



## **Eastern and Southern Africa Small Scale Farmers' Forum (ESAFF)**

### **Comprehensive African Agriculture Development Programme (CAADP)**



**Connecting continental  
promises to grassroots  
benefits**

**Annual Report  
2014 - 15**

# Table of Contents



iii

Chairman's Message



2

Agriculture policy engagement



4

The Budget Mulimi Campaign



6

Public Expenditure Tracking



7

Grassroots public policy dialogue



11

Promoting Agroecology



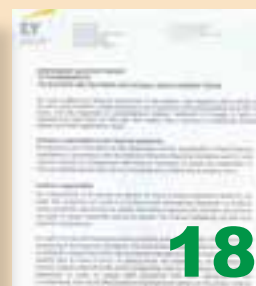
13

Trade and Market



15

Enhancing Institutional development



18

Financial Report and funding



**Cover photo: Top:** Participants of the SADC RAP Investment Plan meeting in Gaborone Botswana, in 2015



ESAFF is a small scale farmers' movement of 530,000 members that empowers small scale farmers to reduce poverty, vulnerability to hunger by influencing agriculture policies and budgeting processes in Eastern and Southern Africa: Our members are: Burundi (ESAFF Burundi), DRC – FOPAC, Kenya – KESSFF, Lesotho – ESAFF Lesotho, Madagascar – CPM, Malawi – NASFAM, Seychelles – SEYFA, South Africa – ESAFF South Africa, Swaziland – CIEAS, Rwanda – ESAFF Rwanda/APPPE, Tanzania – MVIWATA, Uganda – ESAFF Uganda, Zambia – ESAFF Zambia, Zimbabwe – ZIMSOFF

P. O. Box 1782, Morogoro, Tanzania. Tel/Fax: +255-23-2600006

E-mail: [esaff@esaff.org](mailto:esaff@esaff.org), [coordinator@esaff.org](mailto:coordinator@esaff.org)

Website: [www.esaff.org](http://www.esaff.org)



## Message from the Chairperson

The year 2014/15 marked yet another milestone for ESAFF and her 15 member organisations working with network of relationships and partnerships at continental, regional, national and grassroots levels on agriculture transformational agenda.

Our memberships in the eastern and southern Africa (ESA) covers 5 East Africa Community countries and 10 members in the SADC and COMESA Countries were firm in standing up as a voice of small holder farmers.

The year 2014/2015 ESA and the whole of Africa started the 2<sup>nd</sup> decade of Comprehensive African Agriculture Development Program (CAADP) which runs from 2015 to 2025. The African Agriculture Development “framework” making culminated to the declaration of the African Heads of State and government in Malabo Equatorial Guinea in June 27<sup>th</sup>, 2014.

Named “*Malabo Declaration on the Accelerated Agricultural Growth and Transformation for Shared Prosperity and Improved Livelihoods*” it adopted 8 obligations for Africa:

• **Commitment to enhancing investment Finance in Agriculture of both public and private** by upholding earlier commitment to allocate at least 10% of the public expenditure; • **Commitment to End Hunger by 2025**, • **Commitment to Halving Poverty by the year 2025**, • **Commitment to Triple Intra – African Trade in Agricultural Commodities** and • **Commitment to Enhancing Resilience** of at least 30% of farm, pastoral and fisher households.

Of all the commitments, among the most important is the • **Commitment to Mutual Accountability to Actions and Results through a systemic regular review processes, using CAADP Results Frameworks by conducting a biennial Agricultural Review Process**. From this commitment we as small-scale farmers in the region are expect to participate to ensure countries deliver as per commitments and in a way that is beneficial to small scale farmers.

Our activities in 2014/15 were aligned around lobbying and advocating for FOOD SECURITY & FOOD SOVEREIGNTY, MARKETS ACCESS, CROSSCUTTING gender and youth issues as well as INSTITUTIONAL DEVELOPMENT of ESAFF and its members.

We reviewed our advocacy strategies for 2015-2025 and rebranded Budget Kilimo to **Budget Mulimi Campaign** (BMC) aligning it to CAADP framework at regional, national and districts.. Our major strategy will be that of policy dialogue, investigative journalism, farmers’ tracking funds on various agriculture projects and advocating for more responsible public funding to the sector.

ESAFF major achievements in the year include building of the capacity of small scale farmers’ organisations to engage in policy processes at all levels and in particular continuum demand for the realisation of 10% agriculture sector budget at national levels. We are proud to note that, small scale farmers increasingly continued to get space and recognition in policy processes from regional (SADC and EAC), National (country) and Districts (grassroots) level. In June 2015, ESAFF was officially invited to seat in the SADC Regional Agriculture Policy (SADC RAP), Investment Plan (IP) Regional Working Group (RWG) while in April 2014 ESAFF was elected to the SADC Working Group on Food and Nutrition Strategy Implementation. At National and Districts level, all ESAFF members have continued to gain and utilise effectively their policy spaces especially around National Agriculture Investment Plans (NAIPS).

I whole heartedly thank our development partners for their support which has helped to amplify the voice of the small scale farmer. They are The European Union (EU), Oxfam Novib (ON), Bread for the World (BftW), Trust Africa (TA), Southern Africa Trust (SAT), SADC CNGO, and INSARD project.



A handwritten signature in black ink, appearing to read 'Serge Benstrong'.

**Serge Benstrong -ESAFF Chairman 2014-2017**



## Box1

### The African Union (AU) Malabo Declaration 2014

1. **Recommitment to the principles and values of the CAADP Processes** which include
  - the pursuit of agriculture led growth to achieve food and nutrition security in Africa,
  - exploit regional complementarities and cooperation,
  - application of evidence based planning, dialogue, review and accountability,
  - the use of partnerships alliances to include farmers, agribusiness and civil society
2. **Commitment to enhancing investment Finance in Agriculture of both public and private by;**
  - Upholding earlier commitment to allocate at least 10% of the public expenditure and ensure efficiency and effectiveness;
  - To create supportive systems policy and institution to facilitate private investment in agriculture by giving priority to local investors and
  - Operationalization of the African Investment Bank as provided in the constitutive act of the African Union.
3. **Commitment to End Hunger by 2025 by doubling current agricultural productivity level through**
  - Sustainable access to quality and affordable inputs and smart protection to smallholder agriculture,
  - Supply of appropriate knowledge, information and skills, irrigation and
  - Suitable, reliable and affordable mechanisation and energy supplies,
4. **Commitment to Halving Poverty by the year 2025 through Inclusive Growth and Transformation by**
  - Sustaining annual agricultural GDP growth of at least 6%;
  - Establish inclusive public private partnership for at least 5 agricultural commodity value chain strongly linked to smallholder agriculture;
  - Job creation for at least 30% youth in the value chains;
5. **Commitment to Booting Intra – African Trade in Agricultural Commodities and services by**
  - Tripling it by the year 2025 through simplified and formalised trade practises, established of continental free trade areas and
  - Investment in markets and trade infrastructure.
6. **Commitment to Enhancing Resilience and Livelihoods and Production Systems to Climate Change Variability and other Related risks by**
  - ensuring that by 2025 at least 30% of farm, pastoral and fisher households are resilient to climate and weather related risks
7. **Commitment to Mutual Accountability to actions and Results through a systemic regular review processes, using CAADP Results Framework by**
  - **Conducting a biennial Agricultural Review Process** that's track, monitor and report on progress,
  - Harmonise coordination among multi sectorial efforts for peer review and,
  - Mutual learning and mutual accountability.
8. **Strengthening the African Union Commission to support delivery on these commitments**



## List of Abbreviations

ACB	- African Centre for Biodiversity
ACORD	- Agency for Cooperation and Research in Development
AFSA	- Alliance for Food Sovereignty in Africa
AGM	- Annual General Meeting
AIDS	- Acquired Immune Deficiency Syndrome
AU	- Africa Union
AUC	- African Union Commission
BftW	- Bread for the World
BoD	- Board of Directors
CAADP	- Comprehensive African Agriculture Development Programme
CAADP NSA	- CAADP Non State Actors engaging with CAADP at continental level
CBO	- Community Based Organisation
COMESA	- Common Market for Eastern and Southern Africa
CPM	- Coalition of Farmers in Madagascar
CSO	- Civil Society Organisation
CSR	- Corporate Social Responsibility
CSS	- Civil Society Sector
DPs	- Development Partners
EAFF	- East Africa Farmers Federation
EAC	- East African Community
EALA	- East African Legislative Assembly
EC	- ESAFF Coordinator
ERB	- ESAFF Regional Board
ESA	- Eastern and Southern Africa (region)
ESAFF	- Eastern and Southern Africa Small Scale Farmers' Forum
Exco	- The Executive Committee (of the Board of Directors of ESAFF)
FOCCISA	- Fellowship for Christian Councils in Southern Africa
FPM	- The Financial Policy and Manual
FOPAC:	- Fédération des Organisations des Producteurs Agricoles du Congo au Sud-Kivu
GBS	- General Budget Support
GDP	- Gross Domestic Product
HIV	- Human Immuno-Deficiency Virus
ICT	- Information and Communication Technology
IFRS	- International Financial Reporting Standards



KRA	- Key Results Area
M & E	- Monitoring and Evaluation
MDG	- Millennium Development Goal
NEPAD	- New Partnership for Africa's Development)
NPCA	- NEPAD Planning and Coordinating Agency
NGO	- Non Governmental Organisation
NSSF	- National Social Security Fund
NASFAM	- National Small Scale Farmer Forum of Malawi
OCA	- Organisation Capacity Assessment (SAYO)
OD	- Organisational Development
ON	- Oxfam Novib
OPV	- Open Pollinated Varieties
PAFFO	- Pan African Farmers Forum
PHDR	- Poverty and Human Development Report
RAP	- Regional Agriculture Policy (of SADC)
RISDP	- Regional Indicative Strategic Development Plan
ROPFA	- Réseau des Organisations Paysannes et des Producteurs Agricoles d'Afrique de l'Ouest
SACAU	- Southern Africa Confederation of Agricultural Unions
SADC	- Southern Africa Development Community
SADC- CNGO	- SADC Council of Non-Governmental Organisations
SADC FANR	- SADC Food, Agriculture and Natural Resources
SATUCC	- Southern African Trade Unions Coordinating Council
SAYO	- Self Assess Your Organisation (OCA tool)
SUA	- Sokoine University of Agriculture
TGS	- Triennial General Summit (of ESAFF)
USD	- United States Dollar
WSSD	- World Summit of Sustainable Development



## Introduction

This report captures a list of activities realised during the period July 2014-June 2015. ESAFF was implementing activities as outlined in the Strategic Plan 2014 – 2016 titled “Enhancing capacity of small scale farmers to influence policies for sustainable agriculture and poverty reduction in Eastern and Southern Africa (ESA)” region.

The strategic plan had 4 broad issues: (i) Food security and sovereignty (ii) Trade and markets (iii) Cross cutting issues: Gender, Youth and HIV/ AIDS; and lastly (iv) Institutional and organizational strengthening of ESAFF and its members.

During the implementation of the strategy, ESAFF managed to ensure that new two farmer organizations joined (FOPAC-DRC and ESAFF-Swaziland) continued to work with other national members and like-minded networks by supporting farmers to engage with key policy makers and institutions in the ESA region.

In October 2014, ESAFF launched the **Budget Kilimo Campaign (BKC)** which was later in June 2015 s rebranded as **Budget Mulimi Campaign (BMC)** . The campaign tracks agricultural budgets at national and regional levels through use of Public Expenditure Tracking Surveys (PETs) and the Public Social Accountability Monitoring (PSAM) system. In this regard, ESAFF regional office supported members at national level to implement the budgeting tracking at districts level.

ESAFF also commissioned a number of studies such as demystifying the SADC Regional Agriculture Policy (SADC RAP), The Malabo and CAADP processes as well as on Public Financing and Budget Trends in the agricultural sector in EAC. Our dream in the CAADP, Malabo and NAIPs processes is to see policies formulated and implemented with a difference -there must be tangible benefits and results for small scale farmers especially women and the youth who are the major players in the agriculture sector in the region. Small scale farmers should be at the centre stage of planning, budgeting, implementation and monitoring of the agriculture sector at all levels. ESAFF is hoping for creation of synergies between regional, national and districts policies and practises.

Since April 2013, ESAFF has been participating in the SADC Regional Agriculture Policy (SADC RAP) making processes. Our main objective is to ensure the voice of small-scale farmers in heard in the entire policy making process cycle. In June 15, 2015, ESAFF was officially invited to the SADC Regional Agricultural Policy (RAP) Investment Plan (IP) Working Group (RWG). The Working group main assignment was to advise in the process of formulation of the investment plan by ensuring that all key agricultural and related program of significance are built into the investment plan. In April 2014, in Malawi, ESAFF was elected a member of the SADC Food Security and Nutrition Steering Committee.

ESAFF continues to network and collaborate with like-minded organisations such the Coalition of Non-State Actors Monitoring the implementation of the CAADP and Malabo Declaration. ESAFF continues to participate in the East African Civil Society Forum, SADC CNGO, SATUCC, AFSA and Food and Climate Justice coalition meetings all fighting for same cause of ensuring that SSFs livelihoods are improved

ESAFF together with other likeminded organisations engaged the AUC/NEPAD on the Malabo Roadmap. In East Africa we have been active at the EAC validation workshops(for CAADP) held in Uganda, Tanzania, Kenya and Rwanda. We have continued to built capacity of members to engage local and national authorities on agricultural budgeting processes within the CAADP framework in EAC countries (apart from the newest member, Southern Sudan) as well as in South Africa, Lesotho, Seychelles, Zambia, and Zimbabwe. In 2015/16 and beyond SAFF will continue building and enhancing small scale farmers’ forums to engage at national and local structures.



## 1. About ESAFF

The Eastern and Southern Africa small-scale Farmers Forum (ESAFF) is a network of grassroots small scale farmers' organisations working in 15 countries of Eastern and Southern Africa (ESA) region. The movement which started in 2002 during the World Summit on Sustainable Development (WSSD) in Johannesburg – South Africa is a small scale farmer initiated, farmer led and farmer owned. Its purpose is to enable small farmers in Eastern and Southern Africa to speak as a united voice so that issues, concerns and recommendations become an integral part of policies and practices at grassroots levels, national levels as well as at regional and global levels.

ESAFF which is fully operational since April 2009 is registered in Tanzania under Non-Governmental Organizations Act 2002 of the United Republic of Tanzania on 27 August 2007. Its registration number is 00NGO/1097. The secretariat of ESAFF is in Morogoro and is led by the Coordinator who reports to the Regional Board.

ESAFF operates at country level in Eastern and Southern Africa through its members namely: Tanzania (National Network of Small Scale Farmers Groups in Tanzania (MVIWATA), Kenya- Kenya Small Scale Farmers Forum-(KESSFF), Uganda (ESAFF Uganda), Zambia (ESAFF Zambia), Zimbabwe (Zimbabwe Movement of Small Organic Farmers Forum, Lesotho (Lesotho Small Scale Farmers Forum), South Africa (ESAFF South Africa), Malawi (National Smallholder Farmers Movement- NASFAM), Rwanda (ESAFF-Rwanda), Burundi (ESAFF-Burundi), Seychelles (SeyFA), Madagascar (CPM), Mozambique (ROSA), Swaziland (ESAFF Swaziland) and DRC-Congo ( FOPAC)

## VISION STATEMENT

A strong effective forum of empowered Small Scale Farmers with united voices in the policy processes for ecological agriculture and poverty free Eastern and Southern Africa region.

## MISSION STATEMENT

Empowering Small Scale Farmers in Eastern and Southern Africa to influence development policies and promote ecological agriculture through capacity strengthening, research and networking.

## THE PURPOSE

To enable small farmers in Eastern and Southern Africa to speak as a united voice so that the issues, concerns and recommendations of farmers become an integral part of policies and practices at grassroots, national, regional and international levels.

### Our Theory of Change:

***Small-scale farmers are a driving force for social change and poverty reduction in ESA region through participation in democratic processes at community and local government level, national and regional level, as well as at continental and global level***

### Out Key Result Areas (KRAs)

- KRA 1: Food security and sovereignty: Small scale farmers ensure food security in the region through sustainable production and policy advocacy for favourable policies and resources availability
- KRA 2: Trade and Markets: Small scale farmers are aware of their rights and responsibilities, and are able to negotiate good trade deals and are demanding and accessing fair market for their agriculture produces
- KRA 3: Cross cutting Issues: Gender, Youths and HIV/IDS: ESAFF mainstreamed youth, gender and HIV in all the policies and programs and has externally identified and engaged in a number of cross cutting issues for advocacy at national and regional levels regarding Gender, Youth and HIV/AIDS by the year 2016
- KRA 4: Institutional and organizational strengthening of ESAFF and its members: ESAFF in 2016 is an organization that produces high quality services efficiently, effectively and in good time





# Report on Activities Implementation during the Year 2014-2015

During the reporting period ESAFF activities focused on 4 key results areas as advocating for Food security and sovereignty in the region, Trade and markets access, Cross cutting issues of gender, climate change and youth as well as HIV/AIDS as well as Organisational development of ESAFF and members. The following are the details for each key result areas:

## Key Result Area I:

### Agriculture policy influencing for food security and sovereignty

Influencing policy processes and decisions on food security and sovereignty at international, regional and national levels through campaigns, is the key objective for ESAFF. The followings were undertaken:

- **Engaging to influence agriculture policy at continental African Union/NEPAD and regional levels (SADC and EAC)**

During the reporting period ESAFF and its members spread in 15 countries in Eastern and Southern Africa continued to engage in major continental policy agriculture making policy processes. A vision 2025 campaign was developed during the annual general meeting in June 2014. It shows how ESAFF and its members will engage the CAADP framework at all level in the next 10 years.

The making of the 2<sup>nd</sup> decade of the CAADP started in the year 2013/2014. ESAFF and other like-minded organisations influenced the process to be more pro-smallholder farmers, take on board agroecology and issues of women, and youth smallholder farmers.

The year 2014/15 focused on engaging agriculture policies at AU/NEPAD level, Regional Economic Communities (RECs) – East Africa Community (EAC) and Southern Africa Development Community (SADC) as well as at national level and grassroots level focusing on the Malabo Declaration and Commitment of June 2014. Other activities included conclusion of the studies analysing CAADP, Agriculture Public Financing and other agriculture policies at EAC and SADC level, at national levels. Studies increased awareness and provided farmers with evidence based advocacy at all levels. Studies showed that many African countries allocate substantial amount on agriculture budget but the actual

disbursement over the year is always not on time and usually well below the approved amount. Studies also provided information where and when small scale farmers can engage national and local budgetary and policy formulation processes.



CAADP Non State Actors Coalition (CNC) meeting in Dar es Salaam Tanzania

**At AUC,** ESAFF continued to work hand in hand with the newly launched CAADP Non State Actors Coalition (CNC) a consortium of civil society, private sector and religious organisations coming together to



influence CAADP at continental level. The CNC is spearheading the launch of national platforms to engage CAADP processes at national level. In Tanzania, ESAFF was elected to the national steering committee alongside MVIWATA, ANSAF, Actionaid, PANITA, TCCIA, and Tanzania Rice Council.

**At regional level** (SADC and EAC), ESAFF participated meaningfully in the consultative meetings in the making of the SADC Regional Agriculture Policy (SADC RAP), its Result Framework and its Investment Plan (IP). ESAFF advocated for the policy to link to the previous SADC Dar es Salaam Declaration of May 2004 on Food Security and Rural Development as well as the paramount of conservation farming – agroecology, smallholder farmers right to seed, and gender sensitivity planning. All these had their inroad to the SADC RAP and its Result Framework. ESAFF was also elected member of the SADC Food Security and Nutrition Steering Committee in April 2014 and also of the SADC Regional Agriculture Investment Plan (RAIP) Regional Working Group (RWG) in June 2015 to represent the voice of smallholder farmers. In 2015/16, ESAFF will continue to work on the SADC RAIP, Its Implementation Framework and eventually the SADC RAP COMPACT.



One of the SADC RAP Investment Plan Meeting. ESAFF is an official member in the working group



From left: Mr. Moses Marwa, Mr. Tim Wesonga, of the EAC Directorate of Agriculture Nov 2014 – Right is Joe Mzinga of ESAFF



At the Middle is Ms Margaret Nyirenda, Director of SADC Food and Natural Resources (FANR) with ESAFF Chairman (right) and ESAFF Coordinator (left)

**At the EAC**, ESAFF participated in some of the national CAADP validation workshops in Tanzania and Uganda and will work towards to influence the finalisation of the EAC CAADP COMPACT. In both RECs, ESAFF will continue with like-minded organisations such as the CAADP Non State Actors (CNC), the East Africa Civil Society Forum (EACSO), SADC CNGO, Africa Centre for Biosafety (ACB) Civil Society Budget Advocacy Group (CSO BAG), ANSAF as well as Oxfam and Action Aid International to influence processes for the interest of smallholder farmers both men and women as well as the youth.



**One of the EAC CAADP Validation workshop in Dar es Salaam- Tanzania**

ESAFF also is an active member of the Food and Climate Justice Campaign (FCJC) in southern Africa pushing for voice and rights of women small scale farmers in the region. The network is regionally coordinated by ESAFF, Economic Justice Network, Oxfam Southern Africa, SADC-CNGO, Zimbabwean Union of Journalists, Rural Women Assembly, PACJA and Natural Justice.



**Mr. Glen Farred of SADC CNGO hands over a policy brief on SADC RAP to Mr. Martin Muchero of SADC**

In December 2014 ESAFF convened a SADC Small Scale Farmers Women's Conference attended by the SADC FANR senior official and the SADC RAP Coordinator. The event that was held in Johannesburg, South Africa, enabled smallholder women farmers across SADC countries to increase their awareness on the regional agricultural policies, and presented their views towards the SADC RAP implementation and lobbied SADC to develop a Farmers' Rights Protocol. However, it was agreed to push for declaration on farmers' rights as protocols takes 6 to 8 years to be effected. It was also noted that women should be at the centre stage in the implementation of the SADC RAP.





**Participants of the SADC Women Smallholder Farmers Gender Conference 2014 ,Johannesburg - South Africa**

### **Engaging to influence agriculture policy at National and Local level through the Budget Mulimi Campaign**



**Launching of the Budget Mulimi Campaign 2014 in Dar es salaam. Objective is to conduct Public Expenditure Survey and campaign for the Malabo Declaration on the 10% target to the agriculture sector**

ESAFF has been actively pushing for the realisation of various commitments in the agriculture sector that works for smallholder farmers. These commitments are at global, continental, Regional and national level. ESAFF members at grassroots level are demand realisation of these commitments at that local level.





**Participants of the Training workshop on Public Expenditure Tracking and Campaign, Advocacy and Lobbying - Dar es Salaam, Tanzania**

During the year 2014/15 ESAFF Member capacities enhanced on agriculture policy advocacy within the CAADP frameworks at AU, RECs - EAC and National level. This enabled farmers in the Eastern and Southern Africa to actively continue to engage continental, regional and national agriculture ministries, members of parliaments, media as well as local level structures in countries like Tanzania, Uganda, Kenya, Rwanda as well as Lesotho, Zimbabwe, Seychelles, South Africa, Malawi demanding meaningful participation in policy and budgeting processes in the agriculture sector.

ESAFF also managed to build capacities of its network members to develop advocacy strategies and producing the Advocacy and Communication Guide as well as PETS Guide and Manual. All the tools supported the Budget Mulimi Campaign launched in October 2014 to influence agricultural budgets at local, national and regional levels.

In carrying out monitoring systems of CAADP engagements on 10% budget for agriculture in member countries in the support of small scale farming; member countries continued engaged local and national governments on budgetary allocations through Public Social Accountability Monitoring (PSAM) and Public Expenditure tracking (PETs).

ESAFF further conducted studies on EAC agricultural budgeting processes at regional and national levels which showed that in 2014/15 budgets Rwanda and Burundi allocated more than 13% of the agriculture budget followed by Tanzania with 5.6%, Kenya 3.4% and Uganda was the least with 3.1%. The findings formed evidence base for advocacy engagement on budgeting issues with media, government officials and RECs.

### **Farmers Public Expenditure Tracking, Law Makers and Governments engagements**

The year 2014/15 farmers were trained on Agriculture Policies, Advocacy tactics and on how to track public funds allocated to the agriculture sector. In the period of May 2014 to March 2015, ESAFF started with the project funds tracking approach anchored on Public Expenditure Tracking Surveys in short PETS. After March 2015, following training on Public Social Accountability Monitoring (PSAM), ESAFF started to migrate from PETS to PSAM approach on public resource management (PRM). However at local level, PETS with some mix of PSAM is much more easily practised by smallholder farmers.



In East Africa the districts of Muleba and Kilosa in Tanzania; Mukaa and Uisin Gishu in Kenya, Kabale and Mayuge in Uganda as well as Rwamagana and Musanze in Rwanda were trained and engaged the local process to track funds in the agriculture projects in the community. The impact is that there is increasing recognition among farmers of their roles and rights (main enshrined in national constitutions) to ensure funds allocated for projects is used to accomplish the projects for the benefits of smallholder farmers. Project tracked included Irrigation schemes, input support system, cattle dip and rural roads.



**Kilosa PETS Committee and farmers in a meeting with Kilosa District Officials**



**Kilosa PETS Committee Chairperson, Mr Stanford Chabonga (in blue t-shirt) with The District Agriculture, Irrigation and Cooperative Officer Ms. Tatu Kachenje and other District Officials and ESAFF Staff**

**In Kilosa district, there has been a number of accountability issues noted as follows:-**

- Deficiencies in terms of expenditure indicating inadequate capacity of the council to execute the allocated budget, for instance in 2013/2014 the council spent 86.46% of the received funds.
- The expenditure on OC exceeded the allocated budget reaching to 141.06% while Development budget exceeded to 145.18 %.
- Most of the sector's budget was directed to irrigation schemes; no much emphasis is given to agricultural inputs for small farmers. The performance of irrigation projects is wanting. Some are stalled / or abandoned yet there are no serious legal and disciplinary actions taken..
- Lack of transparency/consultations in irrigation projects undertaken by the Council has resulted into misunderstanding and mistrust between farmers and the Council management team as in the case of Rudewa Irrigation Scheme.
- Delay of funds from central government and inadequate number of heads of department were mentioned to be among the contributing factors towards poor performance.
- Interestingly, Kilosa district is in FY 2015/2016 approved 10% of its total own revenue to to serve agricultural sector. We hope implementation will be realised.

**Source:**

1. *Five Year Kilosa District Strategic Year (2015/2016-2019/2020).*
2. *District Annual Plan and Budget Kilosa district (2015/2016 (Febr.2015).*



## Public Expenditure Tracking in Muleba - Tanzania

### In Muleba district, the following scenarios were noted:-

- Agricultural sector is not the top most sector; In 2014/2015 it was ranked fourth while in 2015/2016 is ranked second.
- Only 49.97% of the district' arable land is utilized for agriculture (143,900 ha out of 288,000 ha) yet 85% of its population are farmers (2012 National Census)
- Delay of fund disbursement: budget approved but little received and less spent in three quarters of the year 2014.
- The Council has not set aside budget from its own source to serve the sector.
- Lacks community participation in identification of priorities, planning and budgeting (through O and OD) Irrigation project failure to be completed as scheduled get damaged by natural courses or human activities



**Muleba District Officials and Farmers at a Dialogue on The Malabo Commitments and Budget at District Level**

### PETS in Uganda

Uganda trained small scale farmers in Public Expenditure tracking in Mayuge and Kabale district. It was noted that farmers in Kabale district wrote a letter to seek audience with political leaders that was rejected and as a result farmers mobilised community members to demonstrate against the poorly constructed Nyamera road. As a result, the Assistant town clerk, RDC, District Engineers and others realised that the community members were not happy. Later, the local government started re-working on the Nyamera Road; and SSFs in Kabale district are still following up on the other commitments made by local leaders.

### PETS in Kenya

In Soy-Uasin Gishu districts, two projects were tracked by the PETS committee; these included construction of the Tuyabeke cattle dip and the building of Cereal bank. The Uasin Gishu PETS committee strategizes and collected data to tracking funds for the two selected projects of the cattle dip construction and the building of the cereal bank in Mateeny.

On analysis of the cattle dip project it was observed that the total budget for the project was 700,000 KSH, but only 300,000 KSH was disbursed by the time of starting to track the project. A follow up exercise was made on how the 300,000 KSH was utilized. A follow up by PETS Committee resulted to the release of 200,000 KSH while the remaining 200,000 KSH was promised to be disbursed in the 2015/2016 financial year.



### The tracked Tuyabeke cattle dip



**The Tracked Tuyabeke cattle dip, PETS speeded up its completion**

On the other hand the cereal bank building, in 2013 Kenya Ministry of Agriculture (MOA) through Economic stimulus fund, released a total fund of 40,000,000 KSH for the building of cereal bank in Mateeny Soy- Uasin Gishu. The fund came to the Mateeny Soy Cooperative Society which was founded in 2009. During PETS activities, PETS committee tracked the use of the 40,000,000 KSH and the performance of the constructor in building the same. They found out that the fence of the building was supposed to be a perimeter wall and not of wire mesh as done by the constructor. They followed up the matter and the perimeter wall was put up. Also maize drier was purchased and solar system was installed in the building.



**Tracked Cereal Bank in Mateeny Soy Uisin Gishu Kenya. PETS activity ensured a proper fence was built**



# Challenges to realisation of the agriculture budget

*Engagement with Parliamentary portfolio Committee on Agriculture; Tanzania:*



**Tanzanian farmers with Parliamentary Committee Member on Agriculture after their meeting in May 2015, Dodoma Hotel**

The Eastern and Southern Africa farmers' Forum (ESAFF), a network of smallholder farmer groups in Tanzania (MVIWATA) and the Agriculture Non-state Actors Forum (ANSAF) convened a meeting on 20 May 2015 with the Parliamentary Portfolio Committee on Agriculture to deliberate on the farmers views and concerns on the agriculture sector in Tanzania and how to enhance partnerships between farmers and policy makers whereby 13 MPs participated.. The chairman of the committee Professor Peter Mahamud Msolla and the Tanzania parliamentary committee on Agriculture, Water and Livestock expressed their great displeasure with the executive branch of the government for failing to fulfil budgetary commitments made in parliament for the benefit of agriculture, water and livestock sectors.

The members of the committee told farmer leaders in Dodoma on the eve of the agriculture sector budget readings for FY 2015/16. It was noted that the government had failed to fulfil financial year 2013/14 promise to release additional funding obligations to the water, livestock and agriculture sectors. The additional funding commitments were forced by parliament after it had refused to approve the budgetary allocation noting it was very small and inadequate.

A MVIWATA farmer leader Mr. Paulo Joseph from Manyara (standing right) asked the committee if the budget that was approved in the financial year 2014/15 was fulfilled by 100% or not. "If the budget was not fully disbursed in the previous



**MVIWATA farmer leader Mr. Paulo Joseph from Manyara (standing right) asks the parliamentary committee on the agriculture budget a question**



years, what was the rationale to approve a budget that is not being honoured,” asked the farmer. In his response the committee chairman noted that “The parliament refused to approve the water sector budget in the previous financial year and the government promised to release about TZS Billion 80 for the water sector, TZS 20 Billion to the struggling livestock sector,” he lamented. The promised funds were never released.

The chairman of the Agriculture, Water and Livestock committee admitted that during the preparatory of the financial year 2015/16 budget, the agriculture committee it was a big tussle as proposals made in the past were not fulfilled by the government. It was highlighted that in one of the parliamentary debates, the committee were called to the parliamentary budget committee session in which the Prime Minister and Parliamentary chairpersons committees attended and their committee refused to present any budget amendments because past recommendations were not honoured”.



**Parliamentary Committee Chair (right) Prof Peter Msola Congratulating MVIWATA Chairperson Veronica Sophu for Co organising the event with ANSAF and ESAFF**

To overcome the challenges, the parliamentary agriculture committee agreed to meet with farmers frequently and especially when budget preparations are at the initial stages. It was also agreed that the move will ensure that issues raised by smallholder farmers gets to the ministries and government officials as well the full house in time. It was further deliberated that ministers and principle secretaries of the agriculture sector line ministries (agriculture, water and livestock) should be present during those discussions.





## Promotion of agroecology farming system and local seeds

- **Seed as source of wealth creation to promote seed sovereignty in Africa**



**Documenting farmer managed seed system in Dodoma**

Vibrant local seed industry is a key for assured food sovereignty in Africa. ESAFF and other like-minded organisation are worried with a trend in putting policies, practises and legislations that takes away seeds from the hand and ownership of African smallholder farmers. To enhance capacity of small scale farmers in sustainable agro ecological farming practices in the region, ESAFF motivated members to work on seed banks as an alternative to ensure food sovereignty. ESAFF continued to document life changing stories on farmers who have managed to conduct seed multiplication in Tanzania, Zimbabwe and Zambia and shared with other network members. The aim of these documentations was to show that smallholder farmers can engage in production and sustaining open pollinated varieties that can ensure that African farmers continue to use and preserve local seeds (composite) that are suitable to produce more yields in specific local environment and which is cheaper than highbrid maize seeds which sometimes fakes are sold in the market. The showcasing also is to counter argument that only imported highbrid seeds are better for farmers. Among the Tanzania national supported initiative by FAO is the Quality Declared Seed (QDS) system. Among the group supported is ZOSEM smallholder farmer group based in Central Tanzania. This group is made of less than 10 farmers but was able to produce annually 15 tonnes on average that could give them about (TZS 15 million about USD 8,000 year 2014/13). This improved lives of the farmers and also provided reliable and better seeds to farming community around nearby districts and regions. ESAFF in the year 2015/16 will explore ways to study other groups nationally supported to produce seed but also enhancement of local seed entrepreneurs that helps to ensure seed sovereignty and helps to create wealth among smallholder farmers.

### **Efforts to enable farmers to legally own maize seed**

On Agriculture research agenda, ESAFF is exploring opportunities to work with research institutions to support farmers to purify the Ibandawe seed maize variety that they propagate to register and own it. A smallholder farmer



Experts of the Agriculture Research Centre-Uyole, with farmer leaders

group in Southern Tanzania called Zyatwaga a group (A member of MVIWATA) has been engaged with a number of seed farming activities since its inception. In 1998 which marked the beginning of economy liberalisation, farmers in Ibebwa Village received poor maize seeds from traders that could not germinate or give good yields. They decided to embark on identification and selection of local seed. Since 1999 they have been farming seed in a

traditional way and branded the two best as Ibandawe and Nchancha and selling them to fellow farmers in different parts of the country. The major supporting organisation has been ADP Mbozi, though sometimes in 2008 Agriculture Research Institute (ARI) Uyole worked with the group in Maize research through demonstration plots. Farmers have their own preferences to certain type of seeds.

Farmers in Ibebwa mentioned some characteristics as their preference to local seed “Ibandawe” which they multiply and sell even outside their villages and district. It’s also reported that, Ibandawe has gained prominence in some parts of Tanzanian Southern Highland of Sumbawanga rural in Rukwa region. The mentioned characteristics (for Ibandawe) include: drought tolerance, disease resistance, palatability, good threshing quality and big cobs.

A study by ESAFF on improving maize seed systems to meet farmer’s needs in the southern highlands [July 2013] showed that, farmer’s saved seed is the key system for most smallholder farmers (SHF) and the evidence pointed to dominance increase over the recent past and continued to do so for the immediate future. During the consultations on the same study, it was noted that, farmers were continuing to grow local varieties because they are palatable. Farmers perceived the germination rates of farmer’s saved seed as high [even at harsh weather] because such seeds are available, affordable and trusted by farmers.

In 2015/16 ESAFF will assist a smallholder farmers group - Zyatwaga - in Mbozi – Mbeya, Tanzania towards official release and certification of Ibandawe maize landrace to ensure ownership and recognition through the following stages.

- **Seed Research** – To undertake genetic purification of Ibandawe maize landrace for 2-3 seasons to fix genetic identity and genetic integrity of the candidate cultivar.
- **Variety Testing:** variety testing procedures for adaptability, stability and farmers assessment on Value for Cultivar Use (VCU)
- **Seed preservation-** To facilitate and support the Farmer group to preserve the Ibandawe Maize landrace in the National Plant Genetic Resources Centre (NPGRC) in Arusha and the SADC Plant Genetic Resources Centre (SPGRC) in Lusaka, Zambia
- **Variety Release and Registration:** Application for Statutory testing and variety release protocols as will be advised by TOSCI.
- **Advising on Variety Protection:** Assisting in consulting the Plant Breeders’ Right Registrar’s Office for PBR protection procedures



## Key Result Area 2:

**Trade and Markets where Small scale farmers' are aware of their rights and responsibilities, and are able to negotiate good trade deals, demand and access fair markets for their produce**

Market is a key component in ensuring food security and economic wellness of smallholder farmers in Eastern and Southern Africa (ESA) region. Market rewards, motivates and encourages farmers to produce more. During the reporting period ESAFF enabled sharing of one impact study of MVIWATA bulk markets experience on food security and food trade was conducted by GRET. There were calls for supporting SSFs to access markets and venture into bulk marketing as it is convenient for many buyers to acquire agricultural products from a group of farmers at one place.



**Regional Conference for Showcasing to EAC Governments and ESAFF members the effectiveness of bulk marketing and the importance of "Cross-border Trade Centres" for food security**

As a way of facilitating trading among EAC countries, MVIWATA in collaboration with ESAFF and GRET organized a regional workshop that brought together representatives of governments, traders and small scale farmers from EAC countries. The workshop was conducted in Morogoro-Tanzania from the 15<sup>th</sup> to 18<sup>th</sup> of July 2014 with a total of 77 (57 Males, 20 Females) participants. The objectives of the workshop were:

- To communicate on the importance of bulk marketing and cross border trade based on the evidence generated from the 2 studies' findings on bulk markets in EAC countries.
- To strengthen the flow and use of Agricultural marketing information within the region
- Identify strategies for better link between farmers and traders within the region
- Make policy recommendation for strengthening regional agriculture trade and link with farmers In order to share experience and to facilitate dissemination of lessons learnt on trade pattern in EAC countries, MVIWATA has undertaken.



**MVIWATA Grain Market in Kibaigwa**



The workshop was marked by presentations on MVIWATA's experience bulk markets, the study on MVIWATA experience on bulk markets and assessment of opportunities for expansion in the East African Community, the preliminary findings of the study on agriculture and food security policies in EAC, analysis of tariff and non-tariff barriers and MVIWATA agricultural marketing information systems. During the course of the workshop, there were also field visits where participants visited Nyandira and Kibaigwa markets in Tanzania.

As a result of this meeting, stakeholders agreed to develop a policy statement for the government to address non-tariff barriers in EAC countries; to lobbying for the EAC governments to implement bulk markets taking experience from MVIWATA markets as well as to propose governments in EAC countries to avoid the export bans so that commodities can be traded among the EAC countries. It was also agreed for MVIWATA in collaboration with government people to identify farmers with crops and then visit South Sudan where they can sell the crops.

- **Study on challenges faced by smallholder farmers in cross border trade and non-tariff barriers in the East African Community**

During the reporting period, ESAFF commissioned a scoping study to outline major challenges by smallholder farmers in the east African Community. In 2013/14 a regional scoping study on bulk marketing in 5 East African countries was conducted to identify opportunities for scaling up experience. The process is to facilitate smallholder farmers cross border trade within the EAC. The study included analysis of small scale farmers' commodity trade in countries, linkage between bulk market and food security policies and the value chain of some of key commodities in the region. It is in line with that background that ESAFF commissioned a scoping baseline study to document the performance of EAC in elimination of Non-Tariff Barriers (NTBs) that affect small-scale farmers and the facilitation of inclusive discussions at national level for harmonized food policies in the EAC region to support market-oriented family farming. These findings were arrived at by information generated through an action-based research and literature review, interviews with small-scale farmers, their agents and small-scale business interests Groups (BIGs) which mainly comprised EAC Cross-border agri-product traders.

Among the key findings from this survey was the fact that 75% of the respondents indicated that they lack the ability to effectively influence the EAC agri-trade processes because of the low understanding of the EAC agri-trade standards, rules, regulations and laws.

SSFs have not benefited from EAC agri-trade because they have not been facilitated on how to access the opportunities envisaged by the EAC Treaty, Custom Union and Common Market Protocols.

The survey also revealed that SSF and EAC Secretariat and Partner States do not have the same understanding of the NTBs which face SSFs. While the EAC Secretariat and the Partners State use the conventional definition of NTBs in their engagement with SSFs the farmers have taken the NTBs notion to mean lack of trade facilitation therefore the two-sides do not have a shared understanding of what they are trying to address.

It was also noted from the survey that very few SSFs who took part in the survey are aware of the agri-trade requirements and standards in each of the EAC partners states. Despite the fact that ESAFF has a membership; across the EAC, it was noted that there is very limited interest in agri-trade advocacy among the members.

To remedy the above stated situation the survey proposes greater facilitation of SSFs through associations and networks like ESAFF so that they can understand the structures, organs, policies and rules/regulation which form the EAC trade regime. ESAFF intends to organize a regional policy dialogue on trade, market-integration and benefits to Small-Scale Farmers in 2016. The main outcome of the engagement is increase awareness among smallholder farmers on the opportunities of agri trade in the EAC, call for the removal of non-tariff barriers in conformity with the EAC trade rules as is prescribed in the Customs Union and Common Market Protocols and the call for the creation of the East Africa Regional Agricultural Advisory Council (EAAAC) within the EAC Secretariat for the sake of harmonization of the agriculture development in the EAC. The envisaged Council is expected to be a semi-autonomous body responsible for critical synthesis of issues and advising on the policy direction.



### Key Result area 3: Mainstreaming of Gender, Youth and HIV/AIDS in ESAFF

Gender and youth issues continued to be important elements in ESAFF operations and programme planning and implementation since the year 2013. In August 2013 ESAFF Board approved gender, youth and HIV/AIDS policies to guide mainstreaming of these cross cutting issues within ESAFF. The year 2014 saw more women and youth coming in ESAFF leadership. To June 2015 women farmer leaders were at the helm of 5 members that include MVIWATA - Tanzania, ESAFF South Africa, Lesotho, ZIMSOFF – Zimbabwe, ESAFF Rwanda. Within ESAFF the executive committee of the Board is female dominated in which 3 out of four leaders are women. Apart from the Chairman, the vice chair, general secretary and treasurers are women farmer leaders.

At ESAFF secretariat level, out of 6 staff; two staff were men and four were women. ESAFF is looking forward to see more youth and women farmer leaders are making their way in the Board at national and regional level.

### Key Result area 4: Organisational Development of ESAFF and her members



#### ESAFF AGM June 2015

During the reporting period ESAFF continued to ensure that it has a strong and competent secretariat for day to day activities. The Board provided guidance and direction as well as financial mobilisation and communication within and outside the organisation. Among the key deliverables over the year were as follows;

- To strengthen ESAFF regional secretariat as a professional, efficient and effective organisation and ensure conducive working environment. Staffs were recruited and working policies were improved. Total number of permanent staff at ESAFF by June 2015 was 6 in which 4 are women and 2 male. By June 2015 ESAFF had the following staff: Coordinator (CEO); Finance and Fundraising Officer; Accountant (Monitoring and Evaluation Focal Person), Administration Officer; Communication and IT Officer as well as Campaign, Lobbying and Advocacy Officer.





- **Statutory meetings for monitoring and enhancement of ESAFF region governance**

AGM, Board and executive committee meetings took place as planned in the year 2014/15. One Annual General Meeting attended by 35 delegates was held in June 2015. Three Board meeting were held and four exco meetings organised. This was for monitoring purpose, planning and assessing performance of the Forum. They also helped to strengthen institutional capability and sustainability. As a new Board of ESAFF was in place since June 2014, an assessment was done to establish capacity gaps and device mechanism to provide capacity development through coaching, exposure visit and training. The Board also decided to review the code of conduct and develop a self-assessment tool to evaluate their performance. Later in the year training on fundraising and finance management, the role of the Board was conducted. The Board also assigned one of its members to visit Mozambique to provide support to enhance countries participation in the ESAFF Board and ESAFF activities. During the reporting period the Board established subcommittee to support the coordination and implementation of the organisation key activities: Personnel and administration, financial management, Communication and membership a well as campaigning and advocacy. The committee will be headed by members of the exco.

- **Communication and visibility**

ESAFF continued to be a source of information at national and international level. International media like the Press TV, Radio France International contacted ESAFF to seek smallholder farmer's opinion on various issues like GMOs and Agriculture Financing.

ESAFF website, [www.esaff.org](http://www.esaff.org) was updated regularly alongside the social media embedded like flickr, facebook, youtube, Instagram and twitter were added as tool for communication on the ESAFF webpage. Board members were oriented and supported to use social media like Whatsapp and Viber as well as Skype for communication. Youth farmers have taken interest and mostly communicating through ESAFF communication tool. Farmers leaders and national coordinators increasingly use Whatsapp to communicate which reduced communication cost. ESAFF also purchased books on family farming and shared with national members. ESAFF e-newsletter was also produced and disseminated while four ESAFF national members were supported to develop interactive websites; Zimbabwe, Uganda, Rwanda and Kenya. ESAFF also produce an advocacy calendar 2015 focusing on encouraging farmers to participate in budgeting processes from grassroots to national level.

Weak members' need-based capacity development was offered covering human, members' mobilisation, financial and material resources and support in strategies development (Kenya, Rwanda, Burundi, Lesotho, South Africa, Swaziland, Mozambique and Zambia). This was conducted and weak members are establishing structures in place. ZIMSOFF has now an office, ESAFF Burundi rejuvenated after elections which put new leaders in April 2015 and Lesotho was looking for office space. Many members have recruited organisational coordinators but still face challenges in resource mobilisation.

## **ESAFF GOVERNANCE STRUCTURE**

The Organisation powers and affairs shall be managed by the members through the following Organs:-

### **The Tri-Annual General Summit (TGS)**

is held after every three years. The Summit constitutes of four members or delegates or representatives from each member country, it has almost 54 members and these members change after each three years. Last TGS was done in June 2014 and next TGS is expected to be in June 2017. The TGS elects office bearers of the organisation (executive committee of the Board exco); the Chairman, Vice Chairman, General Secretary and Treasurer. It also approves strategic plan, select bankers and auditors and amends constitution.

### **The Annual General Meeting (AGM)**

and or Extraordinary General Meetings held every year attended by about 40 delegates. AGM constitutes two members or delegates or representatives from each member country. The AGM main function is to approve annual plans.

**The ESAFF Regional Board** – is constituted of thirteen (13) elected at the Tri-Annual General Summit of the Organization. The tenure of office for Board members is three (3) years but renewable once when deemed appropriate subject to re-election. The Board works to support the secretariat operations through the Executive Committee (Exco).

**The Secretariat** is headed by the ESAFF Regional Coordinator and governed by rules, regulations and policies made by ESAFF Regional Board from time to time for the proper and efficient execution of the day to day activities of the Organisation under the oversight role of the Board through the exco.





- **Robust membership mobilisation**


This activity is on-going and ESAFF and its network members are updating their membership data bases which by July 2014 stood at 530,000 members in 15 countries. In 2016 ESAFF will produce a code of good practise to guide members on the value and minimum standards of the network members.

- **Publicity and training materials for farmers,**

ESAFF developed and disseminated various manuals/tools and guide to assist farmers in evaluating themselves through SAYO (self Asses Your Organisation Tool, Financial Management Manual, Governance Manual, Advocacy Guide, Public Expenditure Tracking (PETS) guide and manual, Fundraising Guide, Policy Analysis Tool and these were produced and shared with members. Members were also trained on advocacy, communications and networking strategies. The manual and tools will be tested and later printed in 2015/16.



## Summary of Financial Report



Building a better  
working world

Ernst & Young  
P.O. Box 2478  
Tabbouse Tower (4th Floor)  
34/1 Ujuzi South,  
New Regency Road  
Dar es Salaam, Tanzania

Tel: +255 22 2027000/1  
Fax: +255 22 2027072  
E-mail: info.tanzania@ey.com  
www.ey.com



Ernst & Young  
Certified Public Accountants,  
Dar es Salaam  
Signed by: Joseph Sheffu.....  
Date: 30<sup>th</sup> September 2015



## I. INTRODUCTION

This financial report is for the period commencing from 1<sup>st</sup> July 2014 to 30<sup>th</sup> June 2015. This is the 6<sup>th</sup> report produced since started its operations in 2009. This report is prepared purposely in compliance with the Forum's financial year which runs from 1<sup>st</sup> July to 30<sup>th</sup> June each year. The financial operation performance report and financial statements presented have been prepared in accordance to International Financial Reporting Standards (IFRS) and were subjected for audit in accordance with International Standards on Auditing by ESAFF appointed external Auditors Ernst & Young, Certified Public Accountants. The Board approved the audited report in its seating in November 2015.

## 2. OVERVIEW OF FINANCIAL PERFORMANCE FOR THE YEAR 2014/15

In the financial year 2014/15 the Forum had a budget of **TZS 1,729,028,593 (EUR 792,961)**; and of that budget, the Forum received resources totalling **TZS 1,509,204,293 (EUR 635,543)** from its funders. Another resource came from the Forum's own sources which was **TZS 13,416,271 (EUR 5,650)**.

The opening cash balance for the financial year 2014/15 was **TZS 736,156,534 (EUR 310,004)**. This in total made available funds 2014/2015 to be **TZS 2,258,441,149 (EUR 951,196)**.

The overall expenditure indicates that by the end of ESAFF financial year (30<sup>th</sup> June 2015) a total amount of **TZS 1,429,299,064 (EUR 601,894)** which forms **83%** of the budgeted expenditure was spent to meet the planned activities.

Planned activities for the year included:

- General Investment,
- Recurrent expenditure and
- Program activities funded by development partners and own funds.

The program expenditure leaves the balance of **TZS 823,081,763** about **EUR 346,609** as deferred income to the financial year 2015/2016. This is mainly because some development partners' (especially the EU INVOLVE Project) specific annual reporting period ends some months after ESAFF financial year (June 30<sup>th</sup>) – See the table below.

**Table 1: The deferred Partners funds July 2014- June 2015 in TZS**

Particulars	Opening Balance as per 1st July 2014	Amount Received 2014/2015	Expenditures 2014/2015	Deferred income 30th June 2015
Grants - Oxfam Novib	10,337,828.54	310,431,339	206,183,659	114,585,509
Grants - BFTW	7,021,623	154,259,040	107,567,388	53,713,275
Grants - TA	-	42,421,093	42,421,093	-
Grants – SADC CNGO	-	8,397,651	8,397,651	-
Grants - SAT	- 1,019,465.21	46,969,600	45,950,135	-
Grants - EU	719,816,547.90	946,725,570	1,011,759,138	654,782,979
<b>Total</b>	<b>734,011,935.10</b>	<b>1,509,204,293</b>	<b>1,422,279,064</b>	<b>823,081,763</b>

Note: Exchange rate used is 1EUR= TZS 2,374.67 as of 30<sup>th</sup> June 2015





## 2.1 Income

In the year 2014/15 ESAFF managed to earn funds from 6 donors and other income from own sources amounting to **TZS 1,522,620,564**. The total income is equivalent to **EUR641,051** which makes **88%** of the annual budgeted amount of **EUR792,961**. The funds were received from various sources as shown in the table 2 below.

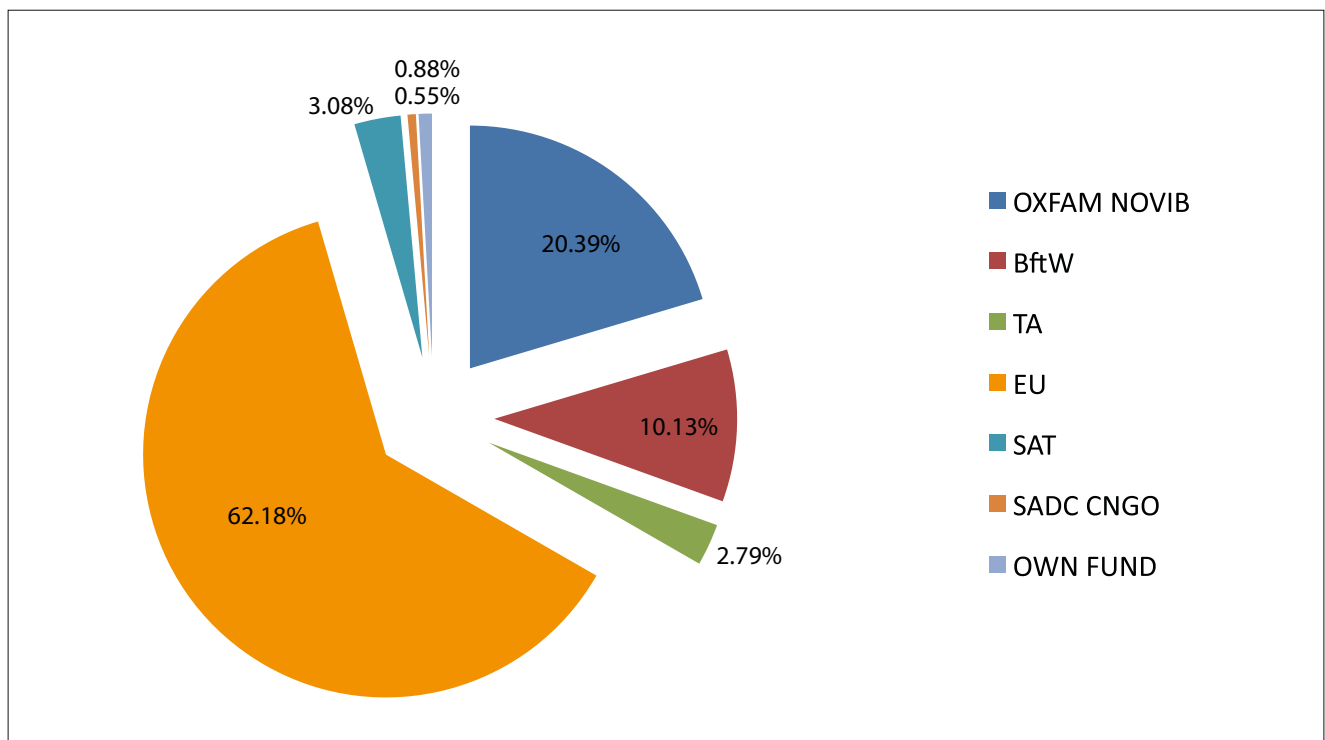
**Table 2: Actual funds Received July 2014 - June 2015**

Source of Fund/Partner	Amount in TZS	Amount in EUR (Approximately)	Share percentage
Grants - Oxfam Novib	310,431,339	130,726	20.39%
Grants –Bread for the World (BFTW)	154,259,040	64,960	10.13%
Grants –Trust Africa (TA)	42,421,093	17,864	2.79%
Grants – SADC CNGO	8,397,651	3,536	0.55
Grants –Southern Africa Trust (SAT)	46,969,600	19,779	3.08%
Grants –European Union (EU)	946,725,570	398,677	62.18%
Own Fund	13,416,271	5,650	0.88%
<b>Total</b>	<b>1,522,620,564</b>	<b>641,192</b>	<b>100%</b>

*Note: This table includes total fund available from each donor in 2014-2015 Financial year.*

*Exchange rate used is 1EUR= TZS 2,374.67 as of 30<sup>th</sup> June 2015*

The chart 1 below presents the financial contribution from each development partner in percentage





**Table 3: Analysis of Total Income (Including balance at the end of the project) by Source of funds for financial year July 2013- June 2014 and July 2014- June 2015**

Source of Funds/Partner	July 2014 - June 2015	July 2013 - June 2014
<b>Amounts in TZS</b>		
Grants - Oxfam Novib	310,431,339	-
Grants - BFTW	154,259,040	106,666,992.88
Grants - INSARD	-	51,673,897.24
Grants - TA	42,421,093	-
Grants – SADC CNGO	8,397,651	-
Grants - SAT	46,969,600	47,078,088.23
Grants - EU	946,725,570	1,061,858,384.07
<b>Total</b>	<b>1,509,204,293</b>	<b>1,267,277,362.42</b>
<b>Own Fund</b>		
Annual Subscription Fees	3,703,008	5,833,708.00
<b>Other Income</b>	9,713,263	1,620,846.50
<b>Total</b>	<b>13,416,271</b>	<b>7,454,554.50</b>
<b>GRAND TOTAL</b>	<b>1,522,620,564</b>	<b>1,274,731,916.92</b>

*Note: Own funds do not include the non cash incomes like exchange gain.*

## 2.2 Expenditure

During the period of this report ESAFF have spent total amount of **TZS 1,429,299,064 (EUR 474,910.01)** in implementation of its core activities according to the plan. The main activity financed in year 2014/15 includes general investment, recurrent expenditures which comprise personnel and operational cost and finally implementation of program activities. The expenditure pattern for the year 2014/15 is as indicated in the table 4 below:

**Table 4: Summary of Total Organisation Expenditures**

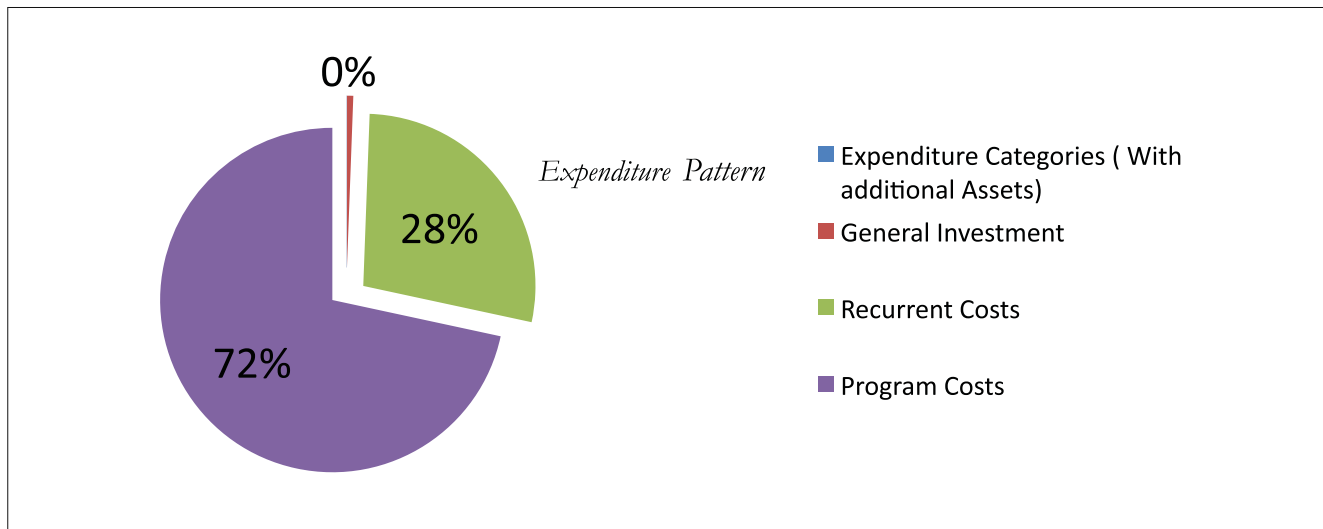
Description/Category	Expenditure in TZS	Expenditure in EUR)	Percentage (%)
General Investment	8,435,000	3,552	0.59%
Recurrent Costs	397,187,480	167,260	27.79%
Program Costs	1,023,676,584	437,082	71.62%
<b>Total</b>	<b>1,429,299,064</b>	<b>601,894</b>	<b>100%</b>

*Note: Total expenditure excludes non cash expenses like Depreciation and exchange loss*

*Exchange rate used is 1EUR= TZS 2,374.67 as of 30<sup>th</sup> June 2015*



The chart 2 below show the expenditure pattern for July 2014 to June 2015



### 2.2.1 General Investments

General investment expenditure involved purchase of different assets at ESAFF Regional Office based in Morogoro, Tanzania. The total budget spent under general investment was TZS 8,435,000 (EUR 3,552) for purchase of office chairs, book shelves, and projectors well as 2desktop computers.

### 2.2.2 Recurrent Expenditure

Under this budget line costs are falling under the category of fixed overhead expenses. These comprise personnel, professional charges and operational cost. The total expenditure was TZS397,187,480 (EUR 167,260) which makes 27.79% of the overall total actual expenditure.

### 2.2.3 Program Expenditure

Under the budget line of program expenditure, amount of TZS 1,023,676,584 (EUR437,082) was spent. This forms 71.62 % of total annual actual expenditure.

The following is the details of the expenditures in the above 3 expenditure areas (General Investments, recurrent and program expenditure.





## STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30TH JUNE 2015

	Notes	June 2015 TZS	June 2014 TZS
<b>Income</b>			
Accountable Grants	12	1,422,279,064	1,068,529,595
Other Income	13	132,095,715	55,822,963
<b>Total income</b>		<b>1,554,374,779</b>	<b>1,124,352,559</b>
<b>Expenditure</b>			
Grants Disbursements	14	295,069,796	167,125,794
Administration Expenses	15	230,872,409	336,661,387
Program Expenses	16	904,523,993	571,505,386
<b>Total expenditure</b>		<b>1,430,466,198</b>	<b>1,075,292,567</b>
<b>Surplus/(Deficit) of income over expenditure</b>		<b>123,908,581</b>	<b>49,059,991</b>

## STATEMENT OF FINANCIAL POSITION AS AT 30TH JUNE 2015

	June 2015 TZS	June 2014 TZS
<b>Non-Current Assets</b>		
Equipment	13,133,618	14,300,750
<b>Current Assets</b>		
Staff advances	360,971.86	489,915
Prepayments	83,945,223.87	10,549,124
Bank and Cash Balances	765,764,493.25	577,528,621
Grants Advances	212,104,919.22	215,650,542
	1,062,175,608	804,218,202
<b>TOTAL ASSETS</b>	<b>1,075,309,225</b>	<b>818,518,951</b>
<b>RESERVES AND LIABILITIES</b>		
<b>Reserves</b>		
Accumulated Surplus	196,399,742	72,491,161
	196,399,742	72,491,161
<b>Current Liabilities</b>		
Payables	55,827,720	12,015,855
Deferred Income	823,081,763	734,011,935
	878,909,484	746,027,790
<b>TOTAL RESERVES AND LIABILITIES</b>	<b>1,075,309,225</b>	<b>818,518,951</b>



## STATEMENT OF CHANGE OF EQUITY FOR THE YEAR ENDED 30<sup>th</sup> JUNE 2015

	Accumulated Surplus JUNE 2015	Accumulated Surplus JUNE 2014
<b>Statement of Reserve</b>		
Balance Brought Forward	72,491,161	27,755,995
Asset Adjustment		(4,324,826)
(Deficit)/Surplus for the year	123,908,581	49,059,992
<b>Balance as at 30 June 2015</b>	<b>196,399,742</b>	<b>72,491,161</b>

RECEIPTS AND EXPENDITURE PER DEVELOPMENT PARTNER FY 2014/2015		Donors						
	ESAFF	OWN FUND	OXFAM NOVIB	BftW	Trust Africa	EU	SAT	TOTAL
		006	001	002	003	004	005	
		TSHS						
1	Opening Balance as of July 01, 2014	-	10,337,829	7,021,623	-	719,816,548	-1,019,465	736,156,534
2	Receipts During The Period	13,080,322	310,431,339	154,259,040	42,421,093	946,725,570	46,969,600	1,512,032,073
							8,397,651	10,252,542
		13,080,322	320,769,168	161,280,663	42,421,093	1,666,542,118	54,347,786	2,258,441,149
	LESS: EXPENDITURE							
A.	General Investment	-	-	2,750,000	-	5,685,000	-	8,435,000
B.	Recurrent Expenses							
1	Payroll Costs	-	39,422,155	73,372,360	3,325,192	198,819,983	5,740,988	320,680,677
2	Administration Expenditures	-	5,772,073	4,188,198	-	25,385,025	546,190	35,891,486
3	Professional Charges	-	2,232,176	4,418,715	-	33,964,426	-	40,615,317
C.	Programmes							-
Key Result Area 1 - Food security and sovereignty: small scale farmers continue to ensure food security in the region through sustainable production and policy advocacy for favourable policies and resources availability								
1	Sub result 1: Small-holder farmers' rights protocol and responsive implementation of CAADP II, 2014 -2025 on public investment to agriculture, addressed (The AU Heads of State Malabo Declaration June 2014)	-	15,506,720	9,503,345	-	-	44,444,011	69,454,076
2	Sub result 2: Member capacities enhanced on agriculture policy advocacy within the CAADP frameworks at AU, RECs - EAC and National level.	-	33,122,534	-	-	160,558,699	-	193,681,234
3	Sub-result 3: Carry out monitoring systems of CAADP engagements on 10% for agriculture at EAC and national level in the support of Small scale farming	-	24,679,756	-	39,095,902	164,838,844	-	228,614,501



4	Sub-result 4: Sustainable climate-oriented, agro-ecological agriculture at national, regional and continental level implemented	-	6,970,014	8,187,020	-	-	-	15,157,034
5	Sub-result 5: Agriculture research agenda influenced at various level	-	-	-	-	-	-	-
<b>6 Key Result Area 2 - Trade and Markets: Small scale farmers are aware of their rights and responsibilities, and are able to negotiate good trade deals and are demanding and accessing fair market for their agriculture produces</b>								
	Sub Results Area 1: Capacity of grassroots members built to market collectively and negotiate fair prices for inputs and produce in through MVIWATA Experience ( 2.1, 2.2 2.3 and 2.4)	-	-	-	-	231,750,438	-	231,750,438
	Sub Results Area 2: Researched into and campaigned against unfair trade and marketing policies and practices between countries, regions at global level	-	-	-	-	63,319,358	-	63,319,358
		-	-	-	-	-	-	-
<b>Key Result Areas 3: Mainstreaming of Gender, Youth and HIV/AIDS in ESAFF and members leadership structures and activities.</b>								
7	Sub-result 1: All members have developed and implementing cross cutting issues in their policies and programs	-	-	-	-	-	-	-
8	Sub-result 2: Youth are motivated to take interest in ESAFF activities and leadership	-	-	-	-	-	-	-
<b>Key Results Area 4: ESAFF is an organization that produces high quality services efficiently, effectively and in good time</b>								
9	Sub-result 1: Strengthened institutional capability and sustainability of members	-	-	5,147,750	-	4,350,100	-	9,497,850
10	Sub-Result 2: To strengthen ESAFF regional secretariat as a professional, efficient and effective and ensuring conducive working environment	-	3,903,950	-	-	-	-	3,903,950
11	Sub-result 3: Enhanced ESAFF region governance	-	7,701,250	-	-	-	-	7,701,250
12	Sub-result 4: Mobilise the necessary resources for the implementation of the strategic plan (services)	-	-	-	-	-	-	-
13	Sub-result 5: Enhanced leverage, Communication, visibility and Linkages, within ESAFF network as well as between ESAFF and likeminded organisations	-	41,761,310	-	-	120,376,866	3,616,597	165,754,773
14	Sub result 6: Ensured learning, sustainability of SP through Monitoring and Evaluation of projects activities	7,020,000	25,111,720	-	-	2,710,400	-	34,842,120
	<b>Grand Total</b>	<b>7,020,000</b>	<b>206,183,659</b>	<b>107,567,388</b>	<b>42,421,093</b>	<b>1,011,759,138</b>	<b>54,347,786</b>	<b>1,429,299,064</b>
	<b>Balance Carried Forward</b>	<b>6,060,322</b>	<b>114,585,509</b>	<b>53,713,275</b>	<b>0</b>	<b>654,782,979</b>	<b>0</b>	<b>829,142,085</b>





## ESAFF Board Members as at 30th June 2015



*Serge Benstrong (Seychelles),  
**Chairman***



*Mamalefetsane Phakoe  
(Lesotho)  
**General Secretary***



*Flora Maswanganyi  
(South Africa)  
**Vice Chairman***



*Rachel Muyobokey  
(Rwanda)  
**Treasurer***



*Haji Ussi Haji  
(Tanzania)*



*Bheva Hlope  
(Swaziland)*



*Elizabeth Mpofu  
(Zimbabwe)*



*Selemani Niyonkuru  
(Burundi)*



*Kennedy Chipoya  
(Zambia)*



*Henry Jere  
(Malawi)*



*Alfayo Kurunah  
(Kenya)*



*Mario Mungu Acel  
(Uganda)*



*Achille Mbusa Lumalisa  
(DRC)*



*Richard Rabetrano  
(Madagascar)*



*Abel Sainda  
(Mozambique)*



## ESAFF Staff as at 30th June 2015



*Joe Mzinga*  
**Coordinator**



*Irene Ngao*  
**Administrative Officer**



*Jacqueline Jackson*  
**Finance Officer**



*Richard Mambeva –*  
**Advocacy Officer**



*Stella Henry*  
**Accountant**



*Fiona Chipunza*  
**Communication Officer**

## **THE EASTERN AND SOUTHERN AFRICA SMALL SCALE FARMERS' FORUM (ESAFF)**

P.O. Box 1782, Old Dar es Salaam Road, Morogoro, Tanzania.

Tel/Fax: +255-23-2600006 E-mail: [info@esaff.org](mailto:info@esaff.org) Website: [www.esaff.org](http://www.esaff.org)

*This report was produced with the financial support of the European Union.  
The viewpoints in this document do not in any way represent the official viewpoint of the European Union.*

