdam based in The Hague, The Netherlands, was officially launched with UNDP support on 8th December 2003. It has the overall goal of improving capacity for policy analysis on the issue of poverty in Tanzania. There have now been eight cohorts of students in the PGD and 192 students have successfully graduated. They are widely dispersed throughout the country working in central government, local government, parastatal institutions, NGOs, universities and research institutions, private firms and donor agencies

During the period of September – December 2013, an extensive review of the PGD Programme was conducted. This comprehensive external evaluation (covering a total of 8 cohorts from 2004 – 2013) was undertaken by Prof Charles Gore (Honorary Professor of Economics, University of Glasgow and Former Head of Research on Africa and Least Developed Countries, UNCTAD) and Dr Longinus Rutasitara (Deputy Executive Secretary, President's Office Planning Commission, Tanzania).

The review process assessed the efficiency, effectiveness/relevance, impact, capacity building effects, sustainability and administrative system/routines of the programme.

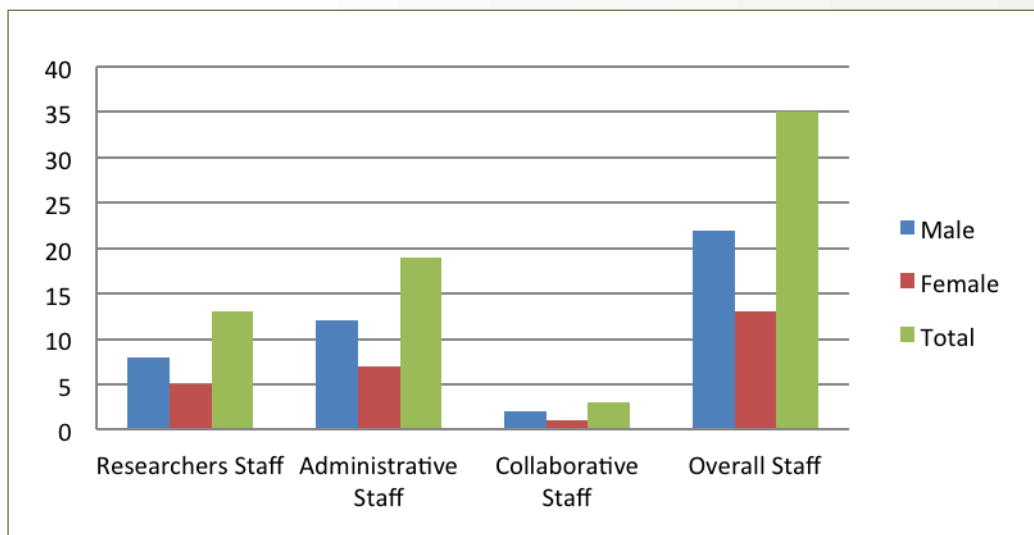
8.0 INSTITUTIONAL INFRASTRUCTURE

8.1 Staff Recruitment

ESRF is proud of having highly skilled core staff with both applied and policy related skills in different areas of competencies. This includes economic growth, agricultural development, environment and natural resources, socio-economic issues, governance and social services to mention a few. In this year 2013, Management recruited two Assistant Research Fellows namely Mr. Ian Shanghvi and Ms. Charity Mugabi and one Research Assistant Mr. Solomon Baregu. Mr. Patrick Kihenzile and Ms. Joyceline Mkilima were taken on, on an interim basis, as Assistant Research Fellow Gr. II under Commissioned Studies Department and Program Office (Responsible for Training) under Governance and Capacity Development Department, respectively.

Management also appointed Mrs. Vivian Kazi who was an Assistant Research Fellow Gr. I with the Research and Publication Department with abundant experience as the Head of newly independently reformed department of the “Commissioned Studies Unit”. With inclusion of the new recruits the number of staff aggregates to 35 employees. The gender distribution is 22 males and 13 females. The Foundation also has a substantial network of consultants and research associates who work on projects with our staff.

ESRF Staff Profile by December, 2013



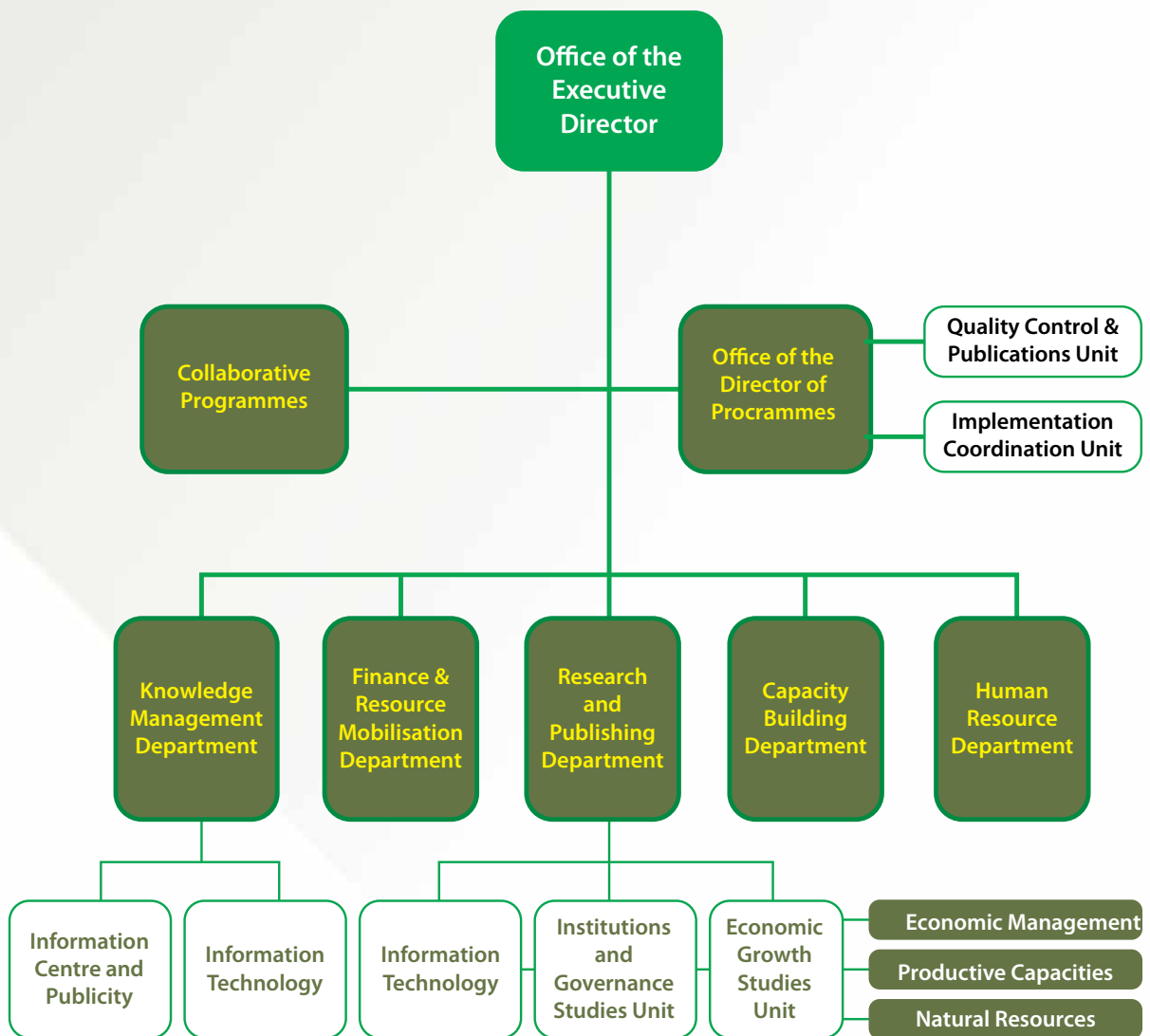
8.2 Training and Capacity Development

The role of ESRF in capacity development is not limited to its stakeholders only, but extended also to develop the capacity of its own staff members by providing them with requisite training opportunities both local and abroad. The training opportunities availed to staff aims at upgrading the staff’s professional skills. It is an undeniable fact that continual learning, appropriate training and capacity

building helps the institution to maintain its quality and excellence and therefore sharpen the skills of staff through training and staff exchange programmes.

In 2013, a number of staff were trained in various areas of competencies including *Training on Road Accidents Prevention and Website Hacking Prevention*. Finance and Information Technology (IT) staff attended training on Pastel Software fully sponsored by ESRF at Dar es Salaam Institute of Technology conducted by Pastel trainer from South Africa. Other staff attended a *Result Driven Monitoring evaluation, and Implementation* conducted by Envision International held in Johannesburg, South Africa. One staff attended training on *Office Management and Managerial Skills* course conducted by Hund fold Global in Johannesburg, South Africa

8.3 Organizational Chart



9.0 FINANCIAL REPORT 2013

9.1 Introduction

The Board of Trustees submitted their report and the audited financial statements for the year ended 31stDecember, 2013 which discloses the affairs of the foundation for the reported financial year.

9.2 Statement of the Board of Trustees' Responsibilities in respect of the Financial Statements.

The Board of Trustees is responsible for safeguarding the assets of the foundation. It also ensures that the ESRF keeps proper accounting records, which discloses with reasonable accuracy the financial position of the foundation.

The Board of Trustees also ensures that financial statements for each year, which give a true and fair view of the state of affairs and its operating results are prepared at the end of the financial year.

The Board of Trustees accepts 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 the generally accepted accounting practices and in the manner required by the foundation's constitution.

9.3 Results

The results for the year are set out from page 51 onwards.

9.4 Auditors

TAB Consult has audited the financial statements herein reported upon and they have expressed their willingness to continue in office and are eligible for reappointment.

9.5 Statement of the Board of Trustees' Responsibility

Management confirms that suitable accounting policies have been used and applied consistently, and reasonable and prudent judgment and estimates have been made in the preparation of the financial statements for the year ended 2013. Management also confirms that the International Financial Reporting Standards (IFRS) have been followed and that the financial statements have been prepared on the going concern basis.

Management accepts 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 Public Sector Accounting Standards.

Management further accepts responsibility for the maintenance of accounting records that may be relied upon in preparation of financial statements, as well as an adequate internal control system.

To the best of our knowledge, the internal control system has operated adequately throughout the reporting period and that the records and underlying accounts provide a reasonable basis for the preparation of the financial statements for the 2013 financial statements.

We accept responsibility for the integrity of the financial statements, the information it contains and its compliance with international accounting standards.

Nothing has come to the attention of the management to indicate that ESRF will not remain a going concern for at least the next twelve months from the date of this statement.

9.6 Auditors Report

We have examined the financial statements of ESRF for the year ended 31stDecember, 2013 as set out on page 51 onwards. The financial statements are in agreement with the accounting records and we obtained all the information and explanations we considered necessary for the audit.

Respective Responsibilities of Trustees and Auditors

The Board of Trustees of the foundation is responsible for the preparation of the financial statements. It is our responsibility to express an independent opinion based on our audit of those statements and report our opinion to you.

Basis of Opinion

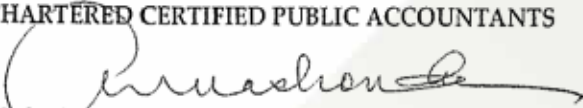
Our audit included examination on a test check basis, of evidence relevant to the amounts and disclosures in the financial statements. It also included an assessment of the significant estimates and judgments made by the management of the foundation in the preparation of the financial statements, and whether the accounting policies applied are appropriate to the foundation's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations, which we considered necessary in order to obtain sufficient evidence to give us reasonable assurance that the financial statements were free from material misstatement. In forming our opinion, we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion, the accompanying financial statements present fairly the financial position of ESRF as at 31stDecember, 2013 and the deficit and cash flows for the year ended on that date, in accordance with International Financial Reporting Standards and in compliance with the Constitution of the Foundation.

GLOBE ACCOUNTANCY SERVICES
CHARTERED CERTIFIED PUBLIC ACCOUNTANTS



Method A. Kashonda - FCCA, FCPA(T), MBA
SENIOR PARTNER

DAR ES SALAAM

DATE: 08/05/2013

ECONOMIC AND SOCIAL RESEARCH FOUNDATION

A STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE PERIOD ENDED 31ST DECEMBER, 2013

INCOME	NOTE	31.12.2013 USD	31.12.2012 USD
Revenue Grants	8	1,913,242	1,321,892
Income From Commissioned Studies (Gross)		645,025	673,448
Income From Capacity Building		437,734	82,506
Other Income		23,614	68,442
Amortization of Capital grants	9	<u>11,199</u>	<u>11,199</u>
TOTAL INCOME		<u>3,030,814</u>	<u>2,157,487</u>
EXPENDITURE			
Programme Activities	10	1,547,525	1,005,416
Personnel Emoluments	11	1,092,778	964,241
Administrative Expenses	12	186,092	170,234
Staff Welfare and Incentives	13	77,703	66,896
Repairs and Maintenance	14	38,464	52,697
Telephone, Fax and Postage	15	39,880	45,604
Electricity and Water	16	32,460	34,746
Audit Fees and Expenses		8,544	11,800
Bank Charges		8,776	4,774
Amortization – Intangible Assets	3	3,082	3,082
Depreciation	2	<u>89,869</u>	<u>51,864</u>
TOTAL EXPENDITURE		<u>3,125,174</u>	<u>2,411,354</u>
SURPLUS/(DEFICIT) FOR THE YEAR		<u>(94,360)</u>	<u>(253,867)</u>

**STATEMENT OF FINANCIAL POSITION AS AT THE END OF
THE PERIOD 31ST DECEMBER, 2013**

NON CURRENT ASSETS	NOTE	31.12.2013 USD	31.12.2012 USD
Property, Plant and Equipment	2	1,596,397	1,621,312
Intangible Assets	3	<u>4,051</u>	<u>7,133</u>
		1,600,448	1,628,445
CURRENT ASSETS			
Accounts Receivable and Prepayments	4	590,857	136,330
Cash and Bank Balances	5	<u>92,726</u>	<u>279,746</u>
TOTAL CURRENT ASSETS		<u>683,583</u>	<u>416,076</u>
TOTAL ASSETS		<u>2,284,031</u>	<u>2,044,521</u>
EQUITY AND LIABILITIES			
GRANTS AND RESERVES			
Capital Grants		92,374	103,573
Revaluation Reserve	6	1,123,122	1,123,122
Accumulated Surplus (Deficit)		<u>297,844</u>	<u>400,347</u>
		<u>1,513,340</u>	<u>1,627,042</u>
Deferred Income	17	131,828	131,828
CURRENT LIABILITIES			
Accounts Payable and Accruals	7	<u>638,863</u>	<u>285,651</u>
Total grants, reserves and liabilities		<u>2,284,031</u>	<u>2,044,521</u>

STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31ST DECEMBER, 2013

CASH FLOW / (OUTFLOW) FROM OPERATING ACTIVITIES	31.12.2013	31.12.2012
	USD	USD
(Deficit) for the Year	(94,360)	(253,867)
Adjustments for Non-Cash Items: -		
- Depreciation	89,869	51,864
- Amortization	3,082	3,082
- Adjustment for under depreciated assets	(11,199)	6,274
- Adjustment for capital grant	(8,143)	149,648
- Adjustment to Accumulated Fund	<u>(8,143)</u>	<u>149,648</u>
Cash flow before working capital changes	<u>(20,751)</u>	<u>(42,999)</u>
Movement in working capital		
(Increase)/ Decrease in Accounts Receivable and Prepayments	(454,527)	25,472
Increase / (Decrease) in Accounts Payable and Accruals	(353,213)	(106,609)
NET CHANGES IN WORKING CAPITAL	<u>(101,354)</u>	<u>(81,137)</u>
Total cash flow from operating activities	(99,731)	(124,136)
Cash flow from investing activities		
Purchase of Property, Plant and Equipment	<u>(64,953)</u>	<u>(55,430)</u>
Total cash outflow from investing activities	(64,953)	(55,430)
Cash flow from financing activities		
Deferred Income	0	(190,361)
Capital grants	0	38,597
	<u>0</u>	<u>(151,764)</u>
Total out flow from financing activities	(187,020)	(331,330)
Cash and cash equivalent at the beginning of the year	<u>279,746</u>	<u>611,076</u>
Cash and cash equivalent as at 31st December	<u>92,726</u>	<u>279,746</u>

**STATEMENT OF CHANGES IN EQUITY AND ACCUMULAED DEFICIT FOR THE FINANCIAL
YEAR ENDED 31ST DECEMBER, 2013**

Particulars	Capital Grants	Accumulated Surplus/ (Deficit)	Revaluation Reserve	Total
	USD	USD	USD	USD
As at 1 January 2013	103,573	400,347	1,123,122	1,627,042
Adjustments - Capital Grants Transferred to Accumulated Surplus (Note 20)	0	(8,142)	0	(8,142)
Deficit for the year	0	(94,360)	0	(94,360)
Amortized	<u>(11,199)</u>	<u>0</u>	<u>0</u>	<u>(11,199)</u>
As at 31.12.2011	<u>92,374</u>	<u>297,844</u>	<u>1,123,122</u>	<u>1,512,340</u>

Particulars	Capital Grants	Accumulated Surplus/ (Deficit)	Revaluation Reserve	Total
	USD	USD	USD	USD
As at 01.01.2012	64,976	504,566	1,123,122	1,692,664
Adjustments - Capital Grants Transferred to Accumulated Surplus (Note 20)	0	149,648	0	149,648
Additions	49,796	(253,867)	0	(204,071)
Amortized	<u>(11,199)</u>	<u>0</u>	<u>0</u>	<u>(11,199)</u>
As at 31.12.2012	<u>103,573</u>	<u>400,347</u>	<u>1,123,122</u>	<u>1,627,042</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER, 2013

1. PRINCIPAL ACCOUNTING POLICIES

1.1 Foundation Information

The financial statements of the Foundation for the year ended 31 December 2013 were authorized for issue in accordance with a resolution of the trustees on 13th June 2014. Economic and Social Research Foundation is a trust incorporated and domiciled in the United Republic of Tanzania. The registered office is located at 51 Uporoto Street, Ursino Estate. The Foundation is principally engaged in policy enhancing research.

1.2 Basis of Accounting

The financial statements of the Foundation have been prepared in accordance with International Public Sector Accounting Standards (IPSAs) as issued by the International Accounting Standards Board (IASB).

1.2 Property, Plant and Equipment.

Property, Plant and equipment is stated at cost, net of accumulated depreciation and/or accumulated impairment losses, if any. Cost is determined as the value of asset given as consideration plus the cost incidental to the acquisition. All other repairs and maintenance costs are recognised in the income statement as incurred.

Land and buildings are measured at fair value less accumulated depreciation on buildings and impairment losses recognized at the date of revaluation. Valuations are performed with sufficient frequency to ensure that the fair value of a revalued asset does not differ materially from its carrying amount. A revaluation surplus is recorded in the Income Statement and credited to the asset revaluation reserve in equity. However, to the extent that it reverses a revaluation deficit of the same asset previously recognized in profit or loss, the increase is recognized in the Income Statement. A revaluation deficit is recognized in the Income Statement, except to the extent that it offsets an existing surplus on the same asset recognized in the asset revaluation reserve.

Depreciation

Depreciation is provided on a straightline basis to write off the cost or fair value of the items of property, plant and equipment other than land over their estimated useful economic life and after taking into account their estimated residual value. Depreciation is charged by apportioning the chargeable annual amount to the time the assets have been in use during the year.

Depreciation charge for the period is recognized in the Income Statement as expense. Land is considered as having an unlimited useful life and is therefore not depreciated.

The annual rates of depreciation applied, which are consistent with those of the previous years, are as follows:

• Buildings	4.0%
• Motor Vehicles	25.0%
• Computers	33.3%
• Furniture and Equipment	20.0%

Depreciation is charged on assets from the date when they are made available for use and stop on the date when the asset is derecognized or reclassified as available for sale by the Foundation.

Assets that are subject to depreciation are reviewed for impairment loss whenever events or changes in circumstances indicate that the carrying amount may not be recoverable i.e. carrying amount being higher than the recoverable amount.

1.3 Impairment of Receivables

Receivables are initially recognized at fair value and subsequently measured at value less allowance for bad and doubtful debts. Specific write-off is made in the financial statements against receivables considered uncollectible.

1.4 Foreign currencies

Transactions denominated in Tanzania Shillings are translated into US Dollars as the presentation currency for the time being, at the rates of exchange ruling at the dates of transactions. Monetary assets and liabilities at the year-end expressed in other currencies other than the US Dollar are translated into the presentation currency at the rates of exchange ruling at the end of the financial year. The resultant gains/ (losses) on exchange rate translations are dealt with in the income statement.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

1.5 Cash and Cash Equivalents

Cash and short-term deposits in the statement of financial position comprise cash at banks and on hand and short-term deposits with a maturity of three months or less. Cash and cash equivalents are carried in the financial position at face value.

1.6 Grants/Donations

Grants related to capital expenditure are initially credited to equity in form of capital grants and the amount is correspondingly debited to the related non-current assets. Grants related to depreciable

assets are usually recognized as income over the periods and in the proportions in which depreciation on the related assets is charged.

Grants related to revenue expenditure are credited to the income statement in the same financial year in which the revenue expenditure to which they relate is charged.

Revenue grants received from donors to fund general operations are recognized in the income statement upon receipt. Funds received from donors to finance specific expenditure (in accordance with signed agreements between ESRF and Donors) are recognized initially in the Deferred Grant Account. Such deferred grants are released to income to match the specific expenditure incurred in accordance with the Grant Agreement during the year.

1.7 Accruals

Provisions are recognized and presented in the financial statements when the Foundation has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount can be made. When the Foundation expects a provision to be reimbursed, e.g. Audit fees, the reimbursement is recognized as a separate asset only when the reimbursement is virtually certain.

1.8 Income Recognition

Income, other than grants/donations, is recognized on accrual basis of accounting. Income is recognized only when it is probable that the economic benefits associated with the transaction through "arms-length transactions between knowledgeable sellers and knowledgeable buyers" will flow to the Association.

1.9 Employee Benefits

- **Gratuity Arrears**

Gratuity is payable to employees upon completion of their employment contracts. The related liability is accrued monthly as an expense in the accounts of the Foundation on the basis of the basic salary of each employee.

- **Short Term Benefits**

The cost of all short-term employee benefits such as salaries, employees' entitlements to leave pay, medical welfare, incentives, other contributions etc. are recognized during the year in which the employees render the related services.

- **Terminal Benefits**

Terminal Benefits are payable whenever an employee's employment is terminated before the normal retirement date or whenever an employee accepts voluntary redundancy in exchange of these

benefits.

The Foundation recognizes terminal benefits when it is constructively obliged to either terminate the employment of the current employee according to detailed formal plan without any possibility of withdrawal or to provide terminal benefits as a result of an offer made to encourage voluntary redundancy.

1.10 Accounting for Government Grants

Grants are received in the form of cash or in kind for capital or / and recurrent expenditure. Grants received in the form of fixed assets (grants in kind) are credited to the Capital Fund Account (or Deferred Income Account) and debited to respective asset account. Grants in the form of non-current assets are amortized and credited to income to the extent of the amount of depreciation charged to the respective non-current assets annually. When the asset is disposed of, the Capital Fund is debited with the amount received from sale.

Grants received for other charges (recurrent expenditure) are directly credited to income account as recurrent revenue for the year in which they are received.

1.11 Intangible Assets

Acquired computer software licenses are capitalized on the basis of the costs incurred to acquire and to bring to use of the specific software. The costs of acquiring the software that is regarded as an integral part of some identifiable hardware are recognized as part of the cost of the hardware. The cost of acquiring other software are recognized as intangible assets of indefinite useful life when the rights of acquiring the assets are conveyed to the Foundation for unlimited term of renewal and therefore, these assets are not amortized. However, the useful lives of these assets are reviewed at every end of year under review to determine whether events and circumstances continue to support an indefinite useful life assessment for the assets. If they do not, the change in the useful life assessment from indefinite to finite shall be accounted for as a change in an accounting estimate.

Description	Land	Buildings - total	Computer Equipment	Furniture & Fittings	Motor Vehicles	Plant and Machinery	Total
	US\$	US\$	US\$	US\$	US\$	US\$	US\$
Cost or valuation							
As at 1 January 2012	976,471	539,869	54,411	74,968	16,340	7,843	1,669,902
Additions	0	0	20,562	0	34,868	0	55,430
Adjustments	0	0	0	0	0	(7,843)	(7,843)
Disposals	0	0	0	0	0	0	0
As at 31 December 2012	976,471	539,869	74,973	74,968	51,208	0	1,717,489
Depreciation							
As at 1 January 2012	0	21,595	9,585	9,048	4,085	1,569	45,882
Charge for the year	0	21,595	13,908	9,371	6,990	0	51,864
Adjustments	0	0	0	0	0	(1,569)	(1,569)
Disposals	0	0	0	0	0	0	0
As at 31 December 2012	0	43,190	23,493	18,419	11,075	0	96,177
NET BOOK VALUE 31 December 2012	976,471	496,679	51,480	56,549	40,133	0	1,621,312

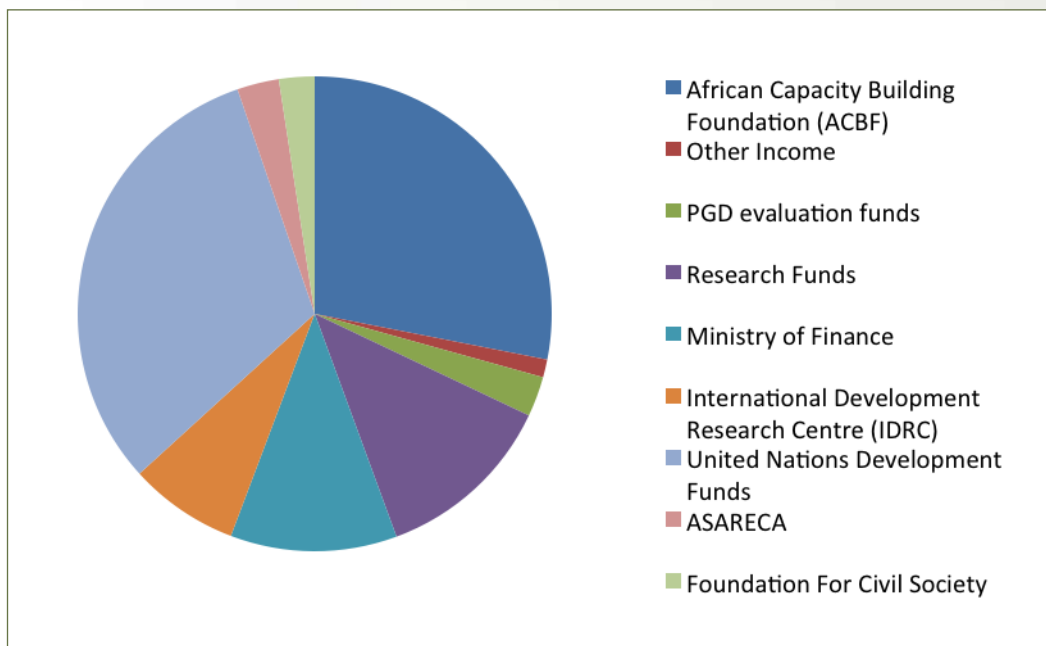
18. Related Party Transactions

As at 31st December, 2013 there were no loans or advances payments to members of Trustees and Management. There were no contracts or any other transactions during the year in which any of the related parties had interest, which is of significance to the Foundation.

19. Comparative figures

Previous financial year's figures have been regrouped whenever deemed necessary to make them comparable with the current financial year's figures.

DONORS FOR THE YEAR 2013



10.0 ESRF PUBLICATIONS

Discussion Papers

1. India and China: Opportunities and Challenges For Tanzania's Economic Prosperity – Dr. H.B Lunogelo and Solomon Baregu, 2013;
2. Indo-Africa Relationship: Opportunities For Technology Transfer Between India and African Countries - Dr. H.B Lunogelo and Solomon Baregu, 2013;
3. Making Natural Gas Guarantee Sustainable Development: Plans and Progress by VETA to Prepare Tanzanians to Engage in the Natural Gas Value Chain Process Enock Kibendela, 2013;
4. Challenges Ahead For Tanzania to Build New Capacities for Gas Industry Development – Col. (Rtd) J.L. Simbakalia
5. Opportunities and Challenges for the Extraction of Natural Gas in Tanzania: The Imperative Of Adequate Preparedness – Humphrey P. B. Moshi, 2013;
6. Impact of Climate Change to Small Scale Farmers: Voices of Farmers in Village Communities in Tanzania - Apronius Mbilinyi, Georgina Ole Saibul (PhD) and Vivian Kazi
7. Unlocking the Denied Potential for Resource Poor Farmers - Dr. Oswald Mashindano and Patrick Kihenzile, 2013;
8. Assessment of Practices of Agricultural Production, Marketing and Domestic Trade Policies in Tanzania: The Case of Sesame (*Sesamum Indicum L.*) - Dr. Oswald Mashindano and Patrick Kihenzile, 2013.

Policy Dialogue Series

1. Re-investing in social sector in Tanzania: a critical review of the budget 2011/12 by Dorah Semkwiji 2012;
2. Strengthening Micro-Enterprises in Tanzania: The Case of Small-Scale Vegetable Farmers in Arusha by Dr. O. Mashindano, Dr. B. Mkenda and Vivian Kazi, September 2011;
3. Experience of Tanzania and Uganda in the use of Research-based Evidence to Influence Policy by Vivian Kazi, 2011;
4. Measuring the Impact of HIV/AIDS on the Electoral Process in Tanzania by Flora Kessy, Ernest Mallya and Oswald Mashindano.

10.1 Quarterly Economic Reviews (QERs):

1. QER Volume 11 Issue 1 for Jan – Mar, 2011
2. QER Volume 11 Issue 2 for Apr – Jun, 2011
3. QER Volume 11, Issue 3 for Jul – Sep, 2011
4. QER Volume 11, Issue 4 for Oct – Dec, 2011

10.2 Annual Reports:

1. ESRF Annual; Report, 2012

2. ESRF Annual Report, 2011
3. ESRF Annual Report, 2010
4. ESRF Annual Report, 2009
5. ESRF Annual Report, 2008
6. ESRF Annual Report, 2007
7. ESRF Annual Report, 2006

10.3 Newsletters:

1. Newsletter Volume 11 – Issue 1, 2012
2. Newsletter Volume 10- Issue 2, 2011
3. Newsletter Volume 10 – Issue 1, 2011
4. Newsletter Volume 9 – Issue 2, 2010
5. Newsletter Volume 9 – Issue 1, 2010

10.4 Policy Brief Series:

1. Food Price Transmission Analysis: Evidence for Strengthening Food Security Policy Measures in Tanzania - Festo Maro and Dr. Francis Mwaijande, 2013;
2. Tanzania Gas Sector Economy in the Light of Human Development - Mr. Norbert Kahyoza, 2013;
3. Challenges Facing Land Ownership in Rural Tanzania: What needs to be done? - Charity Mugabi 2013;
4. Taping Export Opportunities for Horticulture Products in Tanzania: Do we have Supporting Policies and Institutional Frameworks? - Dr. Oswald Mashindano, Vivian Kazi, Specioza Mashauri and Solomon Baregu, 2013;
5. Do We Really Know How Climate Change Affects Our Livelihood? Evidences from Village Communities in Rural Tanzania - Apronius Mbilinyi, 2013;
6. Climate change as a silent disaster: Testimonies from Stories by Rural Communities in Tanzania - Apronius Mbilinyi, 2013;
7. Human Resource Development: The Agenda on Transforming Society. - George D. Yambesi, 2012.

10.5 TAKNET Policy Briefs

1. Post MDGs development agenda: What future do we want and how can we achieve it?
2. Promoting Change through Research: The Impact of Research on Evidence-based Policy Process and Practice.
3. What Benefits exist for Tanzania within East African Common Market Arrangement?
4. Post MDGs development agenda: What future do we want and how can we achieve it?
5. Importation of counterfeit products in Tanzania: What should be done?
6. Msongamano wa Magari Jijini Dar Es Salaam: Nini Kifanyike?
7. Informal Sector Taxation in Tanzania
8. School Competition and Student Learning Rights
9. Vifo Vya Akina Mama Kutokana Na Matatizo Ya Ujauzito (Maternal Mortality) ni tatizo kubwa Tanzania : Nini kifanyike kutatua tatizo hili?*

10. Growth and Poverty Reduction in Tanzania: Why such a Mismatch?
 11. Petroleum Policy and Constitutional Paradox in the United Republic of Tanzania
 12. The Role of Information and Communication Technologies (ICT) in Enhancing the Livelihoods of the Rural Poor
 13. Social Welfare and Ageing in Tanzania
 14. Tanzanian Cultural Environment and Economic Growth
 15. Tatizo la Walemavu wa Ngozi (Albino) Tanzania: Nini Kifanyike?
-

11.0 ESRF STAFF LIST 2013

LIST OF ESRF STAFF

S/N	NAME	DESIGNATION
1.	Dr. H.B lunogelo	Executive Director
2.	Dr. Tausi M. Kida	Director of Programmes/PGD Coordinator
3.	Dr. Donatilla Kaino	Senior Research Fellow
4.	Mr. Ian Shanghvi	Assistant Research Fellow Gr. II
5.	Ms. Charity Mugabi	Assistant Research Fellow Gr. II
6.	Ms. Vivian Kazi	Assistant Research Fellow Gr. I
7.	Mr. Apronius Mbilinyi	Assistant Research Fellow Gr. II
8.	Mr. Solomon Baregu	Research Assistant Gr. I
9.	Ms. Jocelyne Mkimila	Program Officer
10.	Mr. Patrick Kihenzile	Assistant Research Fellow Gr. II
11.	Mr. Richard Ngilangwa	Research Assistant Gr. I
12.	Ms. Goreth Kashasha	Workshop Coordinator
13.	Mr. Margareth Nzuki	Principal Information Officer
14.	Mr. Abdallah Hassan	Senior Information Officer Gr. I
15.	Mr. John Kajiba	Senior Information Technology Expert
16.	Mr. Seniorine Libena	Senior Publication and Publicity Officer Gr. II
17.	Ms. Jacqueline Mwijage	Office Management Secretary Gr. I
18.	Mr. James Kasindi	IT Expert (Systems Administrator)
19.	Mr. Joseph Ngonyani	IT Expert (Database Administrator)
20.	Mr. Ernest Chiwenda	Finance Manager
21.	Ms. Aldegunda Ngowi	Accountant
22.	Mr. Japhet Maginga	Accounts Assistant
23.	Mr. Deodatus Sagamiko	Human Resource Manager
24.	Ms. Consolata Mkoba	Office Management Sec. Gr. I
25.	Mr. Raphael H. Chibindu	Office Mgt Sec. Gr. II Cum Data Entry Clerk
26.	Ms. Jennifer Badi	Personal Sec Gr. I CUM receptionist
27.	Mr. Theo Mtega	Office Assistant
28.	Mr. Peter Mhono	Driver Gr.I

29.	Mr. Francis John	Driver Gr.II
30.	Mr. Said Abdallah	Office Attendant Gr.II
31.	Ms. Prisca Mghamba	Office Attendant Gr.II
32.	Mr. Yasser Manu	Programme Administrator
33.	Mrs. Margareth Kasembe	IFP Programme Coordinator
34.	Mr. Danford Sango	Assistant Research Fellow Gr. II
35.	Mr. Ernest Mufuruki	Assistant IFP Prog. Coordinator



Economic and Social Research Foundation (ESRF)

51 Uporoto Street, off Ali Hassan Mwinyi Road

P.O. Box 31226, Dar es Salaam, Tanzania

Tel : (+255-22) 2926084-9

Fax : (+255-22) 2926083

E-mail : esrf@esrf.or.tz

Website : www.esrftz.org