

Annual report

2008

act:onaid



Tanzania Country Program

Table of Content

List of abbreviation	ii
Preface	iv
1.0 Introduction	1
2.0 Contextual analysis.....	2
2.1 The political Context	
2.2 Macro Economic Context	
3.0 Progress Against Strategic Objectives	7
3.1 Empowering Women to claim Right.....	
3.2 Education theme	
3.3 Health Sub sector.....	
3.4 Agriculture and food security them.....	
3.5 Just and Democratic Governance.....	
4.0 Organizational and Human Resource Development	25
4.1 Internationalization and Merges processes.....	
4.2 Staff development.....	
5.0 Organizational Financing	27
5.1 Income	
5.2 Expenditure	
6.0 Challenges	30
7.0 Lessons Learnt.....	31

List of Abbreviations

AAI	ActionAid International
AAITZ	ActionAid International Tanzania
AMCO	Agriculture marketing Cooperative
AIDS	Acquired Immune Deficiency Syndrome
ARVs	Anti Retroviral Drugs
BACAFADA	Bagamoyo Farmers Development Association
BEST	Basic Education Statistics in Tanzania
BOT	Bank of Tanzania
CBO	Community Based Organization
CCM	Chama Cha Mapinduzi (The Revolutionary Party)
CDFC	Community Development Facilitator Circle
COBET	Complementary Basic Education
CSP	Country Strategic Paper
CSO	Civil Society organization
CUF	Civil United Front
DA	Development Area
DADP	District Agriculture Development Plan
EAC	East Africa Community
EFA	Education for All
ESDP	Education Sector Development Programme
EPA	Economic Partnership Agreement
EU	European Union
FFS	Farmers Field School
GDP	Gross Domestic Product
GWA	Global Week of Action
GFATM	Global Fund to Fight AIDS, Tuberculosis and Iaria
HIV/AIDS	Human Immunodeficiency Virus/Acquired Immune Deficiency Syndrome
HBC	Home Based Care
PLHA	People Living with HIV/AIDS
PHDR	Poverty and Human Development Report
HPI	Human Poverty Index

HR/OD	Human Resource and Organizational Development
KIPAFADA	Kigoma Palm Farmers Development Association
LIFA	Liwale Farmers Association
LGA	Local Government Authorities
MDG	Millennium Development Goals
MCAFADA	Mkuranga Cashew Farmers Development Association
MKUKUTA	Mkakati wa Kupunguza Umaskini na kukuza Uchumi Tanzania (Strategy for poverty reduction and economic growth)
MoH	Ministry of Health
NEFA	Newala Farmers Association
NGO	Non- Governmental Organization
OI	Opportunistic Infection
PEDP	Primary Education Development Programme
PESEFA	Pemba Seaweed Farmers
PMTCT	Prevention of mother to Child Treatment
PRRP	Participatory Review and Reflection Process
PLHAs	People Living With HIV & AIDS
SACCO	Savings and Credit Cooperative Society
SEDP	Secondary Education Development Programme
TAFA	Tandahimba Farmers Association
TAF	Tanzania AIDS Forum
TANGO	Tanzania Non-Governmental Organizations
TAMWA	Tanzania Media Women Association
THMIS	Tanzania HIV/AIDS AND Malaria Indicator Survey
TEN/MET	Tanzania Education Network/Mtandao wa Elimu Tanzania
TB	Tuberculosis
TPR	Teacher Pupil Ratio
TTU	Tanzania Teachers Union
UNDP	United Nations Development programme
UWAVVU	Umoja wa Watu waishio na virusi vya Ukimwi (The Association of PLHA)
VCT	Voluntary Counselling and Testing
WAMA	Wanawake na Maendeleo (Women and Development)
ZACPO	Zanzibar Clove Producers Organization

Preface:

Our Vision:

A Tanzanian society where every individual is free from poverty, injustice and lives in dignity

Our Mission:

To reduce poverty by empowering the poor, excluded and their organization to effectively claim for their rights using the Rights Based Approach (RBA).

Our Values

- **Accoubility and Transparency:** Horizontal and vertical accountability and transparency both individual and collective is pivotal towards organizational effectiveness and subsequently poverty reduction.
- **Creativity and Innovation:** Creativity and innovativeness are essential attributes in adding value to our work in the fight against poverty.
- **Courage of Conviction:** Bing radical and bold without fear of failure in pursuit of making he great est possible impact in eliminating the causes of poverty.
- **Equity and Equality:** Giving equal opportunity for all irrespective of race, age gender, HIV/AIDS Status, color, class, ethnicity, disability, religion in accordance with their potential.
- **Honesty and Integrity:** High level of honesty and integrity in utilizing organization resources entrusted to us for the benefit of the poor and excluded.
- **Humility:** In our presentation and behavior, recognition that we are part of a wider alliance against poverty.
- **Independency:** From religious and political party affiliation.
- **Mutual Respect:** That every human being regardless of race, sex, religion or political affiliation,has a right to a life of dignity.
- **Solidarity with the Poor:** Solidarity with the poor, excluded and their organizations is key element in the fight against poverty.
- **Team work:** Team work is critical for organizational effectiveness in addressing poverty.

Geographical Coverage – Reaching Out to the Poor

ActionAid Tanzania (AATz) made progress in expanding its geographical coverage in line with its Strategic Plan 2006-10. During the year AATz has expanded geographical coverage to include two new districts in Kilwa and Mafia Districts. This brings the total number of Development Areas to 12 Districts working in partnership with 33 community based organizations. This is in line with the CSP target to reach 13 Development Areas by the end of 2010.

This year was the second year in the implementation of the project Transforming Girls Education that is being implemented in partnership with a local NGO covering 6 districts in the northern part of Tanzania. While the Global fund project focusing on building capacity of communities to respond to HIV/AIDS pandemic in Kinondoni District entered its fourth year. Currently AATz is reaching directly and indirectly over 3,000,000 people.

Figure 1: Tanzania – ActionAid Tanzania Geographical Focus



1.0 Introduction

This year's annual report captures progress ActionAid Tanzania has made during the year in the course of implementing the five year Country Strategy Plan 2006-2010. It has been informed by the analysis of the socio-economic and political developments that has taken place during the year. It has also been based upon participatory reviews and reflection processes that ActionAid Tanzania holds annually with partners at both grass roots and national levels.

The report specifically highlights ActionAid's contributions towards influencing and leveraging policy change at both local national and international level in pursuit of its mission. ActionAid works with poor people, their organizations, their Local Governments and in coalition with Civil Societies and Non Governmental Organization in twenty Districts in mainland Tanzania and four Districts in the Island of Zanzibar to leverage policy change towards eradicating poverty

In this year's annual report focusing on our Country Strategy Plan, we review the specific achievements made possible in the five priority themes of our work, Education Women rights, HIV/AIDS, Agriculture and Food Security and Governance. We assess our progress in strengthening our internal capacity as well as that of our main partners the community based organizations we work with at grass root level. We look at how we have both gained strength in leveraging policy change at all levels local National and International levels of engagement.

We share the initiatives as well as successes and challenges of the struggles of the primacy of change that is the poor people in rural Tanzania.

2.0 Contextual analysis

2.1 *The political context*

At national level, in collaboration with national partners and other civil society organizations AATZ has used media to contribute to increasing public understanding and voices over government responsiveness and accountability on public service delivery and public funding management. Over 2008 the media has been able to report on cases of accountability such as grand corruption that has wvlocal governments. ActionAid organized local government capacity gaps briefing with media and publicized in news papers for public awareness. Through this people have both the information and knowledge to effectively monitor governance processes, challenge corruption and seek accountability of the government on public fund spending. It has recently been revealed that as a result of civil societies and public voices government is taking actions public funds imbursements and abuse of powers.

The Tanzania political development during the year 2008 is marked by both positive and negative indicators; in terms of promoting good governance, accountability, transparency, democracy and human rights. Led by his Excellence Jakaya Mrisho Kikwete, the government has shown its readiness and commitment to improving leadership accountability and transparency. The government's actions against the Bank of Tanzania frauds on the external payment account (EPA) imbursements culprits, 40billion corruption allegations surrounding the Richmond 100MWpower leasing contract, reshuffle of cabinet and resignation of 4 ministers for accountability purposes signals the said commitment.

There are all indicators of the strengthening democracy within the national assembly. The parliament has become dynamic and vibrant with national interest have taken precedence over bi-partisan politics. The pressure of the parliamentarians to hold the former prime minister to account on allegations of corruption on the Tshs 40 billion Richmond power leasing contract makes a good example.

However, the year also experienced some evils which not only tarnished the image of the country but also indicated denial of human rights to some marginalized groups. The killing of Albinos has badly tarnished Tanzania image at both national and international levels, an action which denies their rights to life.

The political antagonism between Civil United Front (CUF) and Chama Cha Mapinduzi (CCM) is not yet resolved, which now signifies the opening gap between Pemba and Unguja islands. The emerging struggle over resources between Zanzibar and mainland under the umbrella on the united republic might be opening another political gap if affirmative actions are not taken by respective authorities

2.2 *Macro Economic Context*

Just recovering from the effects of an elongated drought that virtually crippled the electricity-generation capacity in the country; the Government's main task was sustaining the macro-economic stability attained in the last seven years.

Gross Domestic Product (GDP) grew by 7.4%, compared with the growth rate of 7.1% attained in 2007. The increased growth rate is attributed to an increase in economic activities in the following key sectors: Agriculture (4.6%). Significant growth was also observed in communications (20.5%), financial intermediation (11.9%), construction (10.5%) and manufacturing (10%).

The agricultural sector grew by 4.6% compared to 4.5% in 2007. Though positive, such minimal growth is not adequate to guarantee food security and increased exports of cash crops. Fishing activities grew by 5% in 2007 compared to 4.5% the previous year. This was attributed to increased control over illegal fishing in Exclusive Economic Zones. However, overall contribution of fishing to total GDP decreased to 1.2% in 2008 compared to 1.3% in 2007.

The annual rate of inflation stood at 10.3% as compared to 7% for 2007. This was driven by escalating oil and food prices in the world market. Furthermore, the effect of the global financial crisis has already started transmitting its effect on the economy and poverty reduction efforts of the government. Basically this is manifested through reduced demand

for Tanzanian exports pushing commodity prices down ward, reduced inflow of income from tourism industry, reduced foreign and domestic revenue associated with worsening fiscal situation and widening balance of payments. Fewer resources would mean that the governments would be unable to meet the heightened expectations of their populations for progress in reducing poverty and investing in infrastructure.

In 2008/09, the Government planned to collect Tshs 4,728.6 billion in domestic revenue. However, the actual is expected to fall short of this target by 10 percent.

The national debt as at 31 December 2008 had increased by 7% from US\$5,891.1 million in December 2007 to US\$ 6,329 million. This is equivalent to 32.6% of total GDP compared to 31.8% in 2007.

The performance of the external sector was disappointing due to a continued increase in the current account deficit, from US\$ 2,041.6 million in 2007 to US\$ 2,333.6 million in 2008 representing an increase of 14.3%. The increased deficit was primarily driven by increases in the value of imports of goods and services compared to the value of exports (agricultural commodities and weak performance of the mining sector).

Pro-poor Economic growth: Remains a major policy challenge

Table 1 Poverty Incidence in Tanzania since 2001

	1991	2001	2007
Dar es salaam	28.1w	17.6	16.0
Other Urban	28.7	25.8	24.2
Rural	40.8	38.6	37.4
Tan Main Land	38.6	35.6	33.4

In its National Development Vision 2025, Tanzania aims at improving living standards and achieving a higher quality of life over the coming two decades. To realize these ambitions, different strategies have been formulated and are being implemented. The first cycle of the Poverty Reduction Strategy (PRS-I) focused on prioritization of social sector development. Its implementation targeted increasing Government budget allocation to

Education, Health, and Agriculture, Roads, Governance and water. The second Poverty Reduction Strategy cycle is known as the National Strategy for Growth and Poverty Reduction (NSGPR or *MKUKUTA*) and aims at halving poverty by the 2010. Implementation of this strategy started in 2005.

Though the country is widely acclaimed and recognized for registering an economic growth rate of 7% per year since 2000. However, surveys conducted by the National Bureau of statistics (NBS) show the absence of any noticeable reduction of poverty.

In the last 16 years in the period between 1991 and 2007, poverty fell only about 5% and most of this change can be explained by progress made in Dar es Salaam. There is no significant change in rural and other urban areas.

Table 2, Changes in number of people living below the Poverty line (2001-2007) in million

	PopIn Main Land Tz	Poverty Rate	Number of people in poverty
2001	32.2	35.6	16.0
2007	38.3	33.4	24.2
Increase in number of poor			1.3 million

The study indicated that more people are getting into the poverty trap. Accordingly during the period between 2000/1 and 2007 the total number of people living below poverty line (% of people living with less than 500Tsh/day) has increased by 1.3 million. (See table 2).

This fact puts Tanzania off track in terms of meeting its Millennium Development Goals MDG commitment to reduce poverty to 19% from 38% in 1991/2 and the Strategy for Poverty reduction and economic growth target which aims to achieve the MDG target by 2010. (Growth in Tanzania: Is it reducing poverty? A policy brief paper, Tanzania Policy Forum 2008).

First, it worth to take note of the fact to reduce poverty in accord with the objectives of MKUKUTA strong growth in agriculture (and particularly subsistence agriculture) is necessary. However, performance of the agricultural sector remains low and currently its growth stands at 4.5% which is far below the projected 10% growth rate of MKUKUTA.

However, it is a bit worrying that agriculture which is likely to facilitate economic growth in the short to medium run appears neglected. Increased investment on agriculture is likely to lower transaction costs for farmers and other rural based producers, and to facilitate income increases among these groups, reduce income inequa lity. Yet the sector received only 6% of the total annual budget in 2008.

Increasing gap between the poor and the rich

Mult-dimensional poverty indicators in Tanzania

According to various statistical updates in 2008 some of the existing poverty indicators are;

- The proportion of Tanzania's population struggling to survive below the poverty line is 33.4.3% (*National bureau of statistics survey 2007*).
- Ranks 98th out of 135 countries with high Human Poverty Index (HPI) of 32.9% (*human poverty Index update 2008*)
- Average life expectancy stands at the age of 52.95
- Adult literacy rate is 32% (34% women – 28% men)
- 45% of the total population is living without access to improved water sources (*Human poverty Index update 2008*).
- 22% of children aging between 0-5 are underweight (*human poverty index 2008*)
- Ranks 60th out of 157 countries working to improve gender equalities. (*Human poverty Index update 2008*)

The study conducted by National Bureau of statistics reveals the fact that all income groups both the poor and the rich have increased their consumption. However, the increase is small 0.8 % percent per annum on average over the period between 2001 and 2007. The poorest 10% of the population are worst off i.e their consumption levels went down. In contrast, the wealthiest house hold survey (HHs) got better off. This indicates a worrying pattern where the poorest are left behind and richest are getting richer. Consequently, 4 out of every 10 children aged 0-59 months are chronically undernourished and only 50% of the population consumes sufficient calorie requirements essential for heavy agricultural work. Furthermore, malnutrition is associated with 56% of childhood mortality. (Growth in Tanzania: Is it reducing poverty? a policy brief paper, Tanzania Policy Forum 2008).

3.0 Progress against Strategic Objectives

3.1 Empowering Women to Claim Rights

3.1.1 Sector Policy Context

Tanzania population census (2002) indicates that women constitute 51% of the total population. Tanzania has recognized women's rights through ratification of the International Convention on all forms of Discrimination against Women (CEDAW). The Gender Policy of 2000 on the equity equality between men and women is the Government guiding principal in the formulation of sector policies and subsequent laws. The recognition of the equality and dignity of all human beings is as well enshrined in the 1977 United Republic of Tanzanian Constitution as amended in 1984. The Gender policy objectives are to mainstream gender issues in all aspects of policy, planning, resource allocation and implementation.

A gender balanced access to quality education in Tanzania is a major social challenge. Socio-cultural values and norms such as early marriage still persist and continue to constrain girls' access to and completion of education. For example the gender parity in basic education has improved of recent to almost parity levels at 98%. However girls are more vulnerable and still prone to dropping out from the education system due to pregnancies and early marriages.

Tanzania is ranked 60th out of 157 countries worldwide in the gender equality index but working towards improving the index. Progress has been made in improving opportunities for women in political decision making organs through the affirmative action. The constitution provides for a 30% quota system that provides for special seats for nominating women to Parliament and 33 percent for nominating women to Local Government Councils. The current Parliament with 97 women and 227 men as Members of Parliament 5 women and 20 men Ministers; and 5 women and 13 men Deputy Ministers is a positive move. However most women are special sit nominees which implies that limited number of women compete with men in constituents, partly due to social values and attitudes coupled with inadequately funded programs to empower women to compete successfully for political leadership positions.

On the economic front there are also strong socio- cultural factors embedded in customary laws of inheritance across most parts of Tanzania that contribute towards deepening women's poverty relative to that of men.

Due to customary laws women's ability to exercise rights of ownership and access to economic assets or resources, especially land, is still dependent on their relationships with men despite of the fact that the land policy and land law provide for equal access of the right to land.

3.1.2 Strategic Approach to Addressing Women's Rights

During the year AAITZ theme objectives was focused on strengthening the capacity of women/girls and their organizations to eliminate violence and ensure equity and equality in socio-economic development. With a total expenditure of Tshs. 483,200,000 equivalent 247,795 GBP 14% of total programme costs ActionAid in collaboration with six community based women organizations (CBOs) at District level and four national organizations engaged to raising awareness of women economic rights to property inheritance in face of HIV/AIDS and girls rights to quality education in an environment free of gender based violence.

3.1.3 Building Capacity of Women Organizations at Local Level

This year efforts were geared towards strengthening existing women Community Based Organizations (CBO) towards self sustainability. The two Women CBOs in Unguja have managed to establish two tier structures at both grass root village/shehia level as well as at district level. During the year focus was also on membership mobilization. Mobilization process to strengthen existing structures were undertaken in 9 programme districts whereby 9 women organizations increased their membership by 169% in 2008 as compared to 2007. However only 12% is realized during the year as compared to potential members earmarked. The table below summarizes results of the mobilization efforts in nine programme districts.

Programme district	Organization	Potential Members	Members as at December 2007	Members as at December 2008	Membership increase between 2007 and 2008	% of Potential Members
Tandahimba and Newala	NEWORA	80,000	3,150	4,200	1,050	5
	TAWORO	95,000	3,520	4,530	1,010	5
Subtotal T/himba&New.	2	175,000	6,670	8,730	2,060	5
Bagamoyo	BAWODENE	2,000	9,800	11,000	1,200	34
Subtotal Bagamoyo	1	32,000	9,800	11,000	1,200	34
Subtotal Mkuranga	MKUDIWODEA	16,000	6,200	8,600	2,400	54
	1	16,000	6,200	8,600	2,400	54
Singida	AMCOS (12)	238,650	-	34,336	34,336	14
Sub Total Singida	1	238,650	-	34,336	34,336	14
Unguja north and Pemba north	JUWAVE	22,000	350	500	150	2
	JUWAWI	27,000	200 8	480	280	2
	JUWAMI	20,000	512	780	268	4
	JUWAMKU	12,000	436	700	264	6
Subtotal Unguja and Pemba	4	81,000	1,498	2,460	962	3
Grant total	9	542,650	24,168	47,739	23,571	9

The Women 's Community Based Organizations through the Community Development Facilitators were provided with training on women rights and on the application of different participatory methodologies for advocacy to change national policies as well as change customs and traditional beliefs and community level.

ActionAid Tanzania supported Women's Community Based Organizations in Zanzibar Island from the districts of North B and North A in Zanzibar and Wete and Micheweni in Pemba Island address the issues of early pregnancies and marriage which are critical factors hindering girls access to education. Women's Community Based Organizations worked with Local Government District level structures on violence against girls. Working with Local Government Structures improved outreach for engaging with Government on issues affecting girls access to education particularly rape, early marriage and pregnancy. ActionAid supported the groups undertake community sensitization of issues affecting and violating women and girls rights particularly the denial of girl's right to education. Nineteen shehia out of 30 have been visited and this has resulted in the formation of shehia coordinating committees. Two women CBOs have been supported in developing their strategies and action plans. Through this empowerment process communities have been sensitized and have taken action in establishing network systems that report and follow up cases on violence against girls and women. For instance, in 2008 about 30 cases related to violation of women rights have been reported to police and 5 out of the reported cases have been taken to court for prosecution. The remaining cases either lack evidence and or parents have negotiated with culprits for the cases to be settled out of court.

3.1.4 Advocating for Equitable Access Quality Education for Girls

At National Level ActionAid engaged with the media through investigative journalism to undertake and intensive time bound advocacy campaign on girls' rights of access to quality education and women rights to inheritance. In coalition with Tanzania Media Women Association TAMWA, Haki Elimu and Legal and Human Rights Centre conducted an investigative Journalism in the 12 Program Districts to sensitize the public Government and other stakeholders on policy issues hindering girls' access to quality education.



Accordingly a total of 22 feature articles were published on 11 news papers highlighting critical issues hindering girls' access to quality education. Significant impact has been achieved. The marriage law that promotes

early marriages of age at 15 years when girls are supposed to still be in school is still an important agenda in Parliamentary debate. Members of Parliament have continued to urged the Government to review it and raise the age of marriage for girls to 18 years which is defined in other laws as the age that an individual is considered an adult.

Based on the fact that girls have had less transition to higher learning grades due to drop out and poor performance, ActionAid has continued to invest in boarding facilities for girls in secondary schools. During this year ActionAid has extended its support to five schools by building five dormitories with capacity of accommodating 350 girls in Pemba North, Bagamoyo and Mkuranga, Tandahimba and Newala districts.

Two have already been completed and in use while 3 are still under construction. These hostels have worked as models in protecting girls from early pregnancy and drop outs. These models have impacted and influenced the Government and other stakeholders on the importance of the models in protecting and improving the performance of girls in schools.



Figure 2: First Lady, Mama Salma Kikwete, inaugurating one of the girls hostel supported by ActionAid at Kibutuka Secondary School in Liwale district

In Bagamoyo district officials who were invited by ActionAid to visit the hostel at Sinzale secondary school, have initiated the construction of another block to increase the capacity of the hostel. The Minister for Infrastructure and Member of Parliament for Bagamoyo visited Sinzale School and he was impressed by the initiatives and urged for the Local Government to borrow a leaf from ActionAid. While visiting different regions the President has urged district councils and communities to invest in girls hostels as they expand secondary education. First lady Mama Salma Kikwete, through her foundation Wanawake na Maendeleo (WAMA) is strongly working at the fore front campaigning and against socio cultural factors i.e. early marriages and pregnancies as measure towards improved access to girls education.

3.1.5 Advocating for Women's Economic Empowerment

During the year ActionAid sponsored a radio program “*MIWANI YA MAISHA*”, broadcasted weekly creating awareness to the public on girls right to education and on women rights to property ownership including land. The program has been successful in increasing the general public's level of sensitivity to issues related to women rights. It has influenced communities and other development actors to raise their voices against violation of women rights. Tanzania Women lawyers Association (TAWLA) a principle partner in this program acknowledged the fact that many women seeking legal aid with the Non Governmental Legal Aid Organization report to having been informed by the program. TAWLA clients increased several fold during the year from 300 – 1000 cases.¹

3.2 Education theme

3.2.1 Education Sector Policy Context

On the other hand greater equality of income can be achieved by improving the productivity of the poor, more especially through improving basic education, health so they can enhance their productivity through better health and knowledge and skills. Deliberate redistributive public policies that improve access to quality basic social services is a prerequisite towards reducing poverty.

The introduction of Education Sector Development Program of 1996 which focuses on improving access to primary and secondary education was an expression of commitment of the government to meet Education for All (EFA) and Millennium Development Goals (MDGs). The highest priority of Primary Education Development Program (PEDP) is to increase overall gross and net enrollment of girls and boys. PEDP aimed at having all the children between the ages of 7 to 12 enrolled into Standard I by 2005.

As a result, there has been significant improvement in providing access to primary schools to about 8,959,880 pupils in 2008 from 7,959,880 in 2007. This increase was largely attributed to public funded universal primary education policy and affirmative measures taken by the government against parents who failed sending their children to school. Currently enrolment rate stands at 97.3% against the target of 99% by 2012. Enrollment ratio for boys and girls was 48.9% and 51.1% respectively. However, the increase enrollment has increased the teacher pupil ratio from 1:46 in 2001 to 1:53 in 2008 which has implication on provision of quality education.

In spite of these achievements the sector is beset with a number of challenges. These include striking a balance between ensuring access and provision a gender balanced quality education given the inadequate budgetary allocation and misappropriation of available resources. Currently the transition rate for girls from primary to secondary schools (42.6%). The current education budget currently stands at 18.3% against the 20% ratio.

3.2.2 Education Theme Interventions

During the year ActionAid Tanzania took side with the poor and excluded rural communities and other national stakeholders in advocating for favourable policy environment for school learners both girls and boys. Campaigning against values and norms that impinge the right of access to education among girls was a top priority area.

ActionAid promoted and supported efforts of the poor to improve access to and advocate for quality basic education for all. Mainstreaming women's right in the education theme was pursued and achieved through the project Transforming Girls Education Project in Northern Tanzania a project implemented in six districts in Arusha Kilimanjaro and Manyara Regions funded by Comic Relief a UK based Charity Organisation. The funding from this project contributed 91% of the total ActionAid Education theme budget. ActionAid Tanzania spent a total of Tshs.1 billion on the education theme about 29% of total program cost.

(i) Influencing Education Policy and Promoting Accountability

At local level ActionAid Tanzania supported communities participate in education policy review process. ActionAid Tanzania has promoted community forum discussion on how to improve access and quality basic education. Issues ranged from addressing girls right of access to education to recruitment of teachers including the improvement of teaching facilities and inefficient utilization of education funds. Such issues were identified and brought to the attention of the Local Government.

In addition to this and in collaboration with Tanzania Network of Education Non Governmental Organization TEN/MET ActionAid conducted the Southern Highlands education debate on the need for an inclusive policy for disabled children that will addressing issues related to traditions and customs which deter disabled children from access to education. This was part of the process in reviewing the Education and Training Policy of 1995.

Consequently at national level, in collaboration with Tanzania Education Network/Mtandao wa Elimu Tanzania (TEN/MET) and Tanzania Teachers Union (TTU) as national partners, AATZ contributed to the preparation of the Education Sector Review Paper that was presented to the Ministry of Education and Vocational training for consideration in the policy review. All issues related to improving quality education and provision of inclusive education for disabled children as well as the need for adequate allocation and effective utilization of resources to the sector were included in the report. The need for investing on orienting teachers' on the new wcurrriculum to enhance teaching and learning were captured in the joint report presented to the ministry as well. Currently the education and vocational training policy is under review and it is expected that the policy draft will be tabled to stakeholders for further inputs and comments.

In efforts to promote good governance, ActionAid in collaboration with Policy Forum conducted Public Expenditure tracking in 10 districts where by issues of misappropriation of resources, inadequate capitation grants and lack of transparency on the use of funds were identified

(ii) Policy Models Influencing Quality Education

Apart from direct policy advocacy work, ActionAid Tanzania continued supporting poor communities construct classrooms as advocacy tools for the Government to increase these services countrywide. In 2008, Action for the year increased its support in constructing classrooms whereby a total of 55 classrooms were built in all 12 Program Districts as compared to 37 which were constructed in year 2007. The new classrooms will benefit 2,475 pupils annually on the basis of the ration 1:45 classroom to pupils' ratio with improved teaching and learning environment. In addition to this ActionAid Tanzania provided 438 desks for more than 1314 primary school pupils and supported communities' initiative in building one secondary school in Kigoma District of Western Tanzania. As a result a total of 170 students, 82 boys and 88 girls got access to secondary level education.



Figure3 Students at Sunuka Secondary School, in Kigoma Rural District

It is worth here mentioning that this support to communities has also added up capacity to the government to increase enrollment in both primary and secondary schools as earlier mentioned in this report. The government has allocated more teachers in the schools supported ActionAid because of the increase of pupils attending classes. For instance in Newala district each of the three access centers supported has been allocated with one professional teacher.

(iii) Promoting Gender Equality in Education.

Transforming Education for Girls in Nigeria and Tanzania (TEGINT) is a multi country four years project 2006-2010 being implemented in Tanzania and Nigeria. In Tanzania it covers six districts in three regions of Northern Tanzania. The project is implemented in partnership with a local Non Governmental Organization called Maarifa ni Ufunguo. Basically the project aims to achieve the transformation of girls' education in Tanzania and Nigeria. Targeting teachers, parents and girls themselves, the project seek to transform schools into learning environments which value and promote girls' education, through challenging the underlying socio-cultural barriers that keep girls out of school and consequently exposing them to the risks of HIV/AIDS infection in the absence of knowledge and skills that could be gained through the education system.

Slow progress has been made this year related due to delays in completing the baseline survey required to bench mark progress made as a result of an over ambitious target set by the project the management team. Baseline survey delays have affected the commencement of community level interventions. Despite this snag some progress has been made in establishing student clubs and in training community development facilitators and school management committee for social change intervention. Thus rolling out the project was successfully achieved towards end of the

year. Training of Religious & Traditional leaders in Gender, HIV/AIDS and girls' rights was completed in five out of the six districts excluding Moshi Rural District. A monitoring system that track social changes taking place in the communities and the impact it has on the girls has been put in place. Using video footage stories of progress made with the project public campaign on education for girls has been launched in web cyberspace in the UK.

3.3 Health Sub Sector

3.3.1 Policy Context HIV/AIDs

According to the Tanzania HIV/AIDS Indicator Survey for both 2004 and 2008 the country has experienced slowing down of new HIV and AIDS infection from an average of 7 to 5.7 percent respectively. Tanzania has reached out to 145,000 people with Anti Retroviral and has extended the time frame for reaching out to 440,000 People Living with HIV/Aids on treatment to 2010.

The HIV/AIDS Act of 2007 has been passed by the Parliament of Tanzania. The law promotes the prevention and control of HIV and AIDS transmission. The law promotes and protects the right of to appropriate treatment counseling and care for persons living with or at risk of HIV and AIDS and related matters such as discrimination and stigma within available resources.

According to Public Expenditure Report by, even with the majority of funding for health interventions being off-budgets, the Ministry of Health still accounts for 43 percent of MWinistry Departments and Agencies spending on HIV/AIDS. Sources of donor funding for HIV/AIDS in Tanzania include PEPFAR, World Bank, Center for Disease Control, and Global Fund.

Tanzania is a recipient of Global Fund since 2002 and has consistently been a recipient since then. A total request of US\$ of 610 million been submitted. US\$ 440 million has been approved so far. Only 26% of approved amount accounting for US\$ 179 million has been disbursed so far. This implies that the institutional absorptive capacity on the ground is limited capacity. The capacity to deliver services and reach out on prevention care and support and mitigation measures in the fight against the pandemic is at a cross road.

3.3.2 HIV/AIDs Interventions.

Contributing to address universal access to HIV/AIDS prevention, treatment, support and care services, ActionAid in partnership with community based organizations of People Living with HIV/AIDS at local level, building the institutional capacity of the organizations to address the issues of prevention and stigma discrimination through, sensitization and awareness creation applying participatory methodologies. Research and advocacy on universal access to treatment were undertaken. A total budget of Tshs. 854,020,000 of which 5% was for mainstreaming women rights related issues was deployed.

(i) Institutional Capacity Building

PLHAs have been trained in participatory approaches and supported to use these methods in program districts to mobilize others for collective voices against stigma, discrimination and injustice. As of December 2008 the PLHA organizations have mobilized 384 members, an increase of 41.3% of total from 928 members in 2007. The table below shows the membership trend.

Programme Districts	Organization	Potential Members	Members as at December 2007	Members as at December 2008	Membership Increase between 2007 and 2008	% of Potential Members
Tandahimba/ Newala	MWAVINE	697	132	184	52	26
	AWAVIUTA	1,100	157	227	70	21
Subtotal	2	1,797	289	411	122	23
Liwale	UWAVVU	600	36	52	16	9
Subtotal	1	600	36	52	16	9
Bagamoyo	UWAMABA	3,890	203	268	65	7
Subtotal	1	3,890	203	268	65	7
Mkuranga	MWAVIUM	1,400	141	180	39	13
Subtotal	1	1,400	141	180	39	13
U n g u j a / Pemba	ZAPHA+	9,000	259	400	141	4
Subtotal	1	9,000	259	400	141	4
Grant total	6	16,687	928	1,311	383	8

Infected people have taken active roles in campaign against stigma and discrimination. They have sensitized communities of the need for undertaking Voluntary Counselling and Testing and treatment services. They have also provided preventive education to communities through community sensitization meetings in the 8 programme districts where they have made their organizational presence through mobilization.

Using participatory tools Community Development Facilitators (CDF), have mobilised communities to discuss factors that spread the HIV/AIDS in their communities and identify strategies to address them in a collective manner. In Liwale district through CDFCs communities have identified that youth are getting into risk of contracting HIV/AIDS due to economic hardship. As a result of this communities have established vegetable farming projects as one of the solutions to support youth, especially women address financial need for basic necessities.

The government has recognised PLHA organisations and is financially supporting these organizations to establish various economic activities as Siwema testifies below;



Mrs. Siwema adds “Liwale has more people infected but they have not declared their status fearing that they will be stigmatized. If every tested could be bold enough to declare their status and join our organization the rate of spreading of the disease would be reduced, but most of those of us who declare our HIV/AIDS status basically come from poor families. This fact worries me because creates the wrong perception and could aggravate the discrimination and stigmatization of poor people.

Figure 4: Siwema Facilitating Meetings in Likombora Village.

“Since we organized ourselves under UWAAVVU, we have been recognized and have received training to build our capacities and strengthen our organization in advocating for our rights, sensitizing communities and raising their awareness on HIV /AIDS pandemic.

The Government through District Agriculture Development programs (DADPs) has supported us with Tshs. 6,300,000 for income generating goat projects. My family has received four goats and now they are doing well. We are expecting to get off springs soon. The plan is to sell as they multiply and use the money to pay school fees and meet other needs”. Says Mrs. Siwema of Liwale District.

(ii) Policy and Advocacy – Universal Access to Treatment and Care

ActionAid Tanzania conducted a research on community access to HIV/AIDS care and treatment services in rural areas. The research revealed concentration of HIV/AIDS services at regional and district levels with limited capacity for mobile services as serious constraints that limited access to services at village level. On average people have to travel up to 8 hrs and incur a total of Tshs. 40,000 per trip. Lack of home based care services shortage of drugs for opportunistic infections shortage of skilled health personnel aggravates the problem. The key factor is lack of transparency limiting capacity of civil society to hold the government accountable for the use of funds. This has greatly hampered the country’s effectiveness in responding to HIV/AIDS.



Figure5: Member of Parliament listening while the Country Director ActionAid discusses a point during parliamentary forum on access to treatment and care of HIV/AIDS services conducted in Dodoma

Building on research on access to HIV/AIDS care and treatment services ActionAid Tanzania in collaboration with Tanzania AIDS Forum (TAF) lobbied for improved access to care and treatment services for people living with HIV/AIDS especially in rural areas in a joint meeting with Parliamentarians.

The Parliamentarians committed to effectively monitor the allocated funds to ensure that they are effectively and efficiently deployed to address health and HIV/AIDS related services at grassroots. They were also committed to ensure adequate budgetary allocations are made to cater for rural services. Third Parliamentarians appreciated the space to engage with Civil Society and promised to initiate future joint meetings between Parliamentarians Civil Society and specifically Tanzania AIDS Forum so that jointly they could engage with Government to deliberate on issues and address them through Government Budgetary Processes.

At program district level, advocacy forums were conducted concomitantly with the national level forum to lobby Local Governments to scale down to needy communities HIV/AIDS related services, such as Voluntary Counseling and Testing and Prevention of Mother to Child Transmission.

Sensitization meetings on use of services available in localities so as to promote effective response to the pandemic were also conducted at village and ward levels.

(iii) Delivering Services for Addressing Immediate Needs

ActionAid Tanzania being an implementing partner of the global Fund against AIDS, Tuberculosis and Malaria (GFATM) round three in collaboration with WAMATA is working in 12 wards with a population of 510,000 in Kinondoni municipality. The major focus with this project is to expand services for PLHA and TB patients including regular home based care services. The projects second objective is to prevent the spread of the pandemic and reduce stigma through community outreach forums using Stepping Stones Approach. During the year a total number of 21 stepping stone facilitators were trained on stepping stones facilitation skills who now work in the 12 wards of Kinondoni district. A total of five partner organizations in Tandahimba, Liwale, Newala, Zanzibar and Kinondoni were supported to conduct advocacy meetings with government to call for more investment on care and treatment services. Also 100 community outreach forums which sensitize community responses to care and support to ill patients were conducted. New home based care takers have been trained which has enabled ActionAid and partners to extend its interventions to more community members. The table below summarized some achievements contributed by programmes and interventions here mentioned.



Picture 6: Secretary ZAPHA+ Zanzibar Presenting Speech during Access to HIV/AIDS Care and Treatment Campaign.

Table: Summary of care and treatment services increase between 2007 and 2008 in five programme districts.

Area of achievement	As at Dec. 07	As at Dec.08	% increase btn 07/08
People attended VCT services	63,681	88,419	39%
People reached with Community forums	360	408	13%
People reached with PMTCT services	24	30	25%
ART/CTC centers	6	9	50%

This increase is attributed to advocacy, sensitization and awareness raising activities by ActionAid, partners and other stakeholders in the named Program Districts. It is also worth mentioning that if compared to the overall target population for each service, the coverage is still low which implies more work and resources investment if services have to effectively reach people in rural areas.

3.4 Agriculture and food security theme

3.4.1. Building Farmers Organizational Capacity

During the year due emphasis was given to address farmers organizational capacity gaps, enhanced engagement on policy advocacy for increased budgetary allocation to the agricultural sector. In addition to this, a total of Tshs. 93,345,400 (22%) of total agriculture and food security budget strengthened the capacity of women saving and credit societies as part of the women economic empowerment strategy.

ActionAid Tanzania extended its support to farmers' organizations in conducting mobilization of new members creating awareness on the significant role of cooperatives. Twelve agricultural marketing cooperatives have been established in program districts. The table below shows the successes so far made in strengthening farmers' organizations in program districts through increased membership base.

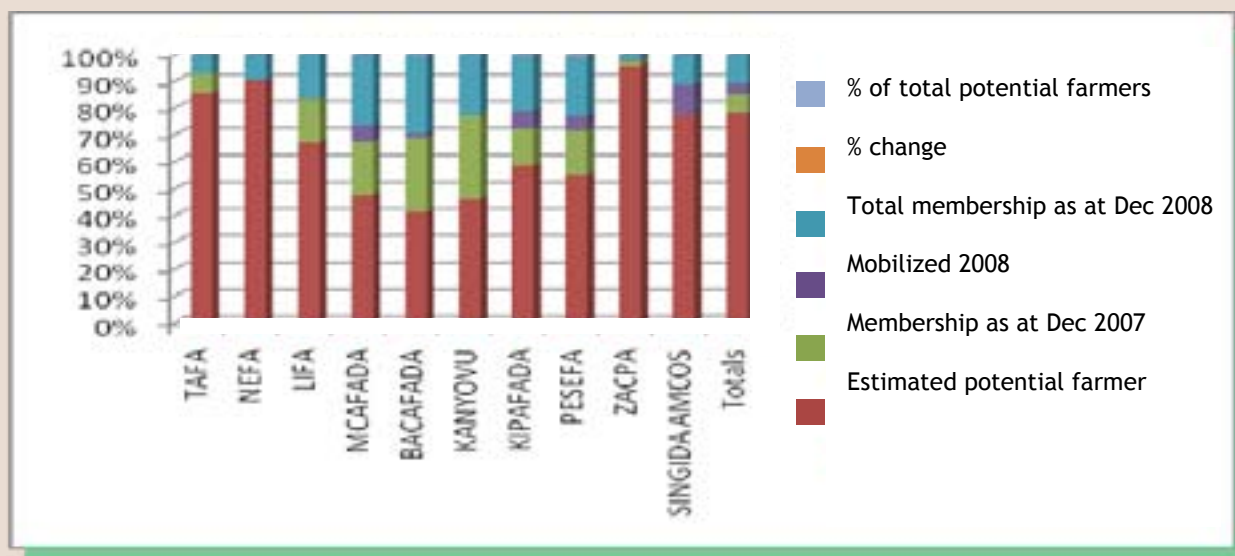


Figure 7: Membership Growth Farmers Organizations

Source: ActionAid Tanzania CP annual 2007 and 2008 Program Districts Annual Reports.

The table above clearly shows that ActionAid engagement with farmers at local level is increasing. With the introduction of agricultural marketing cooperatives in Singida, farmers' organizations have increased to 10 during the year. Overall membership base has increased by 59.2% from 77,874 in 2007 reporting year to 123,448 in 2008. However the percentage of membership from over all target population has increased only by 2.0% from 11.9% to 13.9% in 2007 and 2008 respectively. This calls for increased efforts to broaden the membership base which is key to organizational self sustainability.

A total of 56 Seaweed farmers through Pemba seaweed Farmers Association (PESEFA), have been supported with training and seed money to establish savings and credit schemes (SACCOs) so as to improve their economic base, and this has resulted into increased membership from 1500 to 2000 in 2008. The support is strategically meant to reinforce seaweed farmer develop and strengthen links with financing institutions for accessing loans so as to improve their seaweed farming and subsequent income and livelihood.

ActionAid continued its support in building the capacity of farmers' organization in managing farm input supply services through leadership trainings and training of members on importance of improving governance and accountability of leadership to members as factor in improving management of the organizations.

“.....Input fund has provided farmers with inputs at a reasonable price that we can afford to buy. With the use of inputs I have increased production and with good prices this year my income has increased. I have managed to send my daughter to Vocational training and her two siblings to secondary school and replaced thatched grass on my house roof with iron sheet on the house that we have been living in since I was married to my husband. More over now farmers can afford to buy food, cloth and provide for health care for their families which was previously a challenge”



Figure 8 Benefits of the Farm input Fund

Comment by Mrs. Mariamu Mtesa, in picture collecting cashews from their farm at Mikunya village in Liwale.

Asked if he has noted any difference between this year and last season, Mr. Haruni Mohamed a resident of Likongowele had the following to say;

Me and my family are very happy this year because we harvested more than ever before, we normally experience low production of cashew nut because I was not able to buy enough farm inputs due to high price, but this season I managed to buy enough agrochemicals for our farm of 15 acres from famers inputs fund. The price was reasonable and sold at the right time. Last year, I harvested 8 bags of cashew nut but this year I got 21 bags from the same farm. All cashew nut sacks you see here I will sell at Umoja Cooperative for Tshs 675/= per kg and I expect to receive the amount of Tshs 2,814,000. My plan is to buy an 80 acres farm for sim sim and to pay school fees for my three kids that I was not able to pay since last year”.

3.4.2 Influencing Agricultural Policy and Practices

Hunger FREE campaign was an important engagement for ActionAid Tanzania at districts and national levels. At local level ActionAid lobbied to influence local government's accountability to improving participatory budgetary processes for improved agricultural infrastructural investments



Figure 9: Hon Jeremiah Summari - Deputy Minister for Finance and Economy officiating the HungerFree dialogue forum

National level engagement focused on influencing increased budgetary allocation to the sector to improve agricultural investments in cooperative marketing and extension services. The success of the campaign is indicated in the revival of cooperatives. The Government has scaled up the ware house receipt system through cooperatives to other cashew nut producing areas in Lindi and Ruvuma. Promotion of Cooperative Policy through farmers exchange visits have had an impact on scaling up of the cooperative model. Rural Singida Local Government in collaboration with ActionAid is mobilizing sunflower farmers into cooperatives. In Liwale and Mkuranga districts the Government in collaboration with farmers' organizations is mobilizing farmers into primary cooperatives.

Case study: Government support farmers to break the monopoly of cashew nuts market to increase farmers' income.

"We allow free market principles to operate but when they conspire and form a monopoly to exploit farmers we have to intervene and break the monopoly. With support from ActionAid farmers have now been mobilized to form cooperatives at village levels and any other buyer who wants to buy cashew from farmers must go through them" says Henry Clement the District Commissioner for Mkuranga District

"We used to sale our cashews through individual buyers who exploited us a lot! We didn't have any say as buyers always lowered prices at the farm despite the fact that we have agreed at the meeting. Through our collective efforts we have demanded the government to help us and now the government has introduced ware house receipt system to stabilize the price. In addition to this the government has financed cooperatives unions to buy cashews, guaranteed the regional cooperatives to borrow money from Cooperative and Rural Development bank. As a result of this, we were able to sale our cashew from as low as Tshs 100 per kilogram to at 610Tshs in 2007 and this year the price has gone up to 675Tshs per/Kg. As farmers, we are thanking ActionAid for their decision to help us reach the government doors which we could have not done before. We are proud of the changes in cashew nut marketing processes" says Rashid Ali Matume of Mwarusembe village in Mkuranga Districts.

Cashew Farmers income has increased and thus their capacity to sustain basic needs have improved too. Rashid Ali Matume 45 years old adds“We received Tshs 47 million in our village (Mwarusembe) which we used to buy cashew nut at our cooperative society and I alone got Tshs 900,000 (900US\$)” “..... it is not much but we are making it slowly, one day we will be there

Farmers have now have a better hope and are thinking to improve cashew nut production and further strengthen marketing of cashews by rehabilitating cashew nut trees, through grafting new tree and starting their own marketing institutions.

“Our aim is to start our own savings and credit society so we do not have to wait until money is released from the regional cooperatives before we begin to buy cashew”, adds Rashid Ali Matume.

The Government has committed to increase sector budget by 10% as reflected in the Maputo declaration (2003). The HungerFree campaigns forums organized by ActionAid has successful influenced the Government on the need to increase budget allocated to the sector. As a result, the 2008/2009 budget has increased from 379 billion in 2007/8 to 460 billion in 2008/2009 budget year². An additional Tshs.54 billion recovered from funds fraudulently drawn from The Bank of Tanzania External Payment Account (EPA) was channeled to agriculture livestock and fisheries sub sectors to subsidized inputs and increase the capital in public financial institutions for agricultural lending. If utilized effectively these resources can boost agriculture.

3.4.3 International Advocacy and Campaigns

Trade is the driving force to Agricultural growth and development in Tanzania. The Tanzania, Civil Society Trade Coalition between ActionAid International Tanzania, Oxfam the Tanzania Non Government Organizations (TANGO) and several Farmers Organisations in both mainland and the Island are at the forefront in advocating for the Government to critically engage in the Economic Partnership Agreement negotiations (EPA). The trade coalition has been conducting public awareness on the negative implications of EPAs as currently negotiated. The East African Community (EAC) of which Tanzania is a part, initialled EPA framework in April 2009, and the European Union is aggressively pursuing to conclude the comprehensive EPA by July 2009.

While the European Union is pursuing the East African Community (EAC) to conclude the agreement by July 2009, there are a number of issues which need to be seriously considered by EAC Governments. One of the main areas that Government need to take caution of is on a development agenda that is reflective of EAC regional integration ambitions. Secondly due to capacity limitations CSO’s are concerned that the EAC is not yet ready to negotiate on trade services although EU partner states are interested. The Trade Coalition is calling for these concerns to be taken on board before an agreement is concluded with the EU.



Picture10: Bi. Awena Haji of Kitope village in Zanzibar irrigating of her vegetable garden.

3.4.4 Modeling Community Based Extension Services

In four of the Program Districts Bagamoyo, Pemba Unguja and Kigoma rural ActionAid supported communities demonstrate best practices community based extension services provision to in efforts to solve the problem of inadequacy of extension services. In the four districts a total of 16 farmers field schools (FFS) for vegetables, cloves and palm have been established during the year making a cumulative total of 93 in 2008, a growth of 31 more from 62 of 2007.

A total of 3000 farmers are benefiting from Farmers Fields Schools (FFS) and are using the skills and knowledge gained through these extension service models to improve productivity. The Government has adopted the model in provision of extension services in Kigoma and Zanzibar. In Zanzibar, 33 FFS with a total of 4000 farmers have been established by the Government.

3.5 Just and Democratic Governance

ActionAid Tanzania Governance theme budget for the year was Tshs. 92,840,000 3% of total program costs. Through research ActionAid established an in-depth analysis of the key challenges of the governance reforms in the country for advocacy engagement. At district level ActionAid governance thematic interventions centered on ensuring staff and communities both have the knowledge and the tools to effectively monitor governance processes, seek accountability and demand economic justice through community participation in budgetary planning processes.

3.5.1 Research on Effectiveness of Local Government Reform

The country program has conducted reviews on the Local Government Reform and the review was used as an advocacy tool during the Local Government day in July 2008. Critical issues that were identified and advocated for were inadequate information and hence participation of local people in the reform processes resulting in weak accountability of Local Government in delivering quality services. ActionAid also conducted a review of the Local Government performance indices which are benchmarks for gauging service delivery by Local Government authorities to communities. The research has identified also some gaps in the methodologies applied to derive the indices such as standardized questions which do not reflect the changing environment and community settings, unrepresentative sampling just **to mention a few.**

3.5.2 Promoting Community Participatory Planning and Review Tools

Further to 2008 training conducted to ActionAid staff on Community Score cards methodology capacity building trainings on the use of the methodology has been scaled up to communities this year. A total of 908 facilitators in 8 Districts have been trained on facilitation skills applying this methodology. As a result of this partners have conducted Public Expenditure Tracking Studies on the Education Budget in 10 Districts. At grassroots level communities are organizing forums through community development facilitators, to analyse Local Government performance in delivering services that informs their advocacy. Issues such as inadequate care and treatment for people living with HIV/AIDS, ineffectiveness of local government to provide agricultural extension services have been scaled up to district level as a result.

In the ongoing negotiations process which is being done with big capacity differences between EC and EAC, there is clear evidence that Tanzania has more to lose than to gain by entering into legally binding commitment under EAC-EU EPA. The Government needs to critically think before entering into agreement which will not benefit the majority of its people.

4.0 Organizational and Human Resource Development

4.1 Internationalization and Merger processes

Two important processes took place in 2009. ActionAid Tanzania continued with the process that started last year that of Transforming ActionAid Tanzania into a strong autonomous national organization, as an affiliate of ActionAid International. The second process was the merger process between ActionAid International and MS Denmark/Tanzania.

4.1.1 Internationalization

ActionAid Tanzania in 2008 in efforts of pushing ahead the process accomplished three major tasks. Staff sensitization continues to be among the major commitment throughout the year with the aim of ensuring that the process moves with a common understanding among all country program staff. Secondly, ActionAid Tanzania through its task force worked with the legal consultant to develop a draft of the constitution which was then shared among all staff for comments. The draft constitution has been submitted to Associate Affiliate Development Unit of ActionAid International Secretariat team for further review, comments and submission to AAI board for approval. Thirdly, ActionAid Tanzania during the year recruited local board, where by criteria for selecting board members were developed which enabled the country program to smoothly select the candidates to the board. The confirmation of the Board members and registration of AAITZ as local NGO will be finalized in 2009 to allow MS Tanzania that is merging with ActionAid take part in the nationalization process.

4.1.2 The Merger Process

The merger process between ActionAid Tanzania and MS Tanzania was officially launched during the year. The objective is to strengthen organizational capacity to reach out to the poor. The process started with the orientation meeting which was attended by the entire senior management team, middle level managerial staff and other staff from the head office. Familiarization session led by the merger process consultant was made whereby staff at all levels from AAITZ head office and MS Tanzania head office had an opportunity to meet for the first time. During that meeting staff were

able to exchange views and ideas and also knowing each other not only as staff of the merging organizations but also as key people to bring sound and effective ideas of the process towards the merger.



Figure 11: AAITZ and MSTZ staff during the familiarization session held at coral beach hotel in Dar es Salaam

Setting up the change management committee comprising of three members from senior management has been made, which is rested with the responsibility of developing change management plan, drive the merger process and ensuring that the members of the Change Management Committee from both organizations lead the organizations through attaining the merger status. Through this process it is learnt that effective awareness creation among staff will influence common understanding towards the merger goal and active participation among all staff of the merging organizations

4.2 Staff development

4.2.1 Increasing staff skills and knowledge through training

Various staff learning and development programs to enhance staff skills and knowledge, career development and international exposure, were supported at all levels. The training program focused on strategic missions and training provided included among others the budget tracking and community score cards for Program Staff. This trainings equipped staff with the knowledge of carrying out budget tracking for government expenditure and the best application of community score cards for capacity building.

Other trainings during the year were; strategic leadership and management course which was attended by 58 staff and was delivered by a facilitator from MS –TCDC. This course exposed staff on leadership principles, values and challenges associated with the management and leadership of human resources. Other training included financial management, financial fraud and Introduction to Sun system for Finance staff. Communication and IT staff attended training on the web publishing, website setting, and updating.

4.2.2 Campaigning for Increased Understanding and Practice of HR Policies

During the year ActionAid Tanzania participated in the Global Human Resources campaign in which dissemination and promotion of policies was carried out across the organization. The overall objective of the campaign was to create awareness to the key human resource policies, strengthen overall policies compliance. The campaign has deepened understanding of policies among both new and existing staff. On average 55 staff participated fully on policies presentations, and responded to quiz questionnaires.

5.0 Organizational Financing

5.1 Income:

Total income earned and realized during the year was Tshs 5.5 billion against a plan of Tshs 5.8 billion. This was 6% below the planned income. The main reason for failing to realize the planned income is mainly contributed by the failure to receive the whole partnership income from the official project - Regional Facilitating Agency (RFA) whose donor (TACAIDS) closed it in February 2008. However, it is worth noting that the total income for last year was Tshs 6 billion, thus the income has gone down by 9% compared to last year, mainly because of the increased depreciation of the GBP currency against the local currency experienced in 2008. The organization's main sources of income included the following;

- Sponsorship Income and related Products has earned Tshs 3.9bn against Tshs 3.4bn planned giving 15% increase above the planned figure. This is mainly contributed by Greece, UK and Italy who supported the country program with increased the regular giving income by more than 15% relative to the planned income.
- Partnership income for Global Fund, RFA and other small projects was Tshs 1.3bn against Tshs 2 billion planned income, which is 36% below the planned partnership income due to the early closure of RFA projects coupled with some delays in disbursement from Global funding source.
- Another source of income (local) included net transfers in, bank interests, donations, Gain/Loss on exchange on foreign currency and profit on sale of capital assets. This was Tshs 0.3 billion.

5.2 Expenditure

Total Expenditure has been Tshs 4.9 billion against the income of Tshs 5.5 billion. The expenditure incurred by last year was Tshs 5.3 billion. This is 6% decrease in expenditure. This decrease is mainly attributed by the earlier closure of the RFA project, depreciation of the GBP currency against the local currency and the writing off capital expenditure in relation with RFA project assets. Expenditure as per statutory and natural cost categories has been shown in the tables below

Table 3: Analysis by Statutory Cost Classification

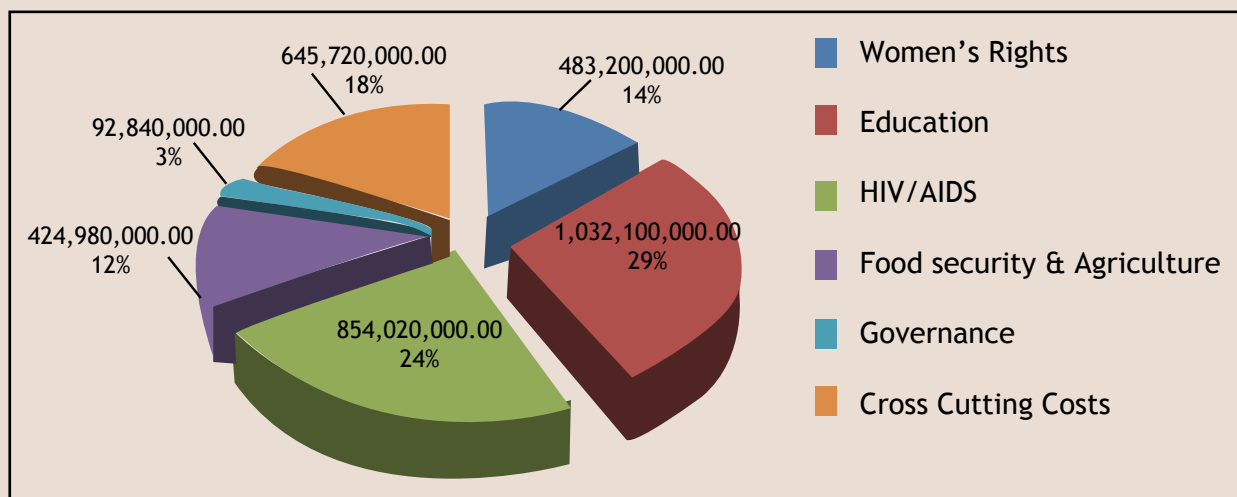
Cost Classification	Actual amount (Tshs.)	% of Utilization
Project costs	3,531,860,000.00	71%
Support costs	1,142,900,000.00	23%
Fundraising	245,500,000.00	5%
Governance	30,950,000.00	1%
Total	4,951,210,000.00	100%

Table 4: Analysis by Natural Cost Classification

Cost Classification	Actual amount (Tshs.)	% of Utilization
Grants and Community input	2,708,720,000.00	55%
Staff Costs	856,150,000.00	17%
Transport & Transportation	623,030,000.00	13%
Office & service costs	693,170,000.00	14%
Capital costs	70,140,000.00	1%
Total	4,951,210,000.00	100%

The analysis of expenditures by natural classification as in table 16 above indicates a tight organizational financial performance during the year where as the grants and community inputs has dropped to 55% in 2008 from 60% of the year 2007, while staff salaries expenditure has been maintained at 17% for both years. Transport and travel costs have increased from 11% in 2007 to 13% in 2008. This is mainly contributed by the increased fuel and fare costs. Office and service costs have increased to 14% from 11% while capital expenditure has been maintained at 1% in 2007 and 2008.

Table 5: Analysis of Expenditure by Thematic Cost Classification



Due to the Comic Relief funding TEGINT Transformation of Education for Girls in Tanzania and Nigeria project, education is the leading thematic area in budget utilization during the year with 29% organization funding utilization. The HIV projects financed under RFA and Global Fund had 24% budget utilization.

Table 6: Income Vs Expenditure 2007/ 2008.

YEARS	2007	2008
INCOME	Tshs. in Millions	Tshs. in Millions
Sponsorship Income	3,907.39	3,874.31
Partnership Income	1,789.01	1,312.07
Other Income	338.40	315.64
Total Income	6,034.80	5,502.02
EXPENDITURE		
Project costs	4,451.09	3,531.86
Support costs	573.02	1,142.90
Fundraising costs	216.58	245.50
Governance costs	27.07	30.95
Total Expenditure	5267.76	4951.2
Surplus/(Deficit)	767.04	550.82

6.0 Challenges

- During the year the world experienced an economic crisis that has not been experienced since the 1930s. The country program income was affected due appreciation of the Tanzanian shilling as the dollar and the Pound depreciated. The country program had to do with a larger proportion of its reserves to make up for the budgetary shortfalls.. Action Aid is also challenged by the ongoing economic crisis as it support communities' economic activities and especially farmers. There is a possibility of loss of external market opportunities due to reduced demand in the international export market for Tanzanian agricultural produce. This will affect not only Action Aid efforts but also farmers and the country at large.
- Action Aid is still challenged by the slow pace of growth in capacity growth of our partner community based an organization which limits effectiveness in delivering policy advocacy work to the desired levels of success.
- Despite the successes registered, traditional values and norms have continued posing a great challenge to Action Aid and partner organizations efforts in addressing HIV/AIDS stigmatization and women rights. There is slow pace of change towards positive attitudes on PLHA and women rights.
- Corruption is still a big problem in Tanzania. This hampers the capacity of Local Authorities in delivery of public services to communities. Where Action Aid has a presence too much pressure is being put on the capacity of Action Aid to meet communities' expectations on their service delivery needs.

7.0 Lessons Learnt

- In order to bring a sustainable development change it is of significance that communities themselves are well mobilized, organized and empowered to take the driving seat, own the process and results of the work.
- Being focused on issues, sharpening our engagement and long term commitment with communities to address the issues is of paramount importance if we are to bring significant and measurable change.

MAP OF TANZANIA



Actionaid Tanzania

P.o. Box 21496 Dar es Salaam, TANZANIA

Tel: +255 22 2700596/710/699, Fax: +255 22 2700710

Email: admin.tz@actionaid.org, Website: www.actionaid.org/tanzania