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**CONSOLIDATED REPORT FOR AGRICULTURE SECTOR
SOCIAL ACCOUNTABILITY MONITORING PROGRAMS IN SELECTED
DISTRICTS OF TANZANIA**

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For ANSAF

March 2013

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List of Acronyms and Abbreviations

A-CBG	Agriculture Capacity Building Grant
A-EBG	Agriculture Extension Block Grant
ANSAF	Agriculture Non State Actors Forum
ASDP	Agriculture Sector Development Programme
ASLMs	Agriculture Sector Lead Ministries
CAG	Controller and Auditor General
CBOs	Community Based Organizations
CEMDO	Community Environmental Management and Development Organization
CG	Central Government
CSOs	Civil Society Organizations
DADG	District Agriculture Development Grant
DADP	District Agriculture Development Plan
DASIP	District Agriculture Sector Investment Programme
DC	District Council
DPs	Development Partners
FBOs	Faith Based Organizations
FY	Financial Year
GoT	Government of Tanzania
KADERES	Karagwe Development and Relief Services
LGAs	Local Government Authorities
MKUKUTA	Mkakati wa Kukuza Uchumi na Kupunguza Umasikini
MoFEA	Ministry of Finance and Economic Affairs
MTEF	Medium Term Expenditure Framework
NGOs	Non Governmental Organizations
NSAs	Non State Actors
OC	Other Charges
O&OD	Opportunities and Obstacles to Development
PCCB	Prevention and Control of Corruption Bureau
PE	Personnel Emoluments
PMO-RALG	Prime Minister's Office- Regional Administration and Local Government
SAM	Social Accountability Monitoring
URT	United Republic of Tanzania
WDC	Ward Development Committee

EXECUTIVE SUMMARY

The Constitution of the United Republic of Tanzania (1977) provides for regulatory and institutional framework for public accountability and oversight in Tanzania. Article 8(1) of the URT Constitution states very clearly that “the Government shall be accountable to the people and the people shall participate in the affairs of their Government”. Moreover, Chapter 3 of the Constitution contains articles that reaffirm that the Parliament is the oversight body for the government. Similarly at local government level, the full council is a replica of such oversight body with relatively same functions. Other institutions of accountability are the National Audit Office, PCCB, Ethics Secretariat, the media and the civil society.

Government commitment to ensuring greater accountability is expressed under the National Strategy for Growth and Reduction of Poverty (NSGRP), also known as MKUKUTA. Cluster III of MKUKUTA on good governance and accountability emphasizes, among other things, the need to strengthen oversight bodies and deepen civic involvement in the preparation, formulation and monitoring of poverty reduction strategy through expenditure reviews and budget. This includes making information about budgets, expenditures and revenue widely available down to the local level (section 2.1.3). In addition to this, the GoT signed for the Open Government Partnership (OGP) in 2011 as an effort to ensure government undertakings are more open to citizens’ scrutiny in order to improve delivery of quality services. Within the OGP framework, the government is committed to quality, responsiveness, and timeliness in addressing power and resource mismanagement in public institutions. However, there are arguments whether the aforementioned policies and regulations are actually put into practice.

The Agricultural Non State Actors Forum, (ANSAF) has been undertaking Social Accountability Monitoring (SAM) interventions with its members in various Local Government Authorities (LGAs). The main objectives of interventions have been to create awareness to actors (particularly local level) on issues related to SAM and enhancing constructive citizen engagement in local governance; identifying major challenges in identifying, allocating resources and implementing, monitor and assess agricultural interventions supported by the government and other stakeholders; and strengthening local actors’ capacity to collect and synthesize information and coming up with constructive proposal to address the bottlenecks in accountability system in agricultural sector.

This review provides an analysis of findings of Social Accountability Monitoring in agriculture sector implemented by ANSAF members in selected districts in Tanzania. Based on reports from SAM implementing teams in six districts i.e. Tandahimba, Singida, Korogwe, Iringa, Ulanga and Karagwe District Councils, the review gives an overview of agriculture planning and budget process, the involvement of different stakeholders in DADP process as well as an analysis of the budget allocation, expenditure management and LGAS’ performance in implementation of agriculture interventions in the case districts. The review also analyses the capacity of the oversight institutions in enhancing LGAs’ accountability and provides some concluding remarks on the way forward.

What are the Key Findings?

- District Agricultural Development Plans are initiated at the very local level i.e. the village but the level of NSAs consultation and engagement in DADP process is limited, of course, although there are variations among LGAs, depending on aggressiveness and the level of awareness among other actors.
- There are various resources available for LGAs development interventions including agriculture. Central Government Transfers, Council Own Sources, NGOs, Development Partners and Local community. Of all sources, the biggest portion of funds comes from the Central Government/treasury –contributing 80-90% of LGAs budget.
- The capacity to mobilize local funding for development intervention (including those related to agriculture) in the case LGAs is generally low. For example, only 6.6% of LGA resources in Tandahimba DC in FY 2008/09 came from council own sources as compared to Singida DC 7.2% (FY 2008/09) and Iringa DC 13.6% (FY 2010/11).
- LGAs collect substantial amounts of revenues from agricultural levy (20-65%) but very little is spent on agriculture. This is a clear indication that there are no concerted efforts to capitalize the agricultural sector.
- Despite their important role in promoting agriculture development, NSAs' (particularly private sector, NGOs and civil society) contribution in LGA agriculture interventions is very minimal.
- During the resource identification, prioritization and allocation councilors hardly receive enough information to properly guide them. Despite this, most LGAs have been receiving funds as requested from central government.
- The process of approving documents at LGA level follows procedure but most councilors have limited conceptual and analytical understanding
- Local governments are experiencing an increasing trend towards financial decentralization, amid some challenges. The purpose of decentralization is to encourage LGAs responsiveness, citizen participation in the budget implementation and improving service delivery at the local level. Findings from SAM reports indicate that more resources have been disbursed to lower LGAs to facilitate implementation of village agriculture development plans (VADPs).
- SAM reports from the case districts indicate that there is a deficit between approved budget and disbursed fund from treasury. The review of SAM report from Korogwe DC for instance, revealed that the LGA received 78% of all funds approved for spending in agriculture development in FY 2010/11(TZS 448,464, 415 as compare 575,921,000).

- DAPDs spending are not strategic enough to result increased agriculture productivity and sector's growth. For example, in Tandahimba DC, the majority (more than 20%) of DADG resources were spent on working gears.
- There is an established system of accountability from village up to national level, with relatively clear reporting procedures from one level of governance authority to another.
- Financial Management Practices in the case districts are generally poor. There are rampant cases of fund mismanagement that also reflected in CAG reports.
- Although the councilors are the expected to act as the equivalence of parliament at central government level, their capacity to fulfill their watchdog role is low. Often times they do not visit interventions. Some LGAs do not have access to auditor general audit report and therefore difficult for them to press for improvement.
- Access to budget information, for lower cadre officials, CSOs and common citizens is very limited (counter Open Government Partnership). A case in point here is the DADP guidelines, funds transfers from central government and revenue collection and utilization by LGAs. This has negative consequences in promoting accountability and better resource use. For example, in Karagwe district due to lack of information among citizens, an approved a charcoal dam project was changed into a feeder road improvement project without informing the community on change of project. In Ulanga district, due to poor process of offering tenders, an irrigation scheme was washed away repeatedly with same company given the tender to reconstruct the irrigation canal on extra cost to LGA.

Recommendations:

- a) A sustainable and more inclusive social accountability system is needed to build or the current SAM work. ANSAF needs to engage and work with LGAs, Private Sector, Media and other CSOs to build and strengthen the capacity of local stakeholders to demand government accountability.
- b) Promote sizeable local funding to development budget in agriculture sector to increase productivity and food security. ANSAF should lobby Policy Makers and Relevant Government Officials to allocate more resources to agriculture sector. Similarly, Non State Actors should be mobilized to contribute and demand considerable increase in agriculture budget at the LGA level.
- c) There is a need to improve DADP consultation process at the local level to ensure the various community groups – the youths, women, CBOs, FBOs, farmers associations, private sector, media and others are involved throughout the budget process - planning, execution and performance assessment. The current nature of consultation and invitation in DADP process is limited to O&OD process which does not provide enough room for Non state actors to provide their inputs and and/or fully engage in the budget process. NSAs need to be more organized to engage in the process. However, their capacities to

engage need to be developed, and this is the role of all agriculture stakeholders with competence.

- d) If possible ANSAF should work closely with MoFEA, PMO-RALG and LGAs to promote timely release of funds from the central government down to the village level.

- e) There is need to strengthen the capacity of councilors and civil society to demand regular and timely provision of budget information and LGA performance reports as required by the law - to discuss relevant business prior to approval by full Council. They should also monitor LGA performance and provide feedback.

- f) Promote down ward accountability. If possible ANSAF should develop and implement capacity building programme for LGA staff, councilors and CSOs.

CHAPTER 1: BACKGROUND

1.1 Introduction

The Agricultural Non State Actors Forum (ANSAF) is a member–led forum involving organizations and individuals from the commercial sector, NGO sector (both Tanzanian and international) and from farmers’ groups in Tanzania. It seeks to work with members and non-members to coordinate collaborative efforts to influence policy and practice change on crucial issues affecting agriculture, marginal, smallholder farmers (men and women) and other stakeholders through learning, communicating and advocacy. ANSAF provides platform for actors to discuss and work towards solutions to improve the agriculture sector in the interests of men and women currently living in poverty.

The Forum works on a range of issues, seeking to promote learning and sharing among actors, providing evidence based advocacy by providing alternative constructive policy proposals. In collaboration with ANSAF members, the secretariat has been working with members on social accountability work. Selection of these members and districts to work with was entirely a members’ decision based on where the operations are being undertaken. Therefore the information represented here is entirely the members’ effort in promoting social accountability monitoring.

ANSAF challenges the status quo and promotes dialogue and research findings in order to advocate for better agricultural policies. To promote wide sharing and sustainable solutions, the forum brings together stakeholders at various levels for discussions. The Secretariat has been organizing roundtables and breakfast debate at national level and coordinating feedback sessions with stakeholders at local level in collaboration with relevant members.

1.2 Over View of Policy Orientation

Tanzanian government derives its power from the people, citizenry. It is answerable to the people of Tanzania. The government has a well established governance structures from national level to the lowest governance unit. Therefore, there is a relatively clear accountability system on legal, political, administrative, financial, managerial, parliamentary, moral and societal matters. The answerability of one body to another (group of) unit is set to ensure accountability and maintain checks and balance in a particular way.

Despite its downward accountability, Tanzanian government is also accountable to external bodies, particularly bilateral and multilateral agencies. This poses challenges as the government

has to operate within specific parameters and ensure it maintains its good relationship with foreign agencies while delivering quality services to its people.

Nonetheless, social accountability monitoring has main focus on how the government delivers its services and enhances it people to realize their human and constitutional rights. This means, downward accountability is critical and very essential to foster democratic processes. Imperatively through democratic processes, the democratic norm, values and principles are employed and endorsed by the government in its dealings with entrusted resources and power. Social accountability puts greater emphasize on rationality, efficiency, procedure, and impartial actions that demands for enforcement and reward (soft and hard) system for good and poor performers.

It is with this understanding that the government in its MKUKUTA document puts strong emphasize on accountability as drivers to ensuring equitable growth and poverty reduction.

1.2.1 Relevant Macro Policies

The second national Strategy for Growth and Poverty Reduction (popularly known in Kiswahili as MKUKUTA II) has been built upon the first National Strategy for Economic Growth and Poverty Reduction (NSGRP). The first goal of MKUKUTA that focuses on growth and reduction of income poverty commits the government to address challenges related to income poverty and distribution. Agricultural sector remains the largest sector that commands greater opportunities to address income and distribution issues. The sector is mainly dominated by smallholder producers, who happen to be among the poorest people in the country.

MKUKUTA commits the government to reducing income poverty through an inclusive, sustainable and employment enhancing growth, ensuring food security and climate change adaptation as well as allocating and utilizing national resources equitably and efficiently for growth and reduction of poverty in rural areas.

Thus, the government commits itself to modernize small, medium and large scale agriculture so as to realize increased productivity, employment, profitability and incomes. For this to happen, especially in rural areas where majority depend on agriculture, government has to identify *strategic interventions* that would register impact, by directing resource to intervention that address blockage s along the value chains of strategic agriculture commodities.

1.2.2 Sectoral Policy Framework & Institutional Framework

The African Heads of States agreed way back in Maputo on prioritizing agriculture as a mechanism to reduce poverty and food insecurity. In their statement, that was later known to be Maputo Declaration, the African Union committed to allocate a ten percent of the national

budget to support agricultural intervention, with aim of achieving 6 percent sustained sector growth.

Tanzania has been pursuing the Agricultural Sector Development Strategy (ASDS) through the sector development Programme (ASDP). The ASDP is the sector's blueprint for agricultural growth and poverty reduction articulated in MKUKUTA, and the former aims at increasing farm profitability and incomes; private sector investment; and an improved regulatory and policy environment in the agricultural sector.

The performance of ASDP is anchored on resource mobilization, timely availability and strategic interventions among others. Despite the national level picture and interventions, undertaken through initiatives such as Irrigation scheme, input voucher system and rural electrification, the local initiatives take into account the context and set priorities based on stakeholders' analysis which are linked to the national level macro policies such as marketing, value chains, MKUKUTA and the Tanzania Development Vision 2025.

The government and donors support agricultural interventions through a number of approaches, but mainly through General Budget Support, Basket Funding and project approaches. However resources tracked by ANSAF are the ones released through exchequer (treasury route). The district agricultural development plans (DADPs) are anchored on regular guidelines that are produced on annual basis. Traditionally there have been three main categories of DADP funds, including investment (district agricultural development - DADG); capacity building (ACBG); and extension block (EBG) grants.

1.2.3 Local Level Processes and Structural Frameworks

DADPs are the results of villages agricultural development plans (VADPs) which benefits from a consultative process of opportunities and obstacles for development (O&OD). The later considers the sector context and gives opportunities for villagers and village government to decide on the priority interventions. Approved VADPs are reviewed and compiled by the ward development committee (WDC). The approved and compiled plans are reviewed by technical committees at district level before being compiled into DADPs for approval by the full council.

The approved DADP budget is shared with Prime-Minister Office –Regional Administration and Local Government (PMO-RALG) for review and approval before being shared with treasury for funds transfers. DADP funds transferred from treasury directly to district, which finally transfers the same to respective community and group projects.

District agriculture development plans (DADPs) and comprehensive district plans as it is for the national level plans and budgets are based on a three year (medium term expenditure framework). Within MTEF, spending priorities are clearly articulated with amount of resources allocated over a certain period.

1.2.4 Open Government Partnership

Tanzanian government signed for the Open Government Partnership (OGP) in 2011 as a commitment to ensure government undertakings are more open to citizens' scrutiny in order to improve delivery of quality services. OGP commits the government to quality responsiveness, and timeliness in addressing resource and power mismanagement among civil servants. Prior to 2011, the government in 1999 had developed the National Framework for Good Governance (NFGG). This is a strategic framework for building transparency, rule of law and accountability systems. It reinforces MKUKUTA cluster III on good governance with loud voice on people's participation in decision making, better legal and regulatory framework for private sector; and general openness in conducting public affairs. Civil society, farmers' organizations, media and private sector are expected to effectively engage the government and encourage openness in government transactions and integrity. Specific deliverables have been set and a Performance Assessment Framework (PAF) developed in order to promote vertical and lateral accountability.

1.3 Social Accountability Monitoring (SAM)

Social accountability monitoring is an approach that attempts to institute a structured accountability system while empowering the rights holders to press for answerability for actions and inactions among civil servants. It puts the citizens at the centre of holding the government accountable. It reminds the duty bearers of their commitments and assesses the systems in terms of how resources are identified, plans for utilization and resource allocation; how duty bearers utilize resources entrusted to them; what is the performance based on resources used (quality of services and value for money); available mechanisms to institute public integrity on abuse of power; and accountability and answerability before the oversight functions.

Thus, it is about how the state is answerable to its constituency- the people; and it is through this approach that eventually the citizens are empowered to demand participation, transparency and access to information. It provides for opportunities among various social groups, women, youth, poor people to participate in decision-making process.

1.4 The Objectives of the Desk Review

This review is intended to develop a consolidated report based on findings of selected Agricultural Sector SAM projects implemented in selected districts in Tanzania. The main purpose is to document findings and identify strategic issues that are more likely to be successful in achieving changes in policies or practices and produce positive and widespread benefit of local communities and the nation at large. Furthermore, the review attempts to make proposals on methodology for joint engagements by research, advocacy and media partners.

CHAPTER 2: METHODOLOGY

The methodology and approach employed by ANSAF in the conduct of Social Accountability Monitoring (SAM) is outlined as follows:

2.1 Selection of Members to work on SAM

All ANSAF members were asked to indicate their interest to participate in SAM. Some of these members have been working on local planning and budgeting process. ANSAF members with interest to participate in SAM submitted their request to the secretariat before the final list was compiled. Each member had a different time for training. Except for ActionAid and Concern, the rest were all local CSOs and one private company (Katani Limited)

2.2 Identification and Selection of SAM team

Members were asked to identify a focal person who will select SAM team members –comprising of local actors, including CSOs, private sector, at least two councilors and two civil servants from relevant departments. In total, SAM team had between 12 and 15 members, involving youth, women and men.

2.3 SAM team training and training materials

All team members were training on SAM methodology. Specifically, the contents of the training included resource identification and planning, expenditure and performance monitoring as well as public integrity and oversight functions. All training sessions involved group work, plenary discussions and review of relevant documents as well as case stories. In each stage various relevant documents were reviewed to give the SAM team a better understanding on the practice vis-à-vis the out-to-be. Different facilitators were used to facilitate at least ten days training based on their areas of competence.

A Training Programme on SAM was a joint effort between ANSAF secretariat, Policy Forum and local partner (ANSAF member).

2.4 Field work and data collection

An agreement on which year to be analyzed (deep analysis) was reached among SAM team members and a selection of project to review was done –based on practical knowledge of the interventions as well as interest generated during the discussion (see table 1 below). Such projects included slaughter slab, irrigation canal, charcoal dam and others. A small team out of SAM team visited the field and produced report –with facts (pictures) and own analysis.

Another small team was responsible for reviewing data (word documents and reports) and others (2-3 people) were doing data entry and analyzing financial information.

Table1: LGA involved in SAM and year of Analysis

S/No	Name of LGA	Year of Analysis (FY)
1	Karagwe	2008/09
2	Tandahimba	2008/09
3	Singida	2008/09
4.	Ulanga	2009/10
5	Korogwe	2010/11
6	Iringa	2010/11

2.5 Data Analysis and report writing

Data analysis and reports were submitted to the small team for compilation. Each team was responsible for giving out the draft report that was reviewed with ANSAF secretariat before the large group agreed on the findings and/or provided feedback on the report.

2.6 Feedback Sessions with Senior LGA officials

A preliminary meeting with senior district officials with heads of responsible department was organized and conducted in each district to confirm and agree on issues before opening for the large group.

2.7 Feedback session with Councilors & Law Enforcement bodies

To provide feedback to key stakeholders, different meeting with some councilors (from relevant committee) and law enforcement agencies such as PCCB, Policy and district commissioners were organized. This meeting also involved people from the media.

2.8 Feedback with Community

Community –who are beneficiaries from a particular visited project were invited in the sharing of findings. These commented on key findings and proposed way forward.

CHAPTER 3: KEY FINDINGS

This section presents the findings of Agriculture Sector SAM studies conducted by ANSAF Members in six LGAs namely; Karagwe, Korogwe, Ulanga, Tandahimba, Iringa and Singida District Councils. Specifically, the chapter provides an overview of agriculture planning and budget process, the involvement of different stakeholders in DADP process as well as an analysis of LGA performance focusing on budget allocation, expenditure management and implementation of agriculture development interventions in the case districts. The section also analyses the capacity of the oversight institutions in enhancing LGAs' accountability.

3.1 Agriculture Planning and Budget Framework at the LGA Level

In general, the planning and budget process at the local government level in Tanzania is guided by sector specific policies and the national development strategy, also famously known as MKUKUTA. These policies and the strategy set the goals and development targets for each sector. As far as agriculture sector is concerned, development objectives are reflected in Cluster 1 of MKUKUTA II¹ and the relevant policies such as the National Agriculture Policy, Livestock Development Policy, the National Water Policy, Irrigation Policy and Agriculture Marketing Policy, to mention just a few. Presently, these policies are aimed to improve agriculture productivity and sector growth from the current average 4% to 6.3% by 2015.

The operational framework for reaching sectoral goals and the set out target is the Agriculture Sector Development Programme (ASDP), which is largely implemented at the district level through the District Agricultural Development Plans (DADPs). The DADPs are part of the broader District Development Plans (DDPs). Essentially, the Medium Term Expenditure Framework (MTEF) mechanism and the government budget are important tools for implementing DADPs at the LGA level.

3.1.1 DADP Process and the Involvement of Different Stakeholders

ASDP guidelines provide step by step process in identifying priorities in consultation with community beneficiaries and stakeholders at village, ward and district levels. According to the guideline, DADPs are expected to originate from the very local people (at the village) through O&OD process – a participatory planning approach designed to empower local communities to initiate and engage in implementation of development projects. Village initiated projects are then compiled at the ward level by WDC and thereafter submitted to the district for compilation,

¹ The intended outcomes of MKUKUTA II are; (i) high shared growth and reduction of income poverty, (ii) improved quality of life and social wellbeing, and (iii) good governance and accountability.

discussion and approval by the full council. DADPs are developed based on Medium Term Expenditure Framework (MTEF) whereby LGAs prepare their strategic plans and respective budgets covering a period of three years.

SAM reports from selected districts confirm that most agriculture projects have been identified by local communities during planning meetings (village assembly) held at the village level. In Korogwe DC, the Mkambara Cattle Dip project has been identified by local community through a PRA process conducted by district facilitators in 2011. Similarly, a local chicken project in Mwangaza Village, Tandahimba was initiated by local community through O&OD process. Furthermore, LGAs have been deploying resources such as finances and personnel to facilitate the implementation of community led initiatives.

However, the available reports observe that:

- i. There is limited involvement of NSAs in particular, the private sector, NGOs, youths and other community groups in planning process. Moreover, the stakeholders are not adequately involved at ward and district level during the consolidation stage.
- ii. During the resource identification, prioritization and allocation LGA officials hardly receive enough information to properly guide them.
- iii. Most of the councilors are not conversant with the content of the LGA plan and budget. During the feedback meeting in Karagwe DC, the councilors were complaining that the agenda and report for District Council meetings were distributed three days prior to full council meetings hence they were denied the opportunity to peruse, consult and prepare to participate in budget debates actively. The same is observed in Iringa DC.
- iv. There is a lot of inference and influence from LGA officials at the ward and district levels in DADP implementation process. Approved village community projects were in some cases, changed without prior consultation of respective communities. For example, in Karagwe DC, an approved charcoal dam project was changed feeder road project.
- v. Sometimes, approved plans do not reflect concerns and priorities of different community groups- probably due to competing demands.

3.2 LGAs' Allocation to Agriculture Sector

Agriculture is the main source of livelihood² and currently, contributing over 20%-65% of own source of revenue in LGAs. Despite significant contribution to the economy, the sector has not received the attention it deserves. The review of SAM reports from the studied councils finds that the majority of LGAs allocated relatively small amounts of funds to support agriculture interventions at the district and sub-district levels. Only 2 out of 6 districts allocated more than

² It is reported that approximately 80% of indigenous people in each district depend on agriculture for their livelihood.

10% of their total annual budgets to agriculture. Top in the list is Iringa DC which has the highest allocation at 14% (FY 2010/11) followed by Singida DC 10.8% (FY 2008/09). In the rest of the councils, agriculture received less than 10% of their total LGAs budgets – Tandahimba 7% (FY2008/09), Korogwe 4.2% (FY 2010/11), Ulanga 8.1% (FY 2010/11) and Karagwe 4.0% (FY 2008/09). This is far below the GoT commitment under the Maputo Declaration and agreements within the Comprehensive African Agriculture Development Programme (CAADP) to raise the share of their national budget allocated to agriculture to 10% (see Table 2 below).

Table 2: LGAs’ Budget Allocations by Sector

Name of LGA	Total Budget	Sector Allocation in Bil.of Tshs.					
		Agriculture	Education	Health	Water	Works	Adm. &Others
Karagwe	18.67	0.75 (4.0%)	11.74 (62.8%)	2.45 (13.2%)	0.73 (3.9%)	0.28 (1.5%)	2.71 (14.6%)
Iringa	24.05	0.81 (14%)		0.66 (11%)	10.5 (26%)	1.22 (21%)	
Tandahimba	10.97	0.79 (7%)	3.72 (34%)	1.31 (12%)	0.65 (6%)	0.51 (5%)	3.97 (36%)
Ulanga	14.02	8.1%					
Singida	14.6	1.53 (10.8%)	6.57 (45%)	2.84 (19%)	0.79 (5%)	0.53 (4%)	2.31 (16.2%)
Korogwe	18.29	0.76 (4.2%)					

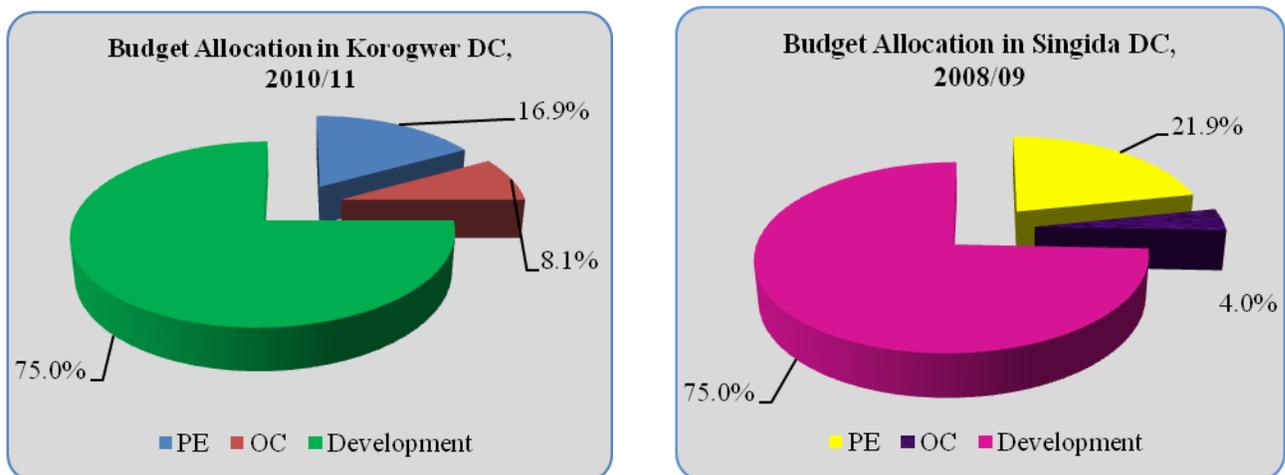
Source: SAM reports

A comparative analysis of LGAs allocations by sector indicate that of the five main sector allocations i.e. education, health, water, agriculture and rural roads (works), the budget share of agriculture sector in all councils is far shorter compared to education and health sectors which have been allocate relatively huge amounts of funds. For instance, the budget share for education in Karagwe DC is more than 15 times (62.8%) the share of agriculture sector (FY 2008/09). This brings questions as to whether the government is truly committed to implementing the rally –calling of ‘*Agriculture First*’ (Kilimo Kwanza). If Kilimo (agriculture) is first, then GoT should ensure that the sector is being prioritized both in policies and budgets. Lower level of investments in agriculture has negative implications on the sector’s performance and hence general economic growth. Thus there is a need to advocate for increase in LGAs allocations to agriculture.

3.2.1 LGAs Allocations within the Sector

Regarding districts' allocations within agriculture sector, the reports revealed that LGAs allocate funds to two main spending items – the recurrent and development. The former actually covers staff salaries (i.e. Personnel Emoluments) and administrative charges (Other Charges) while the latter caters for implementation of development initiatives. Essentially, it is the development part of the budget that is expected to directly impact on agricultural productivity and hence the sector's growth. Taking the case of Singida DC for instance, the portion of funds that actually went to agriculture development is bigger (75%) compared to Personnel Emoluments (21%) and Other Charges (4%). The same applies to Korogwe DC which allocated 75% of agriculture budget to development projects, 16.9% to PE and 8.1% to OC.

Figure 1: LGAs Allocation to Key Spending Items in Singida and Korogwe DCs

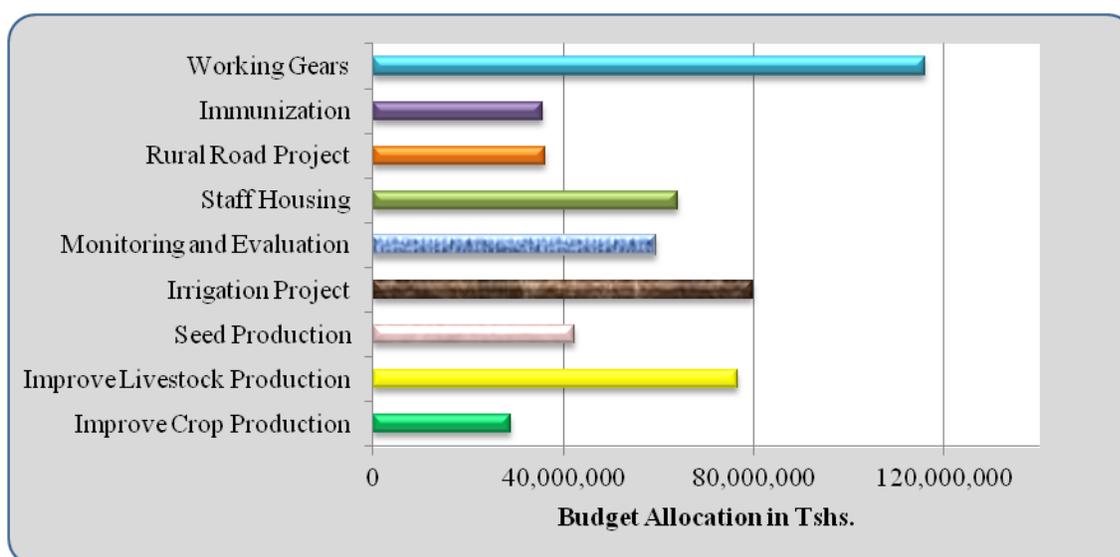


In Tandahimba District, the council allocated more than 80% of its sectoral budget to village – led development initiatives.³ This implies that more resources were indeed directed to where the farmers are located. Of course, the LGAs' decisions to allocate more funds to development initiatives might have been influenced by policy directives and budget guidelines such as the ASDP Framework and Process Document issued by the Ministry responsible for Agriculture in 2006. According to the ASDP guideline, the majority of LGA allocations should be at lower level. In particular, the guideline stipulates that 80% of the funds are meant to support agriculture activities at the village level and 20% are to be retained at district headquarters to facilitate coordination, monitoring and evaluation activities. However, to have a comprehensive picture of the LGAs' actual investment in agriculture sector, one would need to assess the specific allocations within the development budget.

³ See Report for Tandahimba p.12

Example from Tandahimba DC, during the FY 2008/09, the council allocated 73.6% of DADP grants to agriculture investment (DADG), 13.3% local capacity building (A-CBG) and 12.6% local service delivery (A-EBG). Despite a big share of the resources being allocated to DADG, further analysis reveals that huge sum going into procuring staff working gears whereas over 20% of DADG budget was allocated for such activity. Other priority spending items were irrigation scheme (14.8%), livestock production (14.2%) and staff housing (11.8%). This review ascertains that allocating small amounts of resources on activities that are geared towards improving crop production is not strategic enough to enhance agriculture productivity.

Figure 2: LGA Allocation to Specific Activities under DADG in Tandahimba DC, 2008/09



3.2.2 Sources of Funds for DADPs

The review of reports from the studied districts indicates that DADP are mainly financed by the Central Government through three grant transfers namely: District Agricultural Development Grant (DADG); Agriculture-Extension Block Grant (A-EBG); and Agricultural Capacity Building Grant (A-CBG). Other sources of funds include council own sources, NGOs, development partners and local community. The following table presents the amount of funds received from various sources in selected LGAs.

Table 3: LGA Funding Sources

Name of LGA	CG Transfers	Own Source	NGOs	Community	DPs	FY
Iringa DC	11,530,258,237	2,177,308,000	515,735,000	179,695,000	1,613,225,000	2010/09
Tandahimba	10,013,792,000	730,700,000			225,792,000	2008/09

Singida DC	12,800,000,000	996,292,964				2008/09
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Off all sources, the biggest portion of funds comes from the Central Government. In Singida DC 92.7% of the budget is financed by CG, Tandahimba 91.2% and Iringa 71.9%. Another important observation is that the level of dependency on GC financing varies among the case LGAs. 13.6% of the LGA budget in Iringa DC is financed by council own sources as compared to Singida 7.2% and Tandahimba 6.6%. This variation might have been caused by a number of factors including LGAs inability to mobilize local funding (compared to other LGAs, Iringa has been able to secure funding from NGOs, DPs and community), poor financial management practices and corruption.

A closer look at the information contained in table 3 also shows that there is limited contribution of the private sector in LGAs budget. Similarly, the NGO and community contribution has been minimal, except for Iringa DC. Probably, this is due to lack of acknowledgement and motivation from LGAs. In most cases, NSAs contributions are not reflected in District Strategic Plans and Performance Reports. Thus there is a need to promote NSAs participation in LGA financing. Experience show that if well mobilized, the stakeholders are more than willing to contribute. For example, in Karagwe DC, each household contributed TZS 7,200 to support the cattle dip project which was planned to be implemented in 2009/10FY.

Based on available information, this report could not substantiate the percentage of NSAs funds that went to agriculture sector.

3.2.3 The flow of Funds

Fewer and delayed disbursements have been reported in most LGAs. Taking the case of Ulanga DC, in FY 2008/09 the council planned to spend TZS 68Millions to improve extension services at the wards and village level but received 44Millions. There was also a delay of Constituent Development Catalyst Fund amounting to 85,148,000 which was partly allocated for agriculture activities. Furthermore, the review of SAM report from Korogwe DC revealed that the LGA received 78% of all funds approved for spending in agriculture development in FY 2010/11(TZS 448,464, 415 as compare 575,921,000). In Tandahimba DC, DADP Performance Report (2008/09) also recorded delays and fewer disbursements of funds from the Central Government as main challenges in implementation of agriculture development targets.

A delay in disbursement of funds from central government has negatively affected implementation of agriculture projects in most LGAs. In Karagwe DC, report from SAM team indicated that the construction of a Charcoal Dam Project in Kigororo Village was postponed due to delayed transfers from CG. The project was planned to be implemented in 2008/09 but was implemented in FY 2011/12. Similarly, in Tandahimba DC 8 projects which were planned to be implemented in FY 2008/09 had to be postponed due to delayed disbursements.

Inadequate and delayed fund transfers from CG leads to poor service delivery in studied LGAs. Iringa and Ulanga DCs reported shortage of extension staff, working equipment and other facilities.

The analysis further shows that the majority LGAs collect substantial amounts of income from agriculture (Iringa 17%, Ulanga 65%). However, very little (from own source) has been spent on agriculture. In Iringa DC, funds collected from own sources were injected in development projects except for agriculture. This implied that the level of LGAs commitment in improving agriculture productivity in very low.

3.3 Expenditure Management at the LGAS

The assessment aimed at establishing the capacity of LGAs to manage DADP funds effectively indicates a number of irregularities in LGA financial management practices in most case districts. These included:

- Diversion of funds to unplanned projects. During SAM Teams visits to community project local people revealed that the money was approved to be spend on Cattle Dip project was diverted to a rural road project without approval from respective community. In Korogwe, project funds were spent on unplanned activities- transport and allowance. The same happened in Singida DC whereby the LGA spent money on training contrary of MTEF.
- Delays in disbursement of project funds from District to Village Project Account
- Lack of accountability of funds collected from local people to support DADP projects
- Expenditure are not clearly elaborated and justified e.g. in Karagwe-allocation to fuels were found to unjustifiable- as distance (kms) are not shown.
- Expenditures were not recorded as appropriate. During a visit to Mkambara project site the SAM the team discovered that project expenditures were as per the requirement of LGA financial regulation
- Mismatch between approved budget and actual expenditure (In Korogwe DC expenditure in road project were lesser than approved budget. A loss of TZS 2,560,000/= was noted
- Unspent project moneys. In Karagwe DC.
- LGA officials do not provide financial information to the people as required by LGA financial laws and budget guidelines.

These irregularities are also reflected in audit reports issued by the Controller and Auditor General (CAG) each year. In general, most of the LGA have been receiving unqualified audit certificates, meaning that there are pending matters that need to be cleared (See table 4 below). Thus it is imperative that capacity of citizens and oversight bodies be strengthened so as improve financial management practices in the studied districts.

Table 4: CAG Opinion on LGA Financial Accounts in Selected Districts

S/No.	Name of LGA	Audit Certificate			
		2007/08	2008/09	2009/10	2010/11
1	Karagwe	2	1	2	n.a
2	Iringa	1	1	2	n.a
3	Tandahimba	1	2	2	n.a
4	Ulanga	2	1	2	n.a
5	Singida	2	2	1	n.a
6	Korogwe	1	1	1	n.a

***n.a –means data not available**

- 1- Unclean**
- 2- Clean (Unqualified) with emphasis on Matters**
- 3- Clean without emphasis on matters**

3.4 Public Integrity and Oversight

The constitution of the United Republic of Tanzania (1977) provides for regulatory and institutional framework for public accountability and oversight in Tanzania. Article 8(1) of the Constitution of the United Republic of Tanzania states very clearly that “the Government shall be accountable to the people” and “the people shall participate in the affairs of their Government”. Moreover, Chapter 3 of the Constitution of URT contains articles that reaffirm that the Parliament is the oversight body for the government. Similarly at local government level, the full council can be a replica of such oversight body with relatively same functions. Other institutions of accountability are the media and people of Tanzania.

Government commitment to promoting public accountability is also reflected in National Policies and Guidelines. For instance, Cluster 3 of MKUKUTA on Governance and Accountability expresses the need to deepen public involvement in the preparation, formulation and monitoring of poverty reduction strategy through expenditure reviews and budget, including making information about budgets, expenditures and revenue widely available down to the local level (section 2.1.3). In fact, the government committed to strengthening oversight institutions and raise people’s awareness on government policies, public financing and official charges as well as their entitlements through civic education and dissemination of information.

Despite the favorable regulatory environment, public accountability institutions in the case districts are generally weak, of course, although there are variations between LGAs. In some council such as Karagwe, the local council has been more proactive in demanding government accountability. Reportedly, some councilors have been questioning the integrity of council staff and threatened to vote out their council chairman for misuse of funds - a move which resulted to suspension of LGA Officer in charge of DASIP. But, more findings indicate that limited

information on financial disbursements and expenditure is provided to councilors and NSAs. For example, during SAM training in Mbeya City, the councilors were complaining that the agenda and report for District Council meetings were distributed three days prior to full council meetings hence they were denied the opportunity to peruse, consult and prepare to participate actively. In addition to that, there were reports regarding limited involvement of councilors in expenditure monitoring (Karagwe and Iringa). According to them, the monitoring role is now delegated to LGA Finance Committee which has less than ten members. Given the size of the LGA Finance Committee, one would question the ability of the councils to monitor expenditure and Forster accountability.

Another observation is that in most LGAs councilor are not given an opportunity to discuss financial reports, including those prepared by the National Audit Office (NAO). Indeed, some councilors do not have access to Audit reports at all. This is unacceptable given the fact that the council is expected to monitor the LGAs expenditures.

The review of reports also finds that there is lower level of civic awareness on their rights and responsibilities. In most LGAs, council officials do not provide sufficient information on budget and expenditures but the local communities do not take deliberate measures to demand explanations. Nevertheless, during a project site visit in Karagwe DC, some members of community witnesses that they were given some documents to sign without being given an opportunity to decide democratically through the village assembly.

CHAPTER 4: CONCLUSIONS AND RECOMMENDATIONS

4.1 Conclusion and Summary of Findings

This report synthesizes findings of the social accountability monitoring work implemented by ANSAF members in Korogwe, Karagwe, Ulanga, Tandahimba, Singida and Iringa DCs. In particular, the document provides an overview of the Members' assessment of agriculture sector planning and budget process at the LGA level, an analysis of budget allocation and expenditure management as well evaluation of the accountability system in the studied LGAs.

The review finds that LGA planning and budget guidelines as well ASDP Framework provide a fair arrangement for stakeholders' participation in DADP process at the local level. ASDP Framework gives a step by step process in identifying agriculture development priorities (i.e. DADPs) in consultation with local stakeholders and beneficiaries at the village ward and district levels. In practice however, the level of civic engagement, particularly (CSOs and the youths) in DADP process is minimal.

Further analysis of the findings shows that budget development and execution remained the sole responsibility of LGA officials, with limited inputs from local councilors and Non State Actors (NSAs). During SAM training in Mbeya, councilors from Iringa DC revealed that, LGA officials have a tendency of supplying councilors with budget books and financial reports a few hours before they are set for discussion. This has negative consequences in fostering informed debates and better resource use at the district level.

Findings from SAM work also indicate that agriculture sector is the main source of food and income. Reportedly, 80% of people in the case districts depend on agriculture for livelihood. In addition to that, the sector provides raw materials for local industries and a good source of LGA income, approximately 20% of councils' own resources comes from agriculture produce. Yet the majority of LGAs allocated a small portion of funds to the sector- less than 10%. This is contrary to government commitment under Maputo Declaration to raise the national budget share of agriculture sector to 10%.

However, there is an encouraging conclusion that the small amount that was allocated to the sector went to agriculture development. In Korogwe district, the councils allocated 75% of their total DADP grants to development interventions - DADPs grants came from various sources including central government/treasury transfers (through DADG, A-CBG and A-EBG grant windows), funds from International Development Partners, the private sector and contributions from civil society organizations and the local community.

Despite some challenges, the majority of LGAs have received their DADPs grant transfers as requested from central government. Most of DADP funds were invested on power tillers (in Ulanga DC nearly 50% of the DADG transfers used on power tillers); irrigation schemes, construction of livestock market; establishment of agriculture resource centre; training and rehabilitation of storage facilities. There have been extensive delays in the CG transfers to the councils, and in some LGAs the amount released is smaller compared to the total approved agriculture budget. This has resulted in some of agriculture projects not being implemented. Other challenges that were noted include LGA incapacity to absorb DADP funds.

The SAM reports from the case districts also recorded irregularities in management of DADP funds:

1. DADP transfers were spent on unplanned activities. Karagwe DC is a typical example of the case whereby the funds which were initially allocated for a charcoal dam were spent on a feeder road improvement project without prior approval of the community.
2. Expenditure on dubious projects.
3. Loss of funds due to poor process of offering tenders. In Ulanga DC, an irrigation scheme was washed away repeatedly with same company given the tender to reconstruct the irrigation canal on extra cost to LGA.

In fact, these irregularities are also indicated in Audit Reports issued by the National Audit Office each year.

Despite the presence of strict reporting procedures and other financial accountability mechanisms, most LGAs have continued to receive unqualified audit certificates. This is most likely due to the fact that majority of councilors have limited conceptual and analytical understanding of the national budget process, and their role as watch dog institutions. Often times, the councilors do not visit project interventions nor do they provide feedback to the community. Lack of information is another hindering factor to promoting financial accountability in local governments. Reportedly, some LGAs do not have access to audit report and therefore it has been difficult for councilors to press for improvement. Limited access to financial information has also made it difficult for smallholder farmers and the citizens to monitor LGA spending in agriculture sector.

4.2 Recommendations on Key Areas for Joint Engagements by ANSAF Partners

Key recommendations from this review are as follows:

- a) A sustainable and more inclusive social accountability system is needed to build or the current SAM work. ANSAF needs to engage and work with LGAs, Private Sector, Media and other CSOs to build and strengthen the capacity of local stakeholders.
- b) Promote sizeable local funding to development budget in agriculture sector to increase productivity and food security. ANSAF should lobby Policy Makers and Relevant Government Officials to allocate more resources to agriculture sector. Similarly, Non State Actors should be mobilized to contribute and demand considerable increase in agriculture budget at the LGA level.
- c) There is a need to improve DADP consultation process at the local level to ensure the various community groups – the youths, women, CBOs, FBOs, farmers associations, private sector, media and others are involved throughout the budget process - planning, execution and performance assessment. The current nature of consultation and invitation in DADP process is limited to O&OD process which does not provide enough room for Non state actors to provide their inputs and and/or fully engage in the budget process. NSAs need to be more organized to engage in the process. However, their capacities to

engage need to be developed, and this is the role of all agriculture stakeholders with competence.

- d) If possible ANSAF should work closely with MoFEA, PMO-RALG and LGAs to promote timely release of funds from the central government down to the village level.
- e) There is need to strengthen the capacity of councilors and civil society to demand regular and timely provision of budget information and LGA performance reports as required by the law - to discuss relevant business prior to approval by full Council. They should also monitor LGA performance and provide feedback.
- f) Promote down ward accountability. If possible ANSAF should develop and implement capacity building programme for LGA staff, councilors and CSOs

4.3 Observations and Specific Recommendations on Methodology

- There is lack of consistency in information that is contained in the SAM reports. Some reports lack important information such as a description of agriculture spending in LGAs. i.e – DADG, A-CBG and A-EDG. Thus, there is a need to develop sample guiding tools to guide the teams in their budget analysis at the LGA level. This review recommends developing ‘A simple guide book for budget analysis at LGA’ that would be used to collect missing information.
- Except for Ulanga and Iringa, the rest of SAM teams did their analysis based on LGA budgets (MTEF), District Strategic Plans and DADP performance reports for a period of one year – either FY 2008/09, 2009/10 or 2010/11. In our view, this kind of analysis does not provide a comprehensive picture of what is really happening in the districts in relation to agriculture planning, budget allocation and DADP implementation. One would question if it scientifically acceptable to make meaningful conclusions and generalize results based on data that is collected from one FY alone. Besides, it would be unrealistic to develop an appropriate advocacy interventions today based on data that is collected four years ago! Obviously, changes are expected – whether good or bad. Therefore, it would be appropriate to consider undertaking budget analysis work that is comprehensive, covering at least a period of three years and much as possible, focus on what is happening in LGAs recently.
- The District SAM Team are mainly composed of LGAs officials, Councilors, representatives from Farmers Associations and/or groups and NGOs (both local and International) based in studied districts. The involvement of these stakeholders in SAM exercised is generally viewed as a healthy practice. In fact, the presence of LGAs officials and councilors is reported to have made things easier for the teams in terms of accessing budget books and other documents. The officials have also helped to educate the ‘difficult’ DEDs on the purpose of SAM exercise and hence win their support. However, the following challenges were observed:

- i. LGA officials are busy people and most of the time they are engaged in LGA work and thus their input is mainly limited to provision of budget documents and/or information.
- ii. The councilors do not have the technical capacity to engage in budget analysis effectively. Most of them are STD 7 graduates and thus lack budget literacy.
- iii. Some NGO officials involved in SAM work lack support from their respective organizations. In regards to this, SAM is treated as their ‘own personal work’. This has made it a bit difficult for them effectively take part in SAM while fulfilling the normal duties.
- iv. Except for Katani Firm in Korogwe DC, the involvement of private sector in SAM work is limited.

Based on these challenges, this report proposes the following the measures:

- a. Redefine the role of each stakeholder in the team and assign tasks accordingly. This might have implication in the size of SAM team as well.
 - b. Organize budget literacy training for councilors in order to enhance their effective engagement if social accountability monitoring.
 - c. Liaise with leaders of member/partner NGOs on the possibility of mainstreaming SAM activities in the work of their organizations.
 - d. Widen the scope of stakeholder engagement in SAM teams to include the media and private businesses based in respective districts. The involvement of media in SAM mission would be of great value in terms informing the local stakeholders about the results of budget analysis work and reporting on challenges encountered by the teams. ANSAF may consider organizing media training on agriculture budget analysis, invite private businesses in district agriculture stakeholders’ forum and seek the involvement of media and private sector in SAM process.
- Budget analysis work at the district is mainly focused on examination of what the LGAs spending and project outcomes. Very little is said about procurement monitoring. Given the fact LGA increasingly spending moneys in procuring agriculture goods and services (presently, huge sums of funds are spent procuring power tillers, construction of irrigation schemes, purchase of agro inputs etc) it would be of interest to also capture the tender process, part of the budget that is spent on procurement as well as the quality of goods and services provided. It is anticipated that procurement monitoring will help to promote accountability of private service providers as well as LGAs officials who are involved in tender processes.

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