

IFM

NEWSLETTER

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INSTITUTE OF FINANCE MANAGEMENT

i) NEW YEAR BEST WISHES

Good wishes for new year is a noble tradition of the Newsletter. All our January publications have carried it in good faith and without failure. It is intended to keep and sustain it.

1995 is certainly going to be a very tough year in virturlaly all aspects. For all, it is a year of enhanced economic hardships following the power problems, freezing of aid by some donor countries to Tanzania, increased Government borrowing, raving inflation and sundry. Politically we face the uncertainties and anxities of an election year. Against this advertise macro economic reality some IFM workers will be retrenched. Students will sit for their final examinations. Incentives may have to be reviewed downwards unless Treasury salvages the situation.

The newsletter urges everyone to remain optimistic whatever the odds. File the old addage goes "in every cloud there is a silvers lining." Lets all search for the silver lining. And for an Institute of higher learning we are very familiar with the scientific expression that "necessity is the mother of invention". The newsletter urges us all to seek opportunities in the prevailing circumstances and use them to innovate ways and means for a better tommorow.

God Bless You!!

ii)

COUNCIL MEETING

The 83rd meeting of the Council was held on 17th January, 1995. Apart from the formal business, the meeting delved on reports from the Banking, and Insurance and Social Security Administration Examination Boards as well as the Interim Academic Development Committee.

The Council also dealt with recommendations from the Staff Development and Disciplinary Committee. One decision of the Council arising from recommendation of this Committee is appointment of Mr. P.J. Luoga as Director of Studies.

A major issue deliberated upon by the Council was the Institute's retrenchment initiative. After 4 months of tough negotiations from August, 1994 to December, 1994 through some 16 lengthy and sometimes acrimonious meetings IFM OTTU Branch and management reached agreement on this matter and wrote a draft voluntary agreement. The Council commended management for a job well done. It generally agreed with the OTTU - management deal. It, however, referred the matter to its Executive Committee for further and detailed scrutiny and mandated the same committee to make final decision on its behalf. The newsletter will report on details of the final details of the final decision in its next edition.

iii)

IFM GETS A NEW DIRECTOR OF STUDIES

The post of Director of Studies has been vacant since September, 1994 following the departure of the incumbent, Mr. Kassim Hussein who is on sabbatical leave. This post has now been filled up by a long serving and respected IFM faculty member - Mr. P.J. Luoga.

Mr. Luoga's appointment was done by the Governing Council on 17, January 1995. He will serve IFM for three years. This term can be renewed for a further term of similar period.

In accordance with IFM practice Mr. Luoga had to get sufficient preferential votes from his fellow faculty members. Unopposed as he was, he did get 27 out of 29 votes.

Born in 1954 in Songea Tanzania, Mr. Luoga has two Diplomas from IFM: Diploma in Tax Administration and Postgraduate Diploma in the same area. He also has an M.Sc. (Fiscal Studies) from U.K. He has taught at IFM since 1980 raising from Tutorial Assistant level to Senior Lecturer. Mr. Luoga is an accomplished scholar. He has done a lot of publications, conducted several researches and consultancies and attended many seminars and symposia. Furthermore, he has considerable relevant administrative experience having served as Head of two Academic Departments at IFM.

The newsletter wishes Mr. Luoga the best in his new appointment and prays for his wisdom in discharging the great demands of this lofty office.

FROM THE ACADEMIC DESK- FIRST SEMESTER EXAMINATIONS RESULTS

First semester examinations for Post-Graduate Diploma in Financial Management and Post-Graduate Diploma in Tax Management were conducted from 14th to 23rd November, 1994. The results of these examinations were as follows:

PGDFMa) First Sitting

Total number of candidates	37
Pass	31
Supplementary	5
Fail	1

b) Supplementary Exams.

Total number of candidates	4
Pass	4

c) Special Supplementary Exams.

One candidate will sit for special supplementary examinations sometime before the month of February, 1995.

ii) PGDTMa) Special Sitting

Total Number of candidates	16
Pass	14
Supplementary	2

b) Supplementary Exams.

Total number of candidates	2
Pass	2

MSC PROGRAMME IN PROGRESS

PROGRESS REPORT ON INSTITUTIONAL COLLABORATION BETWEEN IFM & UNIVERSITY OF STRATHCLYDE - MSc FINANCE PROGRAMME

Background:

The financial environment in Tanzania is changing rapidly due to the programme of economic restructuring; liberalization and the privatisation of parastatals. As a consequence, the demands on financial decision and policy makers have also increased dramatically. The domestic (Tanzanian) economy cannot avoid the consequences of a rapidly changing international markets. In addition, financial markets are becoming more complex and it is apparent that more traditional approaches are inadequate. Unfortunately, in Tanzania there exists a significant gap in the training of financial professionals in modern financial analysis.

The collaborative programme will develop the ability of the IFM to offer here in Tanzania, Postgraduate programmes in finance at a level comparable with those offered in the leading universities in Western Europe and North America. This will be achieved by developing a degree based on the very well established and highly rated MSc in Finance degree of the University of Strathclyde, in conjunction with a programme of staff and institutional development at the IFM. Initially the Institute will provide a teaching programme for students enrolled for the Open Learning MSc Finance degree of the University of Strathclyde. The staff of the Institute supported by those of Strathclyde will utilise a comprehensive set of teaching materials developed/provided by Strathclyde for open learning students. Based on the experience gained in teaching the course and a staff development programme the Institute will develop its own MSc, and other advanced courses in finance and banking to supplement its existing courses. This should form a basis for the Institute to evolve as a centre of excellence in postgraduate education in Finance in East

Africa.

The primary and long-term objective of the programme is to develop IFM's ability to provide high quality advanced programmes in Finance that incorporate the latest developments in the field. On this basis it is expected that the Institute will be in a position to meet the growing demand for finance specialists in Tanzania and other countries in the region.

The immediate objective is the provision of a high quality MSc in Finance course that develops techniques and understanding of practical value to participants and their employers.

The aims of the MSc course are the development of:

- a good understanding of financial theory/analysis and its application in practice;
- an appreciation of the nature and operation of financial markets and institutions;
- a good working knowledge of computing and its application in finance, and
- a judgemental skill necessary for financial decision taking and policy formulation.

In the long-term, the objective is to develop a core staff at IFM capable of offering a wide range of high level courses in finance, banking, and the operation of capital markets. It is anticipated that as experience is gained in running the MSc programme the range of courses offered by the Institute will increase. It is also expected that the Institute will make a contribution to the analysis and understanding of the development of financial markets, institutions and policies in Tanzania.

PROGRESS UPDATE

After a somewhat lengthy delay caused by the need to iron-out details of the arrangements to the satisfaction of the European Development Fund, it is confirmed that a contract has now been drawn up. The Institute and the University of Strathclyde are currently examining the details and signatures should be appended over the next few of weeks. Currently nine faculty members of the Institute are in Glasgow undergoing a programme of orientation which will last six weeks. The orientation programme deals with the structure of the course and its overall philosophy, teaching session on those aspects of the course that are likely to be new to IFM staff; an introduction to the use of computing in financial decision taking and analysis; seminars on recent developments in the Finance literature; and an introduction to the teaching materials used on the course as well as visits to financial institutions. We have received very encouraging reports about the enthusiasm shown by IFM staff especially with regard to acquiring essential computing skills and no doubt braving the Scottish winter.

Arrangements are also under way to finalise preparations for the enrolment of IFM's first 25 students on the MSc programme. Although we are not yet sending out official letters of admission Strathclyde has already reached a decision on who the successful candidates are. In view of the need to allow students a little bit of time to make arrangements for sponsorship it is now feasible that the programme should commence in March. This will also take into account the need to have the full staff compliment at the Institute.

The European Development Fund Officer incharge of the programme visited the Institute in January, 1995 to examine the progress with preparations for launch of the MSc programme and it was timely that the Institute's Personal

Computers were delivered. She seemed assured that adequate preparations are being made by the Institute.

The MSc Finance programme is financed by the European Development Fund.

Charles G. Inyangete, PhD, Professor of Finance at the IFM is seconded from the University of Strathclyde as the Director of this programme.

PROFESSOR INYANGETE'S ACTIVITIES

The Director of MSc Finance Programme, Professor C.G. Inyangete presented a paper on the "Problems of Asset and Liability Management by banks in Tanzania" at the 8th Financial Institutions Conference in Arusha, [5th - 7th Dec. 1994] whose theme was "Recent Developments in Tanzanian Financial Markets". The paper discussed in detail the importance of asset/liability management, explored the fundamental concepts, suggested alternative strategies relevant to the Tanzanian environment, the constraints to effective management of asset/liability by banks in Tanzania and made policy recommendations.

Since his arrival in October, 1994 Professor Inyangete has been an active participant at major conferences in the country which include inter alia being a discussant at the Regional Conference on Venture Capital and Financial Engineering October 1994, and an invited commentator on the Bank of Tanzania Workshop on the Regulation of Securities Business in Tanzania". November, 1994.

His paper on the Development of Capital Markets presented at the African Markets Conference in Nairobi is currently being serialised in the Post. A revised version of this paper was published in Perspectives in African Capital Markets, USA 1994. Professor Inyangete is engaged in diverse research activities and will welcome discussions

with a view to collaborating in publishable quality research and consultancy.

His joint paper with Dr. O. Suleiman [M.U. Pennsylvania] "Can Currency Zones be Effective in Africa? Evidence from the CFA" was presented by the co-author at the ASSA/African Finance and Economics Association Annual Conference at Washington DC, USA in January 1995.

Professor Inyangete is the co-author with Dr. K. Menyah [London Guild-Hall] and Dr. K. Pandyal [Glasgow Caledonia] of a paper "Subscriber Return, Underpricing and Long-Term Performance of U.K Privatisation Initial Public Offers", accepted for presentation at the April 1995 American Eastern Finance Association Conference in South Carolina from over 300 papers submitted and reviewed by the programme committee.

MADOFFE IN NAIROBI

The Director of Personnel and Administration Mr. H. Madoffe was in Nairobi from 26/11/94 - 6/12/94 to attend the African Association for Public Administration and Management (AAPAN) Round Table Conference. He was part of the Tanzanian delegation under the leadership of the Principal Secretary to the office of the Prime Minister and First Vice President, Mr. William Shellukindo.

The theme of the conference was "Mobilization and Utilization of Resources for Effective Performance in the Public Sector."

MMBAGA IS BACK FROM INDIA

Mr. Julius Mmbaga an Accounts Assistant and Bookshop Manager left for India on 20th October, 1994 for a short course on Information Management approach in Finance.

The course was conducted from 24th October to 16th December, 1994, in Pune. Mr. Mmbaga had the opportunity to

study the followings:-

- (1) (IT) Information Technology & (MIS) Management Information Science.
- (2) Computer Applications i.e.
 - Word Processing
 - Lotus
 - D-Bbase etc.
- (3) Bank management on co-operative Banking
- (4) Stress management

PROF. RUGAIKA IS BACK FROM INDIA

Prof. W.K. Rugaika has returned from India where he stayed for seven weeks starting from early November, 1994. He spent the first four weeks at the National Insurance Academy (NIA), Pune and the rest of his stay in India at the Life Insurance Corporation (LIC), Central Office in Bombay.

At NIA, Prof. Rugaika attended an International course in General Insurance. The course was attended by twenty two participants drawn from fourteen countries. Prof. Rugaika says that what he found to be most interesting was not so much of the diversity of nationalities represented there, but the comonality of the goals of participants and the sharing of knowledge and information about insurance markets in various countries among participants.

While at LIC, Prof. Rugaika held discussions with officials in the new products, central underwriting, marketing, valuation and policyholder servicing sections.

Prof. Rugaika's trip to India was financed by the World Bank under the FILMUP Project.

CHARLES MABULA IN NAIROBI FOR TREATMENT

Charles Mabula a faculty member of the Institute was admitted at Agakhan Hospital on 27 November 1994 suffering from severe back pains, unable to sit, stand or turn in bed.

His main complaint was the backache and he was advised by the orthopaedic surgeon to go for mylography.

He has been referred to Agakhan Hospital Nairobi for further tests in order to find out exactly the disease he is suffering from. The cost of hospitalization is about US \$ 3,300 (local 1,800,000/=). (This does not include the air ticket to Nairobi & back for 2 persons).

A total of Shs. 3 million, being contributions from of the Institute, IFMASA and IFM Community, was raised and handled to Charles Mabula.

The latest information from Nairobi is that doctors have discovered Mabula's problem and that it is curable.

WEDDING BELLS

The IFM Newsletter is taking this opportunity to congratulate the following Faculty members for their weddings which took place during the period between November, 1994 and December, 1994:

- 1) Mr. Bakar R. Bakar, a Lecturer and Deputy Programme Co-ordinator of the Accountancy programme took the oath of marriage to former Lulu O. Malima on 20th November, 1994.
- 2) Mr. Shem Gamba, a lecturer in the Banking Department, also took oath of marriage and of being faithful to former Ndilly Khitalima on 25th December, 1994.

The IFM Newsletter wishes, them happy married life.

NEWS FROM THE LIBRARY

5TH NATIONAL BOOK WEEK FESTIVAL IN DAR ES SALAAM 28TH NOVEMBER - 4TH DECEMBER, 1994

The publishers Association of Tanzania is now seven years old. It was established on 18th August, 1987. It has since then organised five book week festival with the aim of promoting and developing book industry in the country.

This year, the Institute of Finance Management (IFM) was among the many publishers, book sellers and other institutions from within and without the country which participated on 5th National book week festival held at Arnautoglou Hall from 28th November to 4th December, 1994. The Institute of Finance Management was invited to the festival by the Publishers Association of Tanzania.

Although the invitation was late through much efforts of the Principal IFM Dr. R.M. Kavura, managed to make our participation a reality.

- The festival was attended by many exhibitors from all over the country and a good number of foreign exhibitors; the most popular being the Longman Kenya; Longman Uganda, Oxford University Press, Library of Congress Kenya, British Council - Tanzania to mention just a few.

In our booth we exhibited the following publications:

- 1) **IFM Journal of Finance & Management (JFM)**
- 2) **IFM Research Papers**
- 3) **Inflation in Tanzania: (Causes, Effects & Control by Kami S.P. Rwegasira & Lonis A. Kanmeworff.**
- 4) **Group Insured Pension Schemes by J.P. Mwandu**
- 5) **Imposition, Collection and Administration of Sales Tax in Tanzania by Luoga P.J & Shekidele, (Ms)**
- 6) **Students Manual on Income Taxation by Luoga P.J.**

- 7) Short Courses Prospectus
- 8) World Bank Publications.

The above publication attracted a good number of visitors most of them being potential users and buyers of the our publications.

Due to the fact that the IFM and the University of Dar es Salaam were the only Institutions of higher learning participating in these exhibitions many academicians visited our booth. Prominent people like ministers, Principal Secretaries and others showed interest in our publications and congratulated us for our participation and urged us to keep it up.

Other publishers advised us to improve and publish the manuals written by our academician in order to promote their writing skills as well as to protect their intellectual right by having the copyright of these materials. Also they said that since there is an acute shortage of reading materials for the subjects of Tax Administration, Insurance, etc. the up grading of manuals to books would be a big step toward reducing this problem in the country.

The main objectives behind our participation for this exhibition were:

- To promote publishing Industry in Tanzania
- To promote the Institute title and its Image
- To promote intellectual works of staff
- Marketing of the IFM Journal
- To exchange Information with other book publishers
- To make direct sales of some of our publications like IFM Journals and the manuals.

NEWS FROM THE LIBRARYTHE NEWSPAPER CUTTINGS

- The IFM Library has organised the processing of the newspaper cuttings of the events, appearing in various newspapers. We normally cut the information about Institutions of higher learning e.g. IFM, UDSM etc; Ministries, Governmental and non-Governmental Organisation etc. The information itself include the advertisements, occassions, and any other information written about these institutions.

The purpose of these clippings is to provide the relevant information to researchers, academicians (lectures and students); documentationists and any other person.

Advantages of newspaper cuttings to the IFM Community include:

- To make easy accessibility to the right information about IFM or any other organisation.
- To make selective dissemination of Information and Current awareness services.
- To save the time for the users who need to search any information about IFM etc.

REVENUE COLLECTED

Due to the need for information on different subjects people visit libraries.

IFM Library is among the libraries visited by these people who are in need of information on various subjects at this Institute.

Since information like any other commodity has to be paid for, the library introduced associate membership fee which is Shs. 1,000/= per annum.

During the period November, 1994 - January 1995 the library collected Shs. 5,520/= through associate Membership fee and fines for delaying books as well as loss of borrowing tickets.

DEATH ANNOUNCEMENT

1. A.R. Kasigwa, ADA III student passed away at Bukoba on November, 27th 1994.

