

**THE UNITED REPUBLIC OF TANZANIA  
MINISTRY OF AGRICULTURE FOOD SECURITY AND COOPERATIVES  
DISTRICT AGRICULTURAL SECTOR INVESTMENT PROJECT (DASIP)**

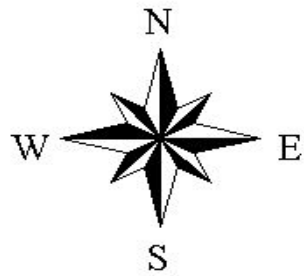


**ANNUAL WORK PLAN AND BUDGET - 2008/09**

## PROJECT BASIC INFORMATION

<b>Project Title:</b>	District Agricultural Sector Investment Project (DASIP)
<b>ADF Loan Number:</b>	2100150008694
<b>ADF Grant Number:</b>	2100155003517
<b>Project Cost:</b>	<ol style="list-style-type: none"><li>1. Foreign Exchange: UA 25.32 Million</li><li>2. Local Cost: UA 32.69 Million</li></ol> <b>Total: UA 58.01 Million</b>
<b>Source of Financing:</b>	<ol style="list-style-type: none"><li>1. ADF Loan: UA 36.00 Million</li><li>2. ADF Grant: UA 7.00 Million</li><li>3. GOT: UA 6.64 Million</li><li>4. Beneficiaries: UA 8.37 Million</li></ol> <b>Total: UA 58.01 Million</b>
<b>Borrower:</b>	The United Republic of Tanzania (URT)
<b>Executing Agency:</b>	Ministry of Agriculture, Food and Cooperatives (MAFC)
<b>Date of Project Appraisal</b>	August 2004
<b>Date of Project Negotiation</b>	October 2004
<b>Date of Project Approval</b>	December 2004
<b>Date of Signing Loan Contract</b>	February 2005
<b>Date Loan Declared Effectiveness</b>	December 2005
<b>Date of First Disbursement</b>	November 2005
<b>Date of Last Disbursement</b>	June 2012
<b>Project area:</b>	Twenty five (25) districts in Kagera, Kigoma, Mara, Mwanza and Shinyanga Regions of Tanzania
<b>Project Components:</b>	<ol style="list-style-type: none"><li>1. Farmer Capacity Building</li><li>2. Community Planning and Investment in Agriculture</li><li>3. Support to Rural Financial Services and Marketing</li><li>4. Project Coordination and Management</li></ol>
<b>Project Executing Period:</b>	Six (6) years - up to December 2011
<b>Loan Closing Date:</b>	June 2012
<b>Project Launching Date:</b>	17January 2005

# MAP OF TANZANIA SHOWING AREA COVERED BY DASIP



## **EXECUTIVE SUMMARY**

### **The Plan for Year 2008/09**

1. *The Annual Work Plan and Budget (AWPB) is a management tool used to guide prudent resource allocation and timely execution of activities. The tool provides means of monitoring physical and financial achievements against targets with a view of taking timely and remedial measures. Preparation of this year's AWPB is based on the following: unaccomplished activities for year 2007/2008, Government budgeting guideline and sector policies, Public procurement act and AfDB rules and procedures.*
2. *This is the fourth AWPB for the Project. Some activities appraised to be accomplished by end of PY 3 have not been executed mainly because of various reasons including long process of procurement of goods and services. This years AWPB, has accommodated all un-accomplished activities thus they shall be accomplished during the financial year. The objective is to ensure that by the end of PY 4, implementation of project activities is current and it has been deemed appropriate to consolidate these activities as a strategy to catch up for delayed activities.*
3. *Major activities to be executed in Year 4 include the following:*
  - 1) *Initializing implementation of the third project component, namely Rural Finance and Agricultural marketing – including consultancy to review of Rural Finance and Agricultural marketing in the Project area;*
  - 2) *Initialialising implementation of medium size infrastructure and agricultural technology projects;*
  - 3) *Conducting Mid-term Review (MTR)*
  - 4) *Intensify monitoring and supervision so as to ensure good quality and timeliness of completion of projects;*
  - 5) *Finalizing follow-up training for project staff. Emphasis will be in areas that were observed to be wanting in the previous implementation period;*
  - 6) *Training on Environmental Impact Assessment and Environmental and Social Management Planning;*
  - 7) *Finalize DTC training;*
  - 8) *Conducting needs assessment of district staff on rural micro-finance and marketing*
  - 9) *Continuing with implementation of village micro-projects;*
  - 10) *Carrying out Comprehensive assessment of Farmer Field Schools (FFS);*
  - 11) *Training district staff on appraisal of village micro-projects;*
  - 12) *Training of Farmers Facilitators (FF).*
  - 13) *Ensure compliance with loan and Grant Covenants. This is a continuous process for the entire project period, PCU will continue with the exercise of ensuring that the covenants are dully complied.*
  - 14) *Implementation of the approved procurement plan.*
  - 15) *Follow up of O &OD methods at ward and Village levels*
  - 16) *Continue sensitization of Project beneficiaries and communities regarding project activities including HIV/AIDS sensitization campaigns.*
  - 17) *Strengthening partnership with NGOs, private service providers, and other projects involved in activities related or similar to DASIP portfolio.*
  - 18) *Implementation of resolutions and directives given by Project Technical Committee.*

- 19) Training of DTCs, and rolling over training to ward and village levels.
- 20) Organize Regional Programme development workshops, District Planning workshops
- 21) Undertake follow up training of Regional and District M & E Officers, Regional and District Project Officers, District Project Accountants and Zonal and District Irrigation Staff

**The 2008/09 Budget**

4. During PY 4, the project plans to spend Tsh. 18.2 billion during the year. Thrust of this year's plan and budget is to ensure that planned activities that were not executed by end of PY 3 are finalized during year 2008/2009 along side activities planned for PY 4. This year's plan is 19.16% of the overall base cost of the Project estimated at Tsh. 95 billion. Of the budgeted expenditure, Farmers Capacity Building has a provision of Tsh. 3.69 billion, Community planning and Investment in Agriculture Tsh. 12.13 billion, Support to Rural Financial Services and Marketing Tsh. 0.92 billion and Project Coordination and Management Tsh. 1.46 billion. Budgetary allocation by components is summarized in the table below:

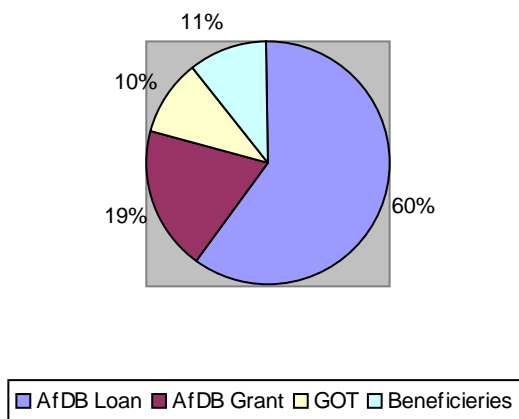
Sn.	Component	Budget (Tsh. Billion)	% of Total Budget for the year
1.	Farmers' Capacity Building	3.69	20.25
2.	Community Planning and Investment	12.13	66.65
3.	Support to Rural Financial Services and Marketing	0.92	5.06
4.	Project Co-ordination and Management	1.46	8.04
	<b>Total</b>	<b>18.2</b>	<b>100.00</b>

5. Category budgets are as follows: civil works are planned to expend Tsh. 8.59 billion, Goods Tsh. 1.13 billion, Services Tsh. 5.79 billion and recurrent expenditure Tsh. 2.69 billion. Allocated budget for civil works include investments in feeder roads, water control structures, on farm works and investments in village micro projects. Goods shall include Agriculture value adding equipment, a motor vehicle, zonal irrigation equipment and office equipment. The category of Services includes Training, Technical assistance, Studies and workshops.

6. The summary of budget by components is as

**Source**

7. As regards source of funds, 59.69% (Tsh. 10.86 billion) of the budget shall be financed by the loan, 19.93% (Tsh. 3.52 billion) by the Grant 10.38% (Tsh. 1.89 billion) by the Government of the United Republic of Tanzania and beneficiaries shall inject 10.59 % ( Tsh. 1.93 billion)



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## ABBREVIATIONS AND ACCRONYMS

<b>AfDB</b>	African Development Bank
<b>ASDP</b>	Agricultural Sector Development Programme
<b>ASDS</b>	Agricultural Sector Development Strategy
<b>ASLMs</b>	Agricultural Sector Lead Ministries
<b>AWPB</b>	Annual Work Plan and Budget
<b>BDS</b>	Business Development Services
<b>CAG</b>	Controller and Auditor General
<b>DADPs</b>	District Agricultural Development Plans
<b>DASIP</b>	District Agriculture Sector Investment Project
<b>DED</b>	District Executive Director
<b>DFTS</b>	District Facilitation Teams
<b>DMEOs/DM&amp;EOs</b>	District Monitoring and Evaluation Officers
<b>DPOs</b>	District Project Officers
<b>DTCs</b>	District Training Co-ordinators
<b>EIA</b>	Environmental Impact Assessment
<b>ESMP</b>	Environmental and Social Management Planning
<b>FMS</b>	Financial Management Specialist
<b>GoT</b>	Government of Tanzania
<b>HPI</b>	Heifer Project International
<b>LO</b>	Liaison Officer
<b>M&amp;E</b>	Monitoring and Evaluation
<b>M&amp;EO</b>	Monitoring and Evaluation Officer
<b>MAFC</b>	Ministry of Agriculture, Food Security and Co-operatives
<b>MIS</b>	Management Information Systems
<b>MITM</b>	Ministry of Industry, Trade and Marketing
<b>MLD</b>	Ministry of Livestock Development
<b>MoF</b>	Ministry of Finance
<b>MoW</b>	Ministry of Works
<b>MPEE</b>	Ministry of Planning Economy and Empowerment
<b>MTB</b>	Ministerial Tender Board
<b>NCB</b>	National Competitive Bidding
<b>NGO</b>	Non-Governmental Organization
<b>PC</b>	Project Co-ordinator
<b>PCU</b>	Project Co-ordination Unit
<b>PIM</b>	Project Implementation Manual
<b>PMO - RALG</b>	Prime Minister's Office – Regional Administration and Local Governments
<b>PPS</b>	Project Procurement Specialist
<b>PTC</b>	Project Technical Committee
<b>PY</b>	Project Year
<b>QCBS</b>	Quality-Cost-Based Selection
<b>RA</b>	Rapid Appraisal
<b>RFP</b>	Request for Proposals
<b>RFQ</b>	Request for Quotation
<b>RPO</b>	Regional Project Officers
<b>SACAs</b>	Savings and Credit Associations
<b>SACCOS</b>	Savings and Credit Co-operative Societies
<b>SELF</b>	Small Entrepreneurs Loan Facility
<b>SNV</b>	Netherlands Development Organization
<b>TNA</b>	Training Needs Assessment
<b>TO</b>	Training Officer
<b>ToR</b>	Terms of Reference
<b>ToT</b>	Training of Trainers
<b>Tsh.</b>	Tanzania Shilling
<b>UA</b>	Unit of Account
<b>UPS</b>	Uninterruptible Power Supply
<b>USD</b>	United States Dollar



**VADPs**  
**WFTs**

Village Agricultural Development Plans  
Ward Facilitation Teams

# ANNUAL WORK PLAN AND BUDGET (AWPB) 2008/09

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## 1 PROJECT BACKGROUND INFORMATION

### 1.1 Project Objectives

The Government of Tanzania (GoT), through a loan from the African Development Bank (AfDB) is implementing the District Agriculture Sector Investment Project (DASIP). The project aims at increasing productivity and incomes of rural households in the project area within the overall framework of the Agricultural Sector Development Strategy (ASDS). Implementation of the project will be over a period of six years starting from January 2006. It will cover a total of 28 districts in Kagera, Kigoma, Mara, Mwanza and Shinyanga regions. The Table below indicates names and numbers of districts covered by the project by Region:

**Table 1: Names and Number of Regions and Districts Covered by DASIP**

Regions	Districts	Number of Districts
Kagera	Biharamulo, Bukoba, Karagwe, Muleba, Ngara, Chato and Misenyi	7
Kigoma	Kasulu, Kibondo and Kigoma Rural	3
Mara	Bunda, Musoma Rural, Tarime, Rorya and Serengeti	5
Mwanza	Geita, Kwimba, Magu, Misungwi, Sengerema and Ukerewe	6
Shinyanga	Bariadi, Bukombe, Kahama, Kishapu, Maswa, Meatu and Shinyanga Rural	7
<b>Total</b>		<b>28</b>

### 1.2 Project Components

The Project has three field components and one project management component as follows:

#### 1.2.1 Component 1: Farmer Capacity Building

Twenty eight (28) districts will have the capacity to train participatory farmer groups through participatory adult education methods; whereby 250,000 farmers in 10,000 participatory farmer groups with an average of 25 members each shall be trained in technical, organizational and managerial subject matters through participatory adult learning methods;

#### 1.2.2 Component 2: Community Planning and Investment in Agriculture

Twenty eight (28) districts will have the capacity to plan, manage and monitor district and village agricultural development plans; 28 district agricultural development plans shall be prepared and implemented; 780 village agricultural development plans shall be prepared and implemented, including agriculture-related micro-project, small infrastructures and agricultural technology investments; improved market access through the improvement of 560 km of feeder roads; and improved water control for agriculture through the construction of 28 water harvesting structures.

### 1.2.3 Component 3: Support to Rural Micro-finance and Marketing

Two hundred (200) operationally sustainable Savings and Credit Co-operatives, with each co-operative comprising an average of 1,000 members and Tsh. 40 million in savings after six years of operation; and marketing information network established and functioning in 28 districts.

### 1.2.4 Component 4: Project Co-ordination

The Project Coordinating Unit (PCU) has been established in Mwanza to oversee the day-to-day co-ordination and management of the project activities.

## 1.3 *Project Beneficiaries*

Beneficiaries of the project are the participatory farmer groups and their grassroots institutions such as Savings and Credit Associations (SACAs) and Savings and Credit Co-operative Societies (SACCOS); and 780 villages, where rural infrastructure facilities will be constructed or rehabilitated. It is estimated that a total of 3.4 million people in 0.57 million households will benefit directly and indirectly, out of which 23% are expected to be female-headed households.

## 2 OVERVIEW OF PROJECT PERFORMANCE FOR YEAR 2007/08

### 2.1 *The Plan*

Major activities planned for execution during year 2007/08 were as follows:

1. Backstopping and supervising implementation of village micro projects and agriculture technology;
2. Carrying out appraisal of micro-projects for the financial year 2007/08;
3. Conducting Baseline Survey, Curriculum Development Study as well as establish Project Management Information Systems (MIS);
4. Preparing the Annual Work Plan and Budget (2007/08);
5. Conducting External Auditing;
6. Finalizing procurement of office equipment, motorcycles and vehicles and initializing procurement of bicycles;
7. Holding Annual Review and Planning Workshop – at regional/district and national levels;
8. Training of District Training Co-ordinators (DTCs);
9. Training of Ward Training Facilitators (WTFs);
10. Training of Participatory Farmer Groups (PFGs); and
11. Conducting a Study on Rural Finance and Marketing.

Implementation status of these activities is explained component-wise below.

### 2.2 *Implementation Status*

#### 2.2.1 Component 1: Farmer Capacity Building

Under this component, the project planned to conduct a study on curricula development; holding curricula development workshop; conducting training of 56 District Training Co-ordinators (DTCs) and also convene a workshop for planning activities under Farmer Capacity Building component. Progress of implementation of these activities is as follows:

## **Curricula Development and DTC Training**

Consultants submitted their final report in January 2008. The report has identified 18 key areas for training DTCs, of which training would centre on, of which three were trained in the second quarter and two modules were trained by MAFC personnel in the fourth quarter 2007/08. The remaining 13 modules will be handled by consultants. Advertising of tender was done in the period under review.

## **Training of Participatory Farmers Groups (PFGs)**

According to project design, Farmer Field School (FFS) approach will be used for training farmers. This training is for season long and varies in accordance with the type of field school, but many of them fall within six months period. Accordingly, about 1,484 crop and livestock FFS are being carried out in the project area. Most of these were completed by the end of June, which is the end of the farming season.

## **Staff Training**

Six training programmes were carried out during the reporting period as follows: (i) Subproject preparation and appraisal to DFTs (ii) Post-harvest technology to DTCs, (iii) IPM to DTCs, (iv) Annual Follow-up training of Irrigation technicians/Zonal Irrigation Engineers (v) Initial Training for newly selected Monitoring and Evaluation Officers and DTCs; and (vi) Follow-up Training for Project Officers.

## **DFT Training on Sub-project Preparation and Appraisal**

Twenty eight (28) District Facilitation Teams (DFTs) from all 28 districts implementing DASIP went through a 5 day training on sub-project preparation and appraisal between the 9<sup>th</sup> to 20<sup>th</sup> June in Kigoma and Musoma. In addition to the formally recognized DFT members, Agricultural Advisors to the Regional Secretariat and DASIP Monitoring and Evaluation Officers, the two (2) District Training Co-ordinators (DTCs) and where District Project Officer (DPO) was not a member of DFT also attended the training. A total of 359 staff attended the training and the main topics included: (i) Overview of DASIP as an integral part of ASDP, (ii) Guidelines on DADP Planning and Implementation, (iii) Some key concepts in Project Design, (iv) Designing Projects, (v) Cost/Benefit Analysis and (vi) Project Proposal Structure and Write up.

## **DTC Training on Post Harvest Technology**

A five (5) day training was delivered to 55 District Training Coordinators on Post Harvest Technology at the Agricultural Research & Development Institute (ARDI) Maruku from April 21 to 25<sup>th</sup>, 2008. Trainers were drawn from the Food Security Division of MAFC, Small Industrial Development Organization (SIDO) and Banana Wine Processing Entrepreneur from Bukoba. Main topics centered on processing cassava and banana and processing as a business.

## **DTC Training on Integrated Pest Management (IPM)**

A 5 day training was delivered to 55 District Training Coordinators on Integrated Pest Management at the Kizumbi Centre of the Moshi University College of Business and Cooperative Studies in Shinyanga from April 28 to May 2<sup>nd</sup>, 2008. Trainers were drawn from the Plant Health Services of MAFC. Topics covered include: (i) Overview of plant protection and background information on IPM in Tanzania, (ii) Principles of IPM, (iii) IPM in cotton-cereal farming system, (iv) IPM in coffee-banana farming system, (v) IPM and Farmer Field School extension approach, (vi) IPM in vegetables, (vii) IPM in beans, and (viii) Properties and safe handling of pesticides.

## **Annual Follow up Training of Irrigation Technicians and Zonal Irrigation Engineers**

An annual follow up training was delivered to 31 participants who included 28 District Irrigation Technicians from project districts, 1 Irrigation Engineer from Magu District and 2 Zonal Irrigation Engineers from the Tabora and Mwanza Zonal Irrigation Units. The training was conducted from 26<sup>th</sup> to 28<sup>th</sup> June, 2008 at the Karena Hotel in Shinyanga. Main topic was formation, nurturing and supporting irrigators' organizations and water rights.

### **Initial Training Workshops**

Following the increase of districts to 28 from 25<sup>1</sup> and staff transfers, the project had to conduct Initial Training to the newly appointed staff in their respective disciplines. The 12 newly appointed DTCs were trained on FFS concepts for two weeks in Ukerewe district in February 2008. Similar training to newly appointed Monitoring and Evaluation Officers was conducted in Shinyanga Municipality in May 2008 and was attended by a total of 10 officers.

### **Follow-up Training Workshops**

This is a perennial exercise geared at improving the skills of project staff in implementing and managing the project. Selection of modules for training is on basis of problem areas identified and deemed critical during the course of implementation. The plan was to conduct follow-up training workshops to District M&E Officers (DMEOs), Regional and District Project Officers (RPOs and DPOs), District Procurement Officers and Engineers, Irrigation Technicians, and District Accountants. All the workshops were to be conducted during the fourth quarter. The project has managed to conduct two workshops, one for DMEOs and another for Project Officers. DMEOs' training workshop centred on the use of Project Monitoring and Evaluation Framework as a tool to guide stakeholders in Participatory Monitoring and Evaluation, while that for Project Officers dwelt on management techniques and roles in relation to their day-to-day project responsibilities as per 'Handbook for Managing DADPs Supported by DASIP' (draft). The latter has been prepared by the project during the reporting period. The handbook will be finalized in July/August 2008 and will be distributed to the Project Officers and other stakeholders. Due to problems associated with availability of facilitators, the remaining workshops have been rescheduled to July/August 2008.

## **2.2.2 Component 2: Community Planning and Investment in Agriculture**

Activities planned for implementation during the period under review include capacity building in planning and investment in agriculture, finalization of 'quick win' projects as well as appraisal of village micro-projects. Their implementation status is as follows:

### **Capacity Building in Planning and Investment in Agriculture**

Village micro-projects and Agriculture Technology Investment Projects are being implemented by communities and groups respectively. In order to increase the capacity of communities and groups to manage their projects better, communities and groups appointed Village Development Committees (VDCs) that are responsible for managing respective projects on behalf of communities and groups respectively. The committee members in all 780 villages underwent training that included five modules, namely Background to DASIP; Role and Responsibility of the Committees and Community in Project Management; Financial Management; Procurement of Goods and Services; and Participatory Monitoring and Evaluation (PME).

The training was conducted for two days in each village and was completed in February, 2008.

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<sup>1</sup> As a result of split of Tarime, Biharamulo and Bukoba Rural districts

## **Finalization of ' Quick Win' Projects**

As at the end of the fourth quarter, sixty one micro-projects (86%) have been completed and another five micro-projects (7%) are at various stages of implementation. Out of the remaining, two of them (2.8%) did not meet environmental requirements and the remaining three (4.2%) costs are too higher than the project design allows.

District-wise Ngara district in Kagera region has accomplished all her (7) projects. Bunda district has completed 4 projects out of 5. On the other hand Ukerewe district has not started her 2 projects out of three because the projects do not meet environmental requirements. Among the completed projects, construction/rehabilitation of cattle dips and cattle crushes rank highest. Agricultural Technology projects are lagging behind. Infrastructural projects like charco dams, irrigation schemes, storage structures and market sheds took quite a long time at the procurement stage. Agricultural value adding equipments are so costly that they cannot be accommodated by the project design.

## **Appraisal of Village Micro-projects**

A total of 516 micro-projects, costing a total of Tsh. 7,056,655,000 have been approved for implementation during 2007/08 financial year. Of the total estimates of the micro-projects, Tsh. 1,577,864,000 (24%) was contributed by the community in kind, and the remaining Tsh. 5,478,791,000 (76%) was contributed by the project. The table below shows the number of micro-projects and their respective costs regional-wise.

Table 2: Number and cost of approved Micro-projects by Region as at 30<sup>th</sup> June 2008

Sn.	Region	Number of Projects	Project Cost (Tsh. '000)		
			Beneficiary Contribution	Project Contribution	Total
1	Mwanza	130	430,890	142,5023	185,5913
2	Shinyanga	150	490,186	182,5900	231,6086
3	Mara	121	308,154	916,206	133,4360
4	Kagera	81	197,999	7151,21	9131,20
5	Kigoma	34	150,635	596,541	7471,76
	<b>Total</b>	<b>516</b>	<b>1577,864</b>	<b>5,478,791</b>	<b>7,056,655</b>

To-date, a total amount of Tsh. 8,152,891,000 has so far been disbursed for implementation of 587 micro-projects, of which 1,805,433,000 (22.1% of total) was contributed by communities, and the remaining Tsh. 6,347,458,000 (77.9%) was contributed by the project. The table below shows the amount of funds disbursed to the projects regional-wise. Note that the figures are cumulative of years 2006/07 and 2007/08.

Table 3: Cumulative Number of Village Micro-projects & Funds Disbursed for Implementation  
by Region and by Source as at 30<sup>th</sup> June 2008

Sn.	Region	Number of Micro-projects			Project Cost (Tsh. '000)		
		2006/07	2007/08	Total	Beneficiary Contribution	Project Contribution	Total
1	Mwanza	17	130	147	495,290	1,685,023	2,180,313
2	Shinyanga	10	150	160	541,838	2,033,900	2,575,738
3	Mara	15	121	136	354,718	1,104,206	1,458,924
4	Kagera	16	81	97	223,347	805,788	1,02,9135
5	Kigoma	13	34	47	190,240	718,541	908,781
	<b>Total</b>	<b>71</b>	<b>516</b>	<b>587</b>	<b>1,805,433</b>	<b>6,347,458</b>	<b>8,152,891</b>

### **2.2.3 Component 3: Support to Rural Financial Services and Agricultural Marketing**

This component is expected to **establish viable savings and credit schemes that are able to benefit from microfinance and marketing services and engaged in farming as a business**. As a starting point, the plan during 2007/08 was to conduct two studies, namely Review of Rural Financial

Services and Review of Agricultural Markets in the project area. Procurement process of consultants started in the second quarter 2007/08 and so far, Request for Proposal (RFP) approval by AfDB has been obtained and documents have been sent to MTB for further processing. Implementation of this component will therefore start in the second quarter, 2008/09. Prior to initiation of procurement of consultants, the project consulted two sister projects, namely, Agricultural Marketing Systems Development Program (AMSDP) and Rural Financial Services Program (RFSP) on best ways of approaching the assignment.

## 2.2.4 Component 4: Project Co-ordination and Management

### Project Co-ordination

1. **Project Technical Committee (PTC) Meeting:** The Sixth PTC meeting was held on 24<sup>th</sup> January 2008. Key agenda items discussed included:
  - a. Semi-Annual Report (2007/08);
  - b. Project Audited Financial Statements for the Year Ended 30<sup>th</sup> June 2007;
  - c. Ratification of a Proposal to Invest in Three Newly Created Districts; and
  - d. Project Implementation Manual (PIM);

The meeting noted that MIS and Baseline Surveys are overdue; the presented PIM is bulky and management part is missing; bicycles currently being procured by districts are inappropriate for Ward personnel; project document has not provided for operational costs and supervision costs for micro-projects; need for starting to prepare for mid-term review (MTR); and low capacity of M&E personnel at district level.

In view of what was noted, PTC members resolved the need for:

- a. PCU to make follow up to ensure that MIS and Baseline Survey outputs are completed immediately;
- b. PCU to fine-tune the PIM document and present it in the 7<sup>th</sup> PTC meeting;
- c. Districts to pool resources from various sources and purchase motorcycles for their respective Ward Training Facilitators (WTF);
- d. Project to consider a possibility of allocating funds to carter for supervision and other operational costs for village micro-projects ;
- e. PCU to start preparations for the MTR. To start with, the project should conduct a pre-MTR exercise, the output from which will be used in the MTR to be conducted in project year four; and
- f. PCU to continue building the capacity of M&E Officers at district level.

The meeting approved the Project Semi-Annual Report (2007/08), ratified the proposal for allocating resources to the new districts. Other key deliberations of the PTC made at the previous meeting during the year under review include approval of Annual Work Plan and Budget (AWPB) for 2007/08, Sale of Project Motorcycles on Hire Purchase Arrangements for Project staff; and the Audited Financial Statement and Accounts for the Year Ended 30<sup>th</sup> June 2007. It was agreed that the next PTC meeting be held in April 2008, but due to emergence of unplanned activities, it was not possible to hold a meeting as planned. More details are in the minutes of Sixth PTC Meeting.

## 2. Monitoring and Evaluation

Activities planned during the reporting period are finalizing implementation of two consultancies (Baseline Survey, Establishing Project Management Information Systems (MIS), conducting the Annual Planning and Review Workshops, as well as tracking the degree of access, utilization and satisfaction generated from 'quick win' projects.

12. **Baseline Survey:** Consultants were engaged in July 2007, presented their Inception Reports to the Agricultural Sector Lead Ministries (ASLMs) representatives for comments in the same month. This was followed by training of District Monitoring and Evaluation Officers (DMEOs) in administering the questionnaires. The Training was conducted in Kahama in August 2007. Field work was conducted in September/October 2007, after which, data entry, cleaning, analysis and report writing was done. The draft report was presented to the stakeholders for comments in fourth quarter 2007/08 and final report submitted to PCU in the same quarter.
13. **Establishment of Project Management Information System (MIS):** Consultancy to undertake this assignment was initiated in July 2007. Consultants started their assignment by preparing the Inception Report, which was presented to ASLM representatives for discussions, and was followed by visits to PCU as well as to the selected districts (Magu and Misungwi) of the project area. Consultants also held discussions with Project staff as well as stakeholders in the project area. The output of the visits was included in the Situation Analysis Report (SAR), which was submitted to the project in November, 2007. So far, the on-line MIS has been developed and availed to PCU for review. The online MIS was reviewed by PCU and other stakeholders in May, 2008.
14. **The First Annual Stakeholders' Planning and Review Workshop** for regional and district stakeholders was held in Bukoba between 12<sup>th</sup> and 14<sup>th</sup> November 2007. The workshop aimed at discussing project progress in relation to what was planned and analyze challenges faced in the course of implementing the project. The output of the workshop was recommendations geared to steer forward project implementation with effectiveness and efficiency. The workshop was attended by a total of 211 participants – including regional and project staff as well as farmers' representatives.

Proceedings of the district and regional workshop were presented to the **National Annual Stakeholders' Planning and Review Workshop** that was convened at Paradise Hotel in Bagamoyo for two days from 22<sup>nd</sup> January 2008. The National Workshop was officiated by the Minister for MAFC Honorable Stephen Wasira (MP), and was attended by 65 participants, including PTC members; project staff; and representatives from farmers' organizations, academic institutions, research institutions, private service providers, sister projects' as well as umbrella organizations for NGOs and rural savings and farmer representatives.

Issues discussed and resolved at **Stakeholders' Planning and Review Workshop** include identification and preparation of VADPs and DADPs, farmers' and other stakeholders' training, beneficiary contributions, procurement of goods and services, private sector participation in project implementation, access to improved agricultural technology, and co-ordination, supervision, monitoring and evaluation of projects.

15. **Reporting and Feedback:** In accordance with the project M&E Framework, districts are supposed to prepare reports and avail to PCU soon after the quarter has ended. This will enable PCU consolidate the report and submit to the Government and Donor (AfDB) two weeks after end of the quarter. This has not been the case as most reports are submitted to PCU more than a month after the quarter has elapsed. The forgoing, along with inadequate and inconsistent reporting has



rendered preparation of consolidated report (for the whole project) a difficult exercise. The follow-up training in M&E was conducted in June 2008 to address this issue.

Feedback has been provided to stakeholders at various levels in the form of written and verbal reports. Districts, PCU and the Project Technical Committee have been working on recommendations brought forward and feedback given accordingly. Moreover, all reports prepared at PCU level are distributed to the districts and other stakeholders after being approved by the Project Technical Committee (PTC).

### **Preparation of Project Implementation Manual (PIM)**

The draft manual was finalized in December 2007 and was presented to the sixth PTC meeting that was held in Bagamoyo Township in January 2008 for review and comments. Based on comments from the mentioned committee, PCU has already fine-tuned the document and will be distributed to PTC members in the forthcoming committee meeting.

### **Collaboration and Linkage with Other Stakeholders**

The project has been collaborating with sister projects like PADEP, TASAF, AMSDP and RFSP in various areas like capacity building of stakeholders in planning, monitoring and evaluation, procurement etc. – with the aim of sharing experiences and creating synergy. In November 2007 and January 2008, Project Officers from PADEP facilitated the project Annual Planning and Review Workshops that were conducted in Bukoba and Bagamoyo respectively. During the fourth quarter (2007/08), DASIP is planning to conduct exchange visits to Rural Financial Services programme (RFSP) and Agricultural Marketing Systems Development Programme (AMSDP) to learn on best ways of approaching interventions on rural finance and agricultural marketing. Similar visits will be conducted to PADEP to share experiences on participatory Monitoring and Evaluation.

### **Procurement**

The status of procurement of goods, services and civil works during the reporting period is as follows:

**Procurement of Goods:** The project planned to procure Zonal Irrigation Equipment, 3 desktop computers with Uninterrupted Power Supply (UPS) units, 2 Laptops, 3 Printers and 1 heavy duty photocopiers, 2,000 bicycles, 100 Motorcycles, 3 Motor vehicles and value adding equipment. Motor vehicles, motorcycles and some of the bicycles have been delivered while zonal irrigation equipment, computers and photocopiers are expected to be delivered in July, 2008.

**Procurement of Services:** The project planned to recruit consultancy on Management Information System (MIS), Baseline Survey, Develop Curriculum, Marketing and Micro finance, designing and Supervision of water control structure and Rural roads. So far, all consultants have submitted their final draft reports. On the other hand, Request for Proposals (RFP) for consultancy to review Agricultural Markets and Micro-finance, was submitted to Ministry of Agriculture for further procurement management. As regards consultancy for Designing and Supervision of Water Control Structure and Rural roads, the project was directed by PTC to make use of available zonal/district/regional staff (i.e. Engineers and Irrigation Engineers).

**Civil Works:** Various village Micro-projects were implemented in the project area using district staff. While some have been completed, others are at various stages of completion.

The status of procurement as at the end of the reporting period is summarized in the table below.

**Table 4: Procurement Status of Goods and Services as at the End of June 2008**

S/N	NAME OF TENDER/ BID/ CONSULTANCY	PROCUREMENT MODE	STATUS
1	Procurement of Zonal Irrigation Equipment	National Shopping	Draft contract submitted to the Ministry' Legal Unit for review
2	Procurement for 3desktop Computers with UPS, 2 Laptops, 3 Printers and1 heavy duty photocopiers	National Shopping	Bids evaluation and contract award earmarked to be done in July, 2008
3	Procurement of 2000 bicycles	National Shopping	Districts are advancing and are at various stages as shown on annex'
4	Procurement 100 Motorcycles under tender No. 14	National Competitive Bidding	M/S quality motors has delivered 100 motorcycles and distributed to the Districts
5	Procurement of 3 Motor vehicles under Tender N.14	National Shopping	M/S Toyota Tanzania Ltd has delivered two Toyota Land cruisers and one Pick up.
6	Procurement of Village Micro projects and agriculture technology	National Shopping	Some projects completed while others are at advanced stages.
8	Consultancy on the Management Information System (MIS)	Short listing	Consultant finalized the report, hardware and training to be done during first quarter of FY 2008/09
9	Consultancy on Baseline Survey	Short listing	Consultant has submitted final Report
10	Consultancy to Develop Curriculum	Short listing	Completed and submitted final report ready for usage
11	Consultancy work on Designing and Supervision of water control structure and Rural roads	National Shopping	PCU informed districts to start preparing designs and drawings using district engineers, Engineer to regional secretariats and Irrigation engineers
12	Consultancy on Marketing and Micro finance	National Shopping	Request for proposals were sent to MTB Secretary for review and dissemination to short listed individual consultants.

\*Refer Annex 2 for more details.

## 2.3 Financial Status

### 2.3.1 Budget and Disbursements

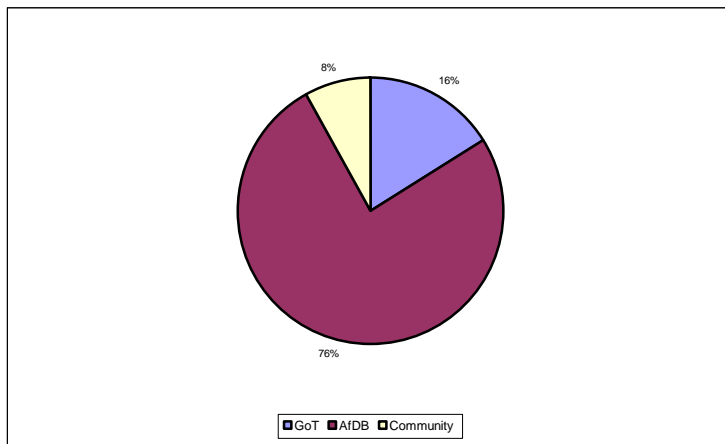
A total amount of USD 14.453 million (equivalent to Tsh. 16.636 billion) was budgeted for implementation of activities during the year under review. Of the budgeted amount, USD 13.743 million - equivalent to Tsh. 15.804 billion, which is 95% of budget, was disbursed to the project by the GOT and AfDB alone. GoT disbursed 6% of total disbursement and AfDB disbursed the remaining 94%. The table below gives details on disbursement status as at the end of the financial year under review, community contribution included.

**Table 5: Budget against Disbursements by Source as at 30<sup>th</sup> June 2008 (in USD '000)**

Source	Loan		Grant		Local Funds		Total	
	Budget	Disbursement	Budget	Disbursement	Budget	Disbursement	Budget	Disbursement
GoT	0	0	0	0	1,352	1,322	1,352	1,322
AfDB-Loan	9,587	11,103	0	0	0	0	9,587	11,103
AfDB-Grant	0	0	2,654	2,540	0	0	2,654	2,540
Community	0	0	0	0	1,659	1,458	1,659	1,458
<b>Total</b>	<b>9,587</b>	<b>11,103</b>	<b>2,654</b>	<b>2,654</b>	<b>3,011</b>	<b>2,780</b>	<b>15,252</b>	<b>14,453</b>

Since its inception the project has received a total amount of US Dollars 20,842 (Tsh. 24.418 billion)<sup>2</sup>, of which USD 13.246 million (Tsh. 15.434 billion) is from AfDB Loan Fund, USD 2.705 million (Tsh. 3.11 billion) from AfDB Grant, USD 3.386 million (Tsh. 3,894 billion) from GoT and USD 1.649 (Tsh. 1.896 billion) is from Community Contribution in cash and in kind. The pie chart below indicates proportion of funds disbursed to the project to-date by source.

<sup>2</sup> This is 29% of total project funds.



**Chart 1: Proportion of Funds Disbursed to the Project To-date by Source as at the end of June 2008**

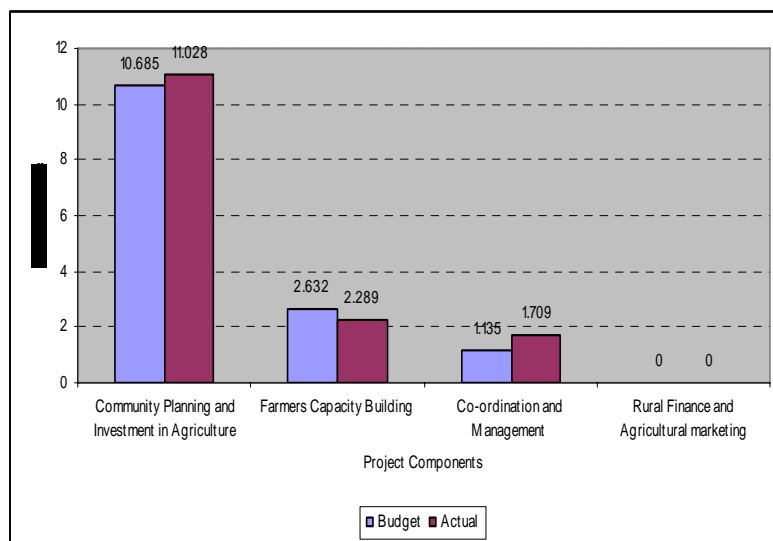
Cumulative disbursement status by source by fund category is shown in the table below.

**Table 6: Cumulative Disbursement by Source by Fund category as at 30<sup>th</sup> June 2008**

Source	Fund Category (USD '000)			
	Loan	Grant	Local Funds <sup>1</sup>	Total
GoT	0	0	3.386	3.386
AfDB	13,246	2.705	0	15.951
Community	0	0	1.649	1.649
<b>Total</b>	<b>13,246</b>	<b>2.705</b>	<b>5.035</b>	<b>20.986</b>

### 2.3.2 Expenditure

A total of USD 11.164 million (Tsh. 12.848 billion), which is 77 % of total financial year budget had been spent on project activities. This is 73% of cumulative project Expenditure of USD 15.026 million. USD 3.386 million (Tsh. 3.894 billion) of the cumulative Expenditure is funded by GoT and the loan fund is USD 9.975 million (Tsh. 18.34 billion), and beneficiary contribution amount to USD 1.649 million (Tshs. 1.896 billion).



**Chart 2: Cumulative Disbursement and Expenditure by Components as at 30 June 2008 (in USD Millions)**

Component-wise, cumulative Expenditure for Co-ordination and Management component stands at USD 1.709 million (Tsh. 2.017 billion); Community Planning and Investment in Agriculture: USD 11.028 million (Tsh. 12.953 billion); and Farmers Capacity Building: USD 2.289 million (Tsh. 2.664 billion). Summary of activities, budgets, disbursements, expenditures and variances during the year is attached as per the attachment

### 2.3.3 Auditing of Project Financial Statement and Accounts for the Year Ended in June 2008

The Loan agreement stipulates that the Borrower (GoT) shall submit to the Financier audited Accounts within six months after the end of the financial year. In the effort to comply with this covenant, Project

Draft Financial Statement and Accounts for the year Ended 30th June 2008 have been prepared for presentation at the 7th Project Technical Committee (PTC) meeting for discussion and/or noting after which, the accounts shall be submitted to the Controller and Auditor general (CAG) for external audit. Audited statements shall be out within the stipulated time of six months i.e. by 31st December 2008. Also Audited Financial Statement and Accounts for the year Ended 30th June 2007 along with the Audit report were submitted to the Financier by 31st December 2007 hence complying with provisions of the loan agreement on this matter.

### 2.3.4 Bank Accounts

PCU operates two special accounts (in foreign currency for the loan and grant) as well as a set of two local accounts into which monies are transferred for payment of bills in local currency. It has also opened five cash books for ADF Loan Foreign, ADF Grant Foreign, GoT Counterpart Fund, ADF loan - Local and ADF Grant Local. There is a local bank account to transact Government cash contribution.

### 2.3.5 Transfer of Funds to the Districts

The Project has so far transferred the Tsh. 7, 653,120,000 to the Districts to facilitate execution of various activities. Amount transferred are as follows:

1. Community and Village Micro projects Tsh.6,210,652,000;
2. Operating expenses for both district and regional offices Tshs 204,375,00;
3. Motorcycle allowances Tshs 83,760,000;
4. Field allowances to district and regional staff Tsh 260,520,000;
5. Bicycles for Ward Training Facilitators and Farmer Training Facilitators Tshs 196,000,000;
6. Participatory Farmer Groups formation Tsh. 62,500,000;
7. Training of Participatory Farmer Groups Tsh. 739,000,000;
8. Training of Ward Training Facilitators (WTF) Tsh. 570,000,000;
9. Training of Ward Facilitating Teams (WFTs and Village Committees) Tsh. 370,780,000; and
10. Training of Village Development Committees (VDCs) Tsh. 391,590,000.

### 2.3.6 Bank Balance

The project maintains five current bank accounts with Stanbic Bank. Two are Special Accounts used to transact foreign entries of receipts and payments and the other three are local bank accounts meant for transacting local payments. As at the end of the quarter under review, bank balances for the five accounts were as follows:

**Table 7: Bank Balances for Project Accounts**

<b>Account</b>	<b>Currency</b>	<b>Account Number</b>	<b>Balance as at 30<sup>th</sup> June 2008</b>
AfDB – Loan Special Account	USD	0213090001	2,772,203
AfDB – Grant Special Account	USD	0213090002	34,807
AfDB – Loan Local Account	Tsh.	0113090001	3,258,253,710
AfDB – Grant – Local Account	Tsh.	0113090003	574,182,475
GoT – Local Account	Tsh.	0113090002	564,052,509

## **2.4 ASSESSMENT OF CRITICAL ASSUMPTIONS AND RISKS**

### **2.4.1 Willingness of Community to Participate**

During the period under review, primary stakeholders (community) participated in O&OD exercises and made their respective contributions for 'quick win' projects. Both men and women participated effectively during the O&OD exercise and participants were very keen during the planning process. As regards to contribution in executing 'quick win' projects, beneficiaries met their obligations by contributing in kind (labour, land, working tools), and in cash. In some instances, contribution by beneficiaries has been over and above what was agreed before. This indicates that the sense of ownership to the project is building up. There are however few isolated cases where beneficiary contributions could not be made smoothly.

### **2.4.2 Collaboration and Complimentarity with Other Stakeholders**

Collaboration and complimentarity with other stakeholders is key to ensuring that projects are implemented effectively, efficiently and sustainably. The project has already established best ways of collaborating with potential partners in the project area. Reciprocal relationships like meetings, training plans and modules, and workshops have been fostered between Agricultural Sector Development Programme (ASDP) Secretariat, Agricultural Sector Lead Ministries (ASLMs), Participatory Agricultural Development Project (PADEP), Small Entrepreneurs Loan Facility (SELF) Project and Tanzania Social Action Fund (TASAF). This has enhanced sharing of experiences, avoidance of duplication of efforts, and also most important, creation of synergy. The plan is to extend and broaden this relationship to other projects, Non-Governmental Organizations (NGOs) and Community-based Organizations (CBOs) which are within and outside the project area in Year.

### **2.4.3 Effective Linkages between Villages, Wards, Districts, Regions and the Project**

At district and grassroots level, project co-ordination and linkages has been done through the set-up laid down by the Local Governments (LGs). During the period under review, the set up has proved to be very effective in ensuring effective flow of information (both forward and feedback).

### **2.4.4 Availability of Resources in Line with Funding Arrangements**

The Government of Tanzania (GoT) availed its resources in time during the period under review. Problems have been experienced with disbursements from donors. It takes too long to get disbursements effected by the Financier and this contributed negatively to the performance of the project during the period. At times, donors do not make disbursements as requested for no apparent reason. Project management has lodged a concern note through the Portfolio manager.

### **2.4.5 Effective Demand from Communities**

Participation of farmers is an 'inclusive approach' in the sense that farmers are involved from planning, implementation, monitoring and evaluation of their own development initiatives. This creates sense of community ownership and enhances sustainability. Sensitization and awareness that were made during the period, coupled with involvement of community in O&OD exercises created enthusiasm and sense of community ownership. As a result, some of farmers have started to mobilize themselves into groups, and those groups, which were not stable before have started to re-organize themselves and demand for services from the project like demands for investments in quick win projects.

## 2.4.6 Stability/Moderate Fluctuation of Tanzanian Shilling

During the period under review, the exchange rate for Tanzanian Shilling in relation to United States Dollar ranged between Tsh.1, 150/US Dollar in the first quarter, and Tsh. 1,250/USD Dollar in the second quarter, and yo-yoed between Tsh. 1,250 and 1,280/US Dollar between third and fourth quarters. Such fluctuations are rated as just moderate - as they have not made any significant impact to the purchases made by the project.

## 2.5 PROBLEMS AND CHALLENGES

1. Slow pace of implementing medium size infrastructure and micro-projects;
2. Escalating cost of implementing micro-projects as a result of a rapid increase in cost of fuel and construction materials such as cement, iron sheets and iron steel has caused some of the projects viz. construction of storage structure at Manderu Village in Maswa district to be abandoned by the contractors or being implemented at a sluggish pace;
3. Low level of beneficiaries' income, coupled with increasing demand for beneficiaries to contribute in most development projects and plans initiated in their respective areas has resulted into decreasing community demand on investment of agriculture technology. As such, this type of investment requires beneficiaries to contribute 50% of total investment cost. Some project beneficiaries felt that this contribution is very high;
4. Unpreparedness of districts in forwarding demand and meeting basic requirements for initiating implementation process of medium size infrastructure;
5. Difficulties of concluding arrangements for starting implementation of Rural Finance and Marketing component<sup>3</sup>.
6. Acceleration of formation PFGs.
7. 'Free service myth' and weakness of project committees to adequately oversee operation and maintenance (O&M) of their micro projects;
- 8.
9. Lack of adequate fora for periodic in-depth discussion of key operational issues with PCU, project staff and other implementers - apart from Review and Planning Workshops which are held once per annum. Such a low frequency of implementers' fora per annum is deemed by most district and other field staff as inadequate;
10. Inadequate amount allocated for follow-ups and supervision of Project activities at regional level (Tsh. 500,000 per annum) is inadequate;
11. Effective monitoring and supervision of the project is hampered by inadequate transport in districts. As such it has been difficult for some districts to make effective use of the supplied

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<sup>3</sup> Currently, Request for Proposals (RFP) are being worked out by the Ministerial Tender Board (MTB), and consultants are expected to start field work in the second quarter (2008/08)

motorcycles for monitoring and supervision due to either wild animals (viz. Serengeti district) or vast coverage of the area involved (viz. Shinyanga Rural district);

12. Difficulty of availing consumables and personnel for periodic servicing and maintenance of Sharp photocopiers; and

Measures taken to curb/minimize these problems are as follows:

1. Continue with efforts to fully engage DEDs on matters related to project implementation in their respective districts;
2. PCU will liaise with AfDB on possible re-allocation of funds to enable the Regional Project Officers get adequate funds to render their services to the project effectively;
3. PCU has prepared and distributed implementation guidelines for implementing medium level infrastructure development in the districts;
4. Districts to continue with the process of creating farmers' awareness on their key responsibilities of running their project for their own benefits, along with strengthening of project committees to enable them take full charge in Operation and Maintenance (O&M) effectively;
5. While the issue of transport problem will further be addressed in the forthcoming Mid-term Review (MTR) in the mean time, districts have been advised to pool resources, including funds from ASDP;
6. To curb the problem projects that have been abandoned by the contractors, the project is currently exploring the possibilities of implementing the micro-projects through force account arrangements;
7. PCU is striving to make arrangements with suppliers of Sharp products to solve the problem of consumables of photocopiers; and
8. As a short term measure, using the available/relevant staff in the Agricultural Sector Lead Ministries (ASLMs), sister projects like PADEP and others in the district, when need arises, to curb the problem of staff shortage at PCU.

## **2.6 ACHIEVEMENTS**

The followings are the outputs/achievements/results obtained so far:

- i.* A total of **28 District Agricultural Development Plans (DADPs)** have been **prepared**;
- ii.* A total of **780 Village Agricultural Development Plans (VADPs)** **are in place**. This was the basis for financing village micro-projects during the period under review;
- iii.* **Capacity of district, ward, and village staff as well as that of facilitation committees** at ward level have been **built**. This will be an on-going process;
- iv.* A total of **587 village micro-projects** have so far been **approved for implementation**, of which 61 have been completed under 'quick win' arrangements. Other are at various stages of implementation. Some of the communities have started enjoying the benefits of these initiatives;

- v. Necessary **working tools** such as office equipment (computers, photocopiers and printers), and transport (5 vehicles and 100 motorcycles) have been **procured and delivered** to PCU and districts;
- vi. As a pre-requisite for successful project implementation, **strong team work spirit has been established** and is continued to be strengthened at all levels;
- vii. Necessary **technical support for project implementation has been rendered** by the Project Technical Committee (PTC), Agricultural Sector Development Program (ASDP), Agricultural Sector Lead Ministries (ASLMs) and AfDB/Government Supervision Mission. As such, the recommendations and advice forwarded has smoothed and increased the pace and effectiveness of implementing the project;
- viii. **Synergy created** by stakeholders - DASIP has adopted an 'all inclusive approach' in its implementation. As such all development actors (projects), research and academic institutions, politicians and private sector have periodically been consulted on formal and informal arrangements; and
- ix. **Awareness to the project** has been created to the stakeholders, and enthusiasm to implement the project has been raised as revealed in the level of participation in O&OD planning.

Clearly, these are neither effects, nor impact of the project, they are just indicators to show which way the project is heading for. Now that some few village micro-projects have been established and have started to deliver services to the community, the project is currently tracking access, utilization and satisfaction of services delivered by the project.

## **2.7 WAY FORWARD**

1. Initializing implementation of the third project component, namely Rural Finance and Agricultural marketing – including consultancy to review of Rural Finance and Agricultural marketing in the Project area;
2. Initialising implementation of medium size infrastructure and agricultural technology projects;
3. Conducting Mid-term Review (MTR)
4. Intensify monitoring and supervision so as to ensure good quality and timeliness of completion of projects;
5. Finalizing follow-up training for project staff. Emphasis will be in areas that were observed to be wanting in the previous implementation period;
6. Training on Environmental Impact Assessment and Environmental and Social Management Planning;
7. Finalize DTC training;
8. Conducting needs assessment of district staff on rural micro-finance and marketing
9. Continuing with implementation of village micro-projects;
10. Carrying out Comprehensive assessment of Farmer Field Schools (FFS);
11. Training district staff on appraisal of village micro-projects;
12. Training of Farmers Facilitators (FF).



### **3 THE ANNUAL WORK PLAN AND BUDGET FOR YEAR 2008 - 2009**

#### **3.1 Basis OF THE AWPB**

The Annual Work Plan and Budget (AWPB) is a management tool used to guide prudent resource allocation and timely execution of activities. The tool provides means of monitoring physical and financial achievements against targets with a view of taking timely and remedial measures. Preparation of this year's AWPB is based on the following: unaccomplished activities for year 2007/2008, Government budgeting guideline and sector policies, Public procurement act and AfDB rules and procedures.

##### **3.1.1 Unaccomplished Activities from Year 2007/2008**

This is the fourth AWPB for the Project. Some activities appraised to be accomplished by end of PY 3 have not been executed mainly because of various reasons including long process of procurement of goods and services. This years AWPB, has accommodated all un-accomplished activities thus they shall be accomplished during the financial year. The objective is to ensure that by the end of PY 4, implementation of project activities is current and it has been deemed appropriate to consolidate these activities as a strategy to catch up for delayed activities.

##### **3.1.2 Government Budgeting Guidelines and Sector Policies**

The Government budgeting guidelines and sector policies have also been observed in preparing this year annual work plan and budget. The Government of the United Republic of Tanzania issued these guidelines for the preparation of the budget. The guidelines are applicable to all Government institutions including Projects financed by the Government. The guidelines emphasize resource utilization to priority sectors of Agriculture, Education, Health, Water, Roads, Energy and Environment. Specific guidelines relevant to DASIP activities are as follows.

##### **Agricultural Sector**

Priority is to increase funding of technical services particularly research and extension and enhance delivery of agricultural services, control of disease outbreaks, and food security. Market exploration is given prominence in the guidelines.

##### **Environment and Poverty Alleviation**

Emphasis is to improve natural resource management and poverty alleviation.

##### **Roads Sector**

The Guidelines emphasizes on road maintenance with priority to adequate maintenance of all main and district roads including rural access roads.

## **Water Sector**

Emphasis is on rehabilitation of existing infrastructure, protection of catchments areas and strengthening management.

## **Capacity Building**

Emphasis is to provide technical support to enable districts to prepare sound and sustainable development programmes and also to collect information from all districts for internal monitoring and planning. Capacity building is a continuing process based on building peoples capacity to develop themselves. The AWPB takes cognizance of all these specific government guidelines to ensure efficient resource allocation to the sectors of Agriculture, Environment, Water, Rural roads that form major activities of DASIP.

### **3.1.3 Public Procurement Act and AfDB Rules of Procedures on Procurement**

The 2008/2009 AWPB takes in to account loan covenants on Procurement issues, particularly procedures. All Procurements to be undertaken during the year will be subjected to Standard conditions described in the Financiers document titled “rules of Procedure for Procurement of goods and works” and Guidelines for the use of Consultants by the Bank and its Borrowers. The Public Procurement Act of year 2004 and its regulations shall compliment the standards mentioned above and these shall be observed. Goods will be procured through National Competitive bidding except minor items that will be procured through local shopping. During the year 2008/2009, the project will procure various goods and services needed to support smooth implementation of Project activities. To the extent practical, possible and logical, procurements will be done in accordance to appraised plan.

## ***3.2 Assumptions for the 2008 - 2009 Plan and Budget***

Assumptions and considerations for this year AWPB are as follows:

1. Willingness of community to participate fully and effectively in planning and implementation of VADPs and DADPs;
2. Good collaboration and complimentarity with/by other stakeholders;
3. Effective linkage between villages, wards, districts, regions and the project;
4. Timely availability of resources in line with funding arrangements;
5. Effective demand from communities; and
6. Stability/moderate fluctuation of the Tanzania Shilling.

## ***3.3 Major Activities to be Implemented***

Major activities to be executed during this year include the following:

- 1) Initializing implementation of the third project component, namely Rural Finance and Agricultural marketing – including consultancy to review of Rural Finance and Agricultural marketing in the Project area;
- 2) Initiating implementation of medium size infrastructure and agricultural technology projects;
- 3) Conducting Mid-term Review (MTR)
- 4) Intensify monitoring and supervision so as to ensure good quality and timeliness of completion of projects;
- 5) Finalizing follow-up training for project staff. Emphasis will be in areas that were observed to be wanting in the previous implementation period;

- 6) Training on Environmental Impact Assessment and Environmental and Social Management Planning;
- 7) Finalize DTC training;
- 8) Conducting needs assessment of district staff on rural micro-finance and marketing
- 9) Continuing with implementation of village micro-projects;
- 10) Carrying out Comprehensive assessment of Farmer Field Schools (FFS);
- 11) Training district staff on appraisal of village micro-projects;
- 12) Training of Farmers Facilitators (FF).
- 13) Ensure compliance with loan and Grant Covenants. This is a continuous process for the entire project period, PCU will continue with the exercise of ensuring that the covenants are dully complied.
- 14) Implementation of the approved procurement plan.
- 15) Follow up of O &OD methods at ward and Village levels
- 16) Continue sensitization of Project beneficiaries and communities regarding project activities including HIV/AIDS sensitization campaigns.
- 17) Strengthening partnership with NGOs, private service providers, and other projects involved in activities related or similar to DASIP portfolio.
- 18) Implementation of resolutions and directives given by Project Technical Committee.
- 19) Training of DTCs, and rolling over training to ward and village levels.
- 20) Organize Regional Programme development workshops, District Planning workshops
- 21) Undertake follow up training of Regional and District M & E Officers, Regional and District Project Officers, District Project Accountants and Zonal and District Irrigation Staff

### **3.4 The Work plan and Budget**

#### **3.4.1 Summary of the Budget**

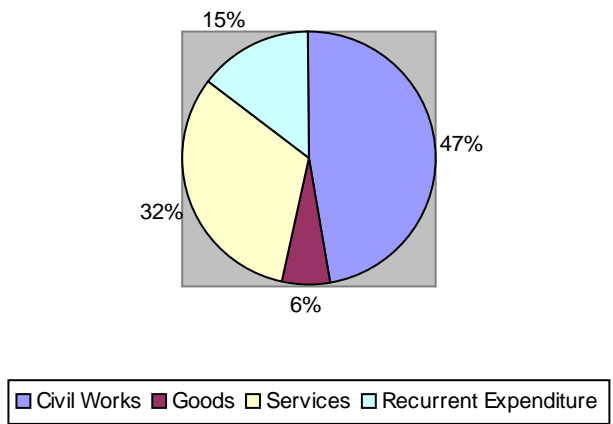
Summary of the budget for the year is presented in the table below. From the table it can be observed that the Project plans to spend Tsh. 18.2 billion during the year. Thrust of this year's plan and budget is to ensure that planned activities that were not executed by end of PY 3 are finalized during year 2008/2009 along side activities planned for PY 4. This year's plan is 19.16% of the overall base cost of the Project estimated at Tsh. 95 billion. Of the budgeted expenditure, Farmers Capacity Building has a provision of Tsh. 3.69 billion, Community planning and Investment in Agriculture Tsh. 12.13 billion, Support to Rural Financial Services and Marketing Tsh. 0.92 billion and Project Coordination and Management Tsh. 1.46 billion.

**Table 8: Summary of Budgetary Allocation by Components**

<b>Sn.</b>	<b>Component</b>	<b>Budget (Tsh. Billion)</b>	<b>% of Total Budget for the year</b>
1.	Farmers' Capacity Building	3.69	20.25
2.	Community Planning and Investment	12.13	66.65
3.	Support to Rural Financial Services and Marketing	0.92	5.06
4.	Project Co-ordination and Management	1.46	8.04
	<b>Total</b>	<b>18.2</b>	<b>100.00</b>

Category budgets are as follows: civil works are planned to expend Tsh. 8.59 billion, Goods Tsh. 1.13 billion, Services Tsh. 5.79 billion and recurrent expenditure Tsh. 2.69 billion. Allocated budget for civil works include investments in feeder roads, water control structures, on farm works and investments in village micro projects. Goods shall include Agriculture value adding equipment, a motor vehicle, zonal irrigation equipment and office equipment. The category of Services includes Training, Technical assistance, Studies and workshops.

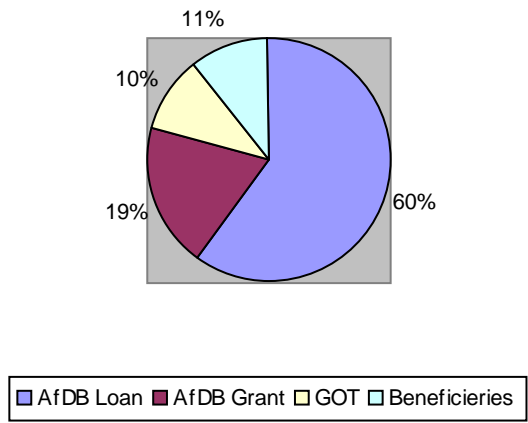
**Chart 3: Proportional Budgetary Allocation by Category**



**FINANCING PATTERN**

59.69% (Tsh. 10.86 billion) of the budget shall be financed by the loan, 19.93% (Tsh. 3.52 billion) by the Grant 10.38% (Tsh. 1.89 billion) by the Government of the United Republic of Tanzania and beneficiaries shall inject 10.59 % (Tsh. 1.93 billion)

**Chart 4: Financing Pattern**



Details of the budget are explained in the subsequent sections and in Annexes.

## DETAILS OF BUDGETED ACTIVITIES COMPONENT WISE

### 3.4.2 Farmer Capacity Building Component

Farmer Capacity Building component is divided into two sub-components: (1) Agriculture Extension Training capacity; and (2) Farmer training. Aim of Agriculture Extension Training Capacity sub-component is to strengthen capacity of districts in providing extension service and the sub-component consists of three elements: (i) curriculum development; (ii) training of District Training Coordinators (DTC) and coordination; and (iii) training of Ward level training facilitators (WTF & FFs) and facilitation. The objective of Farmer Training sub-component is to provide training to farmers more effectively so that farmers can adopt good farming practices, which in turn would improve production and enhance profitability. Farmer Field School (FFS) methodology and training of trainer (TOT) approach shall be used in training farmers so as to have a multiplier effect in training more farmers through Participatory Farmer Groups (PFGs).

As pointed out earlier first and foremost, emphasis during the year shall be to conclude all appraised activities planned for project year one to three along with activities appraised for Project year four. The following ten major activities shall be executed during year 2008/2009:

- 1) Training of District Training Coordinators
- 2) Planning workshop for Districts
- 3) Programme development workshop for region
- 4) HIV/AIDS campaign
- 5) Training of Ward Training Facilitators (WTFs) by District Training Coordinators
- 6) Training of Participatory Farmer Groups (PFGs) by Ward Training Facilitators' (WTFs) and Farmer Facilitators
- 7) Training of Farmer Facilitators
- 8) Training Participatory Farmer Groups on forming Ward Level farmer associations:
- 9) Holding district forum for PFGs at district level
- 10) Mini grants for PFGs

#### **Training of District Training Coordinators**

The Project has two DTCs in every district in the project area and these DTCs shall undergo a three months non -continuous months training to prepare them for their responsibilities of overseeing the farmer capacity building component and training WTF and FF. Topics in the training of DTCs are as entailed in 13 remaining modules which were identified through the process of Curricular Development study that was undertaken during PY 3.

Training of DTCs shall be undertaken by a consultancy firm or a consortium of consultancy firms.

The training shall be carried out from the second quarter. There is a provision of Tanzania shillings five hundred Million (TSH. 500 million) for this training during the year. This amount does not include remuneration of the consultants as there is a provision in the budget to take care of costs related to the technical assistance for this component.

#### **Districts Planning Workshop**

The Project shall organize a District planning workshop during the year. District planning workshops are meant to give an opportunity to district staff dealing with training to sit together and plan training activities that would be implemented in the course of the year. It is planned that rather than every district carrying out its planning workshop as per project design, all twenty eight districts shall have to come together and

plan as a team in one workshop. This would make it possible for all DTCs to have a common understanding of planning their activities and develop a common approach or format.

Regional Secretariat staff overseeing project activities at regional level and DPOs. This activity is planned for the first quarter and Tanzania Shillings fourteen Million (TSH. 14 million) is available for the activity. The planning workshop shall also address issues related to technical backstopping of the WTFs and FFs. There are sufficient resources in the technical assistance vote to cater for this technical backstopping.

### **Regional Programme Development Workshop**

A Regional Programme development workshop to address issues related to activities falling under the Farmers Capacity Building component is planned to be undertaken during the 1st quarter of the year. Regional Programme development workshop are meant to give an opportunity for regional secretariat staff falling under the cluster addressing activities of ASDP to get together and review Programme activities for improvement purposes. This workshop shall be conducted after the District Planning workshop in order to give an opportunity to the participants of the workshop to review issues that emerge from the District planning workshop. This activity is planned for the first quarter of the year and there is a provision of Tanzania Shillings Twenty Five Million (TSH. 25 million) to cater for this activity.

### **HIV/AIDS Sensitization Campaigns**

The Project plans to conduct 110 courses during the year aiming at imparting knowledge on HIV/AIDS issues to Project beneficiaries. The Project shall collaborate with the Ministry of Health, Districts, TACAIDS and NGOs to execute this activity. Specialized providers and/or NGOs, operating in the country, will carry out different training and sensitization activities, and will be guided and monitored by PCU. Tanzania Shillings Thirty Three Million (TSH. 33 million) is allocated for this activity. The activity is slated for being carried out during the second, third and fourth quarter of the year.

### **District Training of Ward Training Facilitators (WTFs)**

The WTF in each district shall be trained by their respective district's DTCs. The training of ward training facilitators shall be on TOT approach using FFS methodology. The venue for the training shall be within the District. The training shall be for two weeks and experts on FFS methodology shall do the backstopping. Although the Project documents advocates training of only one extension personnel in the wards implementing DASIP as a WTF, it is planned that all extension personnel in the wards implementing DASIP shall be trained as WTFs. This is because the Project wants to take advantage of the multiplier effect as a strategy of speeding up execution of this activity. We have sufficient resources to implement this arrangement. Training all extension personnel in the wards shall increase number of WTFs in wards and therefore districts. A high number of WTFs shall lead into a high number of PFGs that shall be trained, which in turn shall increase the number of farmers being trained. This is a season long activity starting from the second quarter of the year and it has a budgetary provision of Tanzania Shillings one hundred fifty four Million only (TSH. 154 million) in addition to a separate technical assistance budgetary support.

### **Ward Training Facilitators' (WTFs) training of Participatory Farmer Groups (PFGs)**

Each WTF shall train 2 PFGs using FFS approach for the whole season. DTCs shall technically backstop WTF throughout the training process of PFGs. This training shall be undertaken during the second and third quarters of the year. Tanzania Shillings Seven Hundred Fifty Million (TSH. 750 million) is available for the activity in addition to Tanzania Shillings eight hundred million (TSH. 800 million) to be used in

supporting PFGs mini-projects. The activity of supporting PFGs mini-projects shall be undertaken as from the second quarter over through the year.

### **Training Participatory Farmer Groups on forming Ward Level farmer associations**

During the fourth quarter, training shall be provided to PFGs at ward level with the aim of facilitating formation of ward level PFGs associations. The training is expected to be delivered by district staff with expertise in community development and cooperatives matters after getting orientation from consultant who shall be paid from technical assistance budget earmarked for the component. It is planned that some 250 PFGs shall be trained and there is a budget allocation of Tanzania Shillings Twenty Five Millions (TSH. 25 million) for this activity in the second quarter.

### **Holding District forum for PFGs at district level**

PFGs at district level shall hold a forum during the fourth quarter of the year. The forum shall provide an opportunity for PFGs to discuss and exchange views on issues related to strengthening participatory farmer groups under Farmers capacity building component. The outcomes of the forum shall be streamlined in the component's activities. There is a budget of Tanzania Shillings fourteen Million (TSH. 14 million) for this activity.

### **PFG Mini projects**

The initial training of Participatory Farmer groups and focus on profitability will prepare the PFGs for small group mini-grants of up to 400,000 Tanzania shillings per group of up to 25 farmers of which 50% have to be women. This training will enable PFGs to undertake economic mini-projects and thus acquire management and business skills. This mini-grant shall be provided to PFGs that are operational and which shall have been meeting regularly for four to six months. This is to avoid input driven participation. The decision on how the mini-grant will be invested will be made by members of the group in consultation with their training facilitator, based on a participatory analysis of potential opportunities. Proceeds from the mini-projects will be used to strengthen group's savings activities and to capitalize SACAS. There is a provision of eight hundred million Tanzania shillings (TSH. 800 million) in the budget during the year to cater for the mini grants. The expenditure shall be incurred starting from the second quarter of the year.

### **District Training of Farmer Facilitators, Farmer to Farmer visits and Nane-nane shows**

The WTF in collaboration with DTCs shall train PFGs and from the first batch of trained PFGs capable farmers shall be identified to undergo training techniques so that they build capacities of training their fellow farmers in their respective villages/wards. The training of these capable Farmers shall also be on TOT arrangement using FFS methodology. This activity is planned for second quarter all through to the end of the year. This item has a budgetary provision of Tanzania Shillings three hundred eight Million only (TSH. 308 million) a figure that includes resources for farmers to farmers exchange visits. There is also a provision of Shillings eighty Million only (TSH. 80 million) for Nane Nane shows to facilitate the activity of enabling farmers to appreciate the benefit of Agricultural Technology investment. The amount has been budgeted for the first quarter of the year.

### **PFG training by Farmer Training Facilitators**

Farmer Training Facilitators shall in collaboration with WTF train PFGs again using FFS approach for the whole season. DTCs shall backstop WTF and FTF throughout the training process of PFGs. This training that involves training of PFGs by FTF shall be undertaken as from the third quarter of the year. Tanzania Shillings five Hundred Fifty Million (TSH. 500 million) is available for this activity.

## Procurement of Goods, and Services – Farmers Capacity Building Component

Regarding procurement, thrust of this years plan and budget is geared towards accomplishment of on going activities carried forward from year 2007/08 and embarking on fresh procurement activities appraised for this year. On going activities carried forward includes Procurement of consultant to undertake training of DTCs on developed modules 'No Objection' has been received from AfDB for short listed consultants who shall bid for the consultancy work of training the DTCs on developed modules. Procurement process is in process and the training shall be undertaken during the first and the second quarter of year 2008/2009.

Specific procurements that shall be carried out during the year for this component are as follows:

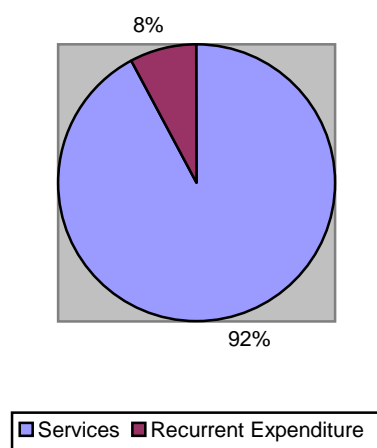
### Consultancy Services

The project shall recruit specialized providers and/or NGOs, to carry out different training and sensitization activities related to HIV/AIDS campaigns. The activity is slatted for being carried out during the second, third and fourth quarter of the year. The budget has a provision of two hundred million shillings to carter for consultancy services on this item.

### The component Budget - Farmers Capacity Building

The component of Farmers Capacity Building has a total budget of Tanzania Shillings three billion six hundred eighty five million eight hundred (Tsh. 3.69 billion) to be spent during the year and this is 20.25% of the total project budgeted expenditure for the year. Services are planned to cost Tanzania Shillings three billion four hundred three million (Tsh. 3.403 billion) and recurrent costs Tanzania Shillings two hundred eighty two million eight hundred thousand only (Tsh. 282.8 million).

Chart 5: Proportion of Allocation of Farmers Capacity Building Component by Category



### 3.4.3 Community Planning & Investment in Agriculture Component

The Community Planning and Investment component consist of three sub-components namely: (i) planning and Implementation capacity building, (ii) medium size rural infrastructure, and (iii) village micro project and agricultural technology.

During the year 2008/2009, it is planned to implement 12 major activities under these three sub-components. The activities to be carried out include:



1. Follow up training of District M&E Officers,
2. Follow up training of District Project Officers,
3. Follow up training of District Project Accountants,
4. Follow up training of District Works Engineers,
5. Follow up initial training for Zonal/District Irrigation Officers,
6. Follow up training on O&OD methods and village planning,
7. Initial training of Irrigators Organization
8. Training of District Staff on EIA and ESMP
9. Training of ward officials on EIA and ESMP
10. Training Village Development Committees,
11. Support to Agricultural Technologies,
12. Support medium size infrastructure, and
13. Establishing a funding mechanism for PFGs adoption of agricultural technologies

(i) **Follow up Training District M&E Officers**

A follow up training shall be delivered to 33 Monitoring and Evaluation Officers at Regional and District levels during the second quarter of the year. PCU will undertake a gap analysis and findings shall form a basis of developing areas that the officers shall be trained in. Other issues for which the officers shall be trained in shall be identified by trainees themselves and these shall be related to enhancing their competencies in Monitoring and Evaluating DASIP activities. There is a budgetary allocation of Tanzania Shillings twenty eight Million (TSH. 28 million) for this activity and the training shall be delivered by PCU. The appraised cost for this item was set at seven million Tanzania shillings but based on experience, this figure is on a low side and it has been uplifted to twenty million Tanzania shillings.

(ii) **Follow up training of District Project Officers**

A follow up training shall also be delivered to 33 District and Regional Project Officers during the second quarter of the year. PCU will undertake a gap analysis and findings shall form a basis of developing areas that the officers shall be trained in. Other issues for which the officers shall be trained in shall be identified by trainees themselves and these shall be related to enhancing their competencies in executing DASIP activities. There is a budgetary allocation of Tanzania Shillings twenty eight Million (TSH. 28 million) for this activity and the training shall be delivered by PCU. The appraised cost for this item was set at five million Tanzania shillings but based on experience, this figure is on a very low side and it has been uplifted to twenty eight million Tanzania shillings.

(iii) **Follow up training of District Project Accountants**

A follow up training shall be delivered to 28 District Project Accountants during the second quarter of the year. PCU shall as well undertake a gap analysis and findings shall form a basis of developing areas that the accountants will have to be trained in. Other issues for which the officers shall be trained in shall be identified by the trainees themselves and these shall be related to increasing their competencies in executing DASIP activities. There is a budgetary allocation of Tanzania Shillings twenty eight Million (TSH. 28 million) for this activity and the training shall be delivered by PCU. The appraised cost for this item was set at eight million two hundred thousand Tanzania shillings but based on experience, this figure is on a very low side and it has been uplifted to twenty eight million Tanzania shillings.

(iv) **Follow up training of District Works Engineers and District Procurement Officers:**

A follow up training shall be delivered to 28 Works Engineers and 28 procurement officers handling DASIP activities at district level during the second quarter of the year. PCU shall also undertake a gap analysis and

findings shall form a basis of developing areas that the officers shall have to be trained in. Other issues for which the officers shall be trained in shall be identified by the trainees themselves and these shall have to be related to enhancing their respective competencies in executing DASIP activities. There is a budgetary allocation of Tanzania Shillings twenty eight Million (TSH. 28 million) for this activity and the training shall be delivered by PCU. The appraised cost for this item was set at eight million Tanzania shillings but based on experience, this figure is on a very low side and it has been uplifted to twenty eight million Tanzania shillings.

**(v) Follow up Training of Zonal/District Irrigation Officers**

Two Zonal Irrigation Officers and 28 District irrigation officers shall undergo a follow up training during the second quarter. The areas in which the trainees shall be trained shall be identified by the trainees themselves and shall aim at improving the competencies of the trainees in executing DASIP activities. Furthermore, PCU shall also undertake a gap analysis and findings shall be added to the issues that the officers shall have to be trained in. This item has a budget provision of Tanzania Shillings twenty eight million Tanzania Shillings. Appraised figure for this activity was set at Tanzania shillings seven million three hundred thousand but since the figure can not suffice needs of this activity; the figure has been uplifted to twenty eight million Tanzania shillings (TSH. 28 million).

**(vi) Follow up on O&OD and village planning**

During the year under review, DFTs shall provide training to WFTs who will in turn facilitate communities to carry out the participatory process of generating Village Agriculture Development Plans (VADPs). This activity is slotted for the third quarter of the year and there is a budget provision of Tanzania Shilling Two hundred and eighty Million (TSH. 280 million) to be contributed equally by AfDB and GoT.

**(vii) Initial training of irrigators' organizations**

Irrigators' organizations shall be trained during the first quarter after establishing an inventory of existing irrigation organizations. Provisionally, it is planned to undertake the training of irrigators' organizations by two prongs: One, Training of Trainers (ToT) to three district staff, comprising one staff from irrigation, community development, and cooperatives, and (b) training of irrigator organization's leadership including members of their respective irrigators' organizations. It is planned that the ToT shall be conducted by consultants while the training of irrigator organization's leadership and members shall be done by 3 district staffs that are to receive ToT. In case it is deemed necessary, consultants shall be engaged to backstop these training at District level. There is a budget allocation of Seventy Million Tanzania Shillings (TSH. 70 million for this activity).

**(viii) Training of district staff on EIA and ESMP**

Training on issues related to Environmental Impact Assessment (EIA) and Environmental and Social Management Planning (ESMP) shall be delivered to DFT and other District officials. The aim of this is to make trainees appreciate environmental concerns with the view of incorporating the concerns in participatory processes of formulating VADPs. Training of DFTs shall be for 3 days and allocated budget is Tanzania Shilling forty two million five hundred thousand only (TSH. 42 million). The activity is planned to be undertaken during the first quarter and shall be conducted by staff of the environmental unit of MAFC.

**(ix) Training of Ward officials on EIA and ESMP**

WFT members and other senior ward officials shall receive one day exposure training on issues related to Environmental Impact Assessment (EIA) and Environmental and Social Management Planning (ESMP) to make them be able to factor in environmental concern in formulating VADPs. This training shall be conducted during the first quarter of the year by the Environment Section staff of MAFC in collaboration

with the National Environmental Management Agency. The budget allocation for the activity is Tanzania Shilling Twenty Eight Million (TSH. 28 million).

**(x) Training of Village Development Committees**

DASIP shall continue to support community-wide agricultural micro-projects and infrastructure and the PFG based agricultural technology investments within the framework of VADPs. Management of community-wide and group-based investments shall be undertaken by Community Supervision Committee (Village Development Committee) and the Participatory Farmer Group leadership respectively. Village Development Committees in all 780 DASIP villages shall be trained for 3 days and the training shall be provided by district trainers who shall have been trained by national trainers. The training shall enhance the committee's capacities in administration of their respective projects. This activity is scheduled to be undertaken during the 1st qtr of the year and there is a budget of Tsh. 180 million for this activity.

**(xi) Support of Village micro-projects**

Based on identified and prioritized demands by Project village, the PFGs of the target villages shall select micro-projects and infrastructure to be supported by DASIP. Accordingly, though the selection of technologies will depend on farmers' choice, they are expected to include: improvement of water distribution in existing water control structures, spot improvement to facilitate road communication (drifts or footbridges), improvement of market grounds, shallow dug wells for livestock and vegetable watering, erosion control in water sheds, charco dams for livestock watering and storage works for agricultural produce. Micro-projects and infrastructure will be implemented through the Community Supervision Committee (or PFGs) after being trained and through the support of the ward and district officers. The allocated project funding is TSH. 35 million per village for project life, which includes a mandatory beneficiary contribution of 20 percent.

It is planned to continue sensitizing communities on arrangement to mobilize 20 percent contribution in all project villages. This activity is planned for all the four quarters of the year and an amount of Tanzania shillings Five billion nine hundred fifty million (Tsh. 5.25 billion) is provided in the budget to carter for this investment during the year.

**(xii) Support of agricultural technologies**

This activity dwells on support to investments that enhance increased agricultural productivity and incomes. The investments include acquisition of value adding equipment with beneficiaries required to raise a matching fund of 50%. Value adding equipment that may be selected by villages include: coffee hullers and driers, cereal hullers and/or huskers, cereal and cassava mills, oil presses, fruits, vegetables and spices dryers and processors, livestock parasite treatment equipment, improvement to livestock slaughter facilities, milk chilling and cold storage facilities. Project funding for this category is TSH. 10 million per village for a project life inclusive of farmers' 50% matching fund. On a pilot basis SACCOS or PFGs that wish to invest in value adding equipment and technology with a positive value to the community are encouraged to apply through the VADP process. A pre-condition will be the submission of sound business and management plan and the technology having positive or neutral impact on the environment.

Investment in agricultural technologies that enhance increased agricultural productivity and incomes owned and managed by PFGs will be supported by DASIP to the tune of TSH. 10 Million per village. The condition for such support is for beneficiaries to contribute 50% of the cost. PFGs shall be sensitized on the facility in all project villages so that they can mobilize the required contribution in order to access DASIP support. The activity is slatted for all the four quarters of the year and Budget for this year has a provision of Tanzania shillings one billion (Tsh. 1 billion)

**Procurement of Goods, and Services** – Community planning & Investment in Agriculture Component  
Like the component of Farmers Capacity building Component, thrust of this years plan and budget shall remain geared towards accomplishment of on going component procurement activity carried forward from year 2007/2008 for Procurement of Zonal Irrigation equipment. The procurement process was initiated during the year 2007/2008 and during the year under review the equipment shall be delivered to the Zonal Irrigation offices. The equipment shall be delivered during the 1<sup>st</sup> quarter of the year. The equipment include hand held GPS, Clinometers, pH, and EC- meters and all are for on-site measurements.

Specific procurements that shall be carried out during the year are as follows:

### **Support to Medium Size Rural Infrastructure**

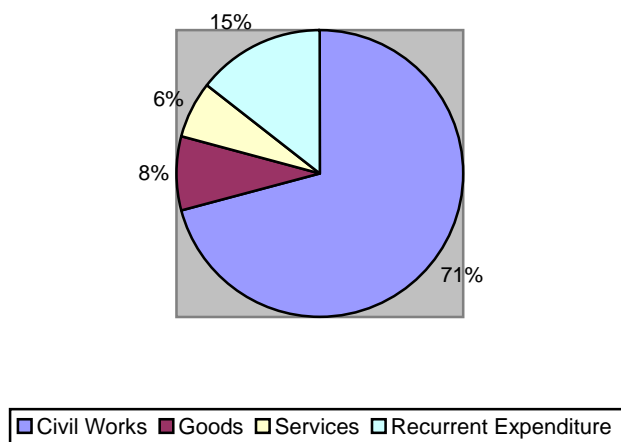
This sub component supports construction/improvement of agricultural related rural infrastructure such as water control structures and rural roads, both are implemented through respective districts. The type of water abstraction method to be used are expected to comprise locally familial systems of water harvesting technologies (water storage mara bands) or small run off the river diversions with the combined potential of irrigating about 1,770 ha. Specific sites and types of technologies to be selected will depend on completion of demand driven VADPs process. The rural infrastructures that are budgeted to be supported by the Project during this year are to be generated through the process of VADPs and they do meet the criteria specified.

The budget has a provision of Tanzania shillings three billion three hundred thirty eight million (Tsh. 3.338 billion) to invest in medium size rural infrastructure. Tanzania shillings nine hundred million (T.Sh. 900 million) shall be invested on rehabilitation of rural feeder roads and the balance of Tanzania shillings two billion four hundred thirty eight million (T.Sh. 2.438 billion) on water control structures. This is a small budget for investment because activities during the year shall mostly be preliminary activities that include survey; design and procurement process of consultants and Contractors as such, negligible civil works shall be undertaken towards the end of the year. Intensive civil works shall be undertaken during the year 2009/2010. DASIP issued guidelines on implementation arrangement for this subcomponent to assist districts in putting on board easily projects covered by medium size rural infrastructure.

### **Component budget for Community planning and Investment in Agriculture**

The component has a total budget of Tanzania Shillings twelve billion one hundred twenty seven million (Tsh. 12.127 billion) to be spent during the year and this is 66.65% of the total project budgeted expenditure for the year. Civil works are planned at Tanzania shillings eight billion five hundred eighty eight million (Tsh. 8.588 billion), Goods Tanzania Shillings one billion sixteen million four hundred thousand (Tsh. 1.0164 million), Services Tanzania Shillings seven hundred fifty six million eight hundred thousand (Tsh. 0.7568 million) and recurrent costs Tanzania Shillings one billion seven hundred sixty five million six hundred thousand only (Tsh. 1.7656 billion).

**Chart 6: Budget matrix - Component of Community Planning & Investment in Agriculture by Category**



### 3.4.4 Support to Rural Micro-finance and Marketing Component

The Support to Rural Micro-Finance Services and Marketing component has eighteen major activities to be executed during the year and mostly these relate to training and studies. All the training activities and studies shall be conducted by a specialized service provider or providers for which resources under technical assistance shall be used in addition to resources for each training that shall cater for participants costs while attending the training sessions or courses.

The rural Micro-finance Services and Marketing component has two sub-components namely:

1. Strengthening of rural savings and credit institutions, and
2. Promotion of marketing opportunities.

The aim of the subcomponent of Strengthening Rural Savings and Credit Institutions is to improve access of farmer groups in the project area to micro-finance services whereas; the aim of the sub component of Promotion of marketing opportunities is to promote marketing opportunities of the farmer groups in the project area. The main activities that will be carried out during the year for both sub-components shall focus on training of SACCOS, marketing information and creation of marketing contacts. Business Development Services (BDS) shall be a cornerstone for promotion of marketing opportunities.

During the year, activities planned for implementation are as follows:

- (i) Training District council officials on rural finance;
- (ii) Conducting introductory course on rural finance for 28 field staff;
- (iii) Delivering introductory course on rural finance for 5 supervisors;
- (iv) Training 1000 members of savings groups;
- (v) Training members of 56 SACCOS on SACCOS;
- (vi) Conducting a SACCOS training for finance staff of 56 SACCOS;
- (vii) Training 56 staff members of Registrar of Cooperatives on SACCOS;
- (viii) Delivering an introductory course on SACCOS for District Staff;
- (ix) Conduct an introductory course on SACCOS for Extension Officers;
- (x) Conducting rural finance services study
- (xi) Delivering an introductory course on marketing for six persons;
- (xii) Conducting a course on marketing for DEDs, DALDOs and DCOs;
- (xiii) Delivering introductory course on marketing for District staff;

- (xiv) Delivering introductory course on marketing for Extension officers;
- (xv) Delivering introductory course on marketing for 40 persons;
- (xvi) Designing a marketing training course; and
- (xvii) Conducting a marketing survey study.

## **Strengthening of Rural Savings and Credit Institutions**

### **(i) Training District Council Officials on Rural Finance**

One session of training shall be delivered to District Council officials, including DEDs with the objective of exposing participants to the basics of rural finance. It is expected that the training shall be helpful for participants in their decision making while conducting their day-to-day activities in their respective capacities. The training is planned for the 1st quarter of the year and Tanzania Shillings Twenty One Million (TSH. 21 million) has been allocated for the activity in addition to technical assistance under the sub-component.

### **(ii) Introductory Course on Rural Finance**

An introduction course on rural finance shall be delivered to 28 field staff in order to equip them with knowledge and skills related to rural finance so as to enhance the staff's ability to handle matters related to rural finance in their various capacities. The course is planned for 2nd quarter of the year and has a budget allocation of Tanzania Shilling Twenty Four Million Three hundred Sixty Thousands Only (TSH. 24.36 million)

### **(iii) Introductory Course on Rural Finance for Supervisors**

Five supervisory level staff shall be trained in rural finance in order to improve their competency in supervising rural finance activities. The course shall be delivered to Regional level staff during the 2nd quarter of the year and a budget provision of Tanzania Shillings Four million three hundred fifty thousands (TSH. 4.35 million) is available for this activity.

### **(iv) Training Members of Savings Groups**

One thousand groups (1,000) of savings groups shall be trained in order to enhance their knowledge and skills related to their activities. The course shall be conducted at various locations so as to accommodate the wide area. The activity is planned to start in the 2nd quarter of the year and the activity has a budget allocation of Tanzania Shillings fifty six Million only (TSH. 56million).

### **(v) Training Members of SACCOS on SACCOS Management**

Members in 56 SACCOS shall be trained on issues related to SACCOS management. The training is expected to improve performance of the trained SACCOS and the activity is planned to start being carried out during the 2nd quarter of the year at a cost of Tanzania Shilling Seven Million Four Hundred Forty Eight Thousands Only (TSH. 7.448 million).

### **(vi) SACCOS Training for Finance Staff of 56 SACCOS**

Finance staff of fifty (56) SACCOS shall be trained so as to improve their competency in finance matters as they relate to SACCOS financial management. A total of Tanzania Shillings Seven Million One Hundred sixty Eight Thousand Only (TSH. 7.168 million) has been allocated in the budget for the activity to be carried out as from the second quarter of the year

### **(vii) Introductory Course on SACCOS for Registrar of Co-operatives Staff**

Fifty six staff from the offices of the Registrar of Cooperatives shall be trained to enhance their competence in matters related to SACCOS and rural finance in general. There is a budgetary allocation of Tanzania Shilling Two Million Eight Hundred Thousand Only (TSH. 2.8 million) for the activity, which is planned for being carried out during the third quarter of the year. According to the cost table, each participant for this training is allocated a unit cost of fifty thousand shillings. This amount is insufficient to meet the activity cost per person estimated at five hundred fifty thousand. It is planned that the gap shall be bridged by available resources on the technical assistance vote of this sub component.

**(viii) Introductory Course on SACCOS for District Staff**

Two introductory courses on rural finance for District staff are planned for the third quarter of the year. The two courses have a total budgetary allocation of Tanzania Shillings five hundred sixty thousands (TSH. 560,000). According to the cost table, each course is allocated a unit cost of two hundred eighty thousand shillings. This amount is insufficient to meet the activity cost per course estimated at ten million shillings. It is planned that the gap shall be bridged by available resources on the technical assistance vote of this sub component.

**(ix) Introductory Course on SACCOS for Extension Officers**

The appraised arrangement is to conduct two introductory courses on rural finance for Extension Officers during the third quarter of the year. The courses have a total budgetary allocation of Tanzania Five Hundred Thirty Four Thousands (TSH. 534,000). According to the cost table, each course is allocated a unit cost of two hundred sixty seven thousand shillings. This amount is insufficient to meet the activity cost estimated at fifty million shillings for the five hundred extension officers in the project area. It is planned to execute the activity and the funding gap shall be bridged from available resources on the technical assistance vote of this sub component.

**(x) Conducting a study of rural finance services**

A consultant shall be employed to conduct a study on rural finance services in the project area so as to assist decision making regarding SACCOS and other rural finance activities. The study shall map the status of SACCOS in the project area so that a clear understanding and picture is available. The clear understanding of the status of SACCOS in the area shall make it possible to design appropriate SACCOS intervention in the area. The consultant(s) shall be identified through short listing and the study is planned for first quarter of the year. Funding for this activity shall be from technical assistance vote of the subcomponent. The vote has a provisional budget of Tanzania shillings five hundred million (Tsh. 500 million) and this sum is sufficient to cover budgeted technical assistance activities to be carried out against the sub component.

**(xi) Designing Training Courses on Rural Finance**

A consultant shall be employed to design rural finance courses to be delivered for the various training sessions and courses. The method of short listing shall be used to identify the consultant and the process of designing the courses are planned for the first quarter. Funding of this activity shall be met from the technical assistance vote of the component.

### 3.4.5 Marketing Sub-component

#### **Introductory Course on Marketing**

An introductory course on marketing shall be delivered to twenty eight persons from districts. Each District shall designate one person to deal with Agricultural sector marketing information network at district level in support of this sub component. These are the officers who shall attend this training and they are expected to work hand in hand with the service provider and at the end of the project, they shall take over management of this activity. The course shall be conducted during the third quarter of the year and there is a budget of Tanzania Shillings sixteen million eight hundred thousand only (TSH. 16.8 million) to carter for this activity.

#### **Course on Marketing for DEDs, DALDOs and DCOs**

Five-sessions training shall be delivered to DEDs, DALDOs and District Cooperative Officers (DCOs) during the third quarter of the year. The training shall aim at exposing participants to the basics of rural marketing networks issues. It is expected that the training shall be helpful for participants in their decision making while conducting their day-to-day activities in their respective capacities. The activity has a budgetary provision of Tanzania Shilling Sixteen million (TSH. 16 million)

#### **Introductory Course on Marketing for District Staff**

Introductory courses on marketing for District staff are planned for the third quarter of the year. The course has a total budgetary allocation of Tanzania Shillings three million two Hundred fifty thousand (TSH. 3.25 Million) According to the cost table, each course is allocated a unit cost of six hundred fifty thousand shillings. This amount is insufficient to meet the activity cost of the activity estimated at twelve million shillings. It is planned that the gap shall be bridged by available resources on the technical assistance vote of this sub component.

#### **Introductory Course on Marketing for Extension Officers**

The appraised arrangement is to conduct this activity during the third quarter of the year. The activity has a total budgetary allocation of Tanzania Shillings three million two Hundred fifty thousand (TSH. 3.25 Million) According to the cost table, this activity has an allocation of a unit cost of six hundred fifty thousand shillings. This amount is insufficient to meet the activity cost of the activity estimated at fifteen million shillings. It is planned that the gap shall be bridged by available resources on the technical assistance vote of this sub component.

#### **Delivering an Introductory Course on Marketing**

An introductory course for 200 persons dealing with marketing issues shall be conducted to expose participants on issues relating to marketing. A total of Tanzania Shillings Seventeen Million Two Hundred Thousand (TSH. 17.2 million) is allocated to the activity in addition to the technical assistance allocated for all activities under the sub-component. The course is scheduled for second quarter of the year.

#### **Designing Training Courses on Marketing**

A consultant shall be employed to design the marketing courses to be delivered for the various training sessions and courses. The method of short listing shall be used to identify the consultant and the process of designing the courses are planned for the first quarter. Costs for this activity are embodied in the Technical Assistance package for the Marketing subcomponent.



### **Conducting a Market Survey Study**

A consultant shall be employed to conduct a market survey study so as to assist decisions regarding marketing activities. The consultant(s) shall be identified through short listing and the study is planned for second quarter of the year. Costs for this activity are also embodied in the Technical Assistance package for the Marketing subcomponent.

### **Procurement of Goods & Services – Support to Rural Financial Services & Marketing**

This shall be the first year of implementing procurement process for the Support to Rural Financial Services and Marketing sub component as such, there is no procurement activity brought forward save short listing of Consultants for the studies articulated herein above. The subcomponent shall attract procurements related to services only as such no procurement covering goods and civil works shall be undertaken.

### **Consultancy - Support to Rural Financial Services**

The first procurement to be undertaken for this sub component shall involve procuring a consultant to carry out a study for establishing issues on rural finance and SACCOS that need attention for training. Costs for carrying out this consultancy are within the technical assistance vote of this sub component. The plan of undertaking execution of training activities related to support to rural financial services mostly of which are training shall be carried out by a specialized implementing NGO in coordination with the district administration and the PCU. Procurement process shall be initiated as from the 1st quarter to procure a NGO or consultant to undertake the training tasks.

### **Consultancy for Marketing Support**

The first procurement to be undertaken for this sub component shall involve procuring a consultant to carry out a market survey study for establishing pertinent agricultural sector marketing issues of relevance to the project that need attention for training. Training activities under this subcomponent shall be implemented by a specialized and experienced service provider to be recruited from resources available in the technical assistance vote of the Sub component.

### **Budget for the component of Support to Rural Financial Services & Marketing**

The component has a total budget of Tanzania Shillings nine hundred twenty million seven hundred twenty thousand only (T.Sh. 920.72 million) to be spent during the year and this is 5.06% of the total project budgeted expenditure of Tanzania Shillings seventeen billion eight hundred fifty six million (Tsh. 17.856 billion). The entire amount shall be committed to services in terms of Consultancies and training. Tanzania shillings seven hundred forty million (Tsh. 740 million) shall be spent on consultancy and the balance of Tanzania Shillings (T.Sh. 180.72 million) on training.

## **3.4.6 Project Co-ordination and Management Component**

Main activities to be executed under the component of Project Facilitation and Management during the year 2008/2009 are as follows:

1. Procurement of Goods and services;
2. Preparation of Withdrawal Applications;
3. Disbursement of Project Funds to district, maintain Accounts, and consolidate Project Accounts;
4. Preparation and arrangements for carrying out Annual Audits;
5. Preparations for the PTC Meetings;
6. Monitoring and evaluation of Project activities;
7. Organizing and conducting follow up of initial training, Workshops;
8. Training on Procurement Issues;
9. Training on Financial Management;

10. Production of communication materials;
11. Preparation of Annual work plan and Budget; and
12. National Planning and Review Workshop
13. Project Mid - Term review

### **Procurement of Goods and Services**

PCU shall be responsible for Procurement of Goods and services as articulated earlier in relevant sections of the three field components. Highlight of procurement activities that shall be undertaken by PCU are as follows:

#### **Farmers Capacity Building Component**

Recruitment of specialized providers and/or NGOs, to carry out different training and sensitization activities related to HIV/AIDS campaigns.

#### **Community planning and investment in Agriculture Component**

Procurement of Basic Zonal Irrigation Equipment, provision of technical backstopping to Districts in procurement of Agriculture value adding equipment, Technical backstopping to Districts and villages in procurement process of civil works related to Village Micro Projects and Medium Size Rural Infrastructure investments

#### **Support to Rural Financial Services and Marketing**

With regards to Support to Rural Financial Services and Marketing component. PCU shall initiate and conclude procurement of a consultant to carry out a study for establishing issues on rural finance and SACCOS that need attention for training, procure a consultant to carry out a market survey study for establishing pertinent agricultural sector marketing issues of relevance to the project that need attention for training and Lastly, procurement of a specialized and experienced service provider to deliver training related to marketing support sub component.

Specific procurement that shall be made during the year for the PCU shall include the following:

1. Motor Vehicles - It is planned to procure one vehicles to enhance transport fleet for supervising project activities and this procurement shall be funded by AfDB. The procurements shall be done during the 2nd Quarter of the year. Tanzania Shillings Eighty five million only (T.Sh. 85 million) has been provided in the budget for this activity.
2. Furniture & Equipment - The Project will procure 2 desktop computers, 2 laptops, one heavy duty Printer and software for use by PCU. The equipment budgeted at Tanzania Shillings thirty one million (T.Sh. 31 million) is to be financed by AfDB. The procurement shall be made during the first quarter of the year.
3. Establishment of Project Website: A website will be established in order to disseminate project information to stakeholders. A total of Tsh. 10 million has been provided in the 3rd to carter for consultancy fee, pre-testing, and monthly fee for hosting it. The time fame for carrying out respective activities for establishing a Project website is as per Table 10: This activity will be financed by AfDB – loan 100%.

**Table 9: Schedule for Establishment of Project Website**

<b>Activity</b>		<b>Time frame</b>
(i)	Procurement of Consultant.	1 <sup>st</sup> Qtr
(ii)	Preparation and approval of TOR	1 <sup>st</sup> Qtr
(iii)	Shortlist and approvals	2 <sup>nd</sup> Qtr
(iv)	Request for proposals	3 <sup>rd</sup> Qtr
(v)	Evaluation and Award	

4. **Diagnostic Study:** This is an in-depth analysis of issues that have emerged or envisaged to emerge during the implementation period. The exercise will be conducted during the fourth quarter and on annual basis. The study will involve hiring of a consultant and conducting fieldwork. This item is under Topical and other studies in the budget and it is funded by AfDB loan. Another diagnostic study shall be conducted prior to undertaking mid-term review. Such study is proposed to be conducted in the third quarter, preferably in February/March 2009, so that it could serve as input for mid-term review exercise. The theme of the study will be on performance and strategic issues of project implementation. The cost of the studies shall be met from the Topical and other studies item in the budget.
5. **Other Consultancies:** There shall be the recruitment of consultants on DTCs Training, Study to rural finance and Markets, Environment Impact Assessments and Midterm Review.
6. **Communication Materials:** This is aimed in creating awareness at various intervals in the project area.

#### **Withdrawal Applications, Disbursements, Maintain Accounts, Consolidate Project Accounts**

During the year, the PCU shall continue to prepare withdrawal applications and submit them to financiers for release of funds. PCU shall also disburse funds to the Districts, maintain project accounts and consolidate them for the purpose of preparing periodical reports including draft accounts for submission to external Auditors in line with project design and requirements of the loan agreement.

#### **Preparation and Arrangements for Carrying out Annual Audits**

The loan agreement requires the borrower to submit to the financier Audited Accounts within six months after the end of the financial year. PCU will carry out this activity without fail. It has managed this activity with in the stipulated time and this record shall be maintained. Controller and Auditor General is the appointed External Auditor of the Project, following provisions of Article 143 of the Constitution of the United Republic of Tanzania. The Government will pay for the remuneration of External Auditors and time frame for execution of this activity is as shown in below:

**Table 10: Schedule for Carrying out Annual Audits**

<b>Serial</b>	<b>Activity</b>	<b>Tentative date of Submission</b>
1	Preparation of Draft Accounts	July – August 2008
2.	Submission of Draft Accounts to Auditors	August/September 2008
3.	Audit exercise	September/October 2008
4.	Audit report writing	November/December 2008
5.	Submission of Audit report to PTC	December 2008
6.	Submission of Audit report to Financiers	December 2008

## **Organizing PTC Meetings**

The Project design has provisions to carry out three PTC Meeting during each project year. That notwithstanding, the plan for this year is to hold four PTC meeting and the tentative timetable for the meeting is as shown below:

**Table 11: Schedule for PTC Meetings**

<b>Serial</b>	<b>Item</b>	<b>Tentative Month</b>	<b>Tentative Venue</b>
1	1 <sup>st</sup> PTC Meeting	August 2008	Dar Es Salaam
2.	2 <sup>nd</sup> PTC Meeting	December 2008	Mwanza
3.	3 <sup>rd</sup> PTC Meeting	March 2009	Bukoba
4.	4 <sup>th</sup> PTC Meeting	June 2009	Musoma

There is a budget of Tsh. 24 million to cover cost of conducting PTC meetings and the activity is financed from the loan funds of AfDB.

## **Organizing and conducting follow up of initial training, Workshop**

PCU organized and conducted various initial training during the year 2007/2008. During the year under review, PCU shall organize and conduct follow up training on Procurements and Finance management. Other follow up training shall cover training of Project officers at Region and District level, District monitoring and Evaluation officers, Works Engineer, Irrigation staff at Zonal and District Level. The follow up training shall cost a total of Tanzania Shillings one hundred forty million and the training are set to be conducted during the second quarter of the year.

### **Training on Procurement Issues**

PCU staff involved in Procurement issues will undergo a short training within or outside the country to enhance and expose their respective capacities in Procurement management. There is a budget of Tsh. 4.8 million to cover cost thereof scheduled for the 2nd Qtr of the year.

### **Training on Financial and Management**

PCU staff involved in financial issues will also undergo a short training within or outside the country to enhance and expose their capacities in project financial management. There is a budget of Tsh. 4.8 million to cover cost thereof scheduled for the 2nd Qtr of the year.

## **Production of Communication Materials and Radio Program**

This activity will involve production of Publicity materials for the Project including Radio program. The Radio program shall be undertaken jointly with other sister projects which are under the umbrella of ADSP. Modalities are being worked out on the operations and sharing arrangements of the air time and costs thereof. There is a budget of Tsh. 150 million to cover cost thereof distributed evenly through out the year.

## **Preparation of Annual Work Plan and Budget**

PCU is responsible for coordination and consolidation of annual work plan and budget. Districts will provide necessary information generated from their respective wards and villages for consistence review and PCU shall undertake the consolidation. The information shall be captured from respective District Agriculture Development plans (DADPs).

## Preparation of Project Implementation Manual

The exercise of updating the Project implementation Manual (PIM) shall continue to be done during the year.

## National Planning and Review Workshop

The second National Planning and Review Workshop shall be attended by total of 75 stakeholders drawn from Donors, ASLMs, PCU, Regions, Districts, Farmers representatives and NGOs. The aim of the workshop is to share experiences and review challenges and constraints faced during implementation and chart out the way forward. There is a budget of Tsh. 120 million to cover the cost of the review workshop during the 4th Qtr of the year. This shall be the second project stakeholders Planning Workshop and Stakeholders will have an opportunity of assessing achievements made so far, constraints and challenges faced and chart out the way forward. Project will hire services of a reputable facilitator to facilitate the workshop and the incumbent will be required to prepare the workshop proceedings which articulate issues emerged and ways forward that will assist in future planning of the project.

## Routine Monitoring

This will be conducted by stakeholders at PCU, regional, district and village levels in the forms of field visits and meetings. Specifically, the following activities shall be undertaken under routine monitoring and evaluation:

1. **Follow up Training DMEOs:** This activity is expected to be conducted in the first, second, third and fourth quarters. Training in the First Quarter will be done in the form of Study Tours, whereby the district Monitoring and Evaluation Officers will visit one or two projects in the country that is /are fairing well in Participatory Monitoring and Evaluation (PME), after which the officers will be required to backstop the process of establishing PME System at grassroots level. The second course will involve 10 DMEOs, who are not computer literate, to attend computer training in MS Word and MS Excel in one of the local Computer Training Centers within or outside the project area. The training will be conducted in the third quarter 2008/09. The project is also planning to organize an in-house training in data gathering, analysis and report writing skills that will be conducted to all 28 DMEOs in the fourth quarter. Modules to be taught includes, among others, sampling techniques, questionnaire design, interviewing techniques, participatory data gathering and analysis methodologies, data entry using MS Excel and SPSS for windows packages, data analysis using SPSS for windows and data presentation and report writing techniques. A facilitator will be outsourced to facilitate this training. Cost for both items shall be met from the Farmers capacity building component against Participatory farmer group training
2. **Farmers Study Tour in PME:** The plan is to enable farmers appreciate how participatory Monitoring and Evaluation is successfully executed by farmers of other projects in the country. The activity is planned to be conducted in the third quarter and will involve leaders of Participatory Monitoring and Evaluation groups who will in turn be facilitators of the processes in their respective villages. The cost of this activity shall be met from Farmers capacity building component against Participatory farmer group training
3. **Short Course in PME:** It is planned that one project officer attend the course in the second quarter, to enhance practical application of Participatory Score Card (PSC) method as a tool for implementing Participatory Monitoring and Evaluation (PME) in one of the reputable institutions that offer PME course. The course will also up date the incumbent on other emerging approaches in PME to be applied in the project. The incumbent will in turn

be required to train DMEOs in the application of the tool in the field – ready for filed application in 2009/10 financial year.

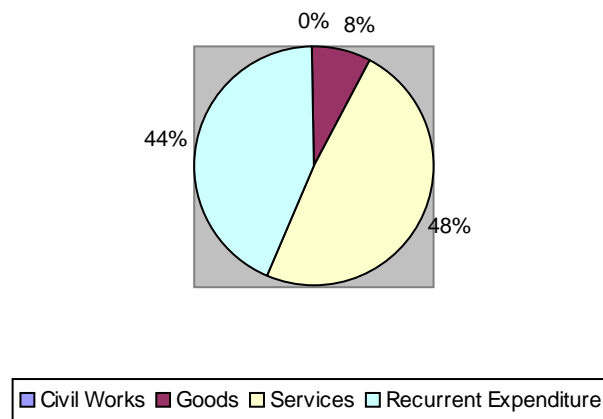
### **Project mid - Term Review (MTR)**

In line with provisions of the loan covenants, the PCU shall coordinate arrangements to undertake the Project mid-term review during the fourth quarter of the year. Tanzania shillings one hundred million has been set aside to carter for this activity. The activity shall be carried out by experienced consultants to be recruited under the funding of AfDB. As part of preparations to ensure that the exercise is started in the fourth quarter, procurement of consultants to conduct the review will be initiated as from the second quarter of year 2008/09.

### **Budget for the component of Project Coordination and Management**

The component has a total budget of Tanzania Shillings one billion two hundred twenty two million six hundred thousand (T.Sh. 1.462 billion) to be spent during the year and this is 8.04% of the total project budgeted expenditure. Goods are expected to cost Tanzania Shillings one hundred sixteen million (T.Sh. 116 million), Services Tanzania Shillings seven hundred four million six hundred thousand (Tsh.705 million) and recurrent costs Tanzania Shillings six hundred forty two million (Tsh. 642million) only.

**Chart 7: Budget matrix for Project Coordination & Management component – category**



## **4 CONCLUSION**

Project management believes that the AWPB for year 2008/2009 is realistic, targets are achievable and arrangements are implementable. It is hereby recommended that this AWPB be approved.

**Annex 1: Summary of Budgeted Expenditure – Component-wise and Category-wise**

Component	INVESTMENT COST				Recurrent	Totals	% to Component budget
	Civil Works	Goods	Services	Total	T. Sh '000	Budget	
	T. Sh '000	T. Sh '000	T. Sh '000	T. Sh '000	T. Sh '000	T. Sh '000	
1. Farmers Capacity Building			3,403,000	<b>3,403,000</b>	282,800	<b>3,685,800</b>	<b>20.26</b>
<b>% of Category contribution to Component budget</b>			<b>92.33</b>	<b>92.33</b>	<b>7.67</b>	<b>100.00</b>	
2. Community Planning & Investment in Agriculture	8,588,000	1,016,400	756,800	<b>10,361,200</b>	1,765,600	<b>12,126,800</b>	<b>66.65</b>
<b>% of Category contribution to Component budget</b>	<b>70.82</b>	<b>8.38</b>	<b>6.24</b>	<b>85.44</b>	<b>14.56</b>	<b>100.00</b>	
3. Rural Financial Services & Marketing			920,720	<b>920,720</b>		<b>920,720</b>	<b>5.06</b>
<b>% of Category contribution to Component budget</b>			<b>100.00</b>	<b>100.00</b>		<b>100.00</b>	
4. Project Coordination & Management		116,000	704,600	<b>820,600</b>	642,000	<b>1,462,600</b>	<b>8.04</b>
<b>% of Category contribution to Component budget</b>		<b>7.93</b>	<b>48.17</b>	<b>56.11</b>	<b>43.89</b>	<b>100.00</b>	
<b>Grand Totals</b>	<b>8,588,000</b>	<b>1,132,400</b>	<b>5,785,120</b>	<b>15,505,520</b>	<b>2,690,400</b>	<b>18,195,920</b>	<b>100.00</b>
<b>% of Category budget to 2006/2007 budget</b>	<b>47.20</b>	<b>6.22</b>	<b>31.79</b>	<b>85.21</b>	<b>14.79</b>	<b>100.00</b>	

**Annex 2: Summary Of Budgeted Expenditure – Quarter-wise**

Component	1ST QTR	2ND QTR	3RD QTR	4TH QTR	Totals	%2008/2009 budget
	T. Sh '000	T. Sh '000	T. Sh '000	T. Sh '000	T. Sh '000	
<b>Farmers Capacity Building</b>						
1. Services	219,000	615,000	1,443,000	1,126,000	3,403,000	92.33
2. Recurrent	70,700	70,700	70,700	70,700	282,800	7.67
<b>Sub total</b>	<b>289,700</b>	<b>685,700</b>	<b>1,513,700</b>	<b>1,196,700</b>	<b>3,685,800</b>	<b>100.00</b>
<b>Community Planning and Investment in Agriculture</b>						
1. Civil Works	1,220,000	2,070,000	2,570,000	2,728,000	8,588,000	70.82
2. Goods	250,000	266,400	250,000	250,000	1,016,400	8.38
3. Services	324,200	144,200	284,200	4,200	756,800	6.24
4. Recurrent	441,400	441,400	441,400	441,400	1,765,600	14.56
<b>Sub total</b>	<b>2,235,600</b>	<b>2,922,000</b>	<b>3,545,600</b>	<b>3,423,600</b>	<b>12,126,800</b>	<b>100.00</b>
<b>Support to Rural Financial Services and Marketing</b>						
1. Services	185,000	251,910	256,024	227,786	920,720	100.00
<b>Sub total</b>	<b>185,000</b>	<b>251,910</b>	<b>256,024</b>	<b>227,786</b>	<b>920,720</b>	<b>100.00</b>
<b>Project Coordination and Management</b>						
1. Goods	31,000	85,000	-	-	116,000	7.93
2. Services	81,500	91,100	350,500	181,500	704,600	48.17
3. Recurrent	160,500	160,500	160,500	160,500	642,000	43.89
<b>Sub total</b>	<b>273,000</b>	<b>336,600</b>	<b>511,000</b>	<b>342,000</b>	<b>1,462,600</b>	<b>100.00</b>
<b>Grand Total</b>	<b>2,983,300</b>	<b>4,196,210</b>	<b>5,826,324</b>	<b>5,190,086</b>	<b>18,195,920</b>	<b>100.00</b>
<b>Percentage to total annual budget</b>	<b>16.40</b>	<b>23.06</b>	<b>32.02</b>	<b>28.52</b>	<b>100.00</b>	<b>100.00</b>



Component	LOAN	GRANT	GOT	BENEF.	Totals	LOAN
	T. Sh '000	T. Sh '000	T. Sh '000	T. Sh '000	T. Sh '000	
<b>Farmers Capacity Building</b>						
1. Services		3,403,000			3,403,000	
2. Recurrent		114,800	168,000		282,800	
<b>Sub total</b>	-	<b>3,517,800</b>	<b>168,000</b>	-	<b>3,685,800</b>	
<b>Community Planing and Investment in Agriculture</b>						
1. Civil Works	7,160,400			1,427,600	8,588,000	83.38
2. Goods	516,400			500,000	1,016,400	50.81
3. Services	616,800		140,000		756,800	81.50
4. Recurrent	345,000		1,420,600		1,765,600	19.54
<b>Sub total</b>	<b>8,638,600</b>	-	<b>1,560,600</b>	<b>1,927,600</b>	<b>12,126,800</b>	<b>71.24</b>
<b>Support to Rural Financial Services and Marketing</b>						
1. Services	920,720				920,720	100.00
2. Recurrent						
<b>Sub total</b>	<b>920,720</b>	-	-	-	<b>920,720</b>	<b>100.00</b>
<b>Project Coordination and Management</b>						
1. Goods	116,000				116,000	
2. Services	674,600		30,000		704,600	
3. Recurrent	512,000		130,000		642,000	
<b>Sub total</b>	<b>1,302,600</b>	-	<b>160,000</b>	-	<b>1,462,600</b>	<b>89.06</b>
<b>Grand Total</b>	<b>10,861,920</b>	<b>3,517,800</b>	<b>1,888,600</b>	<b>1,927,600</b>	<b>18,195,920</b>	<b>59.69</b>

	Unit	Qty	Unit Cost Sh '000	T.	1st Qtr '000	T. Sh '000	2nd Qtr Sh '000	T.	3rd Qtr Sh '000	T.
<b>A: Investments</b>										
1. PFG training by Ward Training Facilitators	PFG-training	1,500	500		-		-		375,000	
2. PFG training by Farmer Training Facilitators	PFG-training	1,000	500		-		-		250,000	
3. PFG mini-projects as training exercise	PFG-training	2,000	400		-		200,000		300,000	
4. Ward-level PFG-association training	training	250	100		-		25,000		-	
5. District PFG forum Workshop	workshop	28	500		-				-	
6. Training of District Training Coordinators (DTC)	Person	56	14,000		-		200,000		200,000	
7. Regional Programme development workshops	Workshop	5	5,000		25,000		-		-	
8. District Planning Workshops	Workshop	28	500		14,000		-		-	
9. District training of Ward-Level Facilitators	course	28	5,500		-		-		154,000	
10. District Training of Farmer Facilitators, Farmer to Farmer visits & nane nane shows	course	28	11000		80,000		77,000		154,000	
11. HIV/AIDS Sensitization Campaigns	Course	110	300		-		13,000		10,000	
<b>Subtotal Training and Workshops</b>						<b>119,000</b>	<b>515,000</b>		<b>1,443,000</b>	
12. Technical Assistance	Lumpsum	1	200,000		100,000		100,000		-	
<b>Total Investment Costs</b>						<b>219,000</b>	<b>615,000</b>		<b>1,443,000</b>	
<b>II. Recurrent Costs</b>										
1. District Training Coordinators	Person/year	56	3,000		42,000		42,000		42,000	
<b>B. Operation &amp; Maintenance</b>										
2. DTC motorbike Op. & Maintenance	Bike/year	56	800		11,200		11,200		11,200	
3. DTC Office Operation Costs & Supplies	Number/year	28	1,200		8,400		8,400		8,400	
<b>Subtotal Operation &amp; Maintenance</b>						<b>61,600</b>	<b>61,600</b>		<b>61,600</b>	
4. DTC Field Visit Allowances	Year	56	650		9,100		9,100		9,100	
<b>Total Recurrent Costs</b>						<b>70,700</b>	<b>70,700</b>		<b>70,700</b>	
<b>Grand Total Farmers Training Capacity</b>						<b>289,700</b>	<b>685,700</b>		<b>1,513,700</b>	

	Unit	Qty	Unit Cost T. Sh '000	1st Qtr T. Sh '000	2nd Qtr T. Sh '000	3rd Qtr T. Sh '000
<b>Investment Costs</b>						
<b>Equipment</b>						
1. Equipment for Zonal Irrigation Units	ls	2	8,200		16,400	
<b>Subtotal Equipment</b>				-	<b>16,400</b>	-
<b>Training</b>						
2. Follow up training of Regional/District M & E Officers	Training	2	14,000	-	28,000	-
3. Follow up training of District/Project Officers (28)	Training	2	14,000	-	28,000	-
4. Follow up training of Districts/Project Accountants (28)	Training	2	14,000	-	28,000	-
5. Follow up training of Districts Works Engineers (28)	Training	2	14,000	-	28,000	-
6. Follow up training of Zonal/District Irrigation Staff	Training	2	14,000	-	28,000	-
7. Training of Irrigators Organizations	Training	10	7,000	70,000	-	-
8. Follow up O&OD methods	Per district	28	10,000		-	280,000
9. EIA and ESMP Training for District officials	no.	28	1,500	42,000	-	-
10. EIA and ESMP Training for Ward officials	no	28	1,000	28,000	-	-
11. Annual follow-up visits by EMU of MAFS	no	28	600	4,200	4,200	4,200
<b>Subtotal Training</b>				<b>144,200</b>	<b>144,200</b>	<b>284,200</b>
<b>Total Investment Costs</b>				<b>144,200</b>	<b>160,600</b>	<b>284,200</b>

	Unit	Qty	Unit Cost T. Sh '000	1st Qtr T. Sh '000	2nd Qtr T. Sh '000	3rd Qtr T. Sh '000
<b>Recurrent Costs</b>						
<b>Staff</b>						
1. Regional Project Officer	Person/year	5	3,000	3,750	3,750	3,750
2. District Project Officer	Person/year	28	3,000	21,000	21,000	21,000
3. District Project Accountant	Person/year	28	3,000	21,000	21,000	21,000
4. District Project M & E	Person/year	28	3,000	21,000	21,000	21,000
5. District Technical Officers	Person/year	56	3,000	42,000	42,000	42,000
6. Ward Officers	Person/year	224	2,400	134,400	134,400	134,400
7. Village Officers	Person/year	224	2,000	112,000	112,000	112,000
<b>Subtotal Staff</b>				<b>355,150</b>	<b>355,150</b>	<b>355,150</b>
<b>Operation and Maintenance</b>						
8. Motorbike Op. and Maintenance	Bike/year	56	1,000	14,000	14,000	14,000
9. Regional Office Operation and Maintenance Cost	Region/year	5	300	375	375	375
10. District Operation and maintenance Cost	District/year	28	1,500	10,500	10,500	10,500
<b>Subtotal Op. &amp; Maintenance</b>				<b>24,875</b>	<b>24,875</b>	<b>24,875</b>
11. District Staff Field Allowances	District/year	28	8,750	61,250	61,250	61,250
12. Regional Staff Allowances	Region/year	5	500	125	125	125
<b>Sub total Staff field allowances</b>				<b>61,375</b>	<b>61,375</b>	<b>61,375</b>
<b>Total Recurrent Costs</b>				<b>441,400</b>	<b>441,400</b>	<b>441,400</b>

<b>Investment Costs</b>	<b>Unit</b>	<b>Qty</b>	<b>Unit Cost T. Sh '000</b>	<b>1st Qtr T. Sh '000</b>	<b>2nd Qtr T. Sh '000</b>	<b>3rd Qtr T. Sh '000</b>
1. Feeder Roads	Km	100	9,000		200,000	300,000
2. Design and Supervision of Feeder Roads	Km	100	2,000	50,000	50,000	50,000
3. Water Control Structures	unit	5	200,000		300,000	350,000
4. On-farm Works	ha	280	1,000	70,000	70,000	70,000
5. Water Control (Gravity)	ha	304	2,000		100,000	200,000
6. Design & Supervision	per scheme	10	25,000	75,000	75,000	75,000
7. Environmental Impact Assessment	ls	2	50,000	25,000	25,000	25,000
<b>Total Rural Infrastructure</b>				<b>220,000</b>	<b>820,000</b>	<b>1,070,000</b>
<b>Investments in Agriculture</b>						
8. Training of Village Dev. Committees	no.	300	600	180,000		
9. Village Small Project Fund	Village	150	35,000	1,000,000	1,250,000	1,500,000
10. Agric value adding equipment	Village	100	10,000	250,000	250,000	250,000
<b>Investment in Agriculture</b>				<b>1,430,000</b>	<b>1,500,000</b>	<b>1,750,000</b>
<b>Total Investment in Agriculture</b>				<b>1,650,000</b>	<b>2,320,000</b>	<b>2,820,000</b>
<b>Grand Total - Community planning &amp; Investments</b>				<b>2,235,600</b>	<b>2,922,000</b>	<b>3,545,600</b>

	Unit	Qty	Unit Cost T. Sh '000	1st Qtr T. Sh '000	2nd Qtr T. Sh '000	3rd Qtr T. Sh '000
<b>Investment Costs</b>						
<b>Support to Rural Financial Services</b>						
<b>Technical Assistance</b>						
1. Technical Assistance	Ls	1	500,000	125,000	125,000	125,000
<b>Training</b>						
2. Courses for District Councils, DEDS, etc	Session	2	10,500		21,000	
3. Introductory courses for field Staff	Persons	28	870		24,360	
4. Introductory Courses for Supervisors	Persons	5	870		4,350	
5. Training for Saving Groups	Group	1,000	56			28,000
6. Training for SACCO's	Sacco	56	133			3,724
7. Training for Finance Staff of SACCOS's	Sacco	56	128			
8. Registrar of Cooperatives Staff	Persons	56	50			
9. Introductory Training for District Staff	Course	2	280			
10. Introductory Training Extension Officers	Course	2	267			
<b>Total Training</b>				-	<b>49,710</b>	<b>31,724</b>
<b>Total Rural Financial Services</b>				<b>125,000</b>	<b>174,710</b>	<b>156,724</b>

	Unit	Qty	Unit Cost T. Sh '000	1st Qtr T. Sh '000	2nd Qtr T. Sh '000	3rd Qtr T. Sh '000
<b>Marketing</b>						
<b>Technical Assistance</b>						
1. Technical Assistance	Ls	1	240,000	60,000	60,000	60,000
<b>B. Training</b>						
2. Introductory Course for Man/Sup/Mo	Person	28	600			16,800
3. Councils, DED's, DALDO's DCO's	Group	5	3,200			16,000
4. Intro. Training District Level	Session	5	650			3,250
5. Intro. Training Extension Officers	Session	5	650			3,250
7. Introductory Marketing Specialist	Number	200	86		17,200	
<b>Total Training</b>				-	<b>17,200</b>	<b>39,300</b>
<b>Total Marketing</b>				<b>60,000</b>	<b>77,200</b>	<b>99,300</b>
<b>Grand Total Rural Finance &amp; Marketing</b>				<b>185,000</b>	<b>251,910</b>	<b>256,024</b>

	Unit	Qty	Unit Cost T. Sh '000	1st Qtr T. Sh '000	2nd Qtr T. Sh '000	3rd Qtr T. Sh '000
<b>Investment Costs</b>						
<b>Vehicles</b>						
1. Station Wagon (4x4)	unit	1	85,000		85,000	
<b>Sub total Vehicles</b>				-	<b>85,000</b>	-
<b>Equipment</b>						
2. Desktop Computer Sets	unit	2	1,500	3,000		
3. Lap-Top Computer Sets	unit	2	2000	4,000		
4. Heavy Duty Photocopier	unit	1	20,000	20,000		
5. Additional Computer Software	unit	2	2,000	4,000		
<b>Sub total Equipment</b>				<b>31,000</b>	-	-
<b>Training, Workshops and Reviews</b>						
6. Procurement Issues Training	Course	1	4,800		4,800	
7. Financial and Management Training	Course	1	4,800		4,800	
8. National Planning and Review Workshop	Workshop	1	120,000			120,000
9. Assesment of village Investments	Districts	28	3,000			84,000
10. Production of Documents	Ls	2	10,000	5,000	5,000	5,000
11. Production of Communication Material, Radio program & mass awareness	Ls	1	150,000	37,500	37,500	37,500
12. Mid term review	Ls	1	100,000			
13. Design and Set-Up Of Web-Site	Ls	1	10,000			10,000
14. Topical and Other Studies	Ls	1	25,000			25,000
<b>Sub total Training, Workshops &amp; Review</b>				<b>42,500</b>	<b>52,100</b>	<b>281,500</b>
<b>Total</b>				<b>73,500</b>	<b>137,100</b>	<b>281,500</b>



	Unit	Qty	Unit Cost T. Sh	1st Qtr T. Sh	2nd Qtr T. Sh	3rd Qtr T. Sh
<b>Annual Audits</b>						
14. Annual Audits	Ls	1	30,000			30,000
<b>Technical Assistance</b>						
15. Project Coordinator	Person/year	1	30,000	7,500	7,500	7,500
16. Financial Management Specialist	Person/year	1	24,000	6,000	6,000	6,000
17. Procurement Specialist	Person/year	1	24,000	6,000	6,000	6,000
18. Training & Community Participation Officer	Person/year	1	24,000	6,000	6,000	6,000
19. M & E Officer	Person/year	1	24,000	6,000	6,000	6,000
20. Liaison Officer	Person/year	1	18,000	4,500	4,500	4,500
21. Executive Secretary	Person/year	1	12,000	3,000	3,000	3,000
<b>Sub total Technical Assistance</b>				<b>39,000</b>	<b>39,000</b>	<b>39,000</b>
<b>Total Investment Costs</b>				<b>112,500</b>	<b>176,100</b>	<b>350,500</b>
<b>Recurrent Costs</b>						
22. Support Staff	person/year	10	8,000	20,000	20,000	20,000
<b>Operation and Maintenance</b>						
23. Vehicle Op. & Maintenance	vehicle/year	6	25,000	37,500	37,500	37,500
24. Office Communications	office/year	1	25,000	6,250	6,250	6,250
25. Office Equipment Supplies & Maintenance	Office/year	1	15,000	3,750	3,750	3,750
26. Utilities	office/year	1	10,000	2,500	2,500	2,500
27. General Operating Expenses	office/year	1	30,000	7,500	7,500	7,500
28. PTC Meetings	Session	4	8,000	8,000	8,000	8,000
29. Office Rent and Maintenance	office/year	1	50,000	12,500	12,500	12,500
30. Operation and Maintenance Web-Site	ls	1	10,000	2,500	2,500	2,500
<b>Sub total Op. &amp; Maintenance</b>				<b>100,500</b>	<b>100,500</b>	<b>100,500</b>
31. Field Visits Allowances	ls	1	240,000	60,000	60,000	60,000
<b>Total Recurrent Costs</b>				<b>160,500</b>	<b>160,500</b>	<b>160,500</b>
<b>Grand Total Project Facilitation</b>				<b>273,000</b>	<b>336,600</b>	<b>511,000</b>

