



**Technical/Narrative Report**

**Annual Consolidated Report**

**Submitted by the National Implementation Unit (NIU) to  
The Executive Secretariat (ES) for the Enhanced Integrated Framework  
and the EIF Trust Fund Manager (TFM)**

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**Tier 1 project in UNITED REPUBLIC OF TANZANIA**

Project title: **\_ CAPACITY DEVELOPMENT FOR MAINSTREAMING TRADE**

Date of approval by EIF Board: **13<sup>th</sup> MAY 2013**

Date of signature of MoU: **19<sup>th</sup> AUG 2013**

Starting date: **1<sup>st</sup> September 2013**

Duration of project: **3 YEARS**

Total project budget: **US\$ 4,395,000**

Amount received under this Agreement: **US\$ 900,000**

Amount received from other sources of funding: **US\$ 3,495,000**

Contribution of [name of Entity]: **UNDP**

Type of report: **Annual**

Time period covered by this report: **July 2013– June, 2014**

Amount spent during the period (US\$): **428,639**

Date: **31 July, 2014**

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**Rogers Dhliwayo**

**Officer-in-Charge**

**12/8/2014**

**Authorized Official Name, Date, Signature and Stamp:**



## **PART I. SITUATION ANALYSIS AND STATUS**

### **I.1 Overview of the country situation in project implementation**

- Please briefly describe any significant economic, social, political and trade developments that influenced project implementation in the reporting period.

**Apart from major changes that took place in the Government in August 2013 whereby the Ministry's Senior management was changed, there has not been another major development that has influenced the project implementation.**

### **I.2 Effects on project objectives**

- Please describe how the above changes affected or will potentially affect the project objectives.

**There are no changes in the project objectives.**

## **PART II: IMPLEMENTATION UPDATE**

### **II.1 Overview of the results**

- Outline the key activities of the project against the work plan during the reporting period as well as achievements vis-à-vis planned outputs.

**During the reporting period a number of capacity building trainings were undertaken for the Ministry of Industry and Trade for both mainland and Zanzibar, including staff from other trade related institutions and private sector organizations on the following topics:**

- a) Data processing and analysis; 20 staff were trained vs planned 20**
- b) Policy formulations, analysis and implementation; 20 staff trained vs planned 20**
- c) Government budgeting; 25 staff trained vs planned 25**
- d) 2 Monitoring and evaluation trainings (EIF monitoring system and MIT Framework);**
- e) 3 Project cycle management trainings (Mainland, Zanzibar and trade related MDAs and private sector entities); 73 were trained vs planned 75**
- f) Change Management training for directors and heads of units; 20 were trained vs planned 20.**

**Various meetings were conducted as planned i.e. quarterly and semi annually. The following meetings were conducted**

- a) Quarterly Trade Integration Working Group meetings**
- b) Quarterly Trade Integration Technical Committee Meetings**

- c) Semi-annual Trade Integration National Steering Committee meetings
- d) Semi-annual monitoring sessions with Zanzibar

**Procurement was done as follows:**

**Hiring of project staff:**

- a) 1 National Project Coordinator named Mr. Stephenson Ngoda;
- b) 1 Project Analyst posted in Zanzibar - Mr. Herman Masenga;

**Procurement of Consultants:**

- c) 1 Consultant for Capacity Needs Assessment in Zanzibar;
- d) Consultants for 2 Value Chains Mapping (Honey and Avocado);
- e) 1 Consultant for computerized file tracking system;

**Procurement of equipment**

- f) Data processing and analysis software;
- g) Office Equipments for Zanzibar and mainland such as desktop computers, laptops, photocopier machines, printer, scanners, projector and other office equipment as planned and requested for;
- h) Two project motor vehicles ; and
- i) File Racks for registry office at MIT

- Evaluate the overall progress –or setback – of the project against the work plan and log frame during the period.

**Overall, there was progress in implementation of the planned activities. All activities were implemented. However, disbursement of funds from UNDP to MIT through the government exchequer as required by the Ministry of Finance for all projects, was not as smooth as expected. Some delays were experienced in the exchequer approval process leading to reduced time for implementing all planned activities.**

**Low initial limited capacity of the NIU led to the delay in the review of the logframe and workplan hence leading to the delay in DTIS Update process. Nevertheless, capacity has been improving over time following number of capacity building activities and hiring of the Project Coordinator.**

- Note problems/obstacles or positive developments that were met during the period, how they may have affected the target delivery and how they have been addressed.

**Many positive developments followed the training sessions, for example participants of the policy training later redrafted and improved the ICT Ministerial strategy; with the M&E training the NIU reviewed the project log frame, work plan and came up with an M&E Plan; and further more the government budget training has helped budget officers to understand what mainstreaming trade means and for the first time some funds were allocated for mainstreaming trade by MIT.**

## **II.2 M&E and reporting**

- Please describe any M&E work, including reporting to Ministry and other stakeholders, and incorporation of results into Government reporting tools.

**Monitoring was done and reflected in the quarterly, semi and annual reports. Stakeholders were given opportunities to review and discuss the reports in various meetings such quarterly meeting of the Trade Integration Working Group (TIWG) which is composed of the network of trade policy analysts from the stakeholders and National Implementing Unit (NIU); the Trade Integration Technical Committee (TITC) which is composed of the Directors of Policy and Planning from stakeholders institutions and the Trade Integration National Steering Committee (TINSC) which meets semi-annually and is composed of Permanent Secretaries, Executive Directors. The reports emanating from the project were incorporated in the ministerial midterm and annual reports. Also, in the 2014/15 MIT budget the project activities form part of the development budget.**

- Describe any progress made on the development of the capacity-building plan in line with the work plan.

**Trainings were done in response to the capacity gaps in aid for trade identified in the Capacity Needs Assessment done by Ministry of Industry and Trade. Also, in May 2014 a Capacity Needs Assessment was done for Zanzibar and a capacity building plan has been developed.**

- Describe any capacity-building measure that was implemented during the reporting period. Include beneficiaries.

**Trainings were conducted in number of areas to build capacity of MIT and other trade related MDAs staff to coordinate, implement and monitor trade development interventions as well as mainstreaming trade in plans and programmes. These trainings were on Project Cycle management, Data processing and analyzing, government budgeting, M&E for MDAs and EIF M&E Framework, Policy analysis. The beneficiaries were trade analysts from MIT and trade lead MDAs and the private sector organizations. Also, training on Change Management was conducted for the MIT senior management in order to enhance their capacity to initiate and manage change at institutional and sector level.**

- What were the outcomes (positive or negative) of such measures?

**The capacity built through the data processing and analysis training has enabled the Marketing department to retrieve, organize, process and analyze crop and livestock marketing data. This has further enabled the Ministry of Industry and Trade to provide more information to various stakeholders. The information is now is available in the leading country daily newspapers.**

**The EIF M & E framework training has assisted the NIU to review the logframe and the workplan as well as to develop M&E plan for the project.**

#### **II.4 Sustainability and exit strategy**

- Please describe any actions taken towards the integration of the NIU or its functions into the Ministry framework.

**The NIU has been fully integrated in the Ministry. It is composed of government officials under planning and budgeting section which is part of the Department of Policy and Planning. This has been deliberately done to ensure sustainability of the project activities and will be part of exit strategy.**

- Please describe any progress regarding the implementation of the exit strategy for the project while sustaining the dynamics that it has initiated.

**NIU staff are MIT staff. Their capacities built will continue to be strengthened in an anticipation that they will be integrated into the ministry's structure when the project comes to an end.**

- Please describe the Government's contribution to the project over time, including in-kind and financial contributions.

**The government's in-kind contribution amounts to an approximate of US\$ 79,992 for year 1. This includes government salaries of NIU staff, office space and general equipment, electricity, water bills.**

#### **II.5 Communication and dissemination**

- Describe outreach activities that have been undertaken (e.g., publicity, press, digital stakeholder engagement) and what has been the impact.

**No substantial outreach activities were done due to ongoing process of developing an information communication strategy. Nonetheless, Media coverage of project activities were done i.e. during the equipment handing-over ceremony to Ministry of Industry Marketing and Trade, in Zanzibar; and during the opening and closing ceremonies of various trainings. The ceremonies were covered in TVs, News Papers and Websites.**

- Are there any good practices or lessons learned to share from outreach efforts that have been undertaken during the period?

**None as there were no substantial outreach activities**

## **PART III: FIDUCIARY AND ORGANIZATIONAL ARRANGEMENTS**

### **III.1 Organization and fiduciary management of the project**

- Please describe and report on any significant procurement activities undertaken by the unit, including problems faced, during the reporting period.

**All project procurement activities were done according plan.**

**A Project coordinator and a project analyst were recruited.**

**Project equipment were procured which include 2 vehicles, photocopiers, computers and accessories, printers, scanner, laptops, projector, 1 TV set, deck, a camera and two microphones. However, attention was drawn to the fact that the purchase of the two project vehicles was wrongly charged to the EIF budget. To resolve this issue, it has been decided that the amount charged will be reversed and charge to UNDP budget in the project.**

**Consultancies were done for computerized file tracking system, value chain mapping for honey and avocado respectively and capacity needs assessment for MITM Zanzibar. Also, a consultancy for a master plan for Zanzibar Trade centre is on-going.**

- Please describe any major organizational or fiduciary management issues that were faced during the reporting period, including efforts made to improve the organization/ management of the project.

**Some delays were experienced in transferring funds to the Ministry due to some process delays in the exchequer system. UNDP is working with the government through Ministry of Finance to resolve the problem.**

- Please describe personnel and administrative management issues and progress.

**In the signed project document, there was a provision for a CTA. However, before the CTA was recruited the government expressed preference for a National Project Coordinator rather than CTA. The main reason given for this was to ensure sustainability of the project activities and build in country capacity to manage Aid for Trade interventions. However, whenever need arises for specific technical support, short consultant(s) will be recruited.**

### **III.2 Financial management**

- Please describe any major financial and accounting management issues that were faced during the reporting period.

**No major issue encountered**

- Indicate any financial support/resources received from the Government and other donor sources.

**No financial resources received from the Government or other donors so far in addition to what already planned in the project document.**

### III.3 Implementation of past ES/TFM recommendations

- Brief update on the status of the implementation of the ES and TFM recommendations (in the EIF Board approval letter or from previous missions).

Approval Letter Recommendation	Status	Next Step
<b>ES Recommendation 1</b> DTIS Update; the proposal for the DTISU, including, the DTIS U budget should be prepared and submitted to the ES and the TFM as soon as possible in order to meet the required for input into the upcoming National Development Planning Process.	MIT has started the process of identification of MIE for the DTIS U.	MIT in collaboration with MIE to be identified will submit write-ups such as ToR, Workplan and budget to ES and TFM by October 2014.
<b>2</b> Involvement of the wider partnership including linkage with other related development initiatives, regular dialogue with private sector and trade donor groups, leveraging bilateral support in a wider aid for trade for Tanzania	All stakeholders including bilateral donors participate in the Trade Integration Technical Committee (TITC) and Trade integration National Steering Committee (TINSC) meetings  Also through the Trade/Industry thematic working group meetings	This will continue
3a) Revise log frame and work plan in light of recommendations	a)Done	It will be submitted to ES/TFM on August 2014
b) Profile and Staffing for Zanzibar	b) Project Analyst has been recruited will work DPP of	It will be submitted to ES/TFM in September 2014

	MITM on profile and staffing for Zanzibar	
4 Capacity development plan should continue to be key reference for implementation of tier 1 project	All capacity building activities that have been undertaken are linked to the capacity development plan of MIT and the newly developed CAN report for MTIM (Zanzibar)	Will continue to follow the capacity development plan
5 Annual reporting should also include the relevant sections on results and indicators and other relevant reporting as requested by ES/TFM	We have an updated results and indicators report	Will submit to ES /TFM whenever required.
6 Develop a Trade mainstreaming roadmap earlier than year 3, preferably in conjunction with the DTISU	Trade mainstreaming roadmap is planned for in Year 2	Development of Trade mainstreaming roadmap will be done in year 2 before DTIS Update process
7 Request for foreign travel should be cleared through the ES and TFM	Foreign travel is planned for this year	Request will be submitted to ES and TFM as required
8 the targets and indicators for tier 1 project, DTIS U, TTIS and other related documents to be linked with the M&E framework being developed with the support of DANIDA	M&E framework is not completed	All these issues are linked in the MIT M&E Framework
<b>TFM Recommendations</b>	Done	Done
1 A summary 3 year work plan and detailed year work plan be prepared and communicated to the EIF Board the ES and TFM within 6 months from signature of agreement with UNDP		
2 within 3 months of signing of the agreement with UNDP for the Project a revised budget should be submitted to the ES/TFM addressing specifically UNDPs fee ( 7%) properly	Done	Done



calculated on an annual basis		
<b>3</b> the agreement between UNDP and GoT should be submitted to the ES and the TFM for review before it is signed within 3 months of the signature of the legal agreement with UNDP	Done	Done
<b>4</b> the UNDP should provide a transfer of capacities plan within 6 months of the recruitment of the Chief Technical Advisor in line with the sustainability and exit strategies	As per government preference a National Project Coordinator was recruited on March 1 <sup>st</sup> 2014 instead of CTA	Capacity Plan in line with sustainability and exit strategy will continue to be implemented and shared with ES.

**NOTE: THE FOLLOWING SECTION (PART IV) IS FOR THE ANNUAL REPORT**

**PART IV: ANNUAL REPORT UPDATE**

**IV.1 Outcomes/results of the project**

Please complete as succinctly as possible:

**IV.1a Trade strategy**

		YES	NO	Remarks (short narrative)
1	A trade strategy is formally approved and published (if yes, state year)	x		The update of Tanzania Trade Integration Strategy -TTIS (2009-2013) is due. It will be handled as part of the DTIS update process.
2a	The trade strategy targets national competitiveness (i.e., identifies comparative and competitive advantages) and productivity improvements	x		TTIS addresses competitiveness issues.
2b	The trade strategy targets national competitiveness only		x	Both international and national competitiveness
3	The trade strategy follows a sector-by-sector approach, including reference to quality standards	x		It has identified priority sub-sectors and focusses on addressing issues of quality and standard related to the sectors.
4	The trade strategy identifies links with poverty, gender and the environment	x		Links with national strategy for growth and poverty reduction that include gender mainstreaming and environmental impact mitigation
5	The trade strategy had an effective stakeholder process during development	x		Stakeholders consultative meetings were held, draft team was composed of both government and private sector stakeholders, draft went through Inter-ministerial technical committee and approved by the cabinet
6	The trade strategy links to other formally adopted national strategies	x		MKUKUTA/MKUZA , Agriculture Sector Development Strategy (ASDS)
7a	The trade strategy identifies key target markets, including reference to bilateral, regional and multilateral trade arrangements	x		National Export Strategy identifies all key target markets
7b	The trade strategy identifies key target markets	x		
8a	The trade strategy includes issues relating to trade facilitation and infrastructure	x		Strengthen trade facilitation and improve infrastructure
8b	The trade strategy is under		x	National Trade Policy of 2003 is under

	development			review. New trade strategy will be developed after DTIS update
9	There is no trade strategy	x		TTIS expired in 2013
	<b>Total Score</b>	10	2	

#### IV.1b Trade strategy implementation

		YES	NO	Remarks
1a	Quality trade strategy implementation plan established with clear and measureable indicators	X		TSDP is an implementation arm of the TTIS. However, the TTIS ended 2013
1b	Quality trade strategy implementation on target/ as foreseen		X	TSDP is not yet fully funded
2a	Mechanism to revise implementation plan <b>established</b>	X		Updated DTIS will be used as a mechanism to revise implementation plan
2b	Mechanism to revise implementation plan <b>considered</b>		x	It will be considered after DTIS updated.
3a	Progress in implementation (65 per cent or above of plan are implemented as foreseen)	X		
3b	Progress in implementation (50 per cent or above of plan are implemented as foreseen)	X		
3c	Little progress in implementation; only a couple of priorities addressed if at all		X	More than 65% of the plan was achieved.
	<b>Total Score</b>	4	3	

#### IV.2a Is there a national development plan (NDP) or poverty reduction strategy paper (PRSP)?

NDP?: Yes X No \_\_\_\_\_ PRSP?: Yes X No \_\_\_\_\_

Remarks:

#### IV.2b If yes, when was it produced/ published? (Year) NDP: 2011 PRSP: 2011

#### IV.3 Trade in PRSP and/or national development strategies

		YES	NO	Remarks
1	There is an identifiable section in the PRSP/NDP relating to trade	X		
2	The DTIS cycle is aligned with the PRSP cycle		X	But TTIS which implements DTIS aligned with PSRP (MKUKUTA) cycle
3	The trade discussion is related back to, and informed by, the description and analysis of	X		

	poverty at the beginning of the PRSP/national development strategy			
4	The PRSP/NDP covers other national and international factors affecting trade (supply-side constraints, such as infrastructure, demand-side constraints, such as market access, and trade issues relating to local and regional markets in addition to the international level)	X		
5	Trade is fully integrated into the key sector strategies		X	Ministry of Agriculture, Food Security and Cooperation is in the process of preparing a strategy to implement National Agriculture Policy of 2013 which included Trade issues
6	Action plans for implementation are defined	X		Refer TSDP which implements TTIS
7	A specific budget for implementation of the action plan is defined		X	Limited resources
8	Where the poverty analysis section of the PRSP (or where relevant in the national development strategy) discusses non-income aspects of the poverty, this informs the trade content of the document	X		Trade issues are included in the following:- Cluster 1: Growth and Reduction of Income Poverty; and Goal 2: Reducing income poverty through promotion inclusive, sustainable and employment-enhancing Growth and Development
9	The PRSP/NDP discusses trade policy options explicitly (describing how they differ by productive sector, their different impact on vulnerable groups, explicit trade and gender linkages, and differentiations between consumers, producers and employees in an urban and rural environment)	X		
10	There is a description of how the content of the trade policy in the PRSP/NDP was formed	X		
	<b>Total Score</b>	7	3	

**IV.4a** Are there other sectors (e.g., agriculture, rural development, industry, energy, tourism, transport etc.), with trade incorporated into their strategies?

Yes  No

**IV.4b** If yes, please list the sector: Industry sector with reference to the Integrated Industrial Development Strategy – IIDS which implement Sustainable Industrial Development Policy 1996

Remarks:

IV.4b If yes, please list the sectors: \_\_\_\_\_

Remarks:

#### IV.5 Public-private sector coordination mechanisms

		YES	NO	Remarks
1	Public/private consultation mechanisms on policy formulation and implementation are operating regularly (at least every six months)	X		They meet quarterly
2	The consultations are chaired at Ministerial level with high-level participation across the relevant Government agencies.	x		Ministerial level – Permanent Secretaries
3	The decisions taken by these meetings are followed up upon with an implementation plan, including monitoring	x		Meet semi-annually to evaluate progress on implementation. Any change needs approval by the committee which may call for extra ordinary meeting
4	The decisions taken by these meetings are followed up upon but <b>without</b> an implementation plan		X	
5	A full range of interest groups, including women's business groups, is included in the consultations	x		Depending on the subject matter
6	The private sector can initiate consultations on matters of relevance to the private sector	x		
	<b>Total Score</b>	5	1	

#### IV.6 Government-donor coordination on trade-related matters

		YES	NO	Remarks
1a	Two or more development partner/Government formal meetings are held per year where trade is included as a specific agenda item	x		This is usually done through Quarterly Trade and Industry Thematic working group meeting
1b	One development partner/Government formal meeting is held every two years where trade is included on the agenda	x		
1c	No development partner/Government formal meetings are held where trade is included on the agenda		X	
2a	These meetings address trade policy issues and greater coordination of donor interventions.	X		
2b	These meetings address <b>only</b> greater coordination of donor		X	

	interventions <b>but no</b> trade policy issues			
2c	Minimal coordination of donor interventions		X	
3a	High-level Government participation (at Ministerial level) at these meetings is the norm	X		
3b	High-level Government participation (at Ministerial level) at these meetings is not consistent		X	
3c	High-level Government participation (at Ministerial level) at these meetings is minimal		X	
4	Where it exists, trade is part of the budget support matrix	X		
	<b>Total Score</b>	3	7	

**IV.7a** In addition to support that your country receives from the EIF, is there any other source of trade-related support in your country? Yes X No     

**IV.7b** If yes, please list the source(s): EU – EDF, BSPS – DANIDA, JICA, UNIDO,

Remarks:

**IV.8a** Is there an action plan or strategy that integrates all trade-related support to your Government and coordinates the activities? Yes X No     

**IV.8b** Does this action plan or strategy integrate cross-cutting issues like gender and the environment?

Gender: Yes      X      No     

Environment: Yes      X      No     

**IV.8c** Is there a Government unit/parastatal that coordinates such trade-related support?

If yes, please name the unit: Programmes and Projects Coordination Unit

Remarks: The Unit is under the Department of Policy and Planning at MIT

**IV.9a** Are donor trade-related activities based on the countries' DTIS Action Matrix priorities?

Yes ---X; No     

**IV.9b** If yes, please list the donor and related DTIS Action Matrix priorities?

	Donor	Action Matrix Priority
1	SECO	Horticulture
2	USAID	Horticulture
3	DANIDA	Institutional Capacity building – Negotiations, Studies, CAN etc

**IV.9c** Are there trade-related initiatives that are managed by at least two donors? (Examples include needs assessment, strategy formulation, joint project programming, pooled funding etc.)

Yes  No

If yes, please list the donors and trade-related initiatives

	Donors	Trade-Related Initiatives
1	UNOPS/UNIDO/ILO/SWISS	Horticulture&Tourism
2	USAID,DFID, UNDP, WB, Norway	SAGCOT initiative
3		

Remarks:

**IV.10 Medium-term implementation plan**

		YES	NO	Remarks
1a	Costed medium-term EIF/Aid for Trade (Aft) programme, indicating priorities and sequencing, has been developed and validated by the NSC	x		TSDP
1b	Costed medium-term EIF programme, indicating priorities and sequencing, has been developed and validated by the NSC; some Aft needs may still be outside of this programme	x		
1c	Costed medium-term EIF programme has been developed and validated by the NSC	x		TSDP
2a	Medium-term programme is part of the NDP		x	Not part of but is linked
2b	Medium-term EIF programme is linked (or being linked) to the NDP	x		
2c	Efforts are underway to link the medium-term programme to the NDP	x		Review workplan and log frame
3a	Medium-term programme has been developed in consultation with the donor community (with Donor Facilitator (DF) as key counterpart)	x		Sweden provided funds for development of the TSDP
3b	Medium-term programme has been developed in consultation with the DF	x		
3c	Medium-term EIF programme has been developed (or is being developed) in consultation with the DF	x		
4	Medium-term EIF/Aft programme is part of the Government-donor dialogue	x		
5	No actions have yet been taken to develop a medium-term EIF programme		x	
	<b>Total Score</b>	9	2	

**IV.11 What are the Aft flows to your country for the following years?**

Aft flow: 2009 \_\_\_\_\_ 2010 \_\_\_\_\_ 2011 \_\_\_\_\_

Remarks: Not available for now but will be availed after developing a donor matrix

**IV.12 Please list projects and associated amounts funded by donors that are related to the DTIS Action Matrix**

	Project Title	Amount (\$)
1	SECO	3,500,000
2		

Remarks:

**IV.13 Work plan of the project**

- Please describe any significant changes that occurred during the reporting period in the implementation of the work plan as described in project proposal.  
**No Change.**

**IV.14 Risk analysis**

- Given the developments that occurred in the context and status of the project during the reporting period, how do you evaluate the *main risks* that the project has to address if it is to achieve its objectives? **No major risks foreseen.**

**IV.15 Stakeholders' and partners' perspectives**

- Please indicate with examples stakeholders' participation in project implementation and their expectations.  
**The Project has well structure fora – TIWG, TITC and TINSC where stakeholders participate in the project implementation.**
- Please report partners' perspectives, their participation in the implementation of project activities and benefits from the project. This should include the Government partners, private sector and civil society.  
**Partners have participated in different capacity building training sessions. Their responses on training workshops evaluations are quite positive about the what the project has been doing.**
- Please report future perspectives of the project based on the NIU and Ministry's assessment.
  - **Trade will mainstreamed in all key trade lead MDAs;**
  - **Capacity will be built with key trade lead MDAs to develop bankable Tier 2 projects**
  - **MIT through NIU will have enough capacity to effectively coordinate AfT and trade integration.**