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IFAD

INTERNATIONAL FUND FOR AGRICULTURAL DEVELOPMENT

Executive Board – Eighty-Fifth Session

Rome, 6-8 September 2005

REPORT AND RECOMMENDATION OF THE PRESIDENT

TO THE EXECUTIVE BOARD ON A PROPOSED LOAN TO THE

UNITED REPUBLIC OF TANZANIA

FOR THE

**AGRICULTURAL SECTOR DEVELOPMENT PROGRAMME – LIVESTOCK:
SUPPORT FOR PASTORAL AND AGRO-PASTORAL DEVELOPMENT**

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CURRENCY EQUIVALENTS

Currency unit	=	Tanzanian shilling (TZS)
USD 1.00	=	TZS 1 055
TZS 1 000	=	USD 0.95

WEIGHTS AND MEASURES

1 kilogram (kg)	=	2.204 pounds (lb)
1 000 kg	=	1 metric tonne (t)
1 kilometre (km)	=	0.62 miles (mi)
1 metre (m)	=	1.09 yards (yd)
1 square metre (m ²)	=	10.76 square feet (ft ²)
1 acre (ac)	=	0.405 ha
1 hectare (ha)	=	2.47 acres

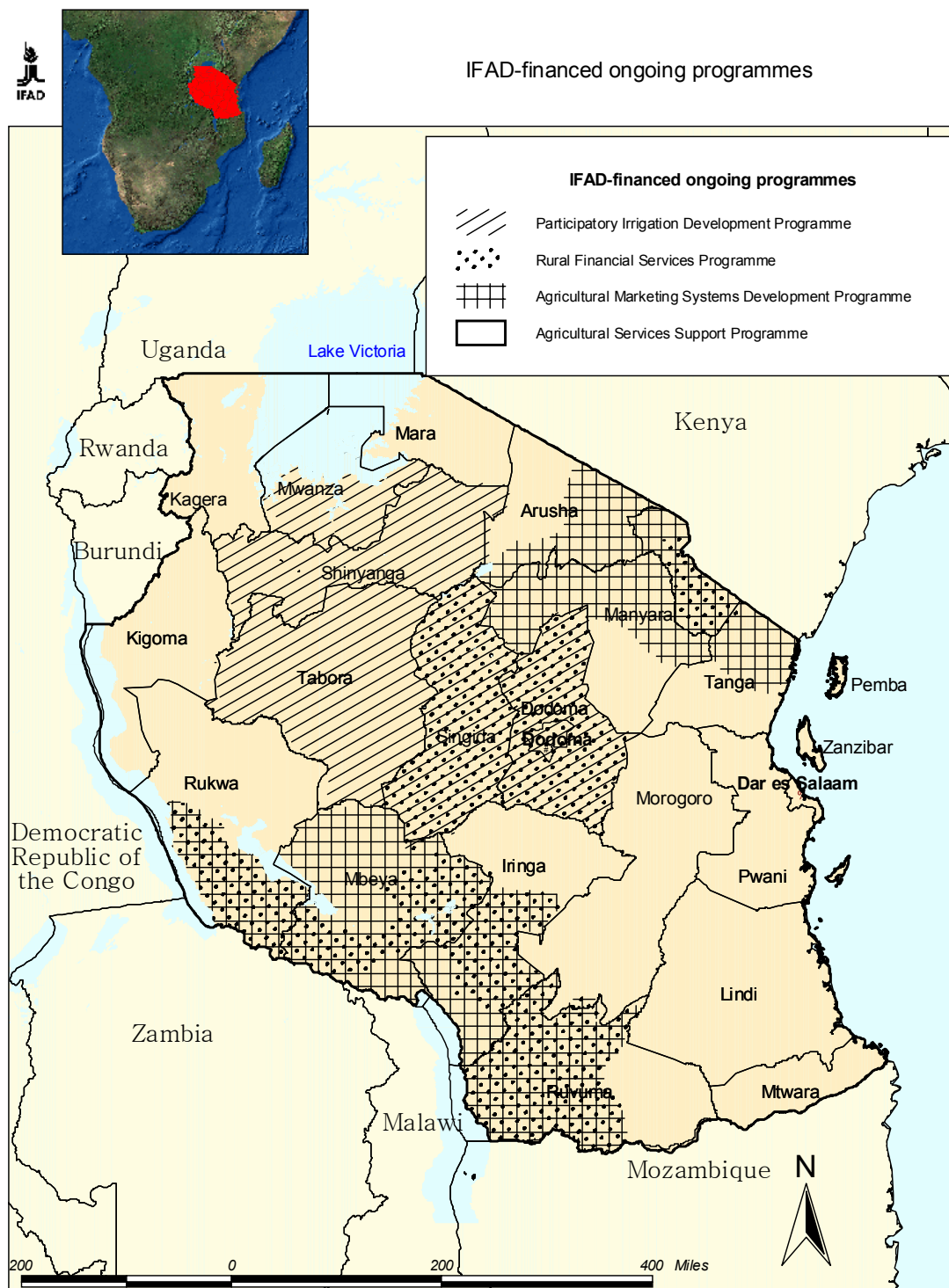
ABBREVIATIONS AND ACRONYMS

ASDP	Agricultural Sector Development Programme
ASDP-L	Agricultural Sector Development Programme – Livestock: Support for Pastoral and Agro-Pastoral Development
ASSP	Agricultural Services Support Programme
BSF	Belgian Survival Fund
DADP	district agricultural development plan
LGA	local government authority
MANREC	Ministry of Agriculture, Natural Resources, Environment and Cooperatives
MWLD	Ministry of Water and Livestock Development
NSGRP	National Strategy for Growth and Reduction of Poverty

GOVERNMENT OF THE UNITED REPUBLIC OF TANZANIA
Fiscal Year

1 July – 30 June

MAP OF CURRENT IFAD PORTFOLIO



Source: IFAD

The designations employed and the presentation of the material in this map do not imply the expression of any opinion whatsoever on the part of IFAD concerning the delimitation of the frontiers or boundaries, or the authorities thereof.

MAP OF THE PROGRAMME AREA



Source: IFAD

The designations employed and the presentation of the material in this map do not imply the expression of any opinion whatsoever on the part of IFAD concerning the delimitation of the frontiers or boundaries, or the authorities thereof.

UNITED REPUBLIC OF TANZANIA**AGRICULTURAL SECTOR DEVELOPMENT PROGRAMME – LIVESTOCK: SUPPORT
FOR PASTORAL AND AGRO-PASTORAL DEVELOPMENT****LOAN SUMMARY**

INITIATING INSTITUTION:	IFAD
BORROWER:	United Republic of Tanzania
EXECUTING AGENCY:	Ministry of Water and Livestock Development for the mainland and Ministry of Agriculture, Natural Resources, Environment and Cooperatives for Zanzibar
TOTAL PROJECT COST:	USD 39.4 million
AMOUNT OF IFAD LOAN:	SDR 14.25 million (equivalent to approximately USD 20.6 million)
TERMS OF IFAD LOAN:	40 years, including a grace period of ten years, with a service charge of three fourths of one per cent (0.75%) per annum
COFINANCIERS:	Belgian Survival Fund (BSF)
AMOUNT OF COFINANCING:	USD 4.8 million
TERMS OF COFINANCING:	Grant
CONTRIBUTION OF BORROWER:	USD 3.3 million USD 10.1 million (Agricultural Services Support Programme)
CONTRIBUTION OF BENEFICIARIES:	USD 624 700
APPRAISING INSTITUTION:	IFAD
COOPERATING INSTITUTION:	United Nations Office for Project Services

PROGRAMME BRIEF

The programme. The Agricultural Sector Development Programme – Livestock: Support for Pastoral and Agro-Pastoral Development (ASDP-L) will contribute to achieving the development priorities identified in the National Strategy for Growth and Reduction of Poverty with regard to support for the livestock subsector, including small livestock. The overall goal of the programme is to reduce poverty, improve food security and increase incomes among communities that depend to a large extent for their livelihoods on livestock. Specific objectives are to: (a) improve the livelihoods of the poorest agropastoralists and pastoralists; (b) strengthen the capacity of livestock communities; (c) enhance the delivery of livestock development services to smallholders; (d) improve marketing infrastructure and marketing systems for livestock products; and (e) strengthen national and local government institutions to provide services to the livestock subsector. The programme is set within the context of the Government's Agricultural Sector Development Strategy and Agricultural Sector Development Programme (ASDP) and designed to be implemented within the decentralized environment now emerging in the United Republic of Tanzania. It will help the Government in developing new approaches to reducing rural poverty through improvements in the livestock subsector, and successful approaches will be mainstreamed by the Government on the mainland under its the ASDP and by the local government authorities.

Who are the beneficiaries? The primary target group of the ASDP-L comprises the poorer segments of pastoral and agropastoral communities in selected regions and districts, where there is a high level of dependency on livestock. Households keeping livestock can be categorized as transhumant pastoralists, semi-sedentary pastoralists or agropastoralists, accounting for almost one million households. Women, young people and marginalized groups within these communities will receive priority targeting attention.

Why are they poor? Limited productivity coupled with a low average per capita real growth of 0.6% are among the core reasons of poverty. Risk factors include unpredictable events (drought, disease, price variations, civil conflict, etc.) that may be socio-economic, biological, environmental or political in origin. Ability to cope with these risks depends on levels of resources including labour, land, water, livestock and social and human capital. About 1.5 million people are affected by HIV/AIDS. Although women are de facto heads of 25% of all households, their average income is 45% below that of households headed by men; 69% of households are estimated to be living below the poverty line.

What will the programme do for them? The programme will develop approaches to increasing livestock productivity and livelihood opportunities for the rural poor. Approximately 213 000 direct beneficiaries will benefit from having access to contract-service providers of extension services for livestock owners from participating in the small-stock initiative, from community infrastructure investments and improved preventative/clinical veterinary services, and from the empowerment process, that will enhance the communities' social capital and capacity to take decisions that affect their well-being. The small-stock initiative will target the poorest who generally do not own cattle and, in cases of extreme poverty, not even chickens. Communities affected or threatened by HIV/AIDS will also benefit by systematically dealing with the problem during the community consultation process.

How will the beneficiaries participate in the programme? The primary eligibility criterion for participation in the programme will be that at least 70% of the membership of each village livestock association, special interest group and water user association be made up of small farming households. Targeting strategies will consist in prioritizing districts and wards with a high incidence of poverty; programme management goals will include achievement of a gender balance; according priority to small pastoral/agropastoral households and marginalized groups, and ensuring a balance between small farming and other households when selecting farmers as resource persons; and including mechanisms to ensure that resource-poor farmers have access to the full range of grants and services made available.

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TO THE EXECUTIVE BOARD ON A PROPOSED LOAN TO THE
UNITED REPUBLIC OF TANZANIA
FOR THE
AGRICULTURAL SECTOR DEVELOPMENT PROGRAMME – LIVESTOCK:
SUPPORT FOR PASTORAL AND AGRO-PASTORAL DEVELOPMENT**

I submit the following report and recommendation on a proposed loan to the United Republic of Tanzania for SDR 14.25 million (equivalent to approximately USD 20.6 million) on highly concessional terms to help finance the Agricultural Sector Development Programme – Livestock: Support for Pastoral and Agro-Pastoral Development (ASDP-L). The loan will have a term of 40 years, including a grace period of ten years, with a service charge of three fourths of one per cent (0.75%) per annum. It will be administered by the United Nations Office for Project Services as IFAD's cooperating institution.

PART I – THE ECONOMY, SECTORAL CONTEXT AND IFAD STRATEGY¹

A. The Economy and the Agricultural Sector

1. The United Republic of Tanzania's economic growth, and hence indicators of well-being, are strongly correlated with the performance of its agricultural sector. Economic horizons are dominated by the growth prospects of agriculture, which, on average, contributed about 48% of total gross domestic product (GDP) during 1997-2001; employs 85% of the labour force; and accounts for 73% of all exports and 60% of the country's foreign exchange earnings. Agriculture generates 90% of the total income of the bottom 20% of the population and 64% of the top 20%. Despite its great potential, the livestock subsector has remained stagnant because it has not been properly integrated into the overall farming system owing to lack of appropriate policies and incentives. Notwithstanding that livestock provides an average of 30% of agricultural GDP (of which 40% is from beef, 30% from milk, and the remaining 30% from other species such as small ruminants and poultry) and that among the rural poor it accounts for 30% of cash income, 70% of protein consumption and 20% of employment opportunities, the subsector's value-added has increased by only 8% over the last two decades compared with 36% for crops. Major constraints affecting the performance of the subsector and the livelihoods of poor agropastoralists and pastoralists include: inadequate provision of animal health services; an outdated and weak regulatory framework; inadequately defined or demarcated legal codes and institutional arrangements relating to land and water rights; weak linkages among producers and markets; and drought and rangeland degradation. There is significant potential for market-led commercialization of the subsector driven by domestic urban demand and, to some extent, neighbouring-country demand. The livestock population is increasing at about 2% per annum, while the demand for meat and milk exceeds supply by as much as 4%.

B. Lessons Learned from Previous IFAD Experience

2. The key feature of IFAD's portfolio in the United Republic of Tanzania has been the forging of a coalition of partnerships with NGOs, local government, civil society and donor partners in order to complement the Government's technical, administrative and management capacity to implement projects/programmes and, at the same time, achieve the Fund's objective of promoting pro-poor policies and institutions. To date, such synergistic cooperation has led to: empowering beneficiary

¹ See Appendix I for additional information.

organizations from the legal, financial and organizational standpoints in all IFAD-financed projects/programmes; entrusting such organizations with major responsibility for the planning, programming and monitoring of subprojects, for example, in the Participatory Irrigation Development Programme (PIDP), Mara Region Farmers' Initiative Project (Mara-FIP) and Kagera Agricultural and Environmental Management Project (KAEMP); ensuring that they contribute in terms of both capital and operating and maintenance costs to ensure financial sustainability; and strengthening the implementation capacity of farmers' organizations in the planning and execution of their programmes (PIDP, Mara-FIP, KAEMP and the Rural Financial Services Programme).

3. Major lessons learned from the experience of recent IFAD-financed projects and programmes in the United Republic of Tanzania are that: (a) sustainability of development operations calls for: integration of activities and modalities into the local government authority (LGA) structure; alignment with central government planning and budgeting arrangements; and involvement of local communities, women and farmer groups; (b) capacity at the LGA level is critical to the success of implementation within the decentralized system; (c) a fundamental factor of success is project/programme impact on the livelihoods, health, nutritional status and asset ownership of rural poor people; (d) technologies and practices must be appropriate, simple to apply, affordable and cost-effective; (e) grass-roots institutions of the poor should be at the centre of all development, with their human and social capital raised to give them real bargaining power and discretion in the use of resources; (f) group and minimal cost approaches have been successful in terms of farmer-to-farmer information dissemination, and facilitation of collective action in trading and of diverse income-enhancing opportunities; (g) proper targeting, empowerment and governance mechanisms are basic requisites for the channelling and use of funds and for efficiency of project interventions; and (h) sharing knowledge, partnerships, and participatory, performance-based monitoring and impact-measuring procedures and logframes are important implementation tools.

4. Further lessons emerging from the experience of other development interventions in the country point up that: (a) there are serious shortcomings in the supposedly participatory agricultural planning methodologies used by local government; most village, ward and district development plans are of a top-down nature and of rudimentary quality at best, except where project/programme interventions are going forward or were recently closed; (b) there are deficiencies in reporting and monitoring and evaluation within local governance; (c) LGAs have an extremely limited financial ability to support reforms and provide services; (d) LGA attitudes to private and NGO/community-based organization service providers must change if their role in support, pro-active encouragement, monitoring and back-stopping is to be fully realized; (e) that adequate time must be allowed for grass-roots institutions to internalize their new roles and acquire experience and expertise; (f) farmer groups and associations, working in concert with NGOs and the private sector and providing services to each other, are potential cornerstones of future agricultural growth; and (g) farmer field school-type approaches have shown practicality of application and tangible benefits in productivity.

C. IFAD's Strategy for Collaboration with the United Republic of Tanzania

The United Republic of Tanzania's Policy for Poverty Eradication

5. As of January 2005, a large number and variety of interrelated policies and strategies were being followed in the United Republic of Tanzania. On the mainland, these were the National Strategy for Growth and Reduction of Poverty (NSGRP) (the country's principal strategy for poverty reduction and economic growth); Medium-Term Plan for Growth and Poverty Reduction; National Poverty Eradication Strategy 2010; the Millennium Development Goals; and the Development Vision 2025.

6. As far as the ASDP-L is concerned, the NSGRP's operational targets for promoting sustainable broad-based growth for the livestock subsector include: promoting efficient rangeland use; empowering pastoralists to increase livestock productivity through better access to veterinary services; reliable water supply; and recognition of pastoralism as a sustainable livelihood. The

NSGRP identifies key actors for achieving the objective of boosting growth in the livestock subsector as follows: the Ministry of Water and Livestock Development; civil-society organizations; Ministry of Lands and Human Settlements Development; President's Office Regional and Local Government; Vice-President's Office; and communities. Sector-based strategies used in developing the ASDP-L also include the Government's rural development strategy and agriculture sector development strategy (ASDS). The Women and Gender Development Policy adopted in 2000 has also provided the basis for ensuring that rural poor women gain access to programme activities.

7. **Decentralization and local government authorities.**² The Government is in the process of reforming public services on the mainland, mostly based on the Civil Service Reform Programme and the Local Government Reform Programme (LGRP). The LGRP Action Plan and Budget, July 1999–June 2004, was developed with a view to operationalizing policy and strategy decisions. This document has been updated every year in the form of an annual action plan and budget. The sector is also influenced by the Ministry of Finance and the changing flows of funds and decentralized disbursement mechanisms to LGAs. The ASDP-L has been designed within these emerging (decentralized) systems and will continue to adapt to changes, as required, during implementation.

8. Likewise on Zanzibar, development policies and strategies have changed over the past year. The foundation policies and strategies for Zanzibar – the Zanzibar Poverty Reduction Plan of July 2001, which includes gender issues; Zanzibar Development Vision 2020; Report on Grassroots Consultation Meetings; and Common Country Assessment for Zanzibar of 2001 – should be seen as strategic poverty reduction documents with parallels to the Poverty Reduction Strategy Paper for the United Republic of Tanzania (predecessor of the NSGRP) as a preliminary implementation plan for the Zanzibar Development Vision 2020 and the Agricultural Sector Policy.³

9. The Strategic Plan for the Development of Agriculture (SPDA) on Zanzibar (2005-2010) has been developed to operationalize rural poverty reduction policies. The SPDA notes that agriculture, dominated by small-scale farming, is the largest contributor to Zanzibar's GDP, directly or indirectly providing 70% of employment opportunities on the island. Development of the agricultural sector is thus crucial to the attainment of Zanzibar's overall social and economic aspirations and to poverty reduction. The SPDA contains three innovations critical to agricultural development on Zanzibar: focus on agricultural productivity and profitability predicated on market orientation, comparative advantage, creation of an attractive investment climate and diversification; promotion of private/public-sector and processor/contract-grower partnerships; and implementation of the SPDA through district agricultural development plans (DADPs), community-based organizations and smallholder farmers and fishers.

The Poverty Eradication Activities of Other Major Donors

10. Two bilaterals have been active in the livestock subsector. The **Netherlands Government** funded a district rural development programme and has been a major actor in the Client-Oriented Research Management Approach (CORMA) initiative for the research sector. For many years, it has also been funding smallholder dairy development, involving the creation of heifer breeding units, providing dairy cattle and goats on credit supported by improved dairy field services, marketing and processing. The Kagera Livestock Development Project and Tanga Dairy Development Project, now closed, were succeeded by the Smallholder Dairy Support Programme and the Private Sector Development Programme. Through **Danish International Development Assistance**, the Danish Government is supporting an agricultural sector support programme now in its second phase and operating in seven regions. The programme has provided agricultural development support to LGAs

² Local Government Reform Programme: Medium-Term Plan and Budget, July 2002-June 2005. President's Office Regional and Local Government, June 2002.

³ Drawn from 'Agricultural Sector Policy'. Ministry of Agriculture, Natural Resources, Environment and Cooperatives (MANREC), February 2003.

in participatory planning and implementation of subprojects; in private-sector agricultural support; in seed industry development; and in policy development work.

11. Development Corporation Ireland, a cofinancier with IFAD in the Participatory Irrigation Development Programme and the Agricultural Marketing Systems Development Programme, is involved in the Eastern Zone Client-oriented Research and Extension Project that has pioneered participatory planning and outsourcing methods for the provision of technical and advisory services.

12. Within the framework of the sector-wide approach, apart from the aforementioned donors, active players include the African Development Bank, Belgian Government, Department for International Development (United Kingdom of Great Britain and Northern Ireland), European Union, the Food and Agriculture Organization of the United Nations, Japanese International Cooperation Agency, the Swedish Government and the World Bank. Together, these donors are involved in a variety of activities including development of the Joint Assistance Strategy, Food and Agriculture Sector Working Group and Agricultural Sector Development Programme (ASDP) task forces, all of which contribute to agriculture sector development.

IFAD's Strategy in the United Republic of Tanzania

13. IFAD's corporate strategy aims at enabling the poor to rise out of their poverty by empowering them and their organization within the framework of that corporate strategy, the Eastern and Southern Africa Division has identified the following strategic prongs: (a) emphasis on institutional development and administrative reform to ensure people's community-level empowerment; (b) promotion of effective and equitable linkages between poor producers and market opportunities, particularly with the private sector; (c) development of rural financial services; (d) promotion of improved, stable access to land and water, and of better soil and water management; (e) creation of an improved system for managing knowledge, know-how, and transfer of information and technology; and (f) moderating the impact of exogenous shocks, such as the spread of HIV/AIDS, civil strife and conflict.

14. The 2003 country strategic opportunities paper (COSOP) for the United Republic of Tanzania defined three major issues: economic dimension, institutional environment and policy framework. The COSOP also stressed that if there was to be any impact on the target group, interventions should address the cross-cutting social issues of gender, HIV/AIDS, health and sanitation. IFAD's strategic investment thrusts for the medium term in the United Republic of Tanzania were designed to achieve the Government's long-term vision, which is consistent with the Millennium Development Goals. Consequently, the COSOP proposed that IFAD give priority to: a pro-poor growth strategy combining the economic and social dimensions of poverty; technological change to increase the production and productivity of land, labour and capital using improved seed, inputs and crop husbandry practices; and support to grass-roots institutions of the poor to enable them to influence public/private policy formulation, investments and services. IFAD has learned that the success of any intervention in the United Republic of Tanzania is enhanced if it combines priorities set by the Belgian Survival Fund (BSF) – water, health and sanitation. Where possible, cofinancing with BSF is encouraged to address some of the basic social dimensions of poverty.

Programme Rationale

15. Livestock production is an exceptionally important part in the national economy, both on the mainland and on Zanzibar. It also plays a vital role in the income and food security of the poor (defined as falling below the basic needs poverty line), the most poor (falling below the food poverty line) and women. Consequently, any action to improve the quality of livestock production could make a crucial contribution to overall growth of the economy and to reducing the poverty of some of the most deprived members of the rural population.

16. Development experience in the country suggests that, for livestock development action to make the greatest possible contribution both to the economy and to reducing poverty, action based primarily on the market and on private-sector development will most likely provide effective, efficient and sustainable results and impact. The following considerations are key to programme design: (a) taking a systematic overview of the livestock subsector so as to identify interrelated pilot initiatives; (b) supporting action to improve the situation of livestock producers, especially small, poor and women producers; (c) systematic attention to poverty and gender issues related to livestock development; (d) support for placing livestock development in the private sector while limiting but strengthening the role of the state with respect to the development and provision of policy, legal/regulatory and coordination support to private-sector-based livestock development; (e) ensuring congruence with government strategy and policy for livestock development in the country; (f) integration with current and emerging government structures and procedures for a sector-wide approach to agricultural development, including livestock, with particular attention to government moves towards decentralization; and (g) ensuring harmonization and complementarity with other development partners.

PART II – THE PROGRAMME

A. Programme Area and Target Group

17. The programme area regions and districts, in the Government's order of priority, encompass Zanzibar in its entirety and, on the mainland, Singida (Manyoni, Singida and Iramba districts), Pwani (Bagamoyo and Kibaha districts), Dodoma (Kondoa and Dodoma Rural districts), Manyara (Kiteto, Simanjiro and Hanang districts), Tanga (Kilindi and Handeni districts), Morogoro (Mvomero, Morogoro and Kilosa districts), Arusha (Ngorongoro and Monduli districts), Kilimanjaro (Same district), Mbeya (Chunya and Mbarali districts) and Iringa (Iringa district). The health and water development component, which is financed by a BSF grant, will cover the mainland districts of Kondoa and Dodoma Rural in Dodoma and Kiteto district in Manyara. The districts are listed in order of priority: the programme will fund the first 12, after which lessons and application may be applied to the remaining districts through government processes, for example, the ASDP, DADPs and LGAs.

18. While the programme will cover all classes of livestock-keepers, it will use specific targeting instruments and support particular self-targeting activities to reach its primary beneficiaries: small, livestock-dependent farmers, particularly the poor (falling below the basic needs poverty line), the most poor (falling below the food poverty line) and women. The Zanzibar programme will also target the same socio-economic classes among fishers, who have a significant livestock element in their livelihoods. The primary target group's access to programme benefits will be assured by: (a) progress of implementation of the empowerment component as a precondition for the Technical Support to Livestock Development component; (b) emphasis on support to livestock production activities of particular importance and relevance to small, poor and women livestock producers, e.g. the programme's small livestock development initiatives; (c) prioritization of districts with a high incidence of poverty; (d) ensuring a full gender balance in all programme-supported implementation teams, committees, farmer organizations and training programmes;⁴ and (e) according priority to problems faced by orphan-headed, HIV/AIDS-affected or otherwise disadvantaged households in piloting appropriate educational and organizational responses and in advocating policy, regulation and legislative change.

⁴ In conformity with the Women and Gender Development Policy, 2000, and IFAD's gender policy, subprojects/schemes will receive IFAD financing only in the event that 30-35% of their members are women; a minimum gender ratio of 60:40 for grass-roots farmer organizations so that the women can become an integral part of policy- and decision-making processes; skills training shared at least equally between men and women; and appropriate technology will be designed to help women reduce their workload and facilitate it, and generate more income for their livelihoods.

B. Objectives and Scope

19. The overall goal of the programme is to reduce poverty, improve food security and increase the incomes of communities that mainly depend on livestock for their livelihoods. Specific objectives are to: improve the livelihoods of the poorest agropastoralists and pastoralists; strengthen the capacity of livestock communities, both institutionally and technically; enhance the delivery of livestock development services to smallholders; improve marketing infrastructures and systems for livestock products; and strengthen national and local government institutions to provide services to the livestock subsector.

C. Components

20. The programme will be structured around five components: (i) empowerment; (ii) technical support to livestock development; (iii) health and water development; (iv) support to policy dialogue, legal and regulatory frameworks and institutions; (v) and programme management.

Component 1: Empowerment

21. In view of the Government's commitment to taking a demand-driven, decentralized approach to agricultural development support (both on the mainland and on Zanzibar), this component will receive priority attention under the ASDP-L. Progress of implementation acceptable to IFAD will be a precursor for action under other programme components. To ensure the greatest possible congruence and assimilation between the ASDP-L and other activities relating to the ASDP on the mainland and the emerging sector-wide approach on Zanzibar, this component will be funded by, and carried out as part of, the Agricultural Services Support Programme (ASSP).⁵

22. Farmer empowerment is defined as having been attained when farmers (in this case, especially, livestock producers) acquire – through their groups, networks and forums – the ability to determine their own needs and aspirations, and assume the authority, resources and capability to hold accountable – and influence the content of – public- and private-sector supply of support for livestock development, such as civil works, goods and services. The component responds to the need to empower individual farmers; provide catalytic support to start up and sustain group formation processes; enhance farmers' knowledge, decision-making capacity and ability to interact with sources of livestock development inputs; and support the formation of networks of groups and farmer associations to articulate their livestock development priorities.

23. As a general rule, the social and economic marginalization of poverty-stricken households is further aggravated when also affected by HIV/AIDS. Consequently, ASDP-L support to HIV/AIDS-affected households will mainstream HIV/AIDS issues and measures to address them as a cross-cutting issue rather than as a separate "component". Programme response will be directed at: mitigating the impact of HIV/AIDS on the social and economic position of poor livestock-dependent households affected by the disease; acting as a catalyst for effectively responding to the livelihood problems of such households; integrating HIV/AIDS concerns with the community-based health and water development component; and increasing support for factoring HIV/AIDS awareness and responsiveness into livestock subsector development.

⁵ In the interests of enhancing synergy of agricultural development in the country, it is not the intention of the ASDP-L to offer parallel financing for activities already agreed upon, approved and financed. In this regard, the ASDP-L has been designed to provide added value to the ASSP through the funding of pilot-type activities for the livestock subsector, activities that may then be replicated through new institutional arrangements as they develop. Consequently the empowerment component referred to is that already being funded under ASSP both on the mainland and on Zanzibar.

Component 2: Technical Support to Livestock Development

24. This component has three subcomponents: animal production, animal health, and livestock commercialization and market development.

25. The **animal production** subcomponent will, in turn, comprise three elements: improved livestock production, small-stock development, and rangeland management and land issues.

26. The **improved livestock production** element will finance: (a) studies of existing smallholder production systems for poultry, small ruminants, pigs and cattle to identify needed interventions at the production and service-provision levels to initiate market-oriented development; (b) the preparation of teaching materials on how to improve livestock production (including content on livestock-related business development and management) to train farmers and public/private providers of livestock-related civil works, goods and services; (c) short-term training in business development for private-sector, livestock-related service providers; and (d) on Zanzibar, artificial insemination support.

27. The **small-stock development** element is based on recognition that improving the production of such stock significantly contributes to improving the lives of poor individuals and households that make up the primary target group, i.e. the poor, very poor and women. The core of the initiative is to pilot livestock farmer field schools, first for poultry and thereafter for goats, sheep, rabbits and pigs.

28. The third and, in financial terms, by far the largest element of programme support to animal production will consist of **rangeland management and land issues**. Policies and strategies for the mainland and Zanzibar place stress on land-use planning, particularly with respect to assuring tenure, resolution of conflicts over land and water among competing interest groups, and sustainability of the natural resource base. Therefore, funding will be provided to support district and village administrations to pilot a participatory approach to land and natural resource-use management planning, including rangeland management. National-level support will also be provided to develop participatory methodologies for resolving conflicts, for producing village- and district-level land and natural resource-use management plans, and for training national facilitators in the use of such methodologies.

29. The **animal health** subcomponent will be centred around creating sustainable veterinary conditions to enable the Tanzanian livestock subsector to respond profitably to a demand-driven, market-oriented approach to development. On a pilot initiative basis, the subcomponent will involve: (a) facilitating the establishment of private veterinary practices in eight mainland districts and on Pemba Island; (b) improving training for, and the practices of, community animal health workers through curriculum development and one-off provision of starter kits; (c) promoting cost-sharing among district-level livestock farmer associations and other stakeholders for the rehabilitation of animal health infrastructure; (d) field testing and the overseeing of community-based technologies for controlling vectors and vector-borne diseases; (e) contributing to the cost of vaccinating 1.8 million animals against contagious bovine pleuropneumonia on the mainland over a period of three years, surveillance (clinical, pathological and microbiological) and animal inspections at zoo sanitary checkpoints over a period of five years; (f) supporting epidemiological surveillance measures and developing quality assurance and efficiency monitoring of private-sector providers of animal health services; and (g) using programme experience to contribute to modernizing animal health legislation in the country; this will include defining the role of the state and regulating the private sector in this regard.

30. The **livestock commercialization and market development** subcomponent will involve a range of initiatives to assess the present state of private-sector livestock production and marketing. Provision will also be made for the organizational, training and financial requirements involved in setting up a number of private-sector “seed” livestock businesses and for establishing an institutional framework at the local and national levels for underpinning a coherent private-sector and market-oriented approach to future livestock development.

Component 3: Health and Water Development

31. This component has been designed as a complementary social investment in three of the mainland districts to be covered by the ASDP-L. It has two subcomponents: community-based health development and water development.

32. The **community-based health development** subcomponent will concentrate on empowering communities to identify and overcome health problems by taking appropriate preventative action wherever possible. Communities will be linked up with the formal health system by strengthening linkages among community health workers and district-level health staff. This activity also conforms to the national health policy. Four sets of activities are involved here: (i) installation of rainwater harvesting and water supply infrastructure; (ii) consolidation of activities in Kondoa and Dodoma Rural districts implemented under the BSF-funded Water Supply and Health Project in Marginal Areas (WSHPMA) by strengthening institutional support at the Dodoma region level, expanding the scope of existing health education campaigns in Kondoa and Dodoma Rural districts, and strengthening the supervision and monitoring of programme activities and sustained activities from the WSHPMA; (iii) establishment of a surveillance system and campaigns for preventing zoonotic diseases, e.g. anthrax and cystercercosis in Kondoa and Dodoma Rural districts; and (iv) strengthening the public health and community health care delivery systems in Kiteto district.

33. The **water development** subcomponent was designed in recognition that the availability of safe water often plays a catalytic role for other types of development at the village level and is crucial to the success of any community health system. For that reason, this subcomponent will cover the same districts as the community-based health development subcomponent. This subcomponent will follow the WAMMA⁶ methodology for sustainable, participatory water development (i.e. rational planning, use and management) and cover: (a) implementation of the WAMMA approach with a view to identifying, and satisfying, beneficiary water development needs, mobilizing self-help initiatives at the ground level, and strengthening capacity-building at the regional and district levels to reinforce the decentralization process; (b) establishment of databases on district-level water resources to determine priorities for the use of water resources and planning for concerted development with the various actors and partners involved, e.g. district water departments, decentralized services, operators and users; and (c) implementation of a programme of rural water supply construction and beneficiary training in operation and maintenance.

Component 4: Support to Policy Dialogue, Legal and Regulatory Frameworks and Institutions

34. All elements of the ASDP-L are expected to feed back experience into policy dialogue, modernization of legal and regulatory frameworks and the various institutions involved in beneficiary organization, privatization and commercialization that are likely to be established as a result of programme activities.

Component 5: Programme Management

35. Provision has been made for four technical support officers – three on the mainland and one on Zanzibar – and associated ancillary staff, office equipment and vehicles. In addition funds will be provided for programme monitoring and evaluation to undertake baseline studies, a mid-term review and programme completion report, supplementary ad hoc diagnostic studies to improve programme performance and technical assistance.

⁶ WAMMA stands for (WAwezeshaji) team with Government Departments of Water (Maji), Community Development (Maendeleo ya Jamii), Health (Afya) and the Communities (Jamii).

D. Costs and Financing

36. Based on end-2004 prices, total programme costs – including physical and price contingencies of USD 909 500 and USD 2.4 million, respectively – are estimated at USD 39.4 million. The foreign exchange component will amount to about USD 9.1 million, or 23% of total programme costs. At USD 33.9 million, the investment costs represent 94% of total base costs, with recurrent costs of USD 2.2 million representing 6%. Taxes and duties account for approximately USD 3.3 million, or 8.4% of total costs.

37. The programme will be funded by an IFAD loan of USD 20.6 million, or 52.3% of total programme costs; a Belgian Survival Fund grant of USD 4.8 million (12.1%) to finance 81% of the health and water development component; a contribution from the ASSP estimated at USD 10.1 million (25.6%); a Government contribution of USD 3.3 million (8.4%) to cover taxes and duties (with a neutral effect on the public budget); and a beneficiary contribution estimated at USD 624 700 (1.6%).

TABLE 1: SUMMARY OF PROGRAMME COSTS^a
(USD '000)

Components	Local	Foreign	Total	% of Foreign Exchange	% of Total Base Costs
A. Empowerment	6 329.6	770.7	7 100.3	11	20
B. Technical support to livestock development					
- Animal production	5 009.5	1 414.4	6 423.9	22	18
- Animal health	4 735.9	1 564.7	6 300.6	25	17
- Livestock commercialization and market development	6 175.2	1 570.3	7 745.5	20	21
Subtotal	15 920.7	4 549.4	20 470.1	22	57
C. Health and water development	3 434.8	1 895.5	5 330.2	36	15
D. Support to policy dialogue, legal and regulatory frameworks and institutions	663.6	306.3	969.9	32	3
E. Programme management	1 369.1	871.6	2 240.6	39	6
Total base costs	27 717.7	8 393.4	36 111.0	23	100
Physical contingencies	717.6	191.9	909.5	21	3
Price contingencies	1 893.2	486.9	2 380.1	20	7
Total programme costs	30 328.4	9 072.2	39 400.6	23	109

^a Discrepancies in totals are due to rounding.

TABLE 2: FINANCING PLAN^a
(USD '000)

Components	Government		IFAD		BSF		ASSP		Beneficiaries		Total		Foreign Exchange	Local (Excl. Taxes)	Duties and Taxes
	Amt.	%	Amt.	%	Amt.	%	Amt.	%	Amt.	%	Amt.	%			
A. Empowerment	118.0	1.6	-	-	-	-	7 439.3	98.4	-	-	7 557.3	19.2	817.5	6 621.8	118.0
B. Technical support to livestock development															
- Animal production	701.9	9.9	6 192.9	87.1	-	-	-	-	217.3	3.1	7 112.1	18.1	1 553.9	4 856.3	701.9
- Animal health	769.6	11.3	5 838.0	85.8	-	-	-	-	197.3	2.9	6 804.9	17.3	1 668.1	4 367.2	769.6
- Livestock commercialization and market development	693.5	8.0	5 335.3	61.4	-	-	2 655.3	30.6	-	-	8 684.1	22.0	1 756.8	6 233.8	693.5
Subtotal	2 165.0	9.6	17 366.2	76.8	-	-	2 655.3	11.7	414.6	1.8	22 601.1	57.4	4 978.8	15 457.4	2 165.0
C. Health and water development	887.7	15.2	-	-	4 759.1	81.3	-	-	210.1	3.6	5 856.8	14.9	2 031.9	2 937.2	887.7
D. Support to policy dialogue, legal and regulatory frameworks and institutions	14.4	1.4	986.8	98.6	-	-	-	-	-	-	1 001.2	2.5	314.8	672.0	14.4
E. Programme management	112.9	4.7	2 271.4	95.3	-	-	-	-	-	-	2 384.3	6.1	929.3	1 342.1	112.9
Total programme costs	3 297.9	8.4	20 624.3	52.3	4 759.1	12.1	10 094.6	25.6	624.7	1.6	39 400.6	100.0	9 072.2	27 030.5	3 297.9

^a Discrepancies in totals are due to rounding.

Notes: ASSP = Agricultural Services Support Programme
BSF = Belgian Survival Fund

E. Procurement, Disbursement, Accounts and Audit

38. As a general rule, programme procurement on the mainland will be undertaken in accordance with the terms of the development partners' memorandum of understanding for the ASDP basket-funding mechanism. On Zanzibar, IFAD's Procurement Guidelines and the following thresholds and procedures will apply: (a) international competitive bidding will apply to contracts for goods and consultancy services amounting to the equivalent of USD 100 000 or more, or for civil works estimated to cost USD 200 000 or more; (b) limited international bidding procedures will apply to contracts for civil works costing more than USD 100 000 but less than USD 200 000; and (c) local competitive bidding procedures will apply to contracts for goods and consultancy services costing more than USD 20 000 but less than USD 100 000 and for civil works costing less than USD 100 000, in accordance with procedures approved by the cooperating institution.

39. Following normal IFAD procedures, IFAD will initially disburse loan proceeds to the special account through the Ministry of Finance, to the lead programme agency (the Ministry of Water and Livestock Development [MWLD]) for the mainland and to LGAs following applicable systems and procedures. Disbursement of funds on the mainland will be in accordance with government systems at both the national and local-government levels as part of the emerging system of block grants developed under the Government's Local Government Reform Programme and ASDP. On Zanzibar, the funds will be transferred to a special account established by the Ministry of Agriculture, Natural Resources, Environment and Cooperatives (MANREC) and disbursed following Zanzibar systems and procedures for national- and district-level activities acceptable to the Fund. Replenishment of the special accounts will be based on regular withdrawal requests signed by the Ministry of Finance in Dar-es-Salaam and approved by the cooperating institution. All documentation related to such expenditures will be retained at the relevant district and zonal offices; copies will be retained at programme management headquarters and made available to supervision missions and auditors as required.

40. An ASDP basket-funding mechanism is currently being designed. During implementation, the possibility of channelling funds for the mainland through such mechanism would be explored, once it has been formalized and proved functional. In that case, the fiduciary arrangements associated with pooled funding would be explained in a document to be presented in due course to the Executive Board for approval.

41. Quarterly progress reports will be prepared, facilitated by the planning and reporting system and the integrated financial management system. Six-monthly and consolidated annual financial statements will be prepared no later than three months after the end of each period and fiscal year. The special accounts and programme accounts will be subject to independent annual audit, in accordance with IFAD guidelines.

F. Organization and Management

42. Developments under the ASDP will be closely monitored during its implementation, and mechanisms and systems will be adopted by the ASDP-L accordingly. Disbursements of ASDP-L funds may be incorporated into the ASDP basket-funding mechanism once established and functional. In keeping with the Government's commitment to harmonizing and rationalizing institutional arrangements for agricultural development while avoiding parallel structures, duplication and lack of replicability, programme management and staffing will be fully mainstreamed into government agricultural development structures and the emerging decentralized operational framework. Consequently, on the mainland, overall responsibility for programme coordination will be entrusted to the directorate for policy and planning of MWLD, while day-to-day management will be as follows: the empowerment component will be managed under ASSP mechanisms in the Ministry of Agriculture and Food Security. Activities relating to the improved livestock production, small-stock

development, and rangeland management and land issues elements of the technical support to livestock development component will be managed by MWLD's Animal Production Division, while the animal health subcomponent will be the responsibility of the Ministry's Veterinary Services Division. The livestock commercialization and market development subcomponent will be managed through MWLD's Animal Production Division, with the exception of the mechanisms for funding, on a cost-sharing basis, infrastructure of marketing projects sought by stakeholders' associations and private investors, financing for which would be sourced through MWLD's Policy and Planning Division (conditional upon MWLD, IFAD and the cooperating institution being satisfied that sustainable arrangements for private operation and maintenance of the infrastructure are in place) working with district agriculture and livestock officers and district livestock development officers. The community-based health development subcomponent will be managed by district health and medical officers. Water development will be the responsibility of the district water engineer, while support to policy dialogue, legal and regulatory frameworks and institutions will be managed by MWLD's Policy and Planning Division. The programme will finance three technical support officers, one each in MWLD's Policy and Planning Division, Veterinary Services Division and Animal Production Division, in order to establish necessary programme-related management skills and procedures. This arrangement will assure mainstreaming; it is assumed that, after four years, MWLD staff will no longer require the assistance of a technical support officer.

43. On Zanzibar, since the Government does not have the human and financial resources to maintain a multiplicity of facilitation teams it is proposed that MANREC second a suitable senior livestock development officer to the agricultural sector facilitation team for Zanzibar (ASFT-Z) set up within MANREC under arrangements for implementing the ASSP. Further management support will be ensured through recruitment of a technical support officer (livestock development) on the same terms and conditions as for the mainland. The thus minimally enlarged ASFT-Z within MANREC will be responsible for the day-to-day management of all aspects of the ASDP-L Zanzibar subprogramme. MANREC will also benefit from 2.5 months of technical assistance with respect to programme-related contract management and training.

G. Economic Justification

44. Six models of livestock subsector activities in the programme area were constructed. A summary of the financial analysis results of these models is given in the following table.

TABLE 3: LIVESTOCK MODELS – SUMMARY OF RESULTS

	Annual Family Income (TZS)				Labour Requirements (pers. day)				Returns to Family Labour (TZS/pers. day)			
	Without Progr.	With Progr.	Variation		Without Progr.	With Progr.	Variation		Without Progr.	With Progr.	Variation	
			Amount	%			Amount	%			Amount	%
Model 1: Tradit. cattle keeping	200 902	438 669	237 767	118%	346	388	43	12%	582	1 114	532	91%
Model 2: Tradit. goat keeping	95 634	193 780	98 146	103%	229	284	55	24%	411	638	227	55%
Model 3: Dairy cattle	74 938	355 813	280 875	375%	48	138	89	186%	1 263	1 943	680	54%
Model 4: Dairy goats	183 122	340 625	157 503	86%	74	75	1	2%	367	2 181	1 814	495%
Model 5: Local poultry keeping	2 308	87 904	85 597	3 710%	6	32	25	404%	697	2 713	2 015	289%
Model 6: Exotic poultry (eggs)	n.a.	217 550	217 550	n.a.	n.a.	45	45	n.a.	n.a.	4 834	4 834	n.a.

45. These results demonstrate that opportunities exist for the programme to help increase livestock farmers' incomes. With the exception of Model 6, the results do not entail major incremental investments at the household level and could thus occur without any need for credit. Annual family incomes increase substantially in all models, reaching "with programme" scenario levels in the range of TZS 90 000-440 000 (USD 85-420).

H. Risks

46. The risks to the proposed programme could not be better expressed than those considered applicable to the mainland ASDP in general and given in the ASDP Framework and Process Document as follows: “The main risks that could affect the success of ASDP, identified at this stage, and for which mitigation measures are discussed in the report concern: (a) the excessive rigidity and complexity of the programme, which may discourage partners and lead them to work outside ASDP; (b) donor-funded projects having separate project coordination units may override or bypass the ASDP mechanisms and principles; (c) the lack of information sharing amongst stakeholders could jeopardise coordination; (d) the large number of districts and their limited resources may impede the planned roll-out of sub-programmes; (e) DADPs may either become too complex or too meagre to provide a rational basis for major field-level investment; (f) the poor participation of the private sector, which may be reluctant to invest in agriculture”;⁷ and (g) implementation of the empowerment component may be delayed, which would in turn hold up implementation of ASDP-L activities.

47. ASDP-L design is fully integrated and has avoided working outside the ASDP or establishing a separate or parallel programme coordination unit. Every opportunity has been taken to support information-sharing and coordination among programme stakeholders and between the programme and other elements of the mainland and Zanzibar sector-wide approaches. District-level capacity, in particular the stage of development of DADPs and support to them, remains a problem; however, if beneficiaries are in fact empowered, then programme investments can proceed and indeed the resulting experience fed back into the DADP development process. Finally, the “rigidity and complexity” of the ASDP (as evidenced by its organizational and flow-of-funds charts, for example) raises the possibility of bureaucratic processes distracting attention from economic product in the form of buoyant and sustainable growth in the livestock subsector. That is why the ASDP-L design consistently advocates and makes provision for private-sector, market-oriented approaches to the implementation of its components, thereby also addressing the last risk mentioned under the preceding paragraph.

I. Environmental Impact

48. An environmental screening and scoping note proposed that the programme be placed in Category B. The arguments supporting this proposal relate particularly to the significant contribution that the programme could have in improving rangeland management and developing and applying land-use plans. These plans will establish clear land-use demarcations, restricting cropping and grazing to appropriate environments where each has a comparative advantage, and protect and monitor water resources. In addition, the connection of livestock farmers, particularly pastoralists and agropastoralists, both with markets and with greater protection of cattle and small-stock against disease, is expected to contribute to stabilizing stock numbers, with a concomitant positive environmental impact. The programme has therefore been classified under Category B.

J. Innovative Features

49. Situating the programme within the institutional arrangements of emerging sector-wide approaches on the mainland, its emphasis on decentralization, market orientation and private-sector involvement, and its wide range of pilot activities (e.g. livestock farmer field schools, for rangeland management and land-use planning methodologies, curriculum development, support for development of private veterinary practices, surveillance systems for zoonotic diseases, stakeholder empowerment and local-to-national institution-building for livestock development entrepreneurialism) are all relatively innovative in the Tanzanian context.

⁷ Agricultural Sector Development Programme: Framework and Process Document – final draft, executive summary, page x, United Republic of Tanzania, March 2003.

PART III – LEGAL INSTRUMENTS AND AUTHORITY

50. A loan agreement between the United Republic of Tanzania and IFAD constitutes the legal instrument for extending the proposed loan to the borrower. A summary of the important supplementary assurances included in the negotiated loan agreement is attached as an annex.
51. The United Republic of Tanzania is empowered under its laws to borrow from IFAD.
52. I am satisfied that the proposed loan will comply with the Agreement Establishing IFAD.

PART IV – RECOMMENDATION

53. I recommend that the Executive Board approve the proposed loan in terms of the following resolution:

RESOLVED: that the Fund shall make a loan to the United Republic of Tanzania in various currencies in an amount equivalent to fourteen million two hundred and fifty thousand special drawing rights (SDR 14 250 000) to mature on or prior to 1 September 2045 and to bear a service charge of three fourths of one per cent (0.75%) per annum, and to be upon such terms and conditions as shall be substantially in accordance with the terms and conditions presented to the Executive Board in this Report and Recommendation of the President.

Lennart Båge
President

**SUMMARY OF IMPORTANT SUPPLEMENTARY ASSURANCES
INCLUDED IN THE NEGOTIATED LOAN AGREEMENT**

(Loan negotiations concluded on 26 August 2005)

1. **Programme accounts.** The following current accounts denominated in Tanzanian shillings will be opened and thereafter maintained in a commercial bank accepted by IFAD: MWLD (the lead programme agency-mainland) will open a programme account for programme operations under the mainland subprogramme (the “mainland programme account”), to receive loan and other financing therefor and for making payments thereunder for subprogramme activities related to the support to policy dialogue, legal and regulatory frameworks and institutions component and the programme management component of the programme, in accordance with the annual workplan and budget for the mainland subprogramme (AWP/B-M); and MANREC (the lead programme agency-Zanzibar) will open a programme account for programme operations under the Zanzibar subprogramme (the “Zanzibar programme account”, and when referred to collectively with the mainland programme account, the “programme accounts”), to receive loan and other financing therefor and for making payments thereunder for subprogramme activities related to the support to policy dialogue, legal and regulatory frameworks and institutions component and the programme management component of the programme, in accordance with the annual workplan and budget for the mainland subprogramme (AWP/B-Z). The Director of Policy and Planning of the lead programme agency-mainland and the Programme Director-Zanzibar will be fully authorized to operate the mainland programme account and the Zanzibar programme account, respectively.
2. **Block grants.** For the financing of programme activities under the technical support for livestock development component of the programme, available funds and other resources called for in the AWP/Bs will be transferred to the: district executive director of each programme district in the mainland subprogramme; and to the district administrative officer of each programme district in the Zanzibar subprogramme. To this end: (i) the Government, through the lead programme agency-mainland, will transfer the amounts called for in the AWP/B-M quarterly in advance from the special account-mainland to the respective district agricultural development grant; and (ii) the lead programme agency-Zanzibar will transfer the amounts called for in the AWP/B-Z quarterly in advance from the special account-Zanzibar to the respective Zanzibar subprogramme district account, opened and maintained by the respective programme district for the purposes of the programme.
3. **Counterpart funds.** The Government will make available to the lead programme agency-mainland, with respect to the mainland subprogramme, and to the lead programme agency-Zanzibar, with respect to the Zanzibar subprogramme, and the respective LGAs thereunder, during the programme implementation period counterpart funds from its own resources required to carry out the programme in accordance with the loan agreement: (i) in an aggregate amount of approximately USD 2 900 000 with respect to the mainland subprogramme, and (ii) in an aggregate amount of approximately USD 395 000 with respect to the Zanzibar subprogramme, in the form of tax exemptions in accordance with the respective AWP/B for each programme year and its customary national procedures for development assistance.
4. **Channelling of programme resources.** The Ministry of Finance, for the mainland subprogramme, and the lead programme agency-Zanzibar, for the Zanzibar subprogramme, will transfer available funds and other resources called for in the respective AWP/Bs to each programme district in accordance with the relevant programme district memorandum of understanding in order for the latter to carry out the programme within its district.
5. **Monitoring.** As soon as practicable but in no event later than 180 days after the effective date, the lead programme agency-mainland, with respect to the mainland subprogramme, and the lead programme agency-Zanzibar, with respect to the Zanzibar subprogramme, will enlarge and ensure the

proper functioning of their existing information management system to enable them to continuously monitor the programme. The Government will ensure that the monitoring and evaluation systems for the programme integrate, inter alia, the framework indicators under IFAD's Results and Impact Management System (RIMS), which IFAD will communicate to the Government.

6. **Audit reports.** The Government will confirm the appointment of the controller and auditor-general of: (i) the Government, with respect to the mainland subprogramme, and (ii) Zanzibar, with respect to the Zanzibar subprogramme, to be responsible for the audit of the accounts and financial statements of the respective subprogrammes under the programme or, if deemed necessary, the Government will appoint, with the prior approval of IFAD, independent auditors selected in accordance with the procedures and criteria set forth in IFAD's Guidelines on Programme Audits (for Borrowers' Use) (2003, as may be amended from time to time). The respective auditors will conduct an annual audit with respect to the relevant subprogramme as follows: one relating to the accounts and financial statements of the mainland subprogramme (the "mainland audit") and the other relating to the accounts and financial statements of the Zanzibar subprogramme (the "Zanzibar audit") (collectively, the "audit reports").

7. **Pest management practices.** As part of maintaining sound environmental practices as required by Section 7.15 of the General Conditions, the programme parties will maintain appropriate pest management practices under the programme and, to that end, the Government will ensure that pesticides procured under the programme do not include any pesticide either proscribed by the International Code of Conduct on the Distribution and Use of Pesticides of the Food and Agriculture Organization of the United Nations (FAO), as amended from time to time, or listed in Tables 1 (Extremely Hazardous) and 2 (Highly Hazardous) of the WHO Recommended Classification of Pesticides by Hazard and Classification 1996-1997, as amended from time to time.

8. **Supporting livestock entrepreneurs.** The Government will ensure that no programme support will be provided to livestock entrepreneurs in the rehabilitation or new construction of marketing infrastructure under the livestock commercialization and market development subcomponent of the technical support to livestock development component of the programme until the lead programme agency-mainland, IFAD and the cooperating institution are satisfied that sustainable arrangements for private operation and maintenance of the infrastructure are in place.

9. **Insurance of programme personnel.** The Government will ensure that key programme personnel are insured against health and accident risks to the extent consistent with its customary practice in respect of its national civil service.

10. **Financial and physical reporting.** In furtherance of the Government's obligations under the loan agreement, the respective LGA in each programme district will prepare and submit its physical progress and financial reports to the respective lead programme agency no later than one month after the end of each six month and annual period, in order for the respective lead programme agency to consolidate the information into the respective subprogramme's overall reporting thereunder as required by the loan agreement.

11. **Gender focus.** The Government will ensure the application of the following criteria in targeting subprojects/schemes to be supported under the programme: at least 30% of the total members of the scheme are women; a minimum ratio of 70:30 exists for grass-roots farmers' organizations, so that women can become an integral part of policy- and decision-making processes; skills training will be shared at least equally between men and women; and appropriate technology is designed and provided to help women reduce and facilitate their workload and generate more income for their livelihood.

12. **Tax exemption.** The Government will exempt from taxes the importation, procurement and supply of all goods, civil works and services financed by the loan. To this end, the Government will

ensure that whatever notice, tax exemption certificate or other form of communication as may be required to effect such exemptions are issued by it in timely manner. The value of such exemptions will be credited against the obligation of the Government to provide counterpart funds for the programme under the terms of the loan agreement.

13. **District participation – mainland subprogramme.** Additional district participation in the mainland subprogramme during the follow-on phase (as from programme year 4) will be dependent upon available funding.

14. **Suspension.** In addition to the events specified in Section 12.01 of the General Conditions, IFAD:

- (a) May suspend, in whole or in part, the right of the Government to request withdrawals from the loan account in accordance with Section 12.01 of the General Conditions upon the occurrence of any of the events set forth below:
 - (i) The focus, framework or substance of the ASDP has been changed in such a way that, in the opinion of IFAD, the goals and purposes of the programme or the terms of the loan agreement may not be fulfilled.
 - (ii) Either or both of the programme implementation manuals, or any provision(s) thereof, has been waived, suspended, terminated, amended or modified without the prior consent of IFAD, and IFAD has determined that such waiver, suspension, termination, amendment or modification has had, or is likely to have, a material adverse effect on the programme.
 - (iii) IFAD has given notice to the Government that credible allegations of corrupt or fraudulent practices in connection with the programme have come to the attention of IFAD and the Government has failed to investigate the matter fully and promptly to the satisfaction of IFAD; or thereafter, based on the conclusion of the aforesaid investigation and any other information available to it, IFAD, in consultation with the Government, determines that such practices have occurred, and the Government has failed to take timely and appropriate action to remedy the matter to the satisfaction of IFAD.
- (b) IFAD will suspend, in whole or in part, the right of the Government to request withdrawals from the loan account if the mainland audit report and/or the Zanzibar audit report has/have not been satisfactory completed within 12 months after the end of the fiscal year.

15. **Conditions precedent to disbursement.** The following are specified as conditions precedent to disbursement of funds from the loan:

- (a) No withdrawals will be made in respect of expenditures under the mainland subprogramme until: the development partners' memorandum of understanding under the ASSP has been (i) signed by, at a minimum, the Government and IFAD; (ii) all conditions precedent to the effectiveness thereto (if any), including but not limited to any necessary ratifications, approvals, etc., have been met; and (iii) the development partners' memorandum of understanding has entered into force in accordance with its terms (at least as between the Government and IFAD).
- (b) No withdrawals will be made in respect of expenditures in an individual programme district under the technical support to livestock development component of the programme

until implementation of activities under the empowerment component of the programme will have progressed in that programme district to the satisfaction of IFAD.

16. **Conditions of effectiveness.** The following are specified as conditions precedent to the effectiveness of the loan agreement:

- (a) the terms of reference for the selection of technical support officers have been approved by IFAD, and the selection process based thereon has commenced to the satisfaction of IFAD;
- (b) the programme implementation manuals for the mainland and Zanzibar subprogrammes have been prepared by the Government, approved by IFAD and adopted by the relevant entity substantially in the form so approved in accordance with the procedures set forth in the loan agreement;
- (c) the Government has or has caused to be duly opened the special accounts and the programme accounts;
- (d) the Government has confirmed the appointment of the auditors for the programme;
- (e) the loan agreement has been duly signed, and the signature and performance thereof by the Government has been duly authorized by all necessary administrative and governmental action; and
- (f) a favourable legal opinion, issued by the Attorney General of the Government in respect of the matters set forth in the loan agreement and in form and substance acceptable to IFAD, has been delivered by the Government to IFAD.

APPENDIX I

COUNTRY DATA

UNITED REPUBLIC OF TANZANIA

Land area (km² thousand) 2002 1/	884	GNI per capita (USD) 2002 1/	290
Total population (million) 2002 1/	35.18	GDP per capita growth (annual %) 2002 1/	4.1
Population density (people per km²) 2002 1/	40	Inflation, consumer prices (annual %) 2002 1/	5
Local currency	Tanzanian Shilling (TZS)	Exchange rate: USD 1 =	TZS 1 055
Social Indicators		Economic Indicators	
Population (average annual population growth rate), 1996-2002 1/	2.4	GDP (USD million), 2002 1/	9 382
Crude birth rate (per thousand people), 2002 1/	38	Average annual rate of growth of GDP 2/, 1982-1992	n.a.
Crude death rate (per thousand people), 2002 1/	18	1992-2002	4.0
Infant mortality rate (per thousand live births), 2002 1/	104	Sectoral distribution of GDP, 2002 1/	
Life expectancy at birth (years), 2002 1/	43	% agriculture	45
Number of rural poor (million) (approximate) 1/	n/a	% industry	16
Poor as % of total rural population 1/	n/a	% manufacturing	8
Total labour force (million), 2002 1/	18.14	% services	39
Female labour force as % of total 2002 1/	49	Consumption, 2002 1/	
Education		General government final consumption expenditure (as % of GDP)	13
School enrolment, primary (% gross), 2002 1/	70 a/	Household final consumption expenditure, etc. (as % of GDP)	77
Adult illiteracy rate (% age 15 and above), 2002 1/	23	Gross domestic savings (as % of GDP)	10
Nutrition		Balance of Payments (USD million)	
Daily calorie supply per capita	n/a	Merchandise exports, 2002 1/	875
Malnutrition prevalence, height for age (% of children under 5), 2002 3/	44 a/	Merchandise imports, 2002 1/	1 687
Malnutrition prevalence, weight for age (% of children under 5), 2002 3/	29 a/	Balance of merchandise trade	-812
Health		Current account balances (USD million)	
Health expenditure, total (as % of GDP) 2002 1/	4 a/	before official transfers, 2002 1/	-724
Physicians (per thousand people), 1999 1/	n/a	after official transfers, 2002 1/	-251
Population using improved water sources (%), 2002 3/	68 a/	Foreign direct investment, net 2002 1/	240
Population with access to essential drugs (%), 1999 3/	50-79	Government Finance	
Population using adequate sanitation facilities (%), 2002 3/	90 a/	Overall budget deficit (including grants) (as % of GDP), 2002 1/	n/a
Agriculture and Food		Total expenditure (% of GDP), 2002 1/	n/a
Food imports (% of merchandise imports), 2002 1/	15 a/	Total external debt (USD million), 2002 1/	7 244
Fertilizer consumption (hundreds of grams per ha of arable land), 2002 1/	56 a/	Present value of debt (as % of GNI), 2002 1/	19
Food production index (1989-91=100), 2002 1/	112	Total debt service (% of exports of goods and services), 2002 1/	9
Cereal yield (kg per ha), 2002 1/	1 480	Lending interest rate (%), 2002 1/	16
Land Use		Deposit interest rate (%), 2002 1/	3
Arable land as % of land area, 2002 1/	5 a/		
Forest area as % of total land area, 2002 1/	44 a/		
Irrigated land as % of cropland, 2002 1/	3 a/		

a/ Data are for years or periods other than those specified.

1/ World Bank, *World Development Indicators* CD ROM 2004

2/ United Nations Development Programme (UNDP), *Human Development Report*, 2000

3/ UNDP, *Human Development Report*, 2004

PREVIOUS IFAD FINANCING IN THE UNITED REPUBLIC OF TANZANIA

Project Name	Initiating Institution	Cooperating Institution	Lending Terms	Board Approval	Loan Effectiveness	Current Closing Date	Loan Acronym	Amount Approved
Mwanza/Shinyanga Rural Development Project	World Bank: IBRD	World Bank: IDA	HC	13 Apr 78	28 Feb 79	31 Dec 84	L-I-2-TAN	USD 12 000 000
Southern Highlands Smallholder Food Crop Project	IFAD	World Bank: IDA	HC	05 Sep 85	03 Aug 87	31 Dec 93	L-I-176-TZ	SDR 14 500 000
Smallholder Support Project on Zanzibar	IFAD	World Bank: IDA	HC	13 Sep 89	07 Mar 91	31 Dec 97	L-I-242-TZ	SDR 8 150 000
Smallholder Development Project for Marginal Areas	IFAD	UNOPS	HC	06 Dec 89	05 Oct 90	31 Dec 97	L-S-24-TZ	SDR 11 450 000
Southern Highlands Extension and Rural Financial Services Project	IFAD	World Bank: IDA	HC	06 Apr 93	30 Jun 93	30 Sep 00	L-I-324-TZ	SDR 11 500 000
Mara Region Farmers' Initiative Project	IFAD	UNOPS	HC	06 Dec 95	25 Jun 96	30 Jun 03	L-I-400-TZ	SDR 9 650 000
Agricultural and Environmental Management Project	IFAD	UNOPS	HC	04 Dec 96	10 Sep 97	31 Dec 03	L-I-433-TZ	SDR 10 300 000
Participatory Irrigation Development Programme	IFAD	UNOPS	HC	08 Sep 99	18 Feb 00	30 Sep 06	L-I-511-TZ	SDR 12 550 000
Rural Financial Services Programme	IFAD	UNOPS	HC	07 Dec 00	12 Oct 01	30 Jun 11	L-I-550-TZ	SDR 12 800 000
Agricultural Marketing Systems Development Programme	IFAD	UNOPS	HC	06 Dec 01	04 Oct 02	30 Jun 10	L-I-575-TZ	SDR 12 950 000
Agricultural Services Support Programme	IFAD	UNOPS	HC	02 Dec 04	Not yet effective	31 Dec 12	L-I-642-TZ	SDR 17 050 000

Notes: HC = Highly concessional
 IBRD = International Bank for Reconstruction and Development
 IDA = International Development Association

LOGICAL FRAMEWORK

Key File. Logical Framework and Activities Matrix Programme (Programme Years (PY) 1-8)

Narrative	Indicators	Means of Verification	Assumptions
<p>Programme goal</p> <p>To reduce poverty, improve food security and increase incomes among communities with a high level of livelihood dependence on livestock</p>	<p>Impact (3rd-level indicators)</p> <p>Those below poverty line go from 48% to 24% by 2010 25% of targeted farming households show improved productive asset ownership by 2010 Child malnutrition (weight-for-age) reduced in 25% of targeted farming households by 2010</p>	<p>National statistics</p> <p>Rural development strategy (RDS) surveys supported, <i>inter alia</i>, by the ASDP-L</p>	<p>Political will for progressive public administration devolution; privatization and commercialization continues, and is translated into policy reforms</p> <p>Macroeconomic factors and conditions remain stable and liberal Government maintains vigilance on pandemic livestock diseases</p>
<p>Programme purpose (or development objective, comprising five strategic objectives:</p> <p>(a) improve the livelihoods of the poorest agropastoralists and pastoralists; (b) strengthen the capacity of livestock communities, both institutionally and technically; (c) enhance delivery of (livestock) development services to smallholders; d) improve marketing infrastructure and systems for livestock products; and (e) strengthen national and local government institutions to provide services to the livestock subsector</p>	<p>Outcomes (2nd-level or headline indicators)</p> <p>1. 30% of assisted farmer group members see improved livestock services as contributing to their family food sufficiency and cash income adequacy by PY3, and 70% by PY7 2. 25% of assisted farmers show sustained use of livestock technologies, practices, products and knowledge by PY3 and 75% by PY7 3. 25% of group members fall within specific categories of disadvantaged people, including food-insecure households, women-headed/orphan headed and HIV/AIDS-affected households, and unemployed youth, elderly or disabled people</p>	<p>Surveys and participatory evaluation conducted under RDS and President's Office Regional and Local Government (PO-RALG) supported where required by the ASDP-L and contracted national consultants, firm or institution</p>	<p>Input supply, marketing systems and credit availability respond to higher effective farmer demand</p> <p>Other investments under the ASDP (from other task forces) support objectives of the ASDP-L</p>
Strategic objective A. Empowerment (demand)			
<p>Client capacity is improved to articulate demand, usually within a village land-use planning framework but also/or within a common-interest farmer group (such as tick control), to contract livestock husbandry, marketing and animal health control services, and form partnerships with agricultural service providers</p>	<p>Outcomes (2nd-level or headline indicators)</p> <p>Livestock farmers and livestock dependent communities learn constructively to demand services and their capacity is build up to manage them sustainably</p>	<p>RoDaS reports</p>	<p>Livestock and mixed farming, including bee-keeping and fishing, are profitable</p>
<p>Outputs</p> <p>Improved capacity of livestock farmer groups</p>	<p>1. On the mainland, livestock groups and private ASPs access 25% of total ASDP-L funds through grant mechanisms / service contracts by PY3; and 50% by PY7; 2. 50% of groups and forums have bank accounts with deposits equal to TZS 10,000 per member by PY3; and 75% by PY7; 3. 50% of existing groups plus four new groups per ward/year are listed at the district, and the number of farmers represented by networks or groups doubles by PY3; and 75% of all participating farmers are represented in recognized groups by PY7; 4. On Zanzibar: of the farm families in all eight rural districts that receive ASSP coupons at the beginning of PY2, and annually</p>	<p>Baseline studies; PO-RALG monitoring and evaluation (M&E) reports</p>	<p>Coordinated commitment of government interns of empowerment and community development in rural areas</p>

Narrative	Indicators	Means of Verification	Assumptions
	thereafter, at least one third will be livestock keepers benefiting from a combination of support from the ASSP and the ASDP-L.	Stakeholder forum reports, LGA/RDS surveys, farm case studies	
Strategic objective B. Technical Support to Livestock Development			
B.1. Animal production (supply)			
B.1.1. Small-stock development			
Development of livestock farmer field schools (LFS) on poultry	<ol style="list-style-type: none"> 1. 150 LFS established 2. 3000 members in LFS 3. Attendance of different classes of the LFS 4. Percentage of women in LFS is 50% or more 5. Percentage of HIV/AIDS-affected household members is at least as high as the percentage for HIV/AIDS in that district 6. 90% of LFS participants continue Newcastle Disease vaccination 7. Chicken mortality reduced to 20% for LFS members 	<p>LITI report</p> <p>Report training-of-trainer of (ToT) participants of the LITI/review workshop</p>	Successful linkages to the ASSP and development of the farmer-field school approach in the United Republic of Tanzania
Development of LFS on other smallstock	<ol style="list-style-type: none"> 8. In three regions LITIs offered a ToT course on smallstock and each LFS is offered a trial 9. LFS curriculum for other small-stock (goats, sheep, rabbits, pigs) is developed at contracted ToT institution 10. Capacity of farmers to develop smallholder smallstock management practices has increased 11. Farmers are empowered to demand the services they need to operate the identified smallstock model 12. Number of goats, sheep, rabbits and pigs on the market has increased. 	<p>LITI report</p> <p>LITI report</p> <p>Services and inputs requested by LFS and funded through the ASDP-L budget line. These services would be worming, fodder planting material, etc</p> <p>Market information system</p>	
Outputs, Component B.1. Animal production	Improved-capacity livestock farmer field schools, representative of vulnerable sectors of rural society More marketed poultry and smallstock	District agriculture and livestock officer (DALDO) reports	Market for poultry and smallstock remains buoyant
B.1.2., Rangeland management and land tenure			
Outputs Land and natural resource use, and rangeland management plans	<ol style="list-style-type: none"> 1. On the mainland, 72 villages have acceptable land-use plans 2. On Zanzibar 25% of farm families who receive ASSP coupons are be involved in participatory land-use planning 	<p>Programme reports</p> <p>M&E reports</p>	Approved land- and natural resource-use management plans (incorporated into DADPs)
B.2. Animal Health (supply)			
Improved sector service delivery from both reformed public providers and private/NGO providers is realised	<p>Outcomes (2nd level or headline indicators)</p> <p>Pastoralists and agropastoralists better express their animal health requirements. They express these requirements through formal and recognized channels that Government and PSPs respond to, so that livestock owners have better access to sustainable private animal health services. At the same time, public-sector animal health services are delivered, but, where appropriate, through contracted private service providers.</p>		

Narrative	Indicators	Means of Verification	Assumptions
<p>Outputs</p> <p>Delivery of appropriate technologies, practices, advice and information in sufficient quantities and range to meet identified farmers' needs. There are seven activities in three main subsectors, namely:</p> <p>1. Private:</p> <p>(a) Facilitating private veterinary services</p> <p>(b) Training and private veterinary supervision of community animal health workers (CAHWs)</p> <p>(c) Cost-sharing of infrastructure rehabilitation with district livestock farmers' associations</p> <p>(d) Overseeing community-based technologies for controlling vectors and vector-borne diseases</p> <p>2. Public/private partnership:</p> <p>(e) Maintaining contagious bovine pleuropneumonia roll-back progressive control in southern districts</p> <p>3. Public:</p> <p>(f) Supporting public-sector activities</p> <p>(g) Supporting regulatory and statutory activities</p>	<ol style="list-style-type: none"> 1. Eight district-wide private veterinary practices <u>on the mainland</u> and one practice <u>on Zanzibar</u> (Pemba) 2. At least two trained and veterinary-supervised community health workers in each of the wards in programme area 3. On-farm/community-based technologies for animal disease control adopted in programme area 4. Interactive contact between LFS and private veterinary practices 5. Five rural veterinary or livestock centres renovated 6. Coordinated contagious bovine pleuropneumonia progressive control through private veterinarians and para-veterinarians 7. Contingency plans for livestock epidemics exotic to the programme areas defined 8. Sanitary and other key livestock vulnerability data collected, collated and analysed in the programme areas (both Zanzibar and on mainland). 9. Modernization of the Zanzibar Animal Resource Management Act and harmonization of veterinary and other livestock legislations between Zanzibar and the mainland 10. Standards and roles of private and state veterinary services defined by the Veterinary Council of Tanzania 11. Status of tuberculosis and brucellosis in agropastoral and pastoral livestock established through targeted surveys. 12. Pro-poor veterinary public health campaign implemented in programme areas to mitigate risk of zoonotic disease spread to pastoral and agropastoral communities 	<p>Number of private rural veterinary practices registered by the Tanzanian Veterinary Council (TVC)</p> <p>Number of enlisted CAHW and of TVC inspection reports</p> <p>Reports by private veterinarians, NGOs, DALDO and VICs; number of doses/ treatments; data on animal survival and productivity</p> <p>Reports from livestock farmer field schools, farmer associations</p> <p>Reports from private veterinarians and LGAs on number of vaccinations; VIC surveillance reports and trend analysis of infection rates. DVS animal health reports and submissions to the OIE</p> <p>DALDO, MWLD and MANREC reports</p> <p>Epidemiological and other early warning alerts or newsletters</p> <p>Statutes enacted</p> <p>Manuals and guidelines; accreditation of curricula for veterinary, para-veterinary and CAHW training; numbers registered, enrolled/ enlisted</p> <p>Medical reports on tuberculosis and brucellosis in agropastoralists and pastoralists</p>	<p>Readiness of LGAs to transfer such high volume operations and vaccinations to private veterinary practices</p> <p>ASDP-L support to LGAs to develop facilities and a tendering system that will attract private veterinarians</p> <p>Adequate training of livestock farmers and orientation of livestock farmer associations in business practices, including costing for disease control measures and long-term maintenance of facilities</p> <p>LLFs are active in the same districts served by the private veterinary practice</p> <p>Allocation of funds from government maintained and readiness of MWLD and LGAs to award contagious bovine pleuropneumonia vaccination campaign contracts to private veterinarians.</p> <p>Animal disease contingency plans accepted by the mainland and Zanzibar and national emergency preparedness plans</p> <p>District veterinary officers trained in participatory epidemiology techniques and disease data collection; trained Zanzibari epidemiologist</p> <p>Legislative calendar of Zanzibar House of Representatives</p> <p>National consultancy firm to be contracted by the VCT is specialized in veterinary ethics and differentiation of public- and private-sector roles</p> <p>Readiness of BSF or another donor to cofinance the control of zoonotic diseases in the programme area</p>
<p>Newcastle Disease (ND) vaccination campaign</p>	<p>13. 150 villages attended by CAHW for ND vaccination</p>	<p>Numbers of annual or semi-annual I-2 vaccinations provided by CAHW and number of villages visited by them, recorded in CAHW reports</p>	<p>Adequate training for CAHW</p> <p>Availability of I-2 ND vaccine</p>
<p>Strategic objective B.3. Livestock commercialization and marketing development</p>			
<p>Create an enabling environment for improved livestock marketing</p>	<p>Outcomes (2nd-level or headline indicators)</p> <p>Strengthened linkages between producers and markets</p>		
<p>Outputs</p> <p>(a) Assess impact of Tanzania Livestock</p>	<p>(a) Private-sector capacity built up to prepare investment proposals for ASDP funding on the mainland, and for the community livestock development fund on Zanzibar.</p>	<p>Number of eligible proposals</p> <p>DALDO reports and the RoDaS</p>	<p>Demand for livestock products remains buoyant as a result of gradually increasing prosperity</p>

Narrative	Indicators	Means of Verification	Assumptions
<p>Marketing Project and Agricultural Marketing Systems Development Programme</p> <p>(b) Establishment of financial mechanism for private stakeholder associations to assist members and the livestock sector</p> <p>(c) Promote and assist private investments in livestock marketing and processing in rural areas</p> <p>(d) Review national policies and regulatory framework and support necessary reform process in the public sector</p> <p>(e) Support market-linked commercial development of the smallholder dairy sector, including production, transport, processing and marketing</p> <p>(f) Assess the opportunities and problems in developing a livestock marketing information system.</p>	<p>(b) Improved access by association members to information on livestock production, processing and marketing</p> <p>(c) Private investment in livestock marketing and processing</p> <p>(d) Consultancy on policy and regulatory framework</p> <p>(e) Private investment in smallholder dairy sector</p> <p>(f) Improved livestock market information system</p>	<p>Number of successful investments</p> <p>Consultancy report</p> <p>Number of successful investments</p> <p>DALDO reports</p>	
Strategic objective B.4. Conservation agriculture			
<p>Assist pastoralists in making the transition to agropastoralism, i.e. settled and more productive agriculture that is more in harmony with their neighbours</p>	<p>Outcomes (2nd-level or headline indicators)</p> <p>All farmers in the target districts who use tractor hire services, especially pastoralists, are exposed to the benefits of conservation agriculture. HIV/AIDS-affected families, and women, particularly benefit.</p>	<p>DALDO reports</p> <p>Court cases relating to land and dry-season grazing disputes</p>	<p>District bylaws on land-use and secondary rights are widely disseminated and vigorously enforced.</p> <p>Government/IFAD find a source of grant-funded TA</p>
<p>Outputs</p> <p>Demonstration of tractor-conservation farming techniques on arable areas of existing farms and with private tractor-hire operators</p>	<p>1st-level results</p> <p>2,500 FFS participants are directly exposed to the benefits of tractor-mechanized CA technology;</p> <p>100 farmers in ten pilot villages receive 100% subsidized conservation agriculture cultivation services on 500 ha of land for demonstration purposes;</p> <p>ten tractor hire operators are trained in a more cost-effective, saleable and profitable service;</p> <p>rangeland management is improved with less degraded arable land and more dry-season fodder.</p>	<p>Technical assistance (TA) reports to DALDO reports</p>	
Strategic objective C. Health and Water Development			
<p>Outputs</p> <p>(a) The installation of water supplies and means for rainwater harvesting where technically justifiable, for human and livestock use where cost is shared by the community and implementation is participatory</p> <p>(b) Consolidation of Water, Sanitation and Health Project in Marginal Areas (WSHPMA) activities in Kondoa and Dodoma Rural districts by:</p> <p>(i) strengthening institutional support at the</p>	<p>Raising the proportion of rural population that has access to safe and clean water from 53% in June 2003 to 60% by 2006; and</p> <p>Reinforcing legal and institutional involvement of local communities and the private sector in developing water supply schemes, and water sources environmental protection.</p> <p>The beneficiaries of the programme will be essentially the populations of the rural areas with no access to good quality water and semi-rural inhabitants in localities where health and sanitation activities (health centres, latrines for schools) need to be implemented.</p> <p>The target group for rural water supply is the village community.</p> <p>It is estimated that about 200 000 people will see their water supply</p>	<p>DALDO reports and the RoDaS would be supported by ASDP-L planning and review workshops for this component; also baseline surveys, impact monitoring studies, a mid-term review and impact evaluations, but all these would serve (and not duplicate) the national monitoring system</p>	<p>That beneficiaries participate and meet management commitments for water supply; that awareness campaigns will convince them of the priority for sanitation; and that</p> <p>regional and district administrations support the programme and its activities.</p>

Narrative	Indicators	Means of Verification	Assumptions
<p>Dodoma region level;</p> <p>(ii) expanding health education campaigns in both districts of Dodoma region; and</p> <p>(iii) strengthening supervision and monitoring of the sustained activities from the WSHPMa and the present programme.</p> <p>(c) Establishment of a surveillance system for zoonotic diseases in Kondoa and Dodoma Rural and prevention campaigns for the same by:</p> <p>(i) carrying out a baseline survey to establish the burden of disease among livestock and livestock keepers;</p> <p>(ii) designing and preparation of health education materials for zoonotic diseases; and</p> <p>(iii) organizing health education campaigns in the community to create awareness and define prevention strategies.</p> <p>(d) Strengthening the public health and community health care delivery systems in Kiteto district (in Manyara region) by:</p> <p>(i) strengthening the institution and building the capacity of the regional team;</p> <p>(ii) updating the skills of trained health workers;</p> <p>(iii) comprehensive maternal child health service delivery;</p> <p>(iv) intensifying health education at the health facility level; and</p> <p>(v) introduction of cost sharing at the health facilities and strengthening supervision and monitoring; strengthening of community health care by:</p> <ul style="list-style-type: none"> • community mobilization and identification of community health workers and TBAs; • establishment of a community HIS; and • establishment of environmental sanitation services and intensifying health education in the community. 	<p>capacity improved by the programme.</p> <ol style="list-style-type: none"> 1. Over 1 019 252 people from three districts (with a greater impact on 152 296 people in Kiteto district) will benefit from improved accessibility and quality of health care. 2. For the first time control of zoonotic diseases among livestock and their keepers will be addressed and controlled, thereby improving the economic value of animals and decreased morbidity of the livestock keepers. 3. Nearly 203 850 women (20% of the total population of women) of childbearing age will benefit from the services of traditional birth attendants (TBAs) and safe delivery. 4. Morbidity due to unsterile delivery should reduce with the promotion of delivery kits and maternal mortality should also decrease with early referral of anticipated complicated cases. 5. Maternal mortality should eventually decrease with the introduction of easily available modern family planning. 6. Over 50 000 children under one year of age (5% of the total population of children under five years of age) will benefit from expanded immunisation services 7. About 200 000 children under five years of age will benefit from improved nutrition and deworming. 8. Improved environmental sanitation would reduce morbidity due to diarrhoeal diseases and malaria in the total population. 		
Strategic objective D. Support to Dialogue, Legal and Regulatory Frameworks and Institutions			
<p>Outputs</p> <p><u>Mainland</u></p> <ol style="list-style-type: none"> a) Support to TVC b) Review of national policies on livestock c) Land issues <p><u>Zanzibar</u></p> <ol style="list-style-type: none"> a) Modernization of the Animal Resources 	<p><u>Mainland</u></p> <ol style="list-style-type: none"> a) Review curricula and accreditation of service providers; contract with national consultancy firm; workshops; improve VCT information and accounting systems b) Workshops; meetings of agriculture sector lead ministry working groups coordinating unit; International TA; national TA c) Researcher (international); researcher (national); district 	<p>DALDO reports and RoDaS. Legislative drafts and the parliamentary calendar. Consultancy reports. Workshop proceedings.</p>	<p>Political willingness for parliamentary approval of legislation continues</p>

Narrative	Indicators	Means of Verification	Assumptions
Act b) Review of national policies on livestock c) Land issues	consultation workshops; regional consultation workshops; national consultation workshops <u>Zanzibar</u> d) Contract with national consultancy firm e) Workshops; meetings of ASLM working groups coordinating unit; international TA; national TA f) Researcher (international); researcher (national); regional g) Consultation workshops; island consultation workshops; h) Zanzibar consultation workshops		
Strategic objective E. Programme Management			
Provide mechanisms to ensure sound coordination and quality control	Outcomes (2nd-level or headline indicators) Outputs from each component are reported on time and disbursement targets are met and proactive action taken	Funding statements Programme M&E Progress reports	Result –driven management at district, regional and national levels
Subcomponent E.1. Management and Coordination Effective management and coordination of activities, with orientation on impact as well as within the ASDP and ASSP.	1st-level results Appropriate institutional structures and capacity to operate the ASDP-L effectively, developed at all levels, e.g. ASDP-L Board established and functioning, ASDP-L HQ/Executive fully staffed, ASDP-L structures/procedures compliant with Local Government Act and regulations	ASDP-L progress reports Budget estimates Level of participation by NGOs in supporting the formulation of village and district level land use management plans (number of NGOs, number of days, whether contracted by District Councils or participated as an additional resource)	Local government capacity, particularly at district level, continues to be strengthened by LGA district development programmes and projects
Subcomponent E.2. Quality control of Services Development of quality control systems	1st-level results Quality of services in legal, governance, participatory, technical, environmental terms assured, e.g. speed of contract processing meets targets Targeting of special groups addressed: poverty, gender, HIV/AIDS, and 25% of group members fall within them.	District M&E Court cases analysis showing number of land disputes, around what, and their reduction or increase over time; also the extent of dispute resolution (number of disputes resolved, who is involved in the resolution, and how they were resolved) Beneficiary assessments, group records Representation of women, pastoralists, and HIV/AIDS affected households on Village Land Councils and Village Land Committees	Legal and supervisory processes facilitate service quality delivery
Subcomponent E.3. Planning, Monitoring and Evaluation Timely and comprehensive plans and reports	1st-level results Participatory M&E system effective based on group, subproject, service contract level recording, compliant with local government reform programme system, with feed-back adjustment to the ASDP-L workplan at national, zonal and local levels. Integration of RIMS Beneficiary groups monitor and evaluate own progress against self-developed criteria, and use lessons learned	ASDP-L records Annual review Beneficiary case studies	Systems fully incorporated in emerging systems developed by PO-RALG

ORGANIGRAMMES

Chart 1: Organization Structure of Ministry of Water and Livestock Development (MWLD), Mainland

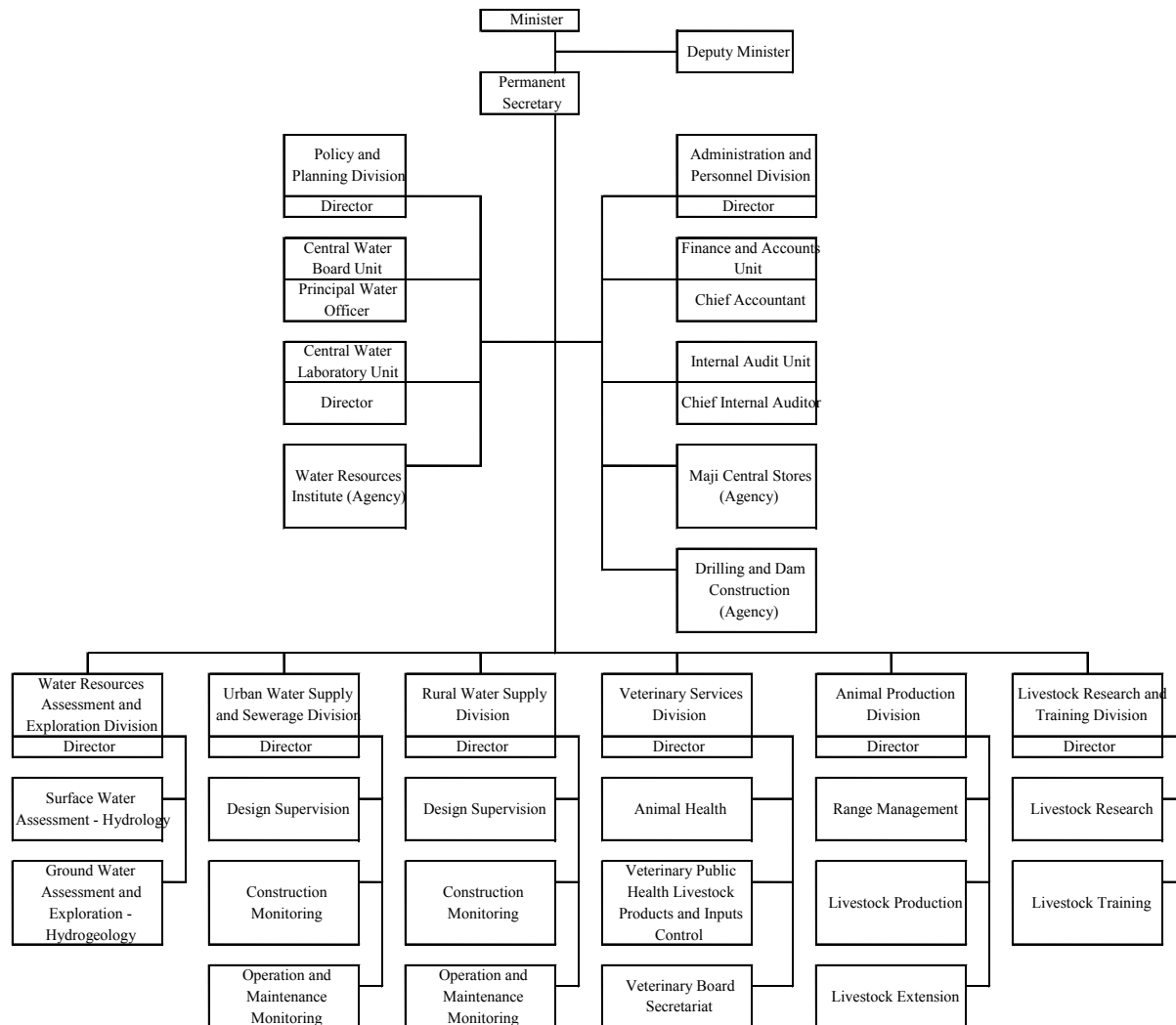
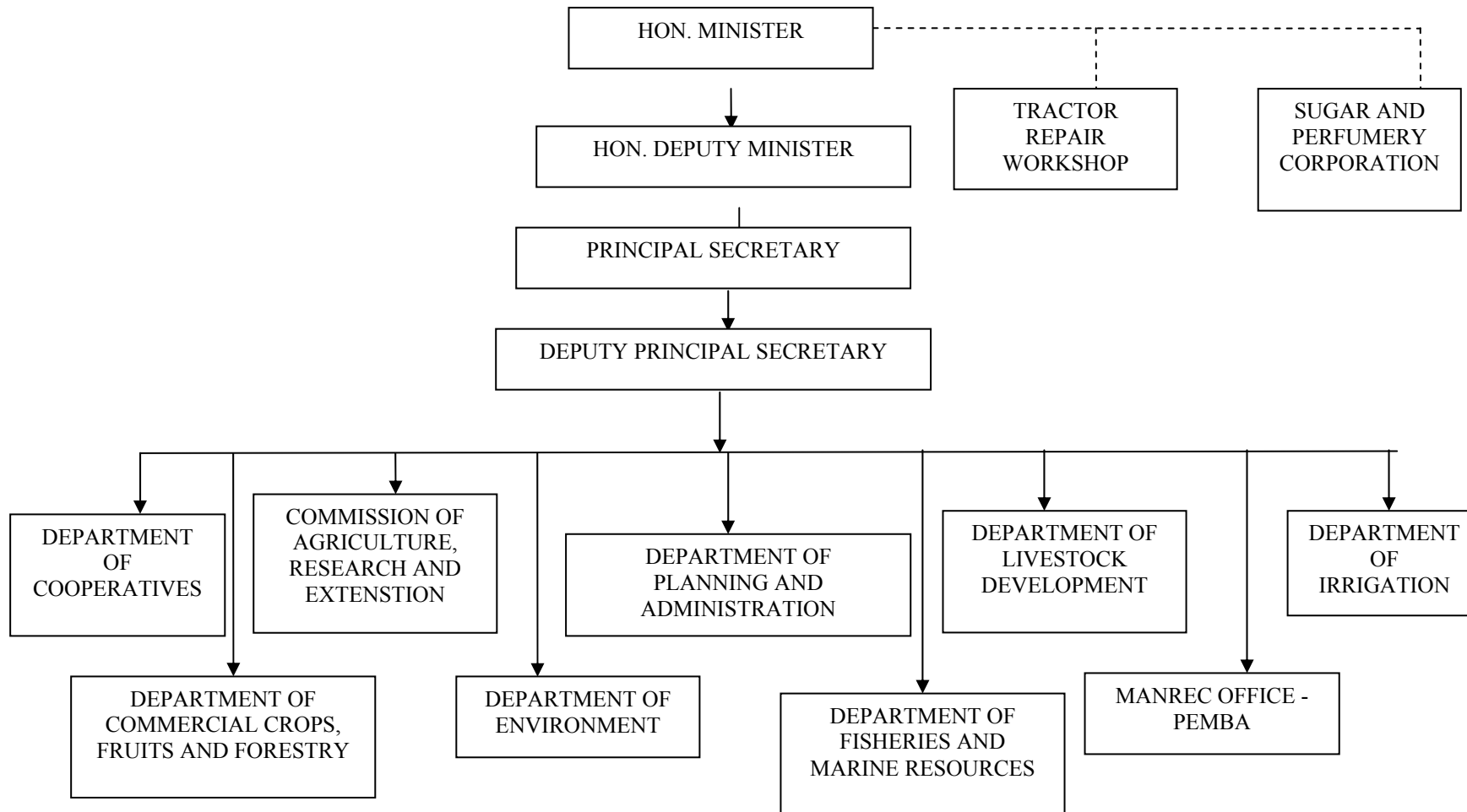


Chart 2: Organization structure of the Ministry of Agriculture, Natural Resources, Environment and Cooperatives (MANREC), Zanzibar



APPENDIX IV

Chart 3: Flow of Funds

